

CITY OF ARCADIA, CALIFORNIA
**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**
FISCAL YEAR ENDED JUNE 30, 2024

**CITY OF ARCADIA
ARCADIA, CALIFORNIA**

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Prepared by:

ADMINISTRATIVE SERVICES DEPARTMENT

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Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2024

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March 24, 2025

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

The Annual Comprehensive Financial Report (ACFR) of the City of Arcadia for the fiscal year ended June 30, 2024, is hereby submitted as mandated by applicable statutes. These statutes require that the City of Arcadia annually issue a report on its financial position and activity, and that an independent firm of certified public accountants audit this report. Responsibilities for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rest with the City's management. The information in this report is intended to present the reader with a comprehensive view of the City's financial position and the results of its operations for the fiscal year ending June 30, 2024, along with additional disclosures and financial information designed to enable the reader to gain an understanding of the City's financial activities.

Moss, Levy & Hartzheim LLP, Certified Public Accountants, have issued an unmodified opinion on the City of Arcadia financial statements for the fiscal year ended June 30, 2024. The independent auditor concluded, based upon the audit that the City of Arcadia's financial statements for the fiscal year ended June 30, 2024, are fairly presented in conformity with accounting principles generally accepted in the United States of America. The auditor's report is presented as the first component of the financial section of this report. Generally Accepted Accounting Principles (GAAP) in the United States of America also require that management provide a narrative introduction, overview, and analysis of the basic financial statements in the form of Management's discussion and analysis (MD&A). This information can be found following the independent auditor's report.

PROFILE OF THE GOVERNMENT

The City of Arcadia, incorporated in 1903, is located approximately 20 miles northeast of downtown Los Angeles in the San Gabriel Valley, at the base of the San Gabriel Mountains. It is the site of the Santa Anita Park Racetrack and home to the Los Angeles County Arboretum and Botanic Garden. Arcadia is known as the "Community of Homes" with over 56,700 residents. The City is a charter city with council/manager form of government. The City is governed by a City Council of five members elected by District, who selects the City Manager. The City provides a full range of services, including Police and Fire protection, Administrative Services, Public Works, Development Services, Recreation and Community Services, and Library and Museum Services. The City also operates and maintains its own water utility and offers a transit program that provides fixed route and door-to-door transportation services for residents.

LOCAL ECONOMY

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

The City continues to be a welcoming environment for all businesses with our “See Arcadia. Above & Beyond” business friendly mission. A marketing campaign to brand the City’s nimble and dedicated staff, a vibrant local economy, and a business-friendly approach committed to going above and beyond one’s expectations. City highlights include Santa Anita Park, Shops at Santa Anita, a resurgent historic downtown district, access to quality transit options, and world-renowned Asian cuisine. Arcadia’s high quality of life, great schools, and cultural amenities continue to attract new residents, visitors, as well as new businesses due to the friendly zoning code that was adopted in 2016. Since then, the City has continued to directly support small businesses in the aftermath of the pandemic, by leveraging American Rescue Plan Act (ARPA) monies to fund our Small Business Permit Assistance and Small Business Grant Programs, a collective \$1 million dollars to directly benefit our businesses to make improvements and enhancements to their storefronts or overall business operations. The City continues its focus on finding creative solutions for new businesses, providing resources and assistance to existing businesses, and fostering a business-friendly environment throughout the City.

FISCAL YEAR 2023-24 ACTUALS

For the fiscal year ending June 30, 2024, the General Fund Group, including the internal service funds, resulted in an operating surplus of \$13.0 million. Total revenue was \$92.8 million, which increased by \$4.3 million, or 4.9%, in comparison to the prior fiscal year. When comparing actuals to budget, total actuals came in higher than the adopted budget with a variance of \$9.8 million, or 11.8%. The overall increase of actual to budgeted amounts is largely attributed to unexpected increases in tax revenues, use of money and property, and other revenues. Tax revenues were \$2.2 million higher than expected. The largest variances were in utility users and transient occupancy taxes, both of which came in rough about \$900K over budget. High energy costs and hotel occupancy contributed to receipts coming above expectations. The City’s hotel businesses continue to report strong travel demand from both leisure and business customers. Use of money and property were higher than budgeted by about \$2.3 million primarily due to the Federal Reserve cutting interest rates more slowly than we were expecting. This left interest rates higher than we had projected, which earned the city extra interest income. The other revenue category was also higher than budgeted due to higher reimbursement from other funds.

General Fund Group expenditure was \$77.2 million. It is \$2.7 million or 3.6% more compared to the prior fiscal year, but \$4.5 million lower in comparison to the year’s adopted budget. The favorable budget variance could be attributed to the underspending in these two categories: \$2.5 million in personnel costs, and \$2.0 million for operating expenses. Personnel savings were due to higher-than-expected employee vacancies. Key operating budget savings came from vehicle purchases, which were delayed primarily due to continued supply chain constraints. For the departmental budget comparisons, all City departments ended the fiscal year with a positive variance to their adopted budget except for City Council. The negative variance for City Council was due to higher than expected personnel costs.

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

FISCAL YEAR 2024-25 BUDGET

The Fiscal Year 2024-25 Operating Budget considers the uncertain economic environment. In today's economic landscape, cities are navigating a dichotomy of factors. Some indicators, such as the low unemployment rate, show signs of growth; conversely, other factors like inflation and rising interest rates could lead to economic slowdowns. Arcadia will remain vigilant, proactive, and adaptable in its financial planning to mitigate risks as they arise. While the City is not anticipating a recession, some of Arcadia’s revenue sources have slightly softened and may experience modest or little growth in the next fiscal year.

This year’s budget process included two Budget Study Sessions with the City Council on May 7 and 21, 2024. Inclusive in the draft Budget were all operating funds, including General, Special Revenue, and Enterprise funds as well as the Successor Agency. Additionally, the City Council received the Capital Improvement and Equipment Replacement Fund budgets separately. All funds total \$173.3 million in expenditures, of which the General Fund’s budget is \$96.7 million, including transfers.

The proposed FY 2024-25 General Fund Operating Budget outlines Total Operating Revenues of \$98.8 million and Expenditures of \$96.7 million, resulting in a projected surplus of \$2.1 million. After accounting for Fund Transfers In and Out, the projected Fund Balance of the Operating General Fund is \$27.2 million.

In accordance with the City's financial policies, which recommend maintaining a 20% balance in the Emergency Reserve Fund relative to annual operating expenditures, transfers of \$0.5 million and \$3.5 million are proposed to be made to the Emergency Reserve Fund at the conclusion of FY 2023-24 and FY 2024-25, respectively. As a result, the General Fund Operating Fund Balance is projected to reach \$23.2 million by the end of FY 2024-25, providing the necessary reserve to sustain operations throughout the Fiscal Year.

Considering these factors, the FY 2024-25 Budget takes a cautious approach, factoring in modest growth while maintaining the flexibility to pivot if the economic landscape differs materially from expectations. The City aims to navigate the economic landscape responsibly, ensuring the provision of high-quality services to residents while considering all possible economic outcomes.

GENERAL FUND BUDGET

	FY 23-24 Estimated	FY 24-25 Budget	FY 25-26 Budget
Beginning Fund Balance	\$ 17,176,500	\$ 25,026,600	\$ 27,186,100
Estimated Revenues	\$ 86,724,000	\$ 88,428,800	\$ 91,023,100
Transfers In	6,557,100	10,445,600	6,809,900
Expenses & Uses	(78,631,000)	(89,914,900)	(90,497,400)
Revenue over Expenses	\$ 14,650,100	\$ 8,959,500	\$ 7,335,600
Transfer to Equipment Replacement Fund	(3,400,000)	(3,400,000)	(3,400,000)
Transfer to Capital Improvement Fund	(3,400,000)	(3,400,000)	(3,400,000)
Total Transfer Out	(6,800,000)	(6,800,000)	(6,800,000)
Subtotal Operating Balance	7,850,100	2,159,500	535,600
Ending Fund Balance	\$ 25,026,600	\$ 27,186,100	\$ 27,721,700

General Fund Operating Budget

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

GENERAL FUND SUMMARY

	FY24-25 Budget
Beginning Fund Balance	\$ 25,026,600
Estimated Revenues	88,428,800
Transfers In	10,445,600
Expenses & Uses	(87,457,100)
New Programs	(1,433,600)
Revenue over Expenses	\$ 9,983,700
Transfer to Equipment Replacement	(3,400,000)
Transfer to Capital Improvement Fund	(3,400,000)
Transfer to Local Law Enforcement Prgm	(165,000)
Transfer to Lighting Assessment District	(859,200)
Total Transfer Out	(7,824,200)
Subtotal Operating Balance	2,159,500
Ending Fund Balance	\$ 27,186,100

This year, \$6.4 million has been budgeted for transfer into the Capital Improvement and Equipment Replacement Funds, with each fund receiving \$3.4 million. This amount equates to approximately the 10-year average spend in each account. Last year, the City increased the transfer amount in response to sharp price increases caused by inflation, higher material and production costs, and increased replacement needs for aging infrastructure and equipment. In this proposed budget, it is recommended to maintain the annual transfer amounts of \$3.4 million for each fund.

The Capital Improvement Fund plays a vital role in funding crucial maintenance projects, including pavement rehabilitation, building repairs, and parks maintenance. In the upcoming Fiscal Year, several key projects are budgeted within the Capital Improvement Fund, such as Citywide access and security, facility improvements at Fire Station 105, and a new cooling tower at the Library. Due to increasing water quality standards, the City is spending significantly more to build new treatment capacity at the Peck Well as well as undertaking a joint project with the City of Sierra Madre for a new well at the Public Works Services Yard. The proposed projects budgeted in the Capital Improvement Fund total \$7.7 million. The combined capital projects across all funds have been budgeted at \$37.8 million.

The Equipment Replacement Fund helps replace equipment that has reached the end of its useful life like computers, vehicles, and major office equipment. The proposed total cost of asset replacement through the Equipment Replacement Fund is \$7.7 million. Notably, significant purchases for FY 2024-25 are planned, including \$3.1 million for a new Ladder Truck in the Fire Department, \$1.5 million for replacement vehicles in the Street Division, \$504,500 for Police vehicle replacements, and \$293,200 for vehicles in the Water Division.

New programs proposed for the City's overall Operating Budget demonstrate Arcadia's commitment to being responsive to community needs. All new programs proposed for the City's General Fund Operating Budget this year total \$1,433,600 and represent vital investments in all areas of the community, specifically focusing on improved service delivery to meet increasing demands and modernization of operations.

In alignment with the City's pension strategy, the proposed FY 2024-25 Budget allocates funds for addressing long-term liabilities, specifically the Unfunded Accrued Liabilities ("UAL") of CalPERS. To this end, \$2.0 million has been designated to transfer to the City's Section 115 Pension Trust account, which serves as a financial tool to help address future pension-related costs, especially in times of economic constriction.

DISCUSSION

The FY 2024-25 Budget takes a conservative approach, while maintaining a slightly optimistic outlook. Revenue streams such as Sales Tax, Property Tax, and Business License Fees are expected to grow at a slower rate than previous years; however, Transient Occupancy Taxes are projected to show healthy growth. One crucial factor in the revenue trajectory is the performance of Measure A, a 0.75% Transaction and Use Tax (Sales Tax), approved by Arcadia voters in June 2019. This revenue stream has played a critical role in supporting the City's budget over the last few fiscal years. Measure A contributed approximately \$11.4 million to Arcadia's General Fund revenues in FY 2023-24 alone. Without this voter-approved measure, the City would have faced the challenge of implementing service cuts or exploring alternative methods to achieve an annual balanced budget.

Summarized in the table below is the General Fund Operating Budget for FY 2023-24 Year-End Estimates; FY 2024-25 Proposed Budget for Adoption; and the FY 2025-26 Preliminary Budget Outlook. The table below shows the General Fund Operating Ending Fund Balance is projected to reach \$27.2 million by the end of FY 2024-25. This increase is due to a projected surplus of \$2.2 million.

GENERAL FUND

	FY 23-24 Estimated	FY 24-25 Budget	FY 25-26 Budget
Beginning Fund Balance	\$ 17,176,500	\$ 25,026,600	\$ 27,186,100
Estimated Revenues	\$ 86,724,000	\$ 88,428,800	\$ 91,023,100
Transfers In	6,557,100	10,445,600	6,809,900
Expenses & Uses	<u>(78,631,000)</u>	<u>(89,914,900)</u>	<u>(90,497,400)</u>
Revenue over Expenses	\$ 14,650,100	\$ 8,959,500	\$ 7,335,600
Transfer to Equipment Replacement Fund	(3,400,000)	(3,400,000)	(3,400,000)
Transfer to Capital Improvement Fund	<u>(3,400,000)</u>	<u>(3,400,000)</u>	<u>(3,400,000)</u>
Total Transfer Out	<u>(6,800,000)</u>	<u>(6,800,000)</u>	<u>(6,800,000)</u>
Subtotal Operating Balance	7,850,100	2,159,500	535,600
Ending Fund Balance	\$ 25,026,600	\$ 27,186,100	\$ 27,721,700

FY 2024-25 Expected Revenues

For FY 2024-25, total General Fund revenues are expected to increase 1.97% when compared to FY 2023-24 Year-End Estimates. The largest revenue source to the City's General Fund is Taxes and Fees. The key revenues under these two groups are: Sales & Use Tax, Property Tax, Utility Users' Tax, Transient Occupancy Tax, and Motor Vehicle License Fees. The projected receipts for each tax are shown in the tables below:

GENERAL FUND REVENUES

	FY 23-24 Estimates	FY 24-25 Budget	Changes	
			\$	%
Taxes	\$ 60,783,400	\$ 61,589,100	\$ 805,700	1.33%
License & Permits	5,943,300	5,969,900	26,600	0.45%
Fines & Penalties	510,900	500,900	(10,000)	-1.96%
Use Money & Property	2,050,000	2,380,000	330,000	16.10%
Revenue from Other Agencies	9,130,500	9,307,800	177,300	1.94%
Charge Current Services	4,333,800	4,721,300	387,500	8.94%
Library	112,000	112,000	0	0.00%
Recreation	1,558,300	1,468,900	(89,400)	-5.74%
Other Revenue	2,301,800	2,378,900	77,100	3.35%
Total Revenue	\$ 86,724,000	\$ 88,428,800	\$ 1,704,800	1.97%

GENERAL FUND TAX REVENUE SUMMARY

Description	FY 2023-24 YE Estimates	FY 2024-25 Proposed Budget	Difference	% Change
Sales and Use Tax	\$ 24,173,000	\$ 24,228,700	\$ 55,700	0.23%
Property Tax	19,280,700	19,851,100	570,400	2.96%
Utility Users' Tax	9,298,200	9,190,300	(107,900)	-1.16%
Transient Occupancy Tax	5,587,400	5,894,400	307,000	5.49%
Motor Vehicle License Fees	9,052,000	9,232,800	180,800	2.00%

Sales and Transaction Use Tax: For Sales and Transaction Use Tax, the total estimates for the upcoming Fiscal Year are \$24.2 million, reflecting a 0.23% increase compared to the previous year's revenues. Recent data indicates that sales tax growth has slowed significantly in the current economic environment, so it is projected to remain flat in FY 2024-25.

Property Tax: Arcadia's status as a desirable community coupled with its highly regarded public school district contributes to the expected growth in home valuation over the next year. However, due to the continuation of high interest rates, home sales in California have slowed significantly, especially at the upper end of the marketplace. Even though sales rates have decreased overall, strong demand has helped us to maintain price levels in Arcadia. These factors will help the City maintain some growth in Property Tax revenue, albeit lower than what the City has experienced in recent years. Conservative revenue projections are planned for FY 2024-25, with growth in Property Tax receipts estimated at approximately 3.0% for FY 2024-25.

Utility Users' Tax: The projected revenue from the Utility Users' Tax (UUT) is \$9.2 million, representing a 1.2% decrease compared to the Year-Ending Estimate for FY 2023-24. This revenue stream experienced strong growth in the prior fiscal year due to increased energy prices overall; however, this trend is not expected to continue. The Utility Users' Tax is expected to remain flat next fiscal year with some minor growth in electricity costs, offset by decreases in natural gas pricing.

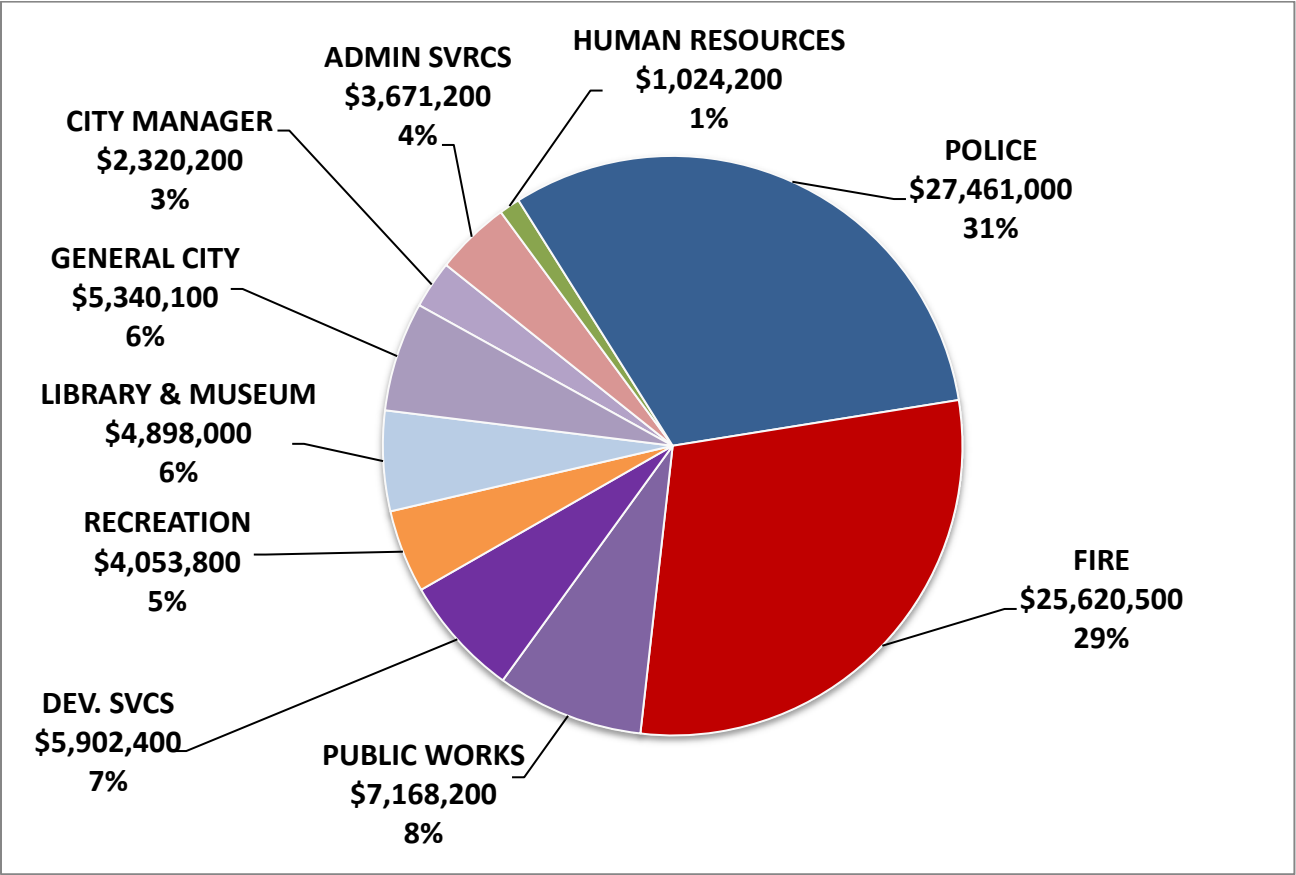
Transient Occupancy Tax ("TOT"): The TOT revenue projection for FY 2024-25 represents a 5.5% increase compared to the previous year, resulting in expected revenue of \$5.9 million. This is an area that has shown very strong growth for Arcadia and the demand for travel is expected to continue to increase in the next fiscal year. It should be noted, however, that a proposed ballot measure for November 2024 – known as the Taxpayer Protection and Government Accountability Act – could retroactively invalidate the 2% increase in TOT approved by Arcadia voters in 2022. If

approved, this revenue area could decrease significantly until an updated measure meeting the updated criteria could be submitted to the voters for consideration and approval.

Motor Vehicle License Fees (“VLF”): The Motor Vehicle License Fees ("VLF") tax is projected to increase by 2%, generating \$9.2 million in revenue next Fiscal Year. Since the change to directly tie the City’s VLF to the annual property assessment, the growth rate has proven to be healthy in Arcadia. This growth trend is expected to continue into the next fiscal year.

FY 2024-25 Proposed Expenses

GENERAL FUND EXPENDITURES BY DEPARTMENT



The proposed FY 2024-25 Operating Budget sets total operating expenditure at \$87.5 million, representing an 8% increase compared to the previous year's Revised Budget of \$80.4 million. Much of this increase can be attributed to greater investment in the City’s capital infrastructure and the continued modernization of City equipment. It is important to highlight that the FY 2024-25 Operating Budget remains largely unchanged apart from contractual increases from multi-year service agreements, and the expected increases in salary and benefits.

Furthermore, the budget allocates increased "prefunding" of long-term benefit accounts, including the City's Retiree Medical Benefit (Other Post Employee Benefit liabilities) and the contribution to the City’s Pension Trust Account. These two-line items amount to \$4.1 million, representing an increase of approximately \$0.2 million compared to the previous year.

New Programs Proposed

New programs and expenditures are presented from various departments to respond to emerging operational needs as well as to respond to direction received from the City Council. New programs proposed for the FY 2024-25 Budget total \$1,433,600 and are described in the following sections.

City Manager Office: Website Redesign (\$60,000): The City's website was last redesigned in 2019 and lacks some key features of a modern website. A redesign will provide the City with a customer-centric website that will modernize, reorganize, and improve the website by upgrading the content management system, website accessibility, and translation services. Additionally, it will implement an intuitive community events calendar, general customer service enhancements, and an optimized search function.

Administrative Services Department: Accounting Supervisor (\$176,500): The Accounting Supervisor position is being reinstated to oversee the general accounting functions of the City. This position will help direct Arcadia's finance and accounting functions and provide a necessary layer of review and supervision. With the expected implementation of the new Enterprise Resource Planning (ERP) system, there will be opportunities to modify and update the City's operating procedures. This position will assist in evaluating current processes and making suggestions for improvement. This new position will also allow for increased opportunities for staff rotation, responsibilities, and upward mobility within the organization.

Human Resources Department: Human Resources Manager (\$173,700): The Human Resources Manager would oversee employee recruitment and selection to provide much-needed support in the overall operation of this area of programming. This position would assist with overall Human Resources staff oversight, day-to-day workflow, legal compliance, review and approval of insurance requirements to ensure efficient processing of all contracts, and backfilling for the Human Resources Director in their absence. The proposed Human Resources Manager will be critical in executing the Department's vision to be proactive rather than reactive, establishing true partnerships with each City Department, and implementing effective long-range project planning in the areas of succession, retention, recruitment, culture, and modernization.

Human Resources Department: Fair Labor Standards Act (FLSA) Audit (\$125,000): The City last completed an FLSA audit approximately 13 years ago. The new FLSA audit would review practices through the lens of updated laws by examining all previous recommendations. The new audit would also focus on an in-depth review of individual and/or classification-wide FLSA work cycles, exempt and non-exempt designations for all classifications across the City, leave bank deductions for exempt and non-exempt employees, and other areas as-needed.

Police Department: Mobile Surveillance Units (\$91,800): Mobile surveillance technology enhances safety on property and the surrounding area by utilizing cloud-based software to provide real-time insights from any web-enabled device. Mobile surveillance units act as a force multiplier and will aid personnel in monitoring and gathering information across different locations efficiently. By strategically deploying these units, organizations can enhance their surveillance capabilities and improve their situational awareness. This proactive approach not only helps maintain security but also allows for timely responses to any potential threats or incidents. The mobile surveillance units serve as valuable tools in keeping a watchful eye on critical areas, ensuring a safer environment for all.

Police Department: Cellphone and Digital Evidence (\$85,000): This program will equip sworn personnel with iPhones and evidence.com, a digital evidence management system. Cellphones will provide a more secure chain of custody for digital evidence, mitigate risk of personal device use by officers, and offer seamless integration with the LA County District Attorney for evidence submission.

Police Department: Scheduling Software (\$20,500): The department is looking to implement new scheduling software to meet daily personnel scheduling needs and incorporate crucial functionalities such as mandatory staffing and overtime scheduling.

Fire Department: Special Weapons and Tactics (SWAT) Paramedic (\$15,000): Tactical medicine is a practice where emergency medical services are provided during critical or high-risk law enforcement incidents. Historical accounts and after-action reviews have shown that the application of tactical medicine or injury management is most beneficial at the time of the incident versus a later period, which could delay on-scene, life-saving efforts. The Arcadia Fire Department (AFD) and the Arcadia Police Department (APD) have both agreed to support and implement tactical medicine services through the implementation of the SWAT Paramedics Program. The Program will be staffed by AFD and then managed by APD when assigned during an incident. After AFD members meet all the required training requirements, they will be fully integrated into the SWAT Team and could be deployed for medical response by either

APD or AFD Command Staff. AFD's goal is to train and equip six (6) SWAT Paramedics over the next two fiscal years.

Fire Department: New Management Analyst (\$152,400): Due to increasing regulatory compliance standards on fire grants and reimbursement programs, current staffing levels are insufficient. The department needs additional staffing to ensure that potential funding opportunities are being pursued, secured, and reported properly. This new position is expected to be at least partially offset by increased funding success and will also assist with other administrative support functions and public outreach in support of the Fire Department.

Development Services: EnerGov Business License Module (\$101,000): In FY 2023-24, the City instituted an eReview plan-check process and Business License Module with EnerGov as part of an overall transition to online permitting. The Business License system is the last module to be upgraded into EnerGov. EnerGov has made adequate advances that match or exceed the City's current HdL software. This transition will help streamline the review process department-wide by having all the systems on the same platform.

Development Services: Graphical Information System (GIS) Analyst (\$126,000): With the growing reliance on GIS and its integration with the EnerGov permit tracking system, there is a need for dedicated support and oversight. To address this, a new contracted GIS Analyst position is being proposed as part of the City's IT contract. The GIS Analyst would be responsible for providing comprehensive support for both the existing Citywide GIS and EnerGov permit tracking systems. Key responsibilities would include regular updates and maintenance of the GIS and EnerGov systems to ensure data accuracy, integrity, and reliability. Additionally, this role would assist various departments with their GIS and EnerGov needs, providing technical support and troubleshooting when the GIS or EnerGov systems encounter issues, promptly resolving any disruptions to operations. This contracted position would collaborate with L.A. County and Tyler Technologies on maintenance and advancement of each product and the increased costs would be funded through the City's Technology Fee.

Development Services: Graphical Information System (GIS) Upgrade and Migration of Data (\$85,000): The City's GIS needs to be upgraded from its current version, Geocortex Essentials, to VertiGIS Studio web, since the existing version will be decommissioned on June 30, 2024. Without technical support, the City will experience regular disruptions to an important mapping system that is used daily by staff and the public. The most affordable option for continued GIS datasets is to use L.A. County's portal and run the new VertiGIS Studio Web from a new on-premises server. The proposed cost would cover the migration, configuration, and development of the upgrade, including the custom reports, templates, workflows, and new servers. The new costs would be funded through the City's Technology Fee.

Recreation & Community Services: New Recreation Supervisor (Homelessness and Health Services) (\$112,800): The Recreation & Community Services Department is the lead Department tasked with addressing homelessness in the City. This position would serve as the lead for managing all homelessness duties in Arcadia, including reports, grants, stakeholder meetings, homeless plan updates, reports, symposiums, case management, and other needs as they arise. In addition, this position would help with the City's Health Committee, organizing monthly health seminars and the Community Health Fair, as well as overseeing the City's general health and wellness referral programs and classes.

Recreation & Community Services: Coed Summer Youth Basketball League (\$9,700): Youth basketball is a very popular program in Arcadia and there is an unmet need for these offerings. This program will add non-competitive learning experiences for youth in grades 3-6 during the summer. The revenue generated by this program will offset any new costs.

Recreation & Community Services: Health Committee (\$22,000): Add a budget for the City's Health Committee to provide refreshments and translation services at their meetings.

Library & Museum Services: Veteran's Banner Program (\$37,200): In response to a City Council request, this would create and display banners for those living veterans in Arcadia along Huntington Dr. and Baldwin Ave. The cost of the banners, including design, creation, brackets, and installation are between \$250 and \$400 per banner. There are approximately 124 known veterans living in Arcadia.

Library & Museum Services: New Library Materials (\$40,00): Print and electronic collections continue to increase in cost and demand. In FY 2022-23, digital collection usage totaled 33,799, and through March in the current fiscal year, digital check-outs have grown to 47,942, an increase of 42%. The Library has been meeting the growing demand for electronic collection by using portions of the print budget to supplement; however, this request would enable the Library to better meet demand for both print and electronic collections. The breakdown of requested funding is as follows: \$11,300 to support the electronic collection; \$10,000 to refresh the Gale eBook Encyclopedias; \$9,500 for children’s materials; and \$13,700 for special print collections such as Test Prep, Career, and Computer collections.

Capital Improvement and Equipment Replacement Funds

In recent years, the City has successfully accumulated funds in the Capital Improvement and Equipment Replacement Funds to save for significant purchases that occur intermittently. The balance of each fund has grown through financial prudence and by transferring any excess funds from the General Fund at the end of each fiscal year. In general, the goal is to transfer at least the 10-year average expenditure from each account from the General Fund. This proactive approach to funding is crucial in preventing failure of the City's infrastructure system and ensuring staff have the necessary tools and equipment to carry out their essential duties. To establish a sustainable fund balance for future purchases and projects, the FY 2024-25 Budget will transfer \$6.8 million from the General Fund, with \$3.4 million allocated to the Capital Improvement Fund and \$3.4 million to the Equipment Replacement Fund.

The FY 2024-25 Capital Improvement Plan entails 40 projects, with a total expenditure of \$37.8 million. Of this amount, \$7.7 million will be funded from the Capital Improvement Fund. The Capital Improvement Fund primarily supports crucial maintenance initiatives such as pavement rehabilitation, building repairs, and parks maintenance. The following table provides a summary of some major proposed projects scheduled for the year.

FY 2024-25 MAJOR CAPITAL IMPROVEMENT PROJECTS

Project Description	Project Budget	Funding Source
Peck Well Treatment	\$8,700,000	Water Fund/ Dow Settlement Fund
Goldring Well and Treatment	\$7,000,000	Water Fund/ City of Sierra Madre
Colorado Complete Streets	\$3,850,000	Federal Grant/ Measure R
Pavement Rehabilitation Program	\$2,800,000	Capital Improvement \$1.6M & RMRA (SB1) - \$1.2M
Sewer Capacity Upgrade	\$2,000,000	Sewer Fund
Annual Slurry Seal Program	\$1,350,000	Capital Improvement Fund
Centennial Way Traffic Project	\$1,200,000	Measure R/Measure M/Transportation Impact Fee

The Equipment Replacement Fund plays a critical role in funding essential equipment such as computers, vehicles, and major office equipment. To ensure the sustainability of the Equipment Replacement Fund, an increased annual transfer of \$3.4 million is now necessary to accommodate rising costs from inflation and demand for new equipment.

In the proposed budget, there are several vehicle replacements planned – specifically, heavy-duty vehicles used by the Public Works Services, Fire, and Police Departments. This year, the Fire Department is replacing their 2010 Pierce Ladder Truck. This specialized vehicle will take an estimated 40 months before the Fire Department receives the new ladder truck. This is just one example of the delays that the City experiences in its ability to acquire new vehicles.

The Equipment Replacement Fund encompasses a comprehensive list of 41 equipment purchases, totaling \$7.7 million. Ninety-two percent (92%) of the \$7.7 million (or \$7.1 million) will be funded by the Equipment Replacement Fund. The table below summarizes some significant equipment purchases for the upcoming period.

FY 2024-25 MAJOR EQUIPMENT REPLACEMENT PURCHASES

Equipment Replacement Description	Replacement Budget	Funding Source
Street Vehicle Replacements:		
<ul style="list-style-type: none"> ▪ New Loader ▪ ¾ Ton Pickup Truck (2) ▪ CNG Street Sweeper ▪ ½ Ton Pickup Truck ▪ Installation of Equipment and Accessories 	\$1,520,800	Equipment Replacement
Water Vehicle Replacements:		
<ul style="list-style-type: none"> ▪ ¾ Ton Stake bed Truck ▪ ¾ Ton Pickup Truck ▪ ½ Ton Pickup Truck ▪ Installation of Equipment and Accessories 	\$293,200	Water Fund
Fire Department:		
<ul style="list-style-type: none"> • New Ladder Truck • ½ Ton Pickup Trucks ▪ Installation of Equipment and Accessories 	\$3,120,100	Equipment Replacement
Police Department:		
<ul style="list-style-type: none"> • 3 New Patrol Vehicles • 1 New Admin SUV • 2 New Detective SUVs • Installation of communications equipment 	\$504,500	Equipment Replacement

ECONOMIC OUTLOOK

The General Fund FY 2024-25 operating budget reflects a cautious outlook following the high inflationary and interest rate environment of the last few years. While the inflationary and interest rate pressure has eased slightly, the economic outlook remains uncertain. The Federal Reserve has indicated that the high interest environment may linger beyond what economists have been projecting. These macro events will have an impact on economic activity and the revenue picture for the City into the next fiscal year.

High interest rates are having an impact on property taxes as real estate transactions slow in response to sustained highs. Sales tax activity in the City is also showing signs of reaching a plateau after two years of tremendous growth. Despite the softening of certain revenue streams, the City has managed its finances responsibly and will be able to maintain the high level of service the community expects. These prudent financial practices will enable the City to have a projected surplus for FY 2024-25, despite a moderate slowdown that could impact revenues.

Even though concerns about a potential recession persist due to inflation, interest rates, consumer spending, and business investments, the potential impact on the economy remains uncertain. It is notoriously difficult to project with any certainty the timing of any economic downturn; however, the City is well prepared to overcome these obstacles by relying on conservative estimates and being responsive to changes in its financial outlook. By being vigilant and flexible, the City will be able to address any challenges and continue to deliver a high level of service to the community.

DEBT ADMINISTRATION

As of June 30, 2024, the City has an outstanding balance of \$3,126,000 for the Series 2021 General Obligation Bonds (Police Station) and \$3,962,000 for the Series 2021 General Obligation Bonds (Measure A). Those 2021 General Obligation Bonds refinanced the outstanding 2011 and 2012 General Obligation Bonds.

On November 12, 2020, the City issues \$90 million dollars of Pension Obligations Bonds to fund contributions towards the City's Unfunded Actuarial Liability (UAL) balance with the California Public Employees Retirement System (CalPERS). A total of \$89.5 million was contributed to ensure the stability and health of the City's retirement funds. These bonds were rated "AAA" by Standards and Poor rating agency. The outstanding balances on these bonds were \$79,485,000 on June 30, 2024.

INTERNAL CONTROL

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

BUDGETARY CONTROL

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

The objective of budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Council. The level of budgetary control (that is, the level at which expenditure cannot legally exceed the appropriated amount) is established at the department level. At the fiscal year-end, all unencumbered operating budget appropriations lapse except for continuing appropriations.

MAJOR ACCOMPLISHMENTS

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

General Government

- Expanded the City's presence within the community and beyond for recruitment purposes, including attending more job fairs, expanding our social media posts, and continuing to enhance recruitment flyers.
- Provided mandatory and compliant training within established timeframes.

- Enhanced the City's Wellness Program to promote workplace wellness and help employees adopt healthy behaviors, including implementing a Wellness Newsletter with incentives to engage in wellness-related activities.
- Continued to engage good-faith interactive processes with employees and applicants.
- Continued to identify areas for improved efficiency in support of all City departments.
- Negotiated and implemented successor Memoranda of Understanding for five Bargaining Groups; three contracts were approved in July 2024, two contracts were approved in September 2024, and a Benefits Resolution was approved in October 2024.
- Implemented legal changes by the applicable operative dates specified in any new pieces of legislation.
- Complete contract negotiations with the City's employee bargaining groups to replace the Memorandums of Understanding, which will expire in June 2024.

Police Services

- Implemented new objectives in the Operations Division to increase efficiency and provide better service for the community.
- Enhanced and established the Department's policies, procedures, and operational strategies to respond to emergencies and monitor recommended steps from local, state, and federal agencies for implementation with the goal of preserving the safety and well-being of the City, staff, and residents.
- Actively participated in the Los Angeles Interagency Metropolitan Police Apprehension Crime Task Force (L.A. IMPACT), a multi-jurisdictional taskforce, to increase proficiency in investigating major crimes related to drug trafficking, gang enforcement, property crimes, and covert operation information development amongst others.
- Maintained participation in the West San Gabriel Valley Mental Evaluation Team (WSGMET), the San Gabriel Valley Council of Government's Care Team Health to address and combat mental health incidents and provide mental health assistance and resources to the community.
- Provided homelessness outreach efforts through the activities of the police department's Homeless Education & Liaison Program (HELP Team), which aims to improve the quality of life in Arcadia by reaching out to the homeless community and providing information, resources, and motivation with the goal of finding an alternative to life on the streets.
- Continued to enhance D.U.I. enforcement through grant funding for checkpoints and special operations.
- Expanded the Automated License Plate Readers (ALPRs) program via a strategic build-out plan to combat criminal activity, enhance productivity, and improve officer safety.
- Established participating in the Taskforce for Regional Auto Theft Prevention (TRAP) Program and dedicate police resources to help deter crime in the City, specifically, Auto Theft.
- Utilized and expanded the social media team to increase interactions and timely sharing of information via various social media platforms with members of the community.
- Implemented a wellness application offered by Sharp Performance to provide wellness services for personnel in the Police Department. The wellness program promotes a balanced lifestyle by encouraging healthy habits and offering a comprehensive suite of resources.

Fire Services

- Hired a new full-time Fire Prevention Specialist within the Fire Prevention Bureau to effectively conduct fire inspections, as residential and commercial inspections continually increase over the years.
- Purchased an all-electric vehicle with charging station resulting from staff expansion within the Fire Prevention Bureau.
- Implemented a new electronic plan review process, in coordination with other City departments. (FPB)
- Extend the Administrative/Training Captain to a full-time capacity as a direct response to several vacancies experienced by the Department, to provide invaluable training both to the Department's probationary members and in-service personnel and other administrative responsibilities to support the Fire Department's command staff on various projects.
- Developed a Physical Wellness Program with a local college for the Department members to maintain high level of job performance.

- Implemented the *Basic Life Support (“BLS”) Peak Hours Ambulance Program*, which entailed hiring a new part-time Ambulance Operators (“AOs”) and purchasing one Type II BLS ambulance which is a smaller, lighter and more economical BLS Type II ambulance that is operated primarily by Ambulance Operators (“AOs”). The BLS Peak Hours Program enables AOs to transport patients requiring only BLS level of care; maximizes the Department’s ability to recover costs generated by medical transport that are sometimes provided by other fire agencies when Arcadia transport units are tied up; and lowers response times for an ambulance requiring an out-of-city resource.
- Purchased a new Type I Road Rescue Ultramedic Type I ambulance to replace the current 2015 rescue ambulance. This new ambulance has a heavier duty chassis to help support additional usage and mileage.
- After the GEMT Cost Reporting Program had sunset, participated as a voluntary funding entity in the state’s PP GEMT IGT Program (or the Public Provider Ground Emergency Medical Transportation Intergovernmental Transfer Program), enabling the City of Arcadia to receive higher cost recovery from the state for all its Medical transports.
- Completed the Centers for Medicare and Medicaid Services’ (CMS) mandatory Medicare Ground Ambulance Data Collection system, as part of the Bipartisan Budget Act of 2018, with data to be used in assessing CMS’ current payment rates and inform future reimbursement rates.
- Initiated the update of the Fire stations’ alerting systems according to industry standards that include digital mapping devices, resource deployment, and unit identifiers. This is a multi-year project.
- Purchased a new Utility Fire Truck for the Fire Department to support daily operations supporting Fire personnel and their safety equipment and to support single-person or team deployments during wildland firefighting or for strike team responses.
- Built, delivered, and placed in service a new engine and command vehicle.
- Upgraded the Self-Contained Breathing Apparatus (SCBA) compressor and updated the respiratory protection policy to remain in compliance with California Department of Occupational Safety and Health Act (Cal/OSHA) and National Institute for Occupational Safety and Health (NIOSH).
- Developed and enhanced the community outreach and engagement projects through different programs such as Fire Explorer Program and Sidewalk CPR training, and partnership with the Arcadia Unified School District programs such as AVID (Advancement Via Individual Determination).
- Built, delivered, and placed in service the grant-funded Polaris side-by-side utility terrain vehicle.
- Applied for congressional appropriation to fund the Joint United States Forest Services (USFS) and Arcadia Fire Joint Training Center.
- Utilized Lexipol, a subscription-based online learning and policy training system, to ensure that Departmental policy updates and best practices are implemented and maintained.
- Replaced and upgraded to battery-powered LED emergency lighting for incident use.

Public Works Services

- Completed the Fiscal Year 2022-23 Annual Slurry Seal Project that addressed approximately 17.9 miles of residential and arterial streets.
- Excavated in the street and right-of-way at the intersection of Duarte Road and Santa Anita Avenue, and removed damaged gate valves, and installed one new 6-inch gate valve, one new 12-inch gate valve, and one new 16-inch gate valve.
- Rehabilitated Orange Grove Well 5.
- Repaired sewer mains on Colorado Street and at the intersection of Foothill Boulevard and Baldwin Avenue and repaired six damaged manholes.
- Continued replanting trees within the City Right of Way utilizing funding from Los Angeles County Flood Control District (LACFCD).
- Rehabilitated Orange Grove Well 2A.
- Entered into a Memorandum of Agreement with the San Gabriel Valley Council of Governments for participation in the San Gabriel Valley Regional Food Recovery Program to meet SB1383 Requirements.
- Replaced the existing 4-inch steel water main with an 8-inch ductile iron water main along the Alley south of La Porte Street between First Avenue and Saint Joseph Street.
- Replaced the existing 8-inch sewer pipe with a 10-inch sewer pipe along Santa Anita Avenue between Live Oak Avenue and Palm Drive

Development Services

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

Recreation and Community Services

- Painted indoor pickleball lines at Dana Gym and started classes.
- Homelessness Forum for all Cities in Los Angeles and Orange County
- Conducted Homeless Stakeholders meetings
- Groundbreaking for Newcastle Park Renovation
- Updated Five Year Homeless Plan and Tiny & Transitional Shelter Report
- Establishment of the Health Committee, Community Health Fair, and Health Education Series.
- New Special Event Supervisor position, as well as several new community events including Moon Festival and Law Day.
- Participated in the SGVCOG Housing Solutions Fund program
- Begin ADA retrofitting at Bonita Park and Hugo Reid Park

Library and Museum Services Development Services

- Continue to build back community visits to the Library by creating safe spaces, providing positive patron experiences, and filling staff vacancies. Gate count increased by 45,216 from the previous year for in-person visitors, questions increased by 15,687, and digital collection usage increased by 22,945. New digital resources were added this year, including Hoopla and OverDrive eBooks and eAudio books. Purchased a security guard workstation desk and chair for the front entrance. The Fire and Security system upgrade has been deferred and will be part of a citywide security upgrade in the next FY.
- Volunteer hours increased by 2,997 and in-person programming and attendance increased by 64 and 2,062, respectively from the previous year.
- Create meaningful connections within the community, its' diverse citizenry, and increase community partnerships in program and service development and delivery to better serve everyone within the community. The English Conversation Class was started up in Sept. 2023, providing a free class to the community. The Library participated in the citywide Moon Festival and Patriotic Festival. The Library served as a voter center in November 2023 and March 2024, encouraging civic engagement.
- Continue to recruit, develop, and retain an innovative, talented, nimble, and diverse workforce to fill vacancies. Recruitments for significant positions, including the Library Services Manager, Adult and Teen Services Principal Librarian, part-time Librarian, and part-time Library Technician took place. In addition, Aide and Passport Clerk recruitment also took place this past year, filling all but seven of the vacancies.
- Facilities' improvement included painting the Passport Office, Tech Services' new Supervisor's office and taking off the 30+ year old tack wall. the Library Chiller was also replaced. An unforeseen and unplanned sewer pipe leak led to some emergency pipe replacement to stop the leak and restoration was needed for sewer water damaged areas in the basement.
- The Library purchased a new 3D printer, replaced 15 public computers, 3 high speed computers, and replaced three early literacy computers. A switch was to be purchased to upgrade the Library to 10Gb, but it was not as the City is not ready to move forward at this time. A weekly volunteer assists with the Memory Lab, helping patrons digitize their private collections.

- Recruited for two significant positions, including the Library Services Manager and Adult and Teen Services Principal Librarian. Filled the part-time Librarian and part-time Library Technician positions. In addition, Aide and Passport Clerk recruitments also took place this past year, filling all but five of the vacancies.
- Staff attended the national American Library Association conference in San Diego. This conference is rarely on the west coast and provided an opportunity for additional training for new staff.
- Continued to provide strong informational, technological, community, and reading literacy programs to continue to help our community be active lifelong learners. (Smart Investing, Sustainable Living, Summer Reading as well as weekly and monthly programs for all ages)
- Provide a robust and diverse collection of books and resources that meet the needs of Arcadia residents as well as a variety of programs and services that attract hard-to-reach populations as well as inspiring life-long learning for all ages. This included adding a new streaming service Hoopla to provide streaming content as well as comic and graphic novel streaming content for the public. In addition, eBooks and eAudio books showed a strong surge in use this past year when new content was purchased. Installation of slanted shelving for the teen graphic novel collection for better access. Smart Squad provided weekly drop-in technology assistance to the public on a variety of technology devices. Major collection assessment was conducted on standing orders, pocket collections, including Career, Test Prep, and eGale resources and weeded for old, outdated materials and updated with new and current resources.
- Purchase Message Bee and implement next FY.
- A grant from the CA State Library was approved for a Family Restroom and the process for an RFP and bidding has been prepared for FY 2023-2024. Even after re-bidding the project, the cost estimates came in close to \$500,000, thus the grant money was returned to CA State Library.
- Museum accomplishments included the purchase of the parabolic audio speakers and the maintenance and treatment of the Thoroughbred Walk of Champions plaques on Huntington Drive. The Peacock Fountain project was deferred to next FY due to cement water damage that needed to be repaired first.
- Prepare for a new Veteran's Military Banner program for next FY.

FUTURE INITIATIVES

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

General Government

- Ensure that all City programs and operations are carried out efficiently, effectively, and in a timely manner.
- Provide managerial and administrative support to the City Council. Coordinate City Council meetings, presentations, and events in the community, dignitary visits and public outreach.
- Serve as a resource for the public in terms of providing responses to public information requests, answering questions, and resolving problems.
- Organize special events, community functions, and meetings that have a citywide interest and/or are hosted by the City Council.
- Act as the City's overall Public Information Office. Direct and execute communication and community outreach efforts for the City; manage the City website, the government access television channel, and the City-controlled aspects of local cable television operators.
- Provide staff support to the City Council, City Clerk, City Manager, and City Attorney.
- Oversee the City's legislative advocacy efforts.
 - Administration of the City's legal affairs, including litigation and claims against the City. Provide confidential legal advice to the City Council, City Manager, and City staff.
- Oversee the preparation of both the City's General Budget and Capital Improvement and Equipment Plan for the following fiscal year.
- With the establishment of a new Human Resources Manager classification, the Human Resources Department will begin implementing a business partnership model with each City Department to engage in proactive human resources and risk management functions.
- Continue to enhance employee Wellness and Engagement

- Review and update Personnel Rules and Regulations.
- Initiate and complete a self-directed FLSA Audit.
- Continue to collaborate with departments on strategic outreach measures that recruit and retain a diverse and well-qualified workforce.
- Provide continued development opportunities for employees, including technology, leadership, risk management, and best practices.
- Provide mandatory and compliant training within established timeframes.
- Work with each Department and bargaining group on updating and simplifying language in the City's Personnel Rules and Regulations.
- Continue to seek and execute new monitoring guidelines to ensure that proper controls and safeguards are in place with respect to departmental spending.
- Complete all financial reporting in a proper and timely manner including the City's audited financial statements and various reports and schedules as mandated by County, State, and Federal agencies.
- Continue to review and evaluate the City's investment practices, including the monitoring of contracted investment management services. Endeavor to meet or exceed targeted rates of return on investments.
- Provide recommendations and guidance on the City's IT-related projects.
- Complete a long-term IT strategic plan
- Continue to provide 24x7 IT service support to users across city departments.
- Continue to initiate training for computer users on cyber-threats.
- Expand backup storage and network reliability throughout the City
- Expanding backup capabilities to ensure the City has redundant backups in place
- Implement MDM software to be able to manage all city mobile devices remotely

Police Services

- Recruit and train all sworn and non-sworn staff within the confines of the FY 2024-25 Budget.
- Utilize the Department's Career Development Program to develop highly trained, highly educated men and women throughout the organization.
- Assess staffing protocols to ensure appropriate staffing levels at the field level to further combat property crimes in Arcadia.
- Implement new objectives in the Operations Division to increase efficiency and provide better service for the community.
- Enhance, and/or establish the Department's policies, procedures, and operational strategies to respond to emergencies and monitor recommended steps from local, state, and federal agencies for implementation with the goal of preserving the safety and well-being of the City, staff, and residents.
- Actively participated in the Los Angeles Interagency Metropolitan Police Apprehension Crime Task Force (L.A. IMPACT), a multi-jurisdictional taskforce, to increase proficiency in investigating major crimes related to drug trafficking, gang enforcement, property crimes, and covert operation information development amongst others.
- Build the Police Cadet Program to full capacity, providing for a greater number of potential police officers for the future, and allowing for diversified learning opportunities within the department.
- Explore the potential for collaborative, regionalized police services for the future.
- Maintain participation in the West San Gabriel Valley Mental Evaluation Team (WSGMET), the San Gabriel Valley Council of Government's Care Team and collaboration with the Los Angeles County Department of Mental Health to address and combat mental health incidents and provide mental health assistance and resources to the community.
- Provide homelessness outreach efforts through the activities of the police department's Homeless Education & Liaison Program (HELP Team), which aims to improve the quality of life in Arcadia by reaching out to the homeless community and providing information, resources, and motivation with the goal of finding an alternative to life on the streets.
- Grow and develop traffic education, engineering, and enforcement efforts. Continue to enhance D.U.I. enforcement through grant funding for checkpoints and special operations.
- Administer the City's False Alarm Reduction Program.

- Support the growth and development of the Crime Analysis Unit to provide data, statistics, crime trends, criminal intelligence, and research support to the Department.
- Continue the growth of the Business Watch Program managed by the Community Affairs Office to help increase safety awareness and enlist the active participation of business owners in cooperation with law enforcement to reduce crime in the community.
- Expand the Automated License Plate Readers (ALPRs) program via a strategic build-out plan to combat criminal activity, enhance productivity, and improve officer safety.
- Expand the Department's use of technology and tools such as the GPS Tracking Device Program to reduce and combat criminal activities in the City.
- With the continued support of the Arcadia Police Foundation, further expand the K-9 Program to support daily law enforcement operations and enhance the effectiveness of patrol duties such as handler protection, searching techniques, human tracking, and narcotics detection; ultimately increasing officer safety, apprehension of suspects, location of missing persons, and safety for the community.
- Support the mission and objectives of the Arcadia Police Foundation to address the complexities of policing in the 21st century. The foundation will continue to promote partnerships between the police department and the public, mobilize community support, and enhance community understanding of law enforcement initiatives.
- Establish participation in the Taskforce for Regional Auto theft Prevention (TRAP) Program and dedicate police resources to help deter crime in the City, specifically, Auto Theft.
- Utilize and expand the social media team to increase interactions and timely sharing of information via various social media platforms with members of the community.

Fire Services

- Continue to support the California state master mutual aid program by providing personnel and apparatus to statewide responses to large scale incidents.
- Train, mentor, and develop new and current staff members for succession planning. Be proactive in hiring and promotional testing processes to maintain staffing levels and minimize constant staffing personnel expenses.
- Research and apply for Federal, State, and private grant opportunities for firefighter training and the procurement of firefighting equipment. Continue to maintain detailed grant records of current and past awards for compliance and to prepare for audits.
- Continue to develop a Wellness Program for the Department members to maintain a high level of job performance.
- As a multi-year project, continue to update the Fire Department's station alerting systems to industry standards.
- Implement a Special Weapons and Tactics (SWAT) Paramedics Program to ensure that emergency medical support is provided by the Arcadia Fire Department's SWAT Paramedics to the Arcadia Police Department during SWAT training and incident deployments.
- Continue to assess the expansion of the BLS Ambulance Operators Program.
- Critical to the ever-increasing fire and EMS state and federal grant and governmental compliance requirements and workflow demands, hiring a new Management Analyst to provide journey-level administrative and programmatic support for the Department.
- Purchase a new Pierce aerial ladder truck, a critical apparatus to the Fire Department's fire suppression operations to provide firefighters with a safe and stable platform in accessing high-rise buildings and other tall structures. Due to post-pandemic supply-chain shortages and a backlog of demand for such a type of apparatus, its design, build, and delivery timeline is expected to be over 3.5 years.
- Purchase a new ½-ton pick-up truck to replace the existing vehicle that has met the Citywide Vehicle Replacement criteria. This vehicle supports the Fire Department's ongoing fire and emergency operations response.
- Purchase a new government I.D. maker for all Fire personnel to replace the existing 15-year equipment that has reached its maximum useful lifespan.
- Initiate the first phase of a two-year project under the Emergency Vehicle Traffic Signal Preemption System Program, which offers vehicle traffic prioritization for emergency service vehicles within the City of Arcadia and can therefore improve response times and delivery of emergency services.
- Remodel and reconfigure Fire Station 105's Administration's side men's bathroom to create more room and maximize its functionality as Fire personnel have grown through the Department's Ambulance Operators (AOs) Program.

- Reaching its five-year life expectancy, replace the rescue rope equipment as part of the department's Fire Suppression Equipment Replacement Program.
- Purchase approximately four (4) powered gurneys and loading systems to replace the existing regular manual gurneys. These new gurneys are more efficient and could provide more support to EMS personnel when lifting and transporting much heavier patients.
- Purchase low-pressure fire hose and nozzles to replace the existing 25-year equipment and this type of apparatus also promotes personnel safety as lowering nozzle pressures decreases the risk of injury and physical demand.
- Purchase new oxygen bottles used by the Department's EMS responders for patients requiring cardiopulmonary resuscitation (CPR) procedure or have difficulty breathing. This will eliminate the Department's need to continually pay for their existing rental fees.
- Purchase Self-contained Breathing Apparatus (SCBA) with a Mine Safety Appliance (MSA) Accountability system feature to improve firefighter safety as it will enable the tracking of firefighters as they operate in immediately dangerous to life and health (IDLH) atmospheres.
- Continue to purchase two (2) battery-powered, positive pressure ventilation fans to Fire stations which are used to remove smoke from buildings.
- Prepare for the adoption of the 2025 California Fire Code.
- Develop a succession plan for the Fire Prevention Bureau.
- In collaboration with the Public Works Services Department, install a new garage door at Fire Station 106 that allows Fire vehicles to access the station, as the existing one has been in constant disrepair.
- Outline the development of a Community Emergency Response Team (CERT) Program including Mandarin language translation.

Public Works Services

- Rehabilitation of Peck Well
- Construct new bleachers and shade canopies at Hugo Reid Park and Bonita Park.
- Drill and equip a new municipal water supply well in the Main San Gabriel Basin to serve as a source of supply for the City's distribution system.
- Design and construct the new CNG Station at the Public Works Yard.
- Design and Construct the Newcastle Park Improvement Project.
- Continuing replanting trees within the City Right of Way utilizing funding from Los Angeles County Flood Control District (LACFCD).
- Complete a feasibility study to identify the most cost-effective treatment/mitigation to place the Chapman Water Facility back on-line.
- Rehabilitate Chapman Facility and construct a treatment system.
- Replace the aged Baldwin Booster Pump D and Motor Control Center.
- Construct a PFAS treatment system at Peck Well
- Remove and replace 24-inch valve at Santa Anita Plant and 16-inch valve at Peck Well
- Replace the existing 8-inch sewer pipe with a 10-inch sewer pipe along Fifth Avenue between Huntington Drive and Duarte Road and replace the existing 10-inch sewer pipe with 12-inch sewer pipe along Santa Anita Avenue between Christina Street and Camino Real Avenue

Development Services

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

Recreation and Community Services

- Complete the Newcastle Park renovation project utilizing funds from the Land and Water Conservation Fund grant
- Work on procuring grants from the San Gabriel Valley Council of Government's Grant for Homelessness.
- Continuing to work on homelessness in the community as directed by the City Council.
- Adding Summer Youth Basketball League
- New Recreation Supervisor over Health and Homelessness

Library and Museum Services Development Services

Library:

- Maintain safe, welcoming, and friendly spaces and provide an engaging mix of services, collections, and programs. Emphasis on staff training on safety, technology, and current and future trends of public libraries.
- Continue to fill vacancies, including the Principal Librarian positions for Adult and Teen Services and Children's Services as well as the Library Services Manager position.
- Continue to develop a strong volunteer and intern program to assist with collections, programs, services, and technology.
- Continue to work on strong marketing, publicity, and social media presence, updating policies and procedures as needed with the City.
- Continue Passport Services as an ongoing, separate, cost-recovery service for the community.
- Maintain and refresh the facility, grounds, and furnishings to ensure an attractive, safe, and inviting environment for people visiting the Library.
- Provide a robust and diverse collection of books and resources that meet the needs of Arcadia residents as well as a variety of programs and services that attract hard-to-reach populations as well as inspiring life-long learning for all ages. Focus on eGale and Reference collection that needs review and update.
- Work with the Friends of the Library to provide a sustainable and containable space for donations within the confines of the Friends designated areas in the basement.
- Continue to update and maintain public technology including replacing 10 seven-year-old public computer with new computers and Windows 11 software as well as 10 monitors.

Museum:

- Provide hands-on experience and opportunities to emerging museum professionals with internships.
- Continue to develop a strong intern and volunteer program to assist with collections, programs, services, and advocacy.
- Continue to provide strong educational programs for all ages that develop a lifelong love of learning about local history and to Continue to bring in repeat and new visitors alike throughout the year. Continue to provide the "why" and "so what" of local history and how it fits in with history nationally and internationally.
- Continue to ethically accession, deaccession, and maintain proper documentation, indexing, storage, and care for the artifact collections following museum management best standards and practices.
- Continue to look for ways to store and share collections in the most compact and accessible configurations to maximize the limited space available.
- Systematically refresh permanent and temporary exhibit spaces and take advantage of technology to offer new interactive and hands-on experiences for the public.
- Continue to bring in repeat and new visitors throughout the year.
- Continue to collaborate with community groups, schools, and individuals to develop temporary exhibits that meet the current interests of the community.
- Continue the Continuum of Excellence towards accreditation by the American Alliance of Museums by working on the required five core documents. Engage in the American Association of State and Local History's StEPs (Standards and Excellence Program for History Organizations) program. This year, the focus will continue to be on collections, interns, volunteers, visitors, and audience.

- Work to update the Museum's Long- Range Plan.
- Continue to develop a strong collaboration with the Friends of the Museum.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Arcadia for its annual comprehensive financial report for the fiscal year ended June 30, 2023. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

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

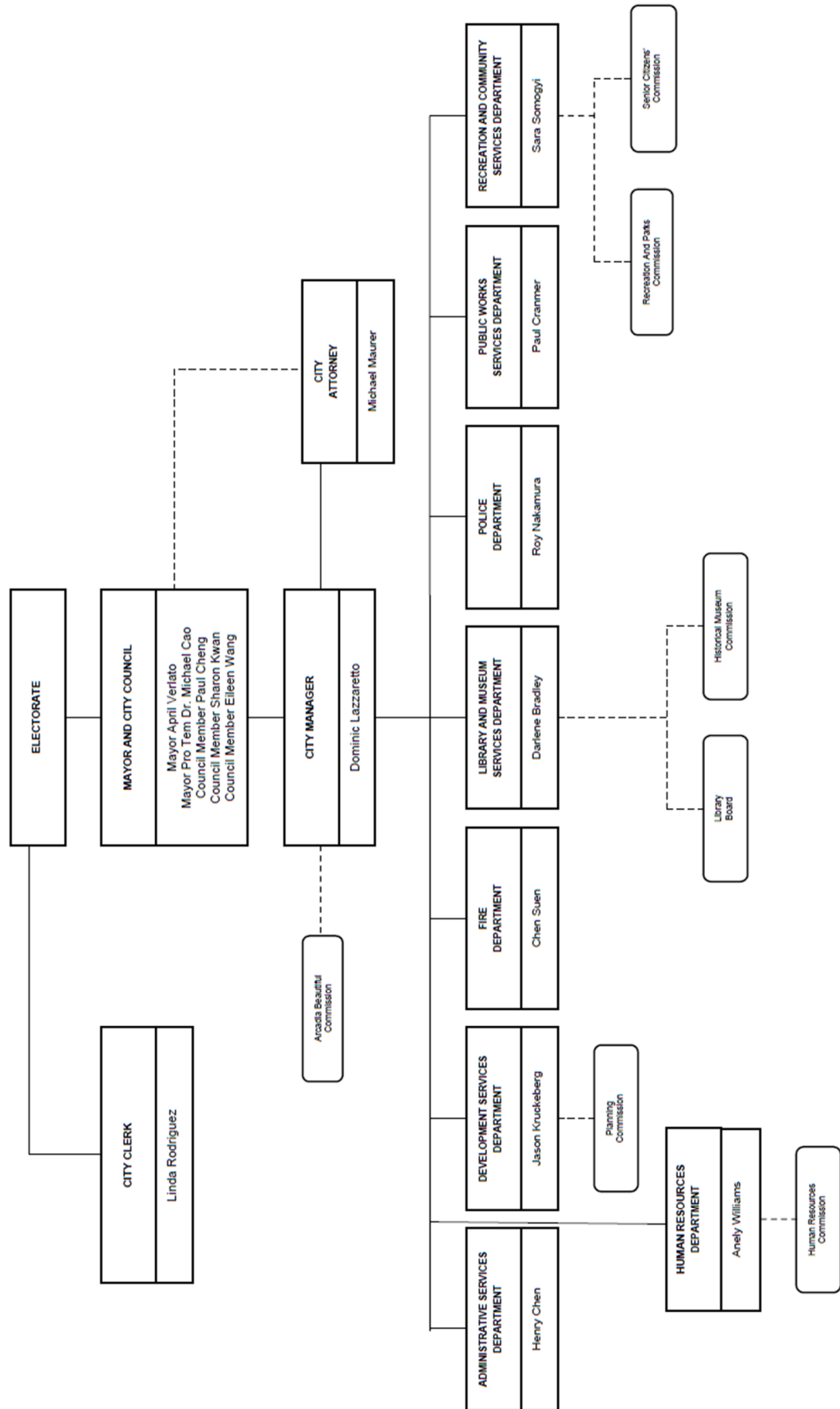
Respectfully submitted,

A handwritten signature in black ink, appearing to read 'H. Chen', is positioned above the printed name.

Henry Chen
Interim Administrative Services Director

City of Arcadia

Organization Chart





CITY OF ARCADIA

Elected Positions and Administration Personnel

June 30, 2024

CITY COUNCIL MEMBERS

		<u>Term Expires</u>
April A Verlato	Mayor	2024
Dr. Michael Cao	Mayor Pro-Tempore	2026
Paul P Cheng	Council Member	2024
Sharon Kwan	Council Member	2026
Eileen Wang	Council Member	2026

ADMINISTRATIVE PERSONNEL CITY OFFICIALS

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



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Arcadia
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morill

Executive Director/CEO



MOSS, LEVY & HARTZHEIM LLP

CERTIFIED PUBLIC ACCOUNTANTS

PARTNERS

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

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FAX: 310.670.1689
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GOVERNMENTAL AUDIT SERVICES

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CULVER CITY, CA 90230
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www.mlhcpas.com

INDEPENDENT AUDITOR'S REPORT

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

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information for the City of Arcadia, California (the "City") as of and for the fiscal year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2024, and the respective changes in financial position, and where applicable, cash flows thereof, for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis, Budgetary Comparison Schedules of the General and Major Special Revenue Funds, Schedule of Changes in the Net Pension Liability and Related Ratios, Schedule of Pension Contributions, Schedule of Changes in Net OPEB Liability and Related Ratios, and Schedule of OPEB Contributions on pages 5 through 26 and 99 through 113 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

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

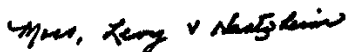
Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 24, 2025, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



Moss, Levy & Hartzheim, LLP
Culver City, California
March 24, 2025

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City of Arcadia

Management's Discussion and Analysis

June 30, 2024

As management of the City of Arcadia (City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities for the fiscal year ended June 30, 2024. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the City's basic financial statements, which are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains Required Supplementary Information (RSI) and other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the City's assets, liabilities, and deferred outflows and inflows of resources, with the net difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned, unused vacation leave).

The *government-wide financial statements* distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general fund, debt service, capital projects, and special revenue funds. The City's business-type activities include water utility, sewer maintenance, golf course, and transit operations.

Fund Financial Statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other states and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds. *Governmental Funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

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

City of Arcadia
Management's Discussion and Analysis
June 30, 2024

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

The City adopts an annual appropriated budget for each of its governmental funds except for budgets except for the IRS Task Force Special Revenue Fund, Santa Anita Grade Separation Special Revenue Fund, Library State Grant Special Revenue Fund, CA OES HSGP Special Revenue, and Emergency Response Special Revenue Fund. A budgetary comparison statement has been provided for each governmental fund to demonstrate compliance with this budget.

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

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

Notes to the basic financial statements. The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found beginning on page 57 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's budgetary comparison schedules for the General Fund and each major special revenue fund and schedules of progress in funding its obligation to provide pensions and other post-employment benefits to its employees. The required supplementary information can be found starting on page 99 of this report. The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information. The combining statements and schedules can be found beginning on page 124 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Governmental Activities

The Statement of Net Position may serve, over time, as a useful indicator of a government's financial position. Total Net Position of the City's Governmental Activities was \$43.4 million for the fiscal year ending June 30, 2024, an improvement of \$19.6 million from last year. The increase in the Net Position was primarily due to a significant increase in tax revenues, favorable investment returns, and less payroll expenditures due to numerous open positions.

The largest portion of the net position is the net investment in capital assets (e.g., land, infrastructure, buildings and equipment, net of accumulated depreciation and related debt) of \$57.3 million. The restricted net position of \$38.2 million represents resources that are subject to external restrictions on how they may be used. The unrestricted net position shows a negative (\$52.1) million. The reason for the large negative unrestricted fund balance is primarily due to the recording of the City's pension liability and OPEB liabilities on the Statement of Net Position. The pension and OPEB liabilities reduced the unrestricted net position to a negative position. However, these are very long-term liabilities that will be paid incrementally for many years to come.

City of Arcadia
Management's Discussion and Analysis
June 30, 2024

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Governmental Activities (Continued)

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

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

City of Arcadia Statement of Net Position
Governmental Activities

Governmental Activities	June 30, 2024	June 30, 2023	\$ Change	% Change
Current and other assets	\$ 144,521,410	\$ 127,479,051	\$ 17,042,359	13.37%
Noncurrent assets	607,798	838,371	(230,573)	0.00%
Capital assets (net of accumulated depreciation)	64,876,675	64,138,932	737,743	1.15%
Total assets	210,005,883	192,456,354	17,549,529	9.12%
Deferred outflows of resources	41,545,235	45,528,035	(3,982,800)	-8.75%
Current liabilities	24,266,311	29,518,774	(5,252,463)	-17.79%
Noncurrent liabilities	178,449,349	176,962,563	1,486,786	0.84%
Total liabilities	202,715,660	206,481,337	(3,765,677)	-1.82%
Deferred inflows of resources	5,403,714	7,651,561	(2,247,847)	-29.38%
Net investment in capital assets	57,289,440	55,695,486	1,593,954	2.86%
Restricted	38,192,837	31,540,862	6,651,975	21.09%
Unrestricted	(52,050,533)	(63,384,857)	11,334,324	-17.88%
Total net position	\$ 43,431,744	\$ 23,851,491	\$ 19,580,253	82.09%

City of Arcadia
Management's Discussion and Analysis
June 30, 2024

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Governmental Activities (Continued)

City of Arcadia Statement of Activities
Governmental Activities

Governmental Activities	June 30, 2024	June 30, 2023	\$ Change	% Change
Program revenues:				
Charges for services	\$ 14,729,177	\$ 11,234,990	\$ 3,494,187	31.10%
Operating contributions and grants	10,892,315	9,298,444	1,593,871	17.14%
Capital contributions and grants	1,673,010	2,214,893	(541,883)	-24.47%
General revenues:				
Sales taxes	24,767,977	25,217,042	(449,065)	-1.78%
Property taxes	22,391,870	21,641,066	750,804	3.47%
Franchise fees	1,302,471	1,227,708	74,763	6.09%
Utilities user taxes	9,291,301	9,637,119	(345,818)	-3.59%
Transient occupancy taxes	5,428,101	4,891,525	536,576	10.97%
Motor vehicle license taxes	9,051,732	8,640,006	411,726	4.77%
Non-regulatory business license taxes	1,345,023	1,312,779	32,244	2.46%
Other taxes	2,131,760	2,037,907	93,853	4.61%
Investment earnings	6,773,771	3,192,593	3,581,178	112.17%
Miscellaneous	4,758,064	7,373,004	(2,614,940)	-35.47%
Total revenues	114,536,572	107,919,076	6,617,496	6.13%
Expenses:				
General government	16,459,095	12,004,055	4,455,040	37.11%
Public safety	50,174,731	41,795,701	8,379,030	20.05%
Public works services	8,141,398	8,844,599	(703,201)	-7.95%
Community development	9,018,973	7,505,977	1,512,996	20.16%
Library	4,587,794	4,423,335	164,459	3.72%
Recreation and community services	4,373,488	3,991,588	381,900	9.57%
Interest on long-term debt	1,992,248	1,994,126	(1,878)	-0.09%
Total expenses	94,747,727	80,559,381	14,188,346	17.61%
Increase (Decrease) in Net Position before Transfers	19,788,845	27,359,695	(7,570,850)	
Transfers	(208,592)	(595,311)	386,719	-64.96%
Increase (Decrease) in net position	19,580,253	26,764,384	(7,184,131)	
Net position – Beginning of fiscal year	23,851,491	(2,912,893)		
Net position – End of fiscal year	\$ 43,431,744	\$ 23,851,491		

City of Arcadia
Management's Discussion and Analysis
June 30, 2024

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Governmental Activities (Continued)

Revenue of Governmental Activities was \$114.5 million for the fiscal year ended June 30, 2024, an increase of \$6.6 million in comparison to the prior fiscal year. Further analysis of each revenue category is as follows:

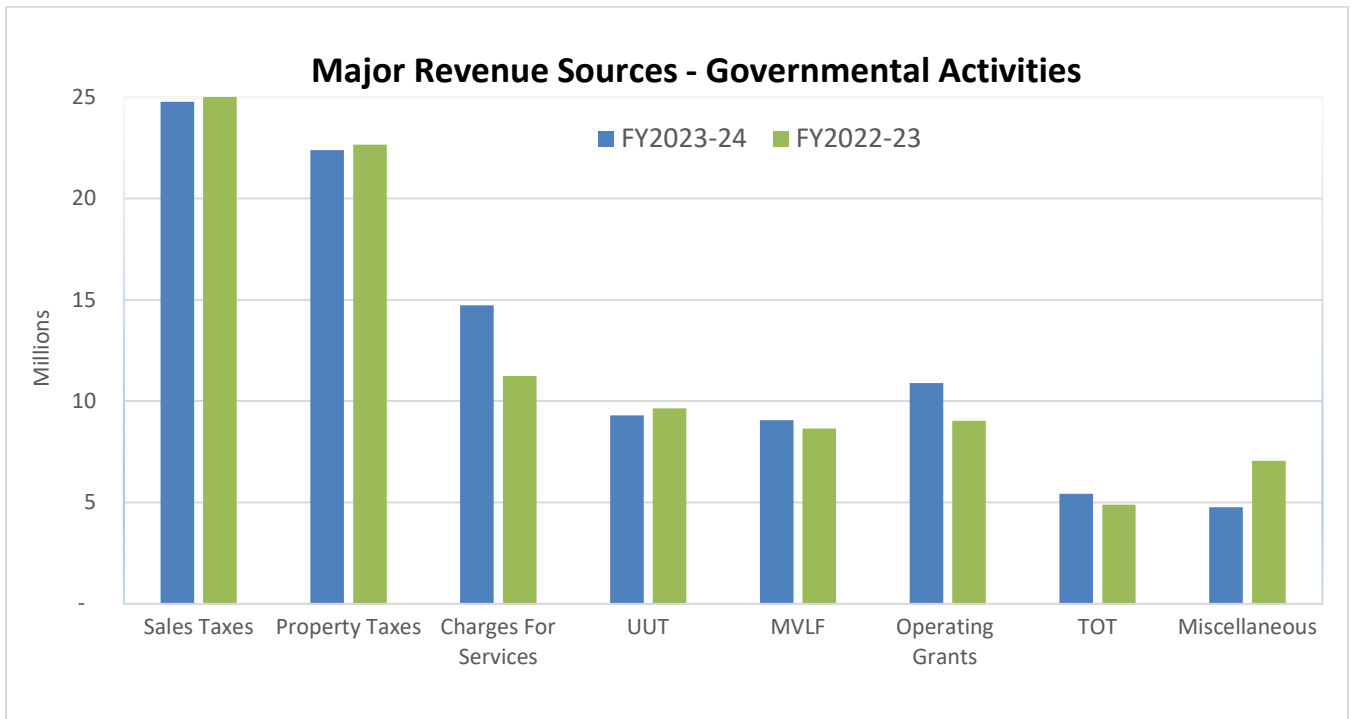
- Charges for Services increased by \$3.5 million or 31.1%, compared to the prior fiscal year. The increase is primarily due to increases in building permits (\$400k) and transportation impact fees (\$800K). Park impact fees also increased by \$1.2 million and our ambulance charges also increased by \$700K.
- Operating Contributions and Grants increased by \$1.6 million or 17.1%, primarily due to the recognition of \$1.5 million more of America Rescue Plan (ARPA) funds that were spent in the fiscal year as compared to the prior fiscal year.
- Capital Contribution and Grants decreased by \$0.5 million or 24.5%, primarily due to less work being completed for projects funded by Los Angeles County Metropolitan Transportation Authority (MTA) for transit and pedestrian mobility enhancement.
- Sales Tax decreased by \$0.5 million, or 1.8%, as compared to last fiscal year. The strong increase in prices nationally caused consumers to pull back a little on their spending. One of the hardest hit sectors was the automotive sector, where higher prices had a significant impact on demand for vehicles. Lower gas prices also contributed to lower-than-expected sales tax.
- Property Tax revenue increased by \$0.8 million or 3.47%, which was in line with the assessed valuation increase for the City for FY23-24 projected by the County Assessor. The higher interest rate environment also had an impact on sales volume, which also impacted the growth in property value assessment.
- Franchise fees increased \$0.1 million or 6.1% was primarily due to a one-time payment from the Gas Company due to miscalculation of franchise taxes in the prior years.
- Utility Users Tax (UUT) decreased by \$0.3 million or 3.6%, compared to the prior fiscal year. The increases in UUT related to electricity were offset by decrease in UUT related to natural gas. The UUT for electricity increased by about \$0.4 million but there was a significant drop in UUT for natural gas of roughly \$0.6 million. Natural gas prices dropped significantly during the first half of 2024, which contributed to the lower UUT collections.
- Transient Occupancy Tax (TOT) increased by \$0.5 million or 11%. The travel industry remained strong as demand for travel and leisure showed little signs of decreasing. The City's new hotel, the Le Meridien, continued to capture a growing portion of the local hotel business and contributed to much of the increase in TOT.

City of Arcadia
Management's Discussion and Analysis
June 30, 2024

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Governmental Activities (Continued)

- Motor Vehicle License Fees (MVLFF) increased by \$0.4 million or 4.8%. MVLFF increase was attributable to legislation passed in fiscal year 2004-05, which tied its growth to the City's annual property tax valuation. The City continues to reap the benefits of this change as the annual growth in property values continues to increase at a healthy annual rate.
- Business License Tax was essentially flat as compared to last fiscal year. There were significant new business opening in the prior fiscal year and the challenging economic conditions reduced the number of new businesses that opened up in the City.
- Other Taxes category increased by \$0.1 million or 4.6%, primarily from solid waste assessments and additional collections from Measure W. There was a small uptick in the handle due to the Breeder's Cup taking place at Santa Anita in 2023.
- Investment Earnings increased by \$3.6 million, due to the continued high interest rate set by the Federal Reserve to combat the inflationary environment coming out of the COVID-19 pandemic. The City's portfolio benefits from this increase in rates by earning a much higher interest income as compared to the prior fiscal year. A portion of the increase is attributable to the marking of our investments to market value at the end of the fiscal year.
- Miscellaneous Revenue decreased by \$2.6 million due to the City receiving some one-time settlement monies from some lawsuits in the prior fiscal year.

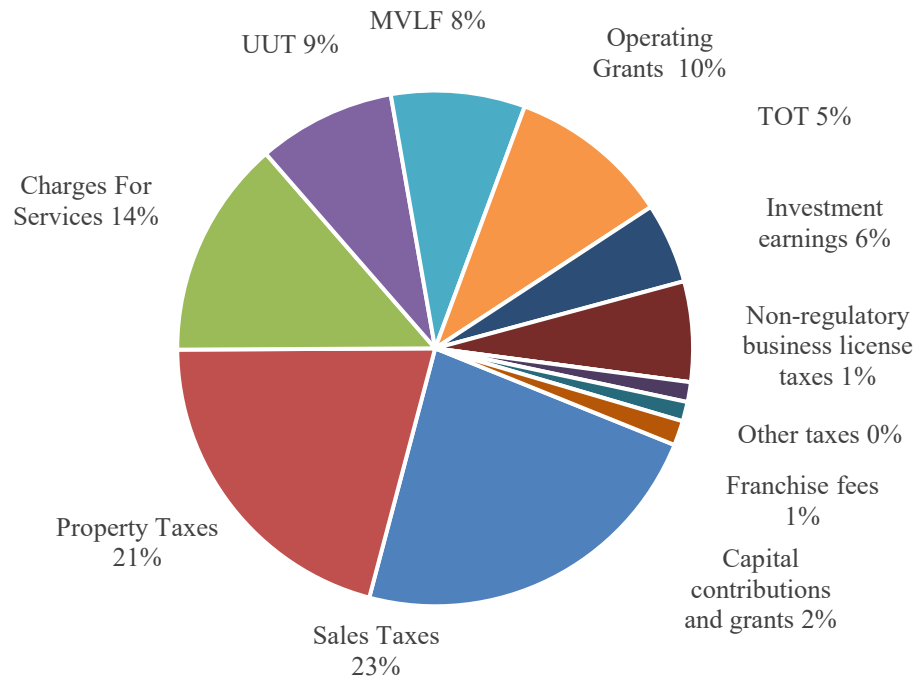


City of Arcadia
Management's Discussion and Analysis
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GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

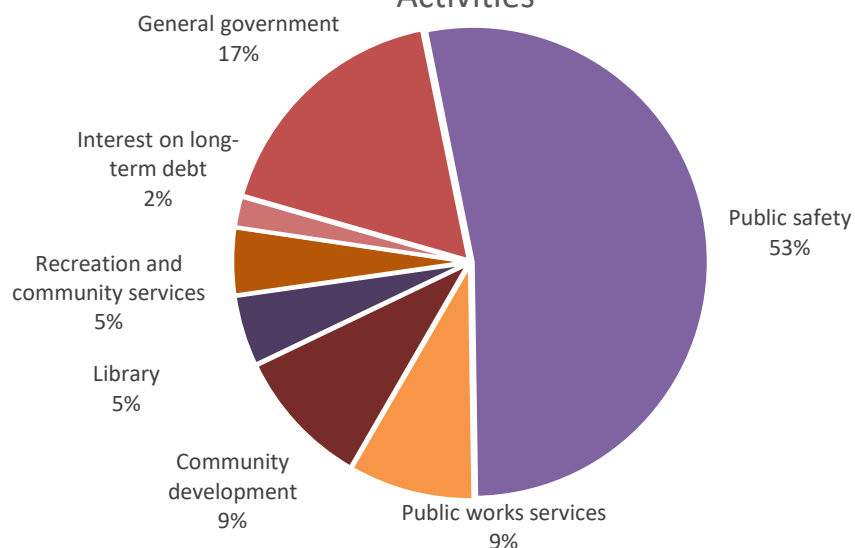
Governmental Activities (Continued)

Major Revenue Sources - Governmental Activities



Expenses for the fiscal year totaled \$94.7 million, a \$14.2 million or 17.6% increase from the prior fiscal year. Detail analysis of the increase by department is as follows:

Expenditures by Department - Governmental Activities



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

Governmental Activities (Continued)

- General Government costs increased \$4.5 million or 37.1% compared to the prior fiscal year. The expenditure increase included \$1.0 million for increased contributions to OPEB and PERS trust plans. The City undertook a significant project (\$1.1 million) to reroof various city facilities. The City was able to execute a lot of the projects funded by the America Rescue Plan (\$2.0 million) during the fiscal year to address the negative impact of the pandemic.
- The cost for Public Safety increased by \$8.4 million, or 20.1%, primarily as the result of the change in pension expenses of \$7.0 million when the GASB Statement No. 68 entries were made according to the annual valuation report. The City was finally able to purchase several public safety vehicles that were not available during the pandemic, which increased our public safety outlays by roughly \$0.9 million. There was also minor increases in supplies and equipment for public safety staff.
- Public Works Services costs decreased \$0.7 million, or 8% as compared to the prior fiscal year driven primarily by increases in capital expenditure. Public works services spent \$0.6 million more on street rehabilitation projects this fiscal year.
- Community Development Services saw an increase of \$1.5 million, or 20.2% in expenses. The increase was due to signal and alley street work which was offset by a decrease in contract costs for plan check services. The capital projects were related primarily to the downtown alley project, which cost about \$1.8 million. The decrease in plan check services was due to several projects that were postponed, negating the need to contract out the plan check services.
- The Library expenses increased by \$0.2 million, or 3.7% in comparison to the prior fiscal year, primarily due to capital projects. The chiller at the library was replaced, but that cost was offset by a decrease in the purchase of office machines and equipment.
- Recreation and Community Services expenditure increased by \$0.4 million, or 9.6%. The overall increase is primarily attributed to construction at Newcastle Park, which is expected to complete the summer of 2025.
- Long-term Debt Service was unchanged during the fiscal year as compared to the prior year.

Business-Type Activities

Business-Type Activities have a total net position of \$58.5 million, of which \$42.3 million or 72.3% of the net position is net investment in capital assets (e.g., water treatment infrastructure, buses, and equipment, net of accumulated depreciation and related debt). These assets are used to provide water, sewer, and transit services to the community; consequently, these assets are not available for future spending. The unrestricted net position totaled \$16.3 million, representing 27.7% of total net position.

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

Business-Type Activities (Continued)

City of Arcadia Statement of Net Position
Business-type Activities

Governmental Activities	June 30, 2024	June 30, 2023	\$ Change	% Change
Current and other assets	\$ 24,732,915	\$ 22,345,877	\$ 2,387,038	10.68%
Capital assets (net of accumulated depreciation)	42,296,565	43,342,825	(1,046,260)	-2.41%
Total assets	67,029,480	65,688,702	1,340,778	2.04%
Deferred outflows of resources	2,312,200	2,824,841	(512,641)	-18.15%
Current liabilities	3,210,737	3,117,679	93,058	2.98%
Noncurrent liabilities	7,454,515	7,340,109	114,406	1.56%
Total liabilities	10,665,252	10,457,788	207,464	1.98%
Deferred inflows of resources	132,871	307,931	(175,060)	-56.85%
Net investment in capital assets	42,285,478	43,223,078	(937,600)	-2.17%
Unrestricted	16,258,079	14,424,746	1,833,333	12.71%
Total net position	\$ 58,543,557	\$ 57,647,824	\$ 895,733	1.55%

The net position increased by \$0.9 million, comprising of \$0.8 million of loss from the Water operation, \$1.4 million of operating surplus for Sewer, and \$0.3 million of operating income from non-major enterprise funds. Water sales increased due to increased rates. The last two winters have been relatively wet for the State so the demand has stayed consistent. The City conducted a cost study to determine the appropriate rates for the next 5 years and this is the fourth year of the rate structure. The City is due to adopt new rates next fiscal year and is in the process of doing a rate study. The new rate will help ensure that the City can continue to invest in water infrastructure while maintaining current service levels. Operating results for the Water fund decreased to a loss of \$0.8 million primarily due to increased water sales and reduction in operating expenses, primarily from having to purchase less water due to the wet winters. For the Sewer fund, positive operating results increased from \$1.0 million income to \$1.4 million income due to higher interest income and decreases in operating expenses. The Transit Fund results were aided by additional operating grant revenues and the Golf Par 3 Fund had another successful year as people continued to enjoy outdoor activities such as golf coming out of the pandemic.

City of Arcadia
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GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Business-Type Activities (Continued)

City of Arcadia Statement of Activities
Business-type Activities

Business-Type Activities	June 30, 2024	June 30, 2023	\$ Change	% Change
Program revenues:				
Charges for services				
Water	\$ 15,879,156	\$ 14,411,322	1,467,834	10.19%
Sewer	2,692,101	2,658,717	33,384	1.26%
Transit	8,456	6,895	1,561	22.64%
Golf	2,051,402	1,953,192	98,210	5.03%
Operating contributions and grants				
Water	(547)	(3,825)	3,278	-85.70%
Transit	2,460,918	1,818,076	642,842	35.36%
Capital contributions and grants				
Water	412,692	-	412,692	0.00%
General revenues:				
Gain on disposal of assets	9,180	4,483	4,697	104.77%
Investment earnings	845,962	466,084	379,878	81.50%
Miscellaneous	39,256	1,168,041	(1,128,785)	-96.64%
Total revenues	24,398,576	22,482,985	1,915,591	8.52%
Expenses:				
Water	17,636,469	19,978,775	(2,342,306)	-11.72%
Sewer	1,601,101	1,821,291	(220,190)	-12.09%
Transit	3,035,972	2,872,170	163,802	5.70%
Golf	1,437,893	1,214,285	223,608	18.41%
Total expenses	23,711,435	25,886,521	(2,175,086)	-8.40%
Increase (Decrease) in Net Position before Transfers	687,141	(3,403,536)	4,090,677	
Transfers	208,592	595,311	(386,719)	-64.96%
Increase (Decrease) in net position	895,733	(2,808,225)	3,703,958	
Net position – Beginning of fiscal year	57,647,824	60,456,049		
Net position – End of fiscal year	\$ 58,543,557	\$ 57,647,824		

FINANCIAL ANALYSIS OF INDIVIDUAL FUNDS

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

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

Governmental Funds

Analyses into the fluctuations of Governmental Funds are as follows:

- The City's governmental funds reported combined ending fund balances of \$128.7 million vs. \$107.3 million from the prior fiscal year, an increase of \$21.4 million. Approximately \$25.2 million, or 19.6%, of the combined ending fund balances are categorized as Unassigned Fund Balance. This means that those funds have not been obligated and are available for any purpose. The Restricted Fund Balance of \$38.3 million are funds restricted for special purposes or reserves for the debt services payments of City's Pension and General Obligation Bonds. The Assigned Fund Balance of \$61.3 million is a combined balance of these funds: Emergency Reserve, Equipment Replacement, Capital Improvement Projects, and Self-insurance of General Liability and Workers' Compensation. The non-spendable fund balance of \$1.2 million represents prepaid items and inventory.
- The General Fund's net fund balance increased by \$13.0 million to \$74.7 million. The fiscal year ending revenue was \$92.8 million and expenditure was \$77.2 million. The operating surplus, when combined with transfers, resulted in a net increase in the fund balance of \$13.0 million. Transfers Out consisted of a \$3.4 million transfer to Capital Outlay to replenish and maintain a positive fund balance for future projects. In addition, \$0.8 million was transferred to the Lighting District Assessment Fund as the City's share of street lighting expenses. The Transfers In include funds from the Gas Tax Fund, Solid Waste Fund, and Traffic Safety Funds for related and qualifying expenses. An analysis of its revenue and expenditure is available in the section of General Fund Financial and Budgetary Highlights.
- The Parks and Recreation Fund had a net fund balance of \$9.7 million, an increase of \$1.2 million from last fiscal year. Park Development fees are collected on new residential development projects and those fees are restricted for the use of eligible park projects.
- Measure W Fund had a net fund balance of \$2.6 million, an increase of \$0.8 million from the prior fiscal year. This is primarily due to the receipt of taxes from Measure W, which provides funds to capture, treat, and recycle stormwater.
- America Rescue Plan Act Fund had a net fund balance of \$0. The money in this fund came from the America Rescue Plan Act of the federal government, which distributed two tranches of aid to local governments. The City received a total of \$8.7 million during fiscal years 2020-21 and 2021-22. This aid is to assist local governments recover from the devastating effects of the COVID-19 pandemic. As the aid dollars are spent on eligible projects, the revenue for this fund will be recognized. The City recognized \$2.5 million in the current fiscal year on various projects such as water meter replacement and aid to local small businesses.
- At the end of the fiscal year, the Capital Outlay Fund had a fund balance of \$13.7 million, an increase of \$1.7 million from the prior fiscal year. Historically, pari-mutuel revenues received from Santa Anita Racetrack provided adequate funding for yearly capital improvement projects. However, this revenue source has been decreasing over the years due to less horse racing interest and the changing format for wagering. The current annual pari-mutuel revenue level has not kept up with the demands and cost of capital improvements. Due to the shrinking revenue stream, the annual General Fund operating budget includes a transfer of \$3.4 million to help replenish this fund.
- The General Obligation Bond Fund had a net fund balance of \$1.0 million, an increase of \$0.1 million from the prior fiscal year. This is primarily due to the receipt of property taxes authorized by the citizens of Arcadia when these bonds were issued and the annual debt service requirements.

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

Governmental Funds (Continued)

- The Pension Obligation Fund was created to track the issuance and proceeds from the City's 2020 Pension Obligation Bonds. The fund collects contributions from the various funds and departments of the City to fund the annual debt service requirements of the bonds.
- The Non-major Governmental Fund group had an aggregated fund balance of \$27.0 million, an increase of \$4.6 million. Operations in the Narcotic Seizure, Solid Waste, AQMD, CDBG, Prop A, Transportation Impact, Gas Tax, Measure R, IRS Taskforce, Lighting District, Emergency Response and Fire Facilities funds have all resulted in a surplus. All other funds with decreased fund balances were due to higher spending than the current fiscal year's allocations.

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

Governmental Funds	June 30, 2024	June 30, 2023	\$ Change	% Change
Revenues:				
Taxes	\$ 65,379,435	\$ 64,717,374	\$ 662,061	1.02%
Licenses and permits	7,860,782	5,835,661	2,025,121	34.70%
Fines and forfeitures	780,821	770,905	9,916	1.29%
Use of money and property	7,055,382	3,535,430	3,519,952	99.56%
Intergovernmental	21,458,528	19,912,519	1,546,009	7.76%
Charges for services	8,422,352	6,866,661	1,555,691	22.66%
Other revenues	9,622,820	12,215,260	(2,592,440)	-21.22%
Total revenues	120,580,120	113,853,810	6,726,310	5.91%
Expenditures:				
General government	15,848,234	11,827,814	4,020,420	33.99%
Public safety	47,102,486	45,553,648	1,548,838	3.40%
Public works services	8,266,448	8,295,328	(28,880)	-0.35%
Community development	11,196,505	9,441,977	1,754,528	18.58%
Library	4,551,129	4,537,253	13,876	0.31%
Recreation and community services	5,174,366	3,821,446	1,352,920	35.40%
Debt service	6,792,744	6,933,616	(140,872)	-2.03%
Total expenses	98,931,912	90,411,082	8,520,830	9.42%
Excess (deficiency) of revenues over expenditures	21,648,208	23,442,728	1,794,520	
Other Financing Sources (uses)	(208,592)	(231,948)	(23,356)	10.07%
Net change in fund balance	21,439,616	23,210,780	1,771,164	
Fund balance – Beginning of fiscal year	107,301,729	84,090,949		
Fund balance – End of fiscal year	\$ 128,741,345	\$ 107,301,729		

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

Governmental Funds (Continued)

Revenues of the total Governmental Funds were \$120.6 million with an increase of \$6.7 million, or 5.8%, from the prior fiscal year. Analysis of Governmental Funds are as follows:

- Taxes increased by \$0.7 million, or 1.0%. This increase culminates from the mixed tax receipts as described hereafter. Sales Tax has taken over as the City's largest tax revenue after the passage of Measure A. Sales Tax decreased by \$0.5 million, or 2%. The auto, fuel, and transportation group account for most of the decrease as their receipts decreased 15%. General consumer goods decreased by 3% while business and industry showed strength with a 30% increase. Property Tax is now the City's second largest tax revenue with an increase of \$0.6 million or 3.2%. The assessed value of the property value in the City increased by 4.7%, which was greater than the revenue increase. The higher interest rate environment reduced sales transactions, limiting the City from realizing additional growth from reassessments at market value versus being under Prop 13 assessment. Transient Occupancy Tax increased by \$0.5 million or 11% in comparison to the previous fiscal year. Travel continues to show strong demand, and our local hotels were able to capture the bulk of that demand. Franchise fees increased by 6.1% primarily due to a one-time retroactive payment from the Gas Company. Utility User Tax had a decrease of \$0.3 million due to a 16% decrease in the price of natural gas during the year, which was partially offset by increases from electrical customers.
- Licenses and Permits increased by \$2.0 million, or 34.7% primarily due to development impact fees and building permits. A major mixed-use project in the City was approved, contributing to a significant increase in building permit and impact fees. The City began collecting a fire facilities impact fee and that contributed to the increase.
- Fines and Forfeitures were flat during the year as the city did not write significantly more citations.
- Use of Money and Property increased by \$3.5 million, or 99.6% mainly due to the increase in interest income from the aggressive rate actions by the Federal Reserve to combat inflation. The average interest rate of the investment holdings of the City increased by 50%. The market value adjustment of our investments held at the end of the fiscal year also contributed to the growth in use of money and property.
- Intergovernmental Revenue increased by \$1.5 million, or 7.8%. The increase was due to recognition of ARPA revenues (\$1.6 million) and increases in MVL (\$0.4 million). Those were offset by decreases in grant revenues (\$0.6 million) from street improvement projects.
- Charges for Services increase by \$1.5 million, or 22.7%. Increase was attributable to increases in Dwelling Fees collected from increased development activity in the City (\$1.3 million) and ambulance charges (\$0.1 million). There were minor increases in police services reimbursements.
- Other Revenues decreased by \$2.6 million, or 21.2% due to the receipt of one-time insurance reimbursement (\$2.8 million) in the prior fiscal year.

The Governmental Funds reported \$98.9 million in expenditure, an increase of \$8.5 million, or 9.4%, from the prior fiscal year. Further analysis of the variance is as follows:

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

Governmental Funds (Continued)

- Personnel costs increased by \$0.7 million, mainly attributable to increased staffing as the City was able to fill more vacancies than we were able to do in prior fiscal years. The increase in salaries and pension costs (\$1.2 million) was offset by a decrease in overtime costs (\$0.5 million).
- Operating costs increased by \$1.0 million in comparison to the prior fiscal year. The increase was mostly due to spending related to the plan check services, field supplies, and increased contributions to our OPEB and PERS trusts. These increased costs were offset by decreases in legal and election expenses.
- Capital expenditure increased by \$5.5 million in comparison to the prior fiscal year. The increases in capital projects were for roof replacements on City facilities (\$1.1 million), street rehabilitation projects (\$2.0 million), and construction at Newcastle Park (\$0.9 million). The City also increased spending (\$1.6 million) on projects that were funded by the America Rescue Plan Act (ARPA) to address the negative impacts of the pandemic. Projects.

Proprietary Funds

As noted earlier, total Net Position may serve, over time, as a useful indicator of a government's financial position. In the case of the Proprietary Funds, assets exceeded liabilities by \$58.5 million and it comprises of \$43.4 million of fund balance in Water Utility Fund, \$13.1 million of fund surplus in Sewer Maintenance Fund, (\$0.5) million of fund balance for the Transit System Fund and \$2.6 million of fund surplus in the Golf fund. As it is the City's policy to always transfer sufficient resources from Prop C and Measure R to fund transit operation, the fund balance in the Transit System Fund only comprises of net capital investment and liability balances.

GENERAL FUND FINANCIAL AND BUDGETARY HIGHLIGHTS

The General Fund is the primary operating fund of the City. The fund balance reported an increase of \$13.0 million to \$74.7 million at the fiscal year ending June 30, 2024. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures: unassigned fund balance represents 35.8% of total General Fund expenditures, while total fund balance represents 96.8% of that same amount. The City has implemented an emergency reserve policy to maintain its operating fund balance at 20% of the General Fund expenditures, and it is more than fully funded.

Revenues of the General Fund totaled \$92.85 million for the fiscal year ending June 30, 2024, which is \$1.7 million, or 4.9%, more than the prior fiscal year's revenue total. Key elements of this increase are as follows:

Tax revenue had an increase of \$0.4 million that greatly exceeded our budgetary expectations. What drove the growth was mainly due to the increase of property tax, utility users' tax, and transient occupancy tax. Property Tax is now the 2nd largest tax revenue with an increase of \$0.6 million or 3.2%. The property tax growth is credited to continuing rise of property values and homes sales that are reassessed at market versus being under Prop 13 assessment. Sales Tax has a decrease of \$0.5 million or 2%. The auto and fuel sectors were particularly weak, which was offset by growth in the business and industry sector. Transient Occupancy Tax increased by \$0.5 million or 11% in comparison to the previous fiscal year. The travel and leisure industry has experienced tremendous growth and that has continued into this fiscal year. The utility users' tax decreased by \$0.3 million or 3.6%. The decrease can be attributed to the drop in natural gas prices, which were offset by increases in electricity charges.

City of Arcadia
Management's Discussion and Analysis
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GENERAL FUND FINANCIAL AND BUDGETARY HIGHLIGHTS (Continued)

- Licenses and permits came in \$1.0 million higher than last year. The growth in this area came primarily from building permits and building fees.
- Fines and Forfeitures were flat when compared to the prior year, the City did not issue significantly more citations.
- Use of Money and Property increased by \$2.2 million, or 83.2%, mainly due to the increase in interest income from the City's investment portfolio. The Federal Reserve aggressively raised rates aggressively to combat inflation which significantly increases the interest income from the City's investment holdings.
- Intergovernmental revenues increased due to Motor vehicle license fees (MVLf). MVLf is tied to the City's property value and benefited from the strong real estate market during the fiscal year. MVLf increased by \$0.4 million, or 4.8% for Fiscal Year 2023-24.
- Charges for services had an increase of \$0.4 million or 6.4% primarily due to increased ambulance charges (\$0.1 million) and police services (\$0.2 million).
- Other Revenue category was flat as compared to the prior year.

General Fund Revenues	June 30, 2024	June 30, 2023	\$ Change	% Change
Revenues:				
Taxes	\$ 61,544,702	\$ 61,209,302	\$ 335,400	0.55%
Licenses and permits	6,576,067	5,713,730	862,337	15.09%
Fines and forfeitures	554,838	586,351	(31,513)	-5.37%
Use of money and property	4,831,354	2,637,399	2,193,955	83.19%
Intergovernmental	9,401,461	8,866,988	534,473	6.03%
Charges for services	6,430,929	6,044,899	386,030	6.39%
Other revenues	3,460,981	3,448,477	12,504	0.36%
Total revenues	\$ 92,800,332	\$ 88,507,146	\$ 4,293,186	4.85%

General Fund expenditure increased by \$2.7 million, or 3.6%, to \$77.2 million. The increases were due to an increase in additional discretionary contributions to OPEB and PERS (\$1.0 million) trusts, significant capital improvements at various City facilities (\$1.1 million) and general increases in personnel and contract costs.

City of Arcadia
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GENERAL FUND FINANCIAL AND BUDGETARY HIGHLIGHTS (Continued)

City of Arcadia
General Fund Budgetary Comparison Schedule

	Final Budget	Actual Amounts	\$ Variance with Final Budget	% Variance with Final Budget
REVENUES:				
Taxes	\$ 59,314,700	\$ 61,544,702	\$ 2,230,002	3.76%
Licenses and permits	5,554,900	6,576,067	1,021,167	18.38%
Fines and forfeitures	502,200	554,838	52,638	10.48%
Use of money and property	2,517,500	4,831,334	2,313,834	91.91%
Intergovernmental	9,031,000	9,401,461	370,461	4.10%
Charges for services	5,928,800	6,430,929	502,129	8.47%
Other revenues	3,397,950	3,460,981	63,031	1.85%
Total revenues	86,247,050	92,800,312	6,553,262	7.60%
EXPENDITURES:				
Current:				
General government:				
City council	313,078	382,965	(69,887)	-22.32%
City manager	1,049,712	1,030,518	19,194	1.83%
City clerk	294,700	284,082	10,618	3.60%
City attorney	685,300	560,157	125,143	18.26%
General city	5,354,500	5,068,316	286,184	5.34%
Administrative services	6,197,077	5,376,047	821,030	13.25%
Public safety:				
Police	27,395,331	25,193,290	2,202,041	8.04%
Fire	22,496,284	20,947,235	1,549,049	6.89%
Public works services	6,635,538	5,085,878	1,549,660	23.35%
Community development	5,383,000	5,208,632	174,368	3.24%
Library	4,715,400	4,236,655	478,745	10.15%
Recreation and community services	3,856,300	3,741,870	114,430	2.97%
Debt service:				
Principal retirement	-	117,326	(117,326)	0.00%
Total expenditures	84,376,220	77,232,971	7,143,249	8.47%
EXCESS (DEFICIENCY) OF REVENUES				
OVER (UNDER) EXPENDITURES	\$ 1,870,830	\$ 15,567,341	\$ 13,696,511	

The adopted General Fund budget projected revenues of \$86.2 million for the fiscal year ending June 30, 2024. The actual total General Fund revenues were \$92.8 million, a difference of \$6.5 million over budget. Key elements of the budget variances are as follows:

City of Arcadia
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GENERAL FUND FINANCIAL AND BUDGETARY HIGHLIGHTS (Continued)

- Tax collection in total exceeded budget by \$2.2 million or 3.8%. The property tax collection was \$0.1 million lower than expected. Sales Tax collection exceeded expectations by \$0.3 million due to higher-than-expected economic activity and inflationary effects on prices. TOT collected was \$1.0 million over expectation from the strong travel and leisure activities. Utility Users tax revenues were \$0.9 million above expectations, due to increased utility prices.
- Licenses and Permits came \$1.0 million above budget as building and other permits fee collections were higher than projected due to some large mixed-use projects.
- Fines and Forfeitures exceeded budget amount by 10.5% due to higher-than-expected revenues from parking citations.
- Use of Money and Property was over budget by \$2.3 million or 92%. Investment earnings were helped by aggressive action by the Federal Reserve to control inflation. The higher market value of our investment holdings at the end of the fiscal year also helped to exceed our projections.
- Intergovernmental revenues came in \$0.4 million above budget. The growth of Motor Vehicle License Fees (MVLFF) is tied to the property values and the continued growth of property valuations has resulted in a positive variance (\$0.4 million) for this category.
- Charges for Services had a positive variance of \$0.5 million or 8.5% primarily due to increased ambulance charges (\$0.5 million) when compared to our expectations.
- The collection of other revenues came in as expected.

The City's General Fund expenditure was \$7.1 million, or 8.5%, less than the final adopted budget. Key elements of the budget variance are as follows:

- Personnel costs had savings of \$2.0 million compared to the budget due to higher-than-expected vacancies. Even though the City has been able to fill many of the open positions, recruiting continues to be a challenge. This is especially true for the public safety department personnel as their costs were \$1.5 million below expectations.
- Contract services had savings of \$1.0 million compared to the budget due to lower spending on legal services, plan check services and contract employees.
- The remaining favorable variance of \$4.1 million in the operating expense were mainly attributable to lower-than-expected capital outlays. Expenditure was lower than expected (\$3.0 million) due to delays in purchasing vehicles that were unavailable because of supply chain issues. We also spent less than expected for radio equipment (\$0.4 million), field equipment (\$0.1 million) and computer supplies and equipment (\$0.5 million).
- City Council was the only City departments to end the fiscal year with a negative budget variance. This was caused by an adjustment to implement SB 329 which adjusted the compensation of City Council members.

City of Arcadia
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CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets. The City's investment in capital assets as of June 30, 2024, amounted to \$107.2 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, park improvements, roadways, sewers, storm drains, vehicles, computer equipment, furniture, other equipment, and construction in progress.

Among the purchases made this fiscal year, the City purchased two additional ambulances, four police vehicles and 5 heavy duty trucks for public works. The City completed a water main replacement on La Porta and a sewer main replacement on Santa Anita. There were some miscellaneous traffic signals and crosswalk improvements on Colorado.

City of Arcadia
Capital Assets

	Governmental Activities		Business – Type Activities		Total	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
Non-depreciable assets:						
Land	\$ 4,335,769	\$ 4,335,769	\$ 192,436	\$ 192,436	\$ 4,528,205	\$ 4,528,205
Water rights	-	-	5,602,000	5,602,000	5,602,000	5,602,000
Construction in progress	4,840,781	1,860,200	2,296,616	2,198,310	7,137,397	4,058,510
Total non-depreciable assets	9,176,550	6,195,969	8,091,052	7,992,746	17,267,602	14,188,715
Depreciable assets:						
Buildings and improvements	60,563,944	60,563,944	-	-	60,563,944	60,563,944
Water treatment system	-	-	73,784,413	73,371,721	73,784,413	73,371,721
Sewer system	-	-	13,816,649	13,275,844	13,816,649	13,275,844
Automotive equipment	15,062,539	13,886,617	5,202,675	5,347,163	20,265,214	19,233,780
Furniture and equipment	13,785,681	13,750,936	982,536	860,581	14,768,217	14,611,517
Infrastructure	99,461,521	98,973,658	-	-	99,461,521	98,973,658
Subscription-based information technology arrangements	363,363	363,363	-	-	363,363	363,363
Total depreciable assets	189,237,048	187,538,518	93,786,273	92,855,309	283,023,321	280,393,827
Less accumulated depreciation:	(133,536,923)	(129,595,555)	(59,580,760)	(57,605,230)	(193,117,683)	(187,200,785)
Total depreciable assets, net	55,700,125	57,942,963	34,205,513	35,250,079	89,905,638	93,193,042
Total capital assets, net	\$ 64,876,675	\$ 64,138,932	\$ 42,296,565	\$ 43,242,825	\$ 107,173,240	\$ 107,381,757

Additional information on the City's capital assets can be found in the Notes to the Basic Financial Statements in Note 5 beginning on page 74 of this report.

Long-term debt. At the end of the current fiscal year, City of Arcadia had a total outstanding debt of \$195.0 million, an increase of \$1.2 million from the prior fiscal year. The increase is primarily due to the annual actuarial valuation adjustment that CalPERS performs annually. The annual valuation estimates the City's pension liability, considering actuarial changes, investments performance, and contributions to the City's plan with CalPERS.

City of Arcadia
Management's Discussion and Analysis
June 30, 2024

CAPITAL ASSET AND DEBT ADMINISTRATION (CONTINUED)

City of Arcadia
Long-Term Liabilities

Citywide	June 30, 2024	June 30, 2023	\$ Change
Claims and judgements payable	\$ 8,582,865	\$ 9,499,827	\$ (916,962)
Compensated absences	3,206,897	2,944,562	262,335
OPEB liability	10,830,431	12,783,478	(1,953,047)
Net pension liability	85,775,842	77,242,610	8,533,232
2020 Pension Obligation Bonds	79,485,000	83,390,000	(3,905,000)
2021 General Obligation Bonds	3,962,000	4,429,000	(467,000)
2021 General Obligation Bonds	3,126,000	3,489,000	(363,000)
Total	\$ 194,969,035	\$ 193,778,477	1,190,558

In addition to pension, GASB Statement No. 75 requires governments to report a liability on the face of the financial statements for postemployment benefits other than pensions (OPEB). More details on the changes in long-term debt are available in the Notes to the Basic Financial Statements in Note 6 beginning on page 76 of this report.

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

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

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

During a time of some economic ambiguity, Arcadia's Adopted Budget for Fiscal Year 2024-25 strikes a balanced approach to financial management through conservative revenue estimates and moderate expenses. Over the last few years, Arcadia has benefited from strong increases in consumer spending and robust revenue growth. Even through this period of growth, the City continued to exercise fiscal discipline. This approach has allowed Arcadia to sustain existing programs, expand service levels where needed, and continue to fund the City's long-term priorities by investing in capital projects, technology, and personnel. The proposed budget outlines the City's comprehensive approach to achieving its goals in the upcoming year, while maintaining fiscal stability.

The Fiscal Year 2024-25 Operating Budget considers the uncertain economic environment. In today's economic landscape, cities are navigating a dichotomy of factors. Some indicators, such as the low unemployment rate, show signs of growth; conversely, other factors like inflation and rising interest rates could lead to economic slowdowns. Arcadia will remain vigilant, proactive, and adaptable in its financial planning to mitigate risks as they arise. While the City is not anticipating a recession, some of Arcadia's revenue sources have slightly softened and may experience modest or little growth in the next fiscal year.

City of Arcadia
Management's Discussion and Analysis
June 30, 2024

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS (CONTINUED)

City of Arcadia
3-Year General Fund Operating Outlook

	FY23-24 Estimated	FY24-25 Adopted	FY25-26 Projected
Beginning Fund Balance	\$ 17,176,500	\$ 25,026,600	\$27,186,100
Revenues and Sources	93,281,100	98,874,400	97,833,000
Expenditures and Uses	(78,631,000)	(89,914,900)	(90,497,400)
Net Operating Income	14,650,100	8,959,500	7,335,600
Transfer to Equipment Replacement	(3,400,000)	(3,400,000)	(3,400,000)
Transfer to Capital Equipment	(3,400,000)	(3,400,000)	(3,400,000)
Additional Transfer to Equipment Fund	-	-	-
Subtotal Operating Balance	7,850,100	2,159,500	535,600
Ending Fund Balance	\$ 25,026,600	\$ 27,186,100	27,721,700

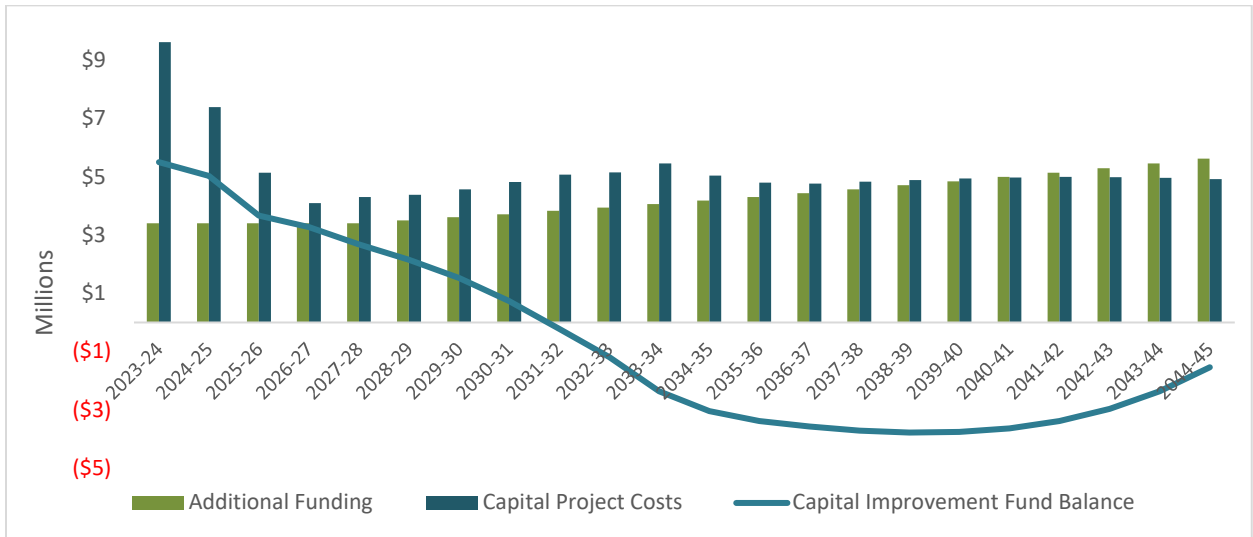
Despite the improved outlook, the City continues to face long-term financial challenges:

- CalPERS Challenges:** In November 2021, the City issued \$90 million of pension obligation bonds and \$89.5 million of the proceeds were used to pay down the City's Unfunded Actuarial Liabilities (UAL). This will significantly lower the City's future contributions to CalPERS. This will create a cushion for the City to be able to absorb future cost increases. In Fiscal Year 2023-24, CalPERS' investments return was 9.3%. This was a positive return that exceeded their long-term expected return of 6.8%. However, it will take several years to consistent outperformance to make a meaningful impact on the City's UAL. Keep in mind that the new labor agreements approved by the Council for FY24-25 through FY26-27, which include generous raises for employees, will cause the City's UAL to increase significantly in the future. CalPERS takes a long-range view of returns and that year-to-year, the investment results will fluctuate. Going forward, a minimum 6.8% return will continue to be a challenge as any result less than expected will have a significant impact on the future financial health of all the cities. Any less than expected return performance would translate to escalating pension costs, adding an additional burden on Arcadia in the long run. The City will need to be judicious in managing our finances to ensure that this issue will not impact on our ability to provide the high level of service that the residents have come to expect.
- Capital Outlay and Equipment Replacement Funds:** The adopted budget reflects transfers of \$3.4 million to the Capital Outlay and \$3.4 million to the Equipment Replacement Funds. The fact the City can make investments in our future by making these transfers is a luxury few cities can afford and a testament to the restraint the organization has shown to keep costs low relative to service levels. As shown by the two graphs below, **ONLY** by consistently **increasing** funding to both funds will it allow for City to continue funding projects to maintain or improve city infrastructures and purchases of major equipment for daily operations. Unfortunately, the funding is not certain as it is strictly dependent on surpluses generated from the General Fund budget.

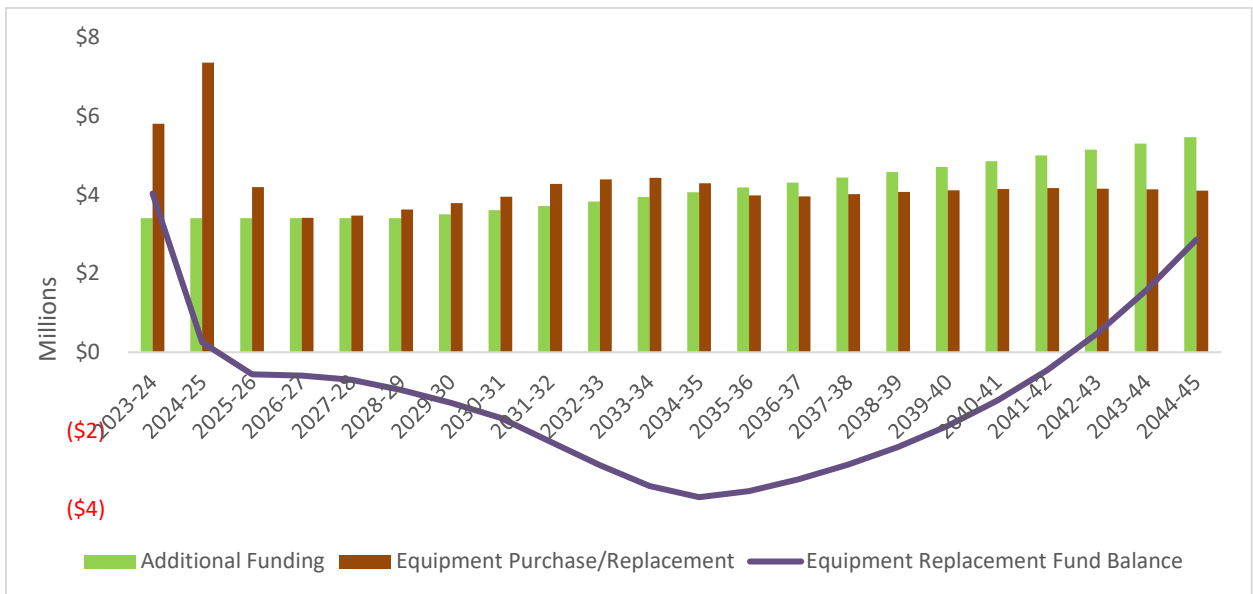
City of Arcadia
Management's Discussion and Analysis
June 30, 2024

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS (CONTINUED)

CAPITAL OUTLAY FUND BALANCE PROJECTIONS



EQUIPMENT REPLACEMENT FUND BALANCE PROJECTIONS



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

City of Arcadia
Management's Discussion and Analysis
June 30, 2024

- **Post-employment Benefits (OPEB):** City's actuarial accrued liability (AAL) was estimated to be \$10.8 million based on the most recent valuation report dated June 30, 2023, which reflects a decrease of \$2.0 million as compared to the valuation prepared last fiscal year. The increase is primarily due to increased contribution to the OPEB trust fund and favorable investment returns. The Accrued Actuarial Liability for the City's OPEB liability is expected to continue to grow. It is essential for the City to continue to fund the trust established exclusively for this benefit. The City Council has appropriated an additional \$2.0 million contribution to the trust fund in the upcoming fiscal year.

REQUESTS FOR INFORMATION

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

BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

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City of Arcadia
Statement of Net Position
June 30, 2024

	Primary Government		
	Governmental	Business-Type	
	Activities	Activities	Total
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
Current assets:			
Cash and investments	\$ 131,604,056	\$ 19,975,121	\$ 151,579,177
Accounts receivable	384,046	4,468,824	4,852,870
Interest receivable	1,073,151	146,234	1,219,385
Due from other governments	9,917,477	68,653	9,986,130
Prepaid items	84,870	196,777	281,647
Internal balances	173,863	(173,863)	-
Inventories	1,053,373	51,169	1,104,542
Lease receivable	230,574	-	230,574
Total current assets	144,521,410	24,732,915	169,254,325
Noncurrent assets:			
Lease receivable, non-current	607,798	-	607,798
Capital assets:			
Nondepreciable	9,176,550	8,091,052	17,267,602
Depreciable, net	55,700,125	34,205,513	89,905,638
Total capital assets	64,876,675	42,296,565	107,173,240
Total noncurrent assets	65,484,473	42,296,565	107,781,038
Total assets	210,005,883	67,029,480	277,035,363
Deferred outflows of resources:			
Deferred outflows related to net pension liability	35,757,029	2,233,339	37,990,368
Deferred outflows related to OPEB	5,788,206	78,861	5,867,067
Total deferred outflows of resources	41,545,235	2,312,200	43,857,435
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES			
Current liabilities:			
Accounts payable	2,888,304	2,879,168	5,767,472
Accrued salaries payable	1,149,746	-	1,149,746
Interest payable	197,095	3,542	200,637
Unearned revenue	5,828,938	-	5,828,938
Deposits	5,032,900	105,653	5,138,553
Retentions payable	194,362	11,087	205,449
Long-term debt - due within one year	8,974,966	211,287	9,186,253
Total current liabilities	24,266,311	3,210,737	27,477,048
Noncurrent liabilities:			
Long-term debt - due in more than one year	87,654,591	1,643,000	89,297,591
Net pension liability	80,213,427	5,562,415	85,775,842
Net OPEB liability	10,581,331	249,100	10,830,431
Total noncurrent liabilities	178,449,349	7,454,515	185,903,864
Total liabilities	202,715,660	10,665,252	213,380,912
Deferred inflows of resources:			
Deferred gain on bond refunding	183,791	-	183,791
Deferred inflows related to net pension liability	1,500,586	63,584	1,564,170
Deferred inflows related to OPEB	2,943,194	69,287	3,012,481
Leases	776,143	-	776,143
Total deferred inflows of resources	5,403,714	132,871	5,536,585
NET POSITION			
Net investment in capital assets	57,289,440	42,285,478	99,574,918
Restricted for:			
Capital projects	2,636,518	-	2,636,518
Debt service	861,739	-	861,739
Community purposes	13,964,675	-	13,964,675
Public safety	1,341,457	-	1,341,457
Transportation /streets	19,388,448	-	19,388,448
Total restricted	38,192,837	-	38,192,837
Unrestricted	(52,050,533)	16,258,079	(35,792,454)
Total net position	\$ 43,431,744	\$ 58,543,557	\$ 101,975,301

See Accompanying Notes to the Basic Financial Statements.

City of Arcadia
Statement of Activities
For the Fiscal Year Ended June 30, 2024

Functions/Programs	Expenses	Program Revenues			Totals	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions		
Primary Government:						
Governmental activities:						
General government	\$ 16,459,095	\$ 1,044	\$ 65,955	\$ -	\$ 66,999	
Public safety	50,174,731	5,587,791	2,867,843	1,673,010	10,128,644	
Public works services	8,141,398	21,724	3,558,961	-	3,580,685	
Community development	9,018,973	5,767,748	4,352,875	-	10,120,623	
Library	4,587,794	105,612	(5,174)	-	100,438	
Recreation and community services	4,373,488	3,245,258	51,855	-	3,297,113	
Interest on long-term debt	1,992,248	-	-	-	-	
Total governmental activities	94,747,727	14,729,177	10,892,315	1,673,010	27,294,502	
Business-type activities:						
Water	17,636,469	15,879,156	(547)	412,692	16,291,301	
Sewer	1,601,101	2,692,101	-	-	2,692,101	
Transit	3,035,972	8,456	2,460,918	-	2,469,374	
Arcadia PAR 3 Golf Course	1,437,893	2,051,402	-	-	2,051,402	
Total business-type activities	23,711,435	20,631,115	2,460,371	412,692	23,504,178	
Total primary government	\$ 118,459,162	\$ 35,360,292	\$ 13,352,686	\$ 2,085,702	\$ 50,798,680	
(Continued)						

(Continued)

City of Arcadia
Statement of Activities (Continued)
For the Fiscal Year Ended June 30, 2024

Functions/Programs	Net (Expense) Revenue and Changes in Net Position		
	Governmental Activities	Business-Type Activities	Total
Primary Government:			
Governmental activities:			
General government	\$ (16,392,096)	\$ -	\$ (16,392,096)
Public safety	(40,046,087)	-	(40,046,087)
Public works services	(4,560,713)	-	(4,560,713)
Community development	1,101,650	-	1,101,650
Library	(4,487,356)	-	(4,487,356)
Recreation and community services	(1,076,375)	-	(1,076,375)
Interest on long-term debt	(1,992,248)	-	(1,992,248)
Total governmental activities	(67,453,225)	-	(67,453,225)
Business-type activities:			
Water	-	(1,345,168)	(1,345,168)
Sewer	-	1,091,000	1,091,000
Transit	-	(566,598)	(566,598)
Arcadia PAR 3 Golf Course	-	613,509	613,509
Total business-type activities	-	(207,257)	(207,257)
Total primary government	(67,453,225)	(207,257)	(67,660,482)
General Revenues:			
Taxes and fees:			
Property taxes	22,391,870	-	22,391,870
Sales taxes	24,767,977	-	24,767,977
Franchise fees	1,302,471	-	1,302,471
Utilities user taxes	9,291,301	-	9,291,301
Transient occupancy taxes	5,428,101	-	5,428,101
Non-regulatory business license taxes	1,345,023	-	1,345,023
Other taxes	2,131,760	-	2,131,760
Total taxes and fees	66,658,503	-	66,658,503
Motor vehicle license taxes	9,051,732	-	9,051,732
Investment earnings	6,773,771	845,962	7,619,733
Gain on disposal of assets	-	9,180	9,180
Miscellaneous	4,758,064	39,256	4,797,320
Transfers	(208,592)	208,592	-
Total general revenues and transfers	87,033,478	1,102,990	88,136,468
Change in net position	19,580,253	895,733	20,475,986
Net position - beginning of fiscal year	23,851,491	57,647,824	81,499,315
Net position - end of fiscal year	\$ 43,431,744	\$ 58,543,557	\$ 101,975,301

See Accompanying Notes to the Basic Financial Statements.

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FUND FINANCIAL STATEMENTS

Governmental Funds Financial Statements

Proprietary Funds Financial Statements

Fiduciary Funds Financial Statements

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GOVERNMENTAL FUNDS

FINANCIAL STATEMENTS

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

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

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

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

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

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

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

City of Arcadia
Balance Sheet
Governmental Funds
June 30, 2024

	Major Funds				
			Measure W	American	
	General	Parks and Recreation	Safe, Clean Water Program	Rescue Plan Act	Capital Outlay
ASSETS					
Cash and investments	\$ 72,302,353	\$ 9,708,746	\$ 2,546,526	\$ 5,601,614	\$ 14,042,065
Accounts receivable	384,046	-	-	-	-
Interest receivable	655,014	80,939	21,230	-	117,120
Due from other funds	1,014,054	-	-	-	-
Due from other governments	7,610,282	-	88,820	-	52,698
Prepaid items and deposits	81,542	-	-	3,328	-
Inventories	1,053,373	-	-	-	-
Lease receivable	838,372	-	-	-	-
Total assets	\$ 83,939,036	\$ 9,789,685	\$ 2,656,576	\$ 5,604,942	\$ 14,211,883
LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 1,896,367	\$ -	\$ -	\$ 251,587	\$ 465,562
Accrued salaries payable	1,149,746	-	-	-	-
Due to other funds	-	-	-	-	-
Unearned revenue	492,007	-	-	5,336,931	-
Deposits	4,973,634	-	20,058	-	-
Retentions payable	628	49,404	-	16,424	40,710
Total liabilities	8,512,382	49,404	20,058	5,604,942	506,272
Deferred Inflow of Resources:					
Unavailable revenue	-	-	-	-	-
Leases	776,143	-	-	-	-
Total deferred inflow of resources	776,143	-	-	-	-
Fund Balances:					
Nonspendable	1,197,144	-	-	-	-
Restricted	-	9,740,281	2,636,518	-	-
Committed	-	-	-	-	-
Assigned	47,614,735	-	-	-	13,705,611
Unassigned	25,838,632	-	-	-	-
Total fund balances (deficits)	74,650,511	9,740,281	2,636,518	-	13,705,611
Total liabilities, deferred inflow of resources, and fund balances	\$ 83,939,036	\$ 9,789,685	\$ 2,656,576	\$ 5,604,942	\$ 14,211,883

See Accompanying Notes to the Basic Financial Statements.

General Obligation Bonds	Pension Obligation Bonds	Nonmajor Governmental Funds	Total Governmental Funds
\$ 1,026,957	\$ -	\$ 26,375,795	\$ 131,604,056
-	-	-	384,046
8,561	-	190,287	1,073,151
-	-	-	1,014,054
23,316	-	2,142,361	9,917,477
-	-	-	84,870
-	-	-	1,053,373
-	-	-	838,372
<u>\$ 1,058,834</u>	<u>\$ -</u>	<u>\$ 28,708,443</u>	<u>\$ 145,969,399</u>

\$ -	\$ -	\$ 274,788	\$ 2,888,304
-	-	-	1,149,746
-	1,690	838,501	840,191
-	-	-	5,828,938
-	-	39,208	5,032,900
-	-	87,196	194,362
<u>-</u>	<u>1,690</u>	<u>1,239,693</u>	<u>15,934,441</u>

-	-	517,470	517,470
-	-	-	776,143
<u>-</u>	<u>-</u>	<u>517,470</u>	<u>1,293,613</u>

-	-	-	1,197,144
1,058,834	-	24,821,411	38,257,044
-	-	2,790,929	2,790,929
-	-	-	61,320,346
-	(1,690)	(661,060)	25,175,882
<u>1,058,834</u>	<u>(1,690)</u>	<u>26,951,280</u>	<u>128,741,345</u>

<u>\$ 1,058,834</u>	<u>\$ -</u>	<u>\$ 28,708,443</u>	<u>\$ 145,969,399</u>
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City of Arcadia
Reconciliation of the Governmental Funds Balance Sheet
to the Government-Wide Statement of Net Position
June 30, 2024

Total Fund Balances - Total Governmental Funds	\$ 128,741,345
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Amounts reported for governmental activities in the statement of net position were different because:

Capital assets used in governmental activities are not current financial resources. Therefore, they are not reported in the governmental funds.	64,876,675
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Interest payable on long-term debt did not require current financial resources. Therefore, interest payable was not reported as a liability in the governmental funds.	(197,095)
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Long-term liabilities were not due and payable in the current period. Therefore, they are not reported in the governmental funds:

Long-term liabilities - due within one year	(8,974,966)
Long-term liabilities - due in more than one year	(87,654,591)
Net pension liability	(80,213,427)
Net OPEB liability	(10,581,331)
	(187,424,315)

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

Deferred gain on bonds refunding	(183,791)
Deferred outflows related to net pension liability	35,757,029
Deferred inflows related to net pension liability	(1,500,586)
Deferred outflows related to OPEB	5,788,206
Deferred inflows related to OPEB	(2,943,194)
	36,917,664

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

	517,470
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Net Position of Governmental Activities	\$ 43,431,744
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City of Arcadia
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2024

	Major Funds				
	General	Parks and Recreation	Measure W Safe, Clean Water Program	American Rescue Plan Act	Capital Outlay
REVENUES:					
Taxes	\$ 61,544,702	\$ -	\$ 1,023,236	\$ -	\$ 421,270
Licenses and permits	6,576,067	-	-	-	-
Fines and forfeitures	554,838	-	-	-	-
Use of money and property	4,831,334	430,654	135,140	-	632,926
Intergovernmental	9,401,461	-	-	2,504,860	-
Charges for services	6,430,929	1,814,156	-	-	-
Other revenues	3,460,981	-	88,820	-	-
Total revenues	92,800,312	2,244,810	1,247,196	2,504,860	1,054,196
EXPENDITURES:					
Current:					
General government:					
City council	382,965	-	-	-	-
City manager	1,030,518	-	-	-	-
City clerk	284,082	-	-	-	-
City attorney	560,157	-	-	-	-
General city	5,068,316	-	-	1,987,327	1,154,518
Administrative services	5,376,047	-	-	-	-
Public safety:					
Police	25,193,290	-	-	-	365,402
Fire	20,947,235	-	-	-	192,821
Public works services	5,085,878	-	481,890	-	697,067
Community development	5,208,632	-	-	479,859	-
Library	4,236,655	-	-	24,147	290,327
Recreation and community services	3,741,870	1,022,470	-	13,527	13,044
Debt service:					
Principal retirement	117,326	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Total expenditures	77,232,971	1,022,470	481,890	2,504,860	2,713,179
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	15,567,341	1,222,340	765,306	-	(1,658,983)
OTHER FINANCING SOURCES (USES):					
Transfers in	1,609,618	-	-	-	3,400,000
Transfers out	(4,202,648)	-	-	-	-
Total other financing sources (uses)	(2,593,030)	-	-	-	3,400,000
Net changes in fund balances	12,974,311	1,222,340	765,306	-	1,741,017
FUND BALANCES (DEFICITS):					
Beginning of fiscal year	61,676,200	8,517,941	1,871,212	-	11,964,594
End of fiscal year	<u>\$ 74,650,511</u>	<u>\$ 9,740,281</u>	<u>\$ 2,636,518</u>	<u>\$ -</u>	<u>\$ 13,705,611</u>

See Accompanying Notes to the Basic Financial Statements.

General Obligation Bonds	Pension Obligation Bonds	Nonmajor Governmental Funds	Total Governmental Funds
\$ 1,057,811	\$ -	\$ 1,332,416	\$ 65,379,435
-	-	1,284,715	7,860,782
-	-	225,983	780,821
28,976	-	996,352	7,055,382
-	-	9,552,207	21,458,528
-	-	177,267	8,422,352
-	5,747,530	325,489	9,622,820
1,086,787	5,747,530	13,894,429	120,580,120
-	-	-	382,965
-	-	-	1,030,518
-	-	-	284,082
-	-	-	560,157
2,400	1,500	404	8,214,465
-	-	-	5,376,047
-	-	262,343	25,821,035
-	-	141,395	21,281,451
-	-	2,001,613	8,266,448
-	-	5,508,014	11,196,505
-	-	-	4,551,129
-	-	383,455	5,174,366
830,000	3,820,100	-	4,767,426
97,888	1,927,430	-	2,025,318
930,288	5,749,030	8,297,224	98,931,912
156,499	(1,500)	5,597,205	21,648,208
-	-	802,648	5,812,266
-	-	(1,818,210)	(6,020,858)
-	-	(1,015,562)	(208,592)
156,499	(1,500)	4,581,643	21,439,616
902,335	(190)	22,369,637	107,301,729
\$ 1,058,834	\$ (1,690)	\$ 26,951,280	\$ 128,741,345

See Accompanying Notes to the Basic Financial Statements.

City of Arcadia
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and
Changes in Fund Balances to the Government-Wide Statement of Activities
For the Fiscal Year Ended June 30, 2024

Net Change in Fund Balances - Total Governmental Funds	\$ 21,439,616
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Amounts reported for governmental activities in the Statement of Activities were different because:

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

General government (included capital asset transferred to water fund \$412,692)	(115,662)
Public safety	1,360,793
Public works services	896,254
Community development	1,996,612
Recreation and community services	988,270
Total	5,126,267

Depreciation expense on capital assets was reported in the statement of activities, but it did not require the use of current financial resources. Therefore, depreciation expense was not reported as an expenditure in the governmental funds	(4,388,524)
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Compensated absences was reported in the statement of activities, but it did not require the use of current financial resources. Therefore, compensated absences was not reported as an expenditure in the governmental funds. The differences between paid and earned for the period was:	(136,748)
--	-----------

Claims and judgments payable was reported in the Statement of Activities, but it did not require the use of current financial resources. Therefore, claims and judgments payable was not reported as an expenditure in the governmental funds. The differences between claims incurred and paid for the period was:	916,962
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Long-term Net OPEB liability was reported in the Statement of Activities, but it did not require the use of current financial resources. Therefore, OPEB was not reported as an expenditure in the governmental funds. The differences between accrual basis OPEB costs and actual employer contributions was:	2,101,019
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The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of the principal of long-term debt consumes the current financial resources of governmental funds. Also, governmental funds report the effect of premiums and discounts when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Repayment of long-term debt	4,767,426
Amortization of deferred gain on bond refunding	25,990
Total	4,793,416

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

Accrued interest change for the current period	7,080
Total	7,080

In governmental funds, pension costs are recognized when employer contributions are made. In the Statement of Activities pension costs are recognized on the accrual basis. This fiscal year, the difference between accrual-basis pension costs and actual employer contributions was:	(10,491,542)
---	--------------

Unavailable revenue is not recognized as revenue in the governmental funds in current fiscal year since the revenue is not available to fund current fiscal year expenditures.	212,707
--	---------

Change in Net Position of Governmental Activities	\$ 19,580,253
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PROPRIETARY FUNDS

FINANCIAL STATEMENTS

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

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

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City of Arcadia
Statement of Net Position
Proprietary Funds
June 30, 2024

	Enterprise Funds			
	Water Utility	Sewer Maintenance	Nonmajor Enterprise Funds	Total
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
Current assets:				
Cash and investments	\$ 10,449,574	\$ 6,985,144	\$ 2,540,403	\$ 19,975,121
Accounts receivable	3,815,866	637,269	15,689	4,468,824
Interest receivable	88,016	58,218	-	146,234
Prepaid items	196,469	-	308	196,777
Due from other governments	1,499	161	66,993	68,653
Inventories	-	-	51,169	51,169
Total current assets	14,551,424	7,680,792	2,674,562	24,906,778
Capital assets:				
Nondepreciable	8,091,052	-	-	8,091,052
Depreciable, net	27,684,595	6,315,004	205,914	34,205,513
Total capital assets	35,775,647	6,315,004	205,914	42,296,565
Total assets	50,327,071	13,995,796	2,880,476	67,203,343
Deferred outflows of resources:				
Deferred outflows related to net pension liability	1,772,057	355,290	105,992	2,233,339
Deferred outflows related to OPEB	78,861	-	-	78,861
Total deferred outflows of resources	1,850,918	355,290	105,992	2,312,200
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES				
Current liabilities:				
Accounts payable	2,501,942	30,873	346,353	2,879,168
Retentions payable	11,087	-	-	11,087
Interest payable	2,618	746	178	3,542
Due to other funds	-	-	173,863	173,863
Compensated absences payable - due within one year	125,587	-	-	125,587
Pension obligation bonds payable - due within one year	63,400	18,000	4,300	85,700
Deposits	105,653	-	-	105,653
Total current liabilities	2,810,287	49,619	524,694	3,384,600
Noncurrent liabilities:				
Net pension liabilities	4,413,534	884,897	263,984	5,562,415
Net OPEB liabilities	249,100	-	-	249,100
Pension obligation bonds payable - due in more than one year	1,214,500	345,800	82,700	1,643,000
Total noncurrent liabilities	5,877,134	1,230,697	346,684	7,454,515
Total liabilities	8,687,421	1,280,316	871,378	10,839,115
Deferred inflows of resources:				
Deferred inflows related to net pension liability	50,451	10,115	3,018	63,584
Deferred inflows related to OPEB	69,287	-	-	69,287
Total deferred inflows of resources	119,738	10,115	3,018	132,871
NET POSITION				
Net investment in capital assets	35,764,560	6,315,004	205,914	42,285,478
Unrestricted	7,606,270	6,745,651	1,906,158	16,258,079
Total net position	\$ 43,370,830	\$ 13,060,655	\$ 2,112,072	\$ 58,543,557

See Accompanying Notes to the Basic Financial Statements.

City of Arcadia
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2024

	Enterprise Funds			
	Water Utility	Sewer Maintenance	Nonmajor Enterprise Funds	Total
OPERATING REVENUES:				
Charges for services	\$ 15,879,156	\$ 2,692,101	\$ 2,059,858	\$ 20,631,115
Other	39,256	-	-	39,256
Total operating revenues	15,918,412	2,692,101	2,059,858	20,670,371
OPERATING EXPENSES:				
Administration and general	3,887,189	1,076,746	688,685	5,652,620
Power, supplies, and pumping	11,899,974	39,031	-	11,939,005
Merchandise and food	-	-	81,932	81,932
Supplies and maintenance	-	-	265,769	265,769
Contract costs	200,857	146,578	3,058,875	3,406,310
Depreciation	1,616,813	329,741	376,453	2,323,007
Total operating expenses	17,604,833	1,592,096	4,471,714	23,668,643
OPERATING INCOME (LOSS)	(1,686,421)	1,100,005	(2,411,856)	(2,998,272)
NONOPERATING REVENUES (EXPENSES):				
Investment income	537,657	308,305	-	845,962
Federal and state grants	(547)	-	2,460,918	2,460,371
Capital contribution	412,692	-	-	412,692
Gain on disposal of capital assets	9,180	-	-	9,180
Interest expense and fiscal charges	(31,636)	(9,005)	(2,151)	(42,792)
Total nonoperating revenues (expenses)	927,346	299,300	2,458,767	3,685,413
INCOME (LOSS) BEFORE TRANSFERS	(759,075)	1,399,305	46,911	687,141
TRANSFERS:				
Transfers in	-	-	208,592	208,592
Total transfers	-	-	208,592	208,592
Changes in net position	(759,075)	1,399,305	255,503	895,733
NET POSITION:				
Beginning of fiscal year	44,129,905	11,661,350	1,856,569	57,647,824
End of fiscal year	<u>\$ 43,370,830</u>	<u>\$ 13,060,655</u>	<u>\$ 2,112,072</u>	<u>\$ 58,543,557</u>

See Accompanying Notes to the Basic Financial Statements.

City of Arcadia
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2024

	Enterprise Funds			
	Water Utility	Sewer Maintenance	Nonmajor Enterprise Funds	Total
CASH FLOWS FROM OPERATING ACTIVITIES:				
Cash received from customers	\$ 15,292,205	\$ 2,650,391	\$ 2,045,688	\$ 19,988,284
Cash payments to suppliers for goods and services	(12,218,718)	(645,002)	(3,821,818)	(16,685,538)
Cash payments to employees for services	(3,190,992)	(659,011)	(189,315)	(4,039,318)
Cash received for other operating activities	39,256	-	-	39,256
Net cash provided by (used in) operating activities	(78,249)	1,346,378	(1,965,445)	(697,316)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Cash received from (paid) to other governments	(2,046)	(161)	2,448,032	2,445,825
Payments for pension obligation bonds	(62,800)	(17,900)	(4,200)	(84,900)
Payments of interest on pension obligation bonds	(31,680)	(9,017)	(2,154)	(42,851)
Transfers in	-	-	208,592	208,592
Net cash provided (used) by noncapital financing activities	(96,526)	(27,078)	2,650,270	2,526,666
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Proceeds from sale of capital assets	9,180	-	-	9,180
Acquisition of capital assets	(317,308)	(540,805)	(105,942)	(964,055)
Net cash provided by (used in) capital and related financing activities	(308,128)	(540,805)	(105,942)	(954,875)
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest received	510,011	284,016	-	794,027
Net cash provided by investing activities	510,011	284,016	-	794,027
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	27,108	1,062,511	578,883	1,668,502
CASH AND CASH EQUIVALENTS - Beginning of fiscal year	10,422,466	5,922,633	1,961,520	18,306,619
CASH AND CASH EQUIVALENTS - End of fiscal year	\$ 10,449,574	\$ 6,985,144	\$ 2,540,403	\$ 19,975,121
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating income (loss)	\$ (1,686,421)	\$ 1,100,005	\$ (2,411,856)	\$ (2,998,272)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	1,616,813	329,741	376,453	2,323,007
Changes in assets, deferred outflows, liabilities, and deferred inflows:				
Accounts receivable	(561,812)	(41,710)	(14,170)	(617,692)
Prepaid items	(28,171)	-	952	(27,219)
Inventories	-	-	(7,144)	(7,144)
Accounts payable	167,796	14,328	67,814	249,938
Retention payable	(3,478)	(5,182)	-	(8,660)
Accrued salaries payable	(100,159)	(23,847)	(5,929)	(129,935)
Deposits	(25,139)	-	-	(25,139)
Net pension liabilities	406,526	(184,843)	13,717	235,400
Deferred outflow of resources - pension	294,110	196,309	23,056	513,475
Deferred inflow of resources - pension	(131,361)	(38,423)	(8,338)	(178,122)
Net OPEB liability	(32,137)	-	-	(32,137)
Deferred outflow of resources - OPEB	(834)	-	-	(834)
Deferred inflow of resources - OPEB	3,062	-	-	3,062
Compensated absences	2,956	-	-	2,956
Total adjustments	1,608,172	246,373	446,411	2,300,956
Net cash provided by (used in) operating activities	\$ (78,249)	\$ 1,346,378	\$ (1,965,445)	\$ (697,316)

See Accompanying Notes to the Basic Financial Statements.

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FIDUCIARY FUND

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

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City of Arcadia
Statement of Fiduciary Net Position
Fiduciary Fund
June 30, 2024

	Successor Agency to the Arcadia Redevelopment Agency Private-Purpose Trust Fund
	<hr/>
ASSETS	
Current assets:	
Cash and investments	\$ 5,262,401
Interest receivable	60,554
	<hr/>
Total current assets	5,322,955
	<hr/>
Total assets	5,322,955
	<hr/>
LIABILITIES	
Current liabilities:	
Interest payable	47,414
Bonds payable - due within one year	2,540,000
	<hr/>
Total current liabilities	2,587,414
	<hr/>
Noncurrent liabilities:	
Bonds payable - due in more than one year	5,220,000
	<hr/>
Total noncurrent liabilities	5,220,000
	<hr/>
Total liabilities	7,807,414
	<hr/>
NET POSITION (DEFICIT)	
Held in trust	\$ (2,484,459)
	<hr/> <hr/>

City of Arcadia
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Fiscal Year Ended June 30, 2024

	Successor Agency to the Arcadia Redevelopment Agency Private-Purpose Trust Fund
ADDITIONS:	
Redevelopment Property Tax Trust Fund	\$ 2,699,341
Use of money and property	237,483
Total additions	<u>2,936,824</u>
DEDUCTIONS:	
Enforceable obligations	147,068
Administration	10,700
Total deductions	<u>157,768</u>
Change in net position	2,779,056
NET POSITION (DEFICIT):	
Beginning of fiscal year	<u>(5,263,515)</u>
End of fiscal year	<u><u>\$ (2,484,459)</u></u>

NOTES TO THE BASIC FINANCIAL STATEMENTS

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City of Arcadia
Notes to the Basic Financial Statements
June 30, 2024

Note 1 – Summary of Significant Accounting Policies

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

A. Financial Reporting Entity

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

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

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

The City had no blended or discretely presented component units.

B. Basis of Accounting and Measurement Focus

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

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

Deferred Outflows of Resources represent a consumption of net assets that applies to future periods.

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

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2024

Note 1 – Summary of Significant Accounting Policies (Continued)

B. Basis of Accounting and Measurement Focus (Continued)

Government-Wide Financial Statements

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

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

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

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

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

Governmental Fund Financial Statements

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

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

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

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2024

Note 1 – Summary of Significant Accounting Policies (Continued)

B. Basis of Accounting and Measurement Focus (Continued)

Governmental Fund Financial Statements (Continued)

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

The City reports the following major governmental funds:

- General Fund – This fund was established to account for resources traditionally associated with government which are not required legally or by sound financial management to be accounted for in another fund.
- Parks and Recreation Special Revenue Fund – This fund was established to account for the development of new park sites and playground facilities. Financing is provided by state and federal reimbursement programs in conjunction with fees charged to residential and commercial developers.
- Measure W Safe, Clean Water Program Fund – This fund was established to be used on projects for capturing, treating, and recycling stormwater.
- American Rescue Plan Fund – This fund was established to be used to support City's response to and recovery from the COVID-19 public health emergency.
- Capital Outlay Capital Projects Fund – This fund was established to account for acquisition of capital items and construction of capital projects as determined by City Council. Financing is provided by the City's share of proceeds from the Santa Anita Race Track as allowed by the State.
- General Obligation Bonds Debt Service Fund – This fund was established to accumulate monies for payment of principal and interest on General Obligation Bonds. Debt service is financed through voter approved indebtedness assessed against property owners.
- Pension Obligation Bonds Debt Service Fund – This fund was established to accumulate monies for payment of principal and interest on Pension Obligation Bonds. Debt service is from any source of legally available funds of the City.

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2024

Note 1 – Summary of Significant Accounting Policies (Continued)

B. Basis of Accounting and Measurement Focus (Continued)

Proprietary Fund Financial Statements

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

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the proprietary funds are charges to customers for sales and services. Operating expenses for the proprietary funds include the costs of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The City reports the following major proprietary funds:

- Water Utility Enterprise Fund – This fund was established to account for the operation of the City's water utility, a self-supporting activity which renders services on a user charge basis to residents and businesses located within the City.
- Sewer Maintenance Enterprise Fund – This fund was established to account for the maintenance of the City's sewer system. Financing is provided by fees charged to residential and commercial developers.

Fiduciary Fund Financial Statements

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

The City reports the following fiduciary fund:

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

C. Cash, Cash Equivalents, and Investments

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

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

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2024

Note 1 – Summary of Significant Accounting Policies (Continued)

D. Cash and Investments with Fiscal Agent

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

E. Interfund Transactions

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

F. Inventories and Prepaid Items

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

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

G. Lease Receivable

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

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

H. Capital Assets

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

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2024

Note 1 – Summary of Significant Accounting Policies (Continued)

H. Capital Assets (Continued)

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

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

Capital assets used in operations are depreciated over their estimated useful lives using the straight-line method.

The lives used for depreciation purposes are as follows:

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

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

I. Interest Payable

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

J. Unearned Revenue

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

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2024

Note 1 – Summary of Significant Accounting Policies (Continued)

K. Compensated Absences

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

L. Long-Term Liabilities

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

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

M. Claims and Judgments

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

N. Property Taxes

Under California law, property taxes are assessed and collected by the counties up to 1% of assessed value, plus other increases approved by the voters. The property taxes go into a pool with the County and are then allocated to the cities based on complex formulas. Accordingly, the City accrues only those taxes which are received from the County of Los Angeles (the “County”) within sixty (60) days after fiscal year-end.

The following are key dates pertaining to property taxes:

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

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2024

Note 1 – Summary of Significant Accounting Policies (Continued)

O. Net Position

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

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

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

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

P. Fund Balances

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

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

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

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

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

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

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2024

Note 1 – Summary of Significant Accounting Policies (Continued)

Q. Spending Policy

Government-Wide Financial Statements and the Proprietary Fund Financial Statements

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

Governmental Fund Financial Statements

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

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

Committed
Assigned
Unassigned

R. Use of Estimates

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

S. Future Accounting Pronouncements

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

Statement No. 101	"Compensated Absences"	The provisions of this statement are effective for fiscal years beginning after December 15, 2023.
Statement No. 102	"Certain Risk Disclosures"	The provisions of this statement are effective for fiscal years beginning after June 15, 2024.
Statement No. 103	"Financial Reporting Model Improvements"	The provisions of this statement are effective for fiscal years beginning after June 15, 2025.
Statement No. 104	"Disclosure of Certain Capital Assets"	The provisions of this statement are effective for fiscal years beginning after June 15, 2025.

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2024

Note 2 – Cash and Investments

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

The City had the following cash and investments at June 30, 2024:

	Government-Wide Statement of Net Position			Fiduciary Fund	
	Governmental Activities	Business-Type Activities	Total	Statement of Net Position	Total
Cash and investments	\$ 131,604,056	\$ 19,975,121	\$ 151,579,177	\$ 5,262,401	\$ 156,841,578
Total cash and investments	\$ 131,604,056	\$ 19,975,121	\$ 151,579,177	\$ 5,262,401	\$ 156,841,578

The City's cash and investments at June 30, 2024 consists of the following:

Cash and cash equivalents:	
Petty cash	\$ 20,065
Demand deposits	4,270,946
Total cash and cash equivalents	<u>4,291,011</u>
Investments:	
Local Agency Investment Fund	7,508,744
California Asset Management Program	28,748,013
Certificates of Deposits	4,132,340
Money Market Fund	60,648
U.S. Treasury Notes	33,008,345
U.S. Government Sponsored Enterprise Securities	48,302,694
Municipal bonds	5,042,253
Asset Backed Securities/CMO	10,962,602
Corporate Bonds	14,784,928
Total investments	<u>152,550,567</u>
Total cash and investments	<u><u>\$ 156,841,578</u></u>

A. Deposits

The carrying amounts of the City's demand deposits were \$4,270,946 at June 30, 2024. Bank balances at that date were \$7,178,035, the total amount of which was collateralized or insured with securities held by the pledging financial institutions in the City's name as discussed below. The difference between the carrying amount and bank balances represents outstanding checks, deposits in transit, and other reconciling items.

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2024

Note 2 – Cash and Investments (Continued)

A. Deposits (Continued)

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

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

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

B. Investments

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

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio *	Maximum Investment in One Issuer
United States Treasury Obligations	5 years	No Limit	No Limit
Federal Agency or United States Government-Sponsored Enterprise Obligations.			
Participations, or Other Instruments	5 years	No Limit	No Limit
Repurchase Agreements	30 days	No Limit	5%
Supranational Bonds	5 years	30%	No Limit
Prime Commercial Paper	270 days	25%	10%
Eligible Bankers' Acceptances	180 days	15%	15%
Medium-term notes (Corporate Notes/Bonds)	3 or 5 years**	30%	5%
Asset-Backed Securities	5 years	20%	5%
Negotiable Certificates of deposit (amount limited to FDIC insurance limits)	5 years	No Limit	5%
Non-negotiable Certificates of deposit and savings deposits	5 years	20%	5%
Placement Service Deposits	5 years	20%	5%
Local Agency Investment Fund ("LAIF")	N/A	No Limit	\$75 Million
Money Market Mutual Funds	N/A	20%	No Limit
Local Government Investment Pools	N/A	No Limit	No Limit
Municipal & State Obligations	5 years	20%	5%
N/A - Not Applicable			

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

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

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2024

Note 2 – Cash and Investments (Continued)

B. Investments (Continued)

The City is a participant in LAIF which is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The City's investments with LAIF at June 30, 2024, included a portion of the pool funds invested in Structured Notes and Asset-Backed Securities:

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

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

As of June 30, 2024, the City had \$7,508,744 invested in LAIF, which had invested 3.00% of the pool investment funds in Structured Notes and Asset-Backed Securities.

The City is also participating in California Asset Management Program (CAMP). The CAMP is a permitted investment for all local agencies under California Government Code Section 53601(p). As of June 30, 2024, the City had \$28,748,013 invested in CAMP.

C. Risk Disclosures

Interest Rate Risk - As a means of limiting its exposure to fair value losses arising from rising interest rates, the City's investment policy limits investments to a maximum maturity of five years. At June 30, 2024, the City had the following investment maturities:

Investment Type	Fair Value	Investment Maturities (in Years)				
		Less than 1	1 to 2	2 to 3	3 to 4	4 to 5
Local Agency Investment Fund (LAIF)	\$ 7,508,744	\$ 7,508,744	\$ -	\$ -	\$ -	\$ -
California Asset Management Program (CAMP)	28,748,013	28,748,013	-	-	-	-
Certificates of Deposits	4,132,340	-	1,191,019	2,224,906	476,415	240,000
Money Market Funds	60,648	60,648	-	-	-	-
U.S. Treasury Notes	33,008,345	-	15,852,431	16,103,334	1,052,580	-
Federal Farm Credit Bank	7,874,660	-	1,975,800	996,950	2,915,030	1,986,880
Federal Home Loan Bank	22,190,353	10,926,960	4,770,808	995,760	4,995,800	501,025
Federal Home Loan Mortgage Corporation	8,466,562	993,680	4,967,670	-	1,511,772	993,440
Federal Agricultural Mortgage Corp.	995,910	-	-	-	995,910	-
Federal National Mortgage Association	4,077,550	-	-	2,996,320	-	1,081,230
Federal CMO	4,697,659	-	1,623,585	2,256,765	609,006	208,303
Municipal Bonds	5,042,253	481,682	-	1,910,311	2,224,468	425,792
Asset Backed Securities/CMO	10,962,602	-	365,392	3,895,564	3,368,800	3,332,846
Corporate Bonds	14,784,928	1,327,947	3,635,590	5,347,839	586,632	3,886,920
Total	\$ 152,550,567	\$ 50,047,674	\$ 34,382,295	\$ 36,727,749	\$ 18,736,413	\$ 12,656,436

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2024

Note 2 – Cash and Investments (Continued)

C. Risk Disclosures (Continued)

Credit Risk - State law limits investments in commercial paper and corporate bonds to the top two ratings issued by nationally recognized statistical rating organizations (“NRSROs”). It is the City’s policy to limit its investments in these investment types to the top rating issued by Standard & Poor’s and Moody’s Investors Service. At June 30, 2024, the City’s credit risks, expressed on a percentage basis, were as follows:

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

Investment Type	Moody's Credit Rating	S&P's Credit Rating	% of Investments with Interest Rate Risk
Local Agency Investment Fund	Not Rated	Not Rated	4.92%
California Asset Management Program	Not Rated	Not Rated	18.84%
Certificates of Deposit	Not Rated	Not Rated	2.71%
Money Market Funds	Not Rated	Not Rated	0.04%
United States Treasury Notes	Aaa	AA+	21.64%
Federal Farm Credit Bank	Aaa	AA+	5.16%
Federal Home Loan Bank	Aaa	AA+	14.55%
Federal Home Loan Mortgage Corp.	Aaa	AA+	5.55%
Federal Agricultural Mortgage Corp.	Aaa	AA+	0.65%
Federal National Mortgage Association	Aaa	AA+	2.67%
Federal CMO	Aaa	AA+	3.08%
Municipal Bonds - Napa Valley Unified School District	Aa3	Not rated	1.25%
Municipal Bonds - San Bernardino Unified School District	Not rated	AA	0.49%
Municipal Bonds - San Jose Redevelopment Agency Successor Agency	Not rated	AA	1.25%
Municipal Bonds - NJ Turnpike Authority	A1	AA-	0.07%
Municipal Bonds - Florida State Board of Administration	Aa3	AA	0.25%
Asset Backed Securities - Ally Auto Receivables Trust 2022-1	Aaa	AAA	0.10%
Asset Backed Securities - Ally Auto Receivables Trust 2022-2	Aaa	AAA	0.28%
Asset Backed Securities - Ally Auto Receivables Trust 2024-1	Not rated	AAA	0.13%
Asset Backed Securities - American Express Credit Account Master Trust 2022-2	Not rated	AAA	0.24%
Asset Backed Securities - American Express Credit Account Master Trust 2022-4	Not rated	AAA	0.08%
Asset Backed Securities - American Express Credit Master Trust 2023-1	Not rated	AAA	0.08%
Asset Backed Securities - BA Credit Card Trust 2023-A1	Not rated	AAA	0.08%
Asset Backed Securities - BMW Vehicle Owner Trust 2022-A	Aaa	AAA	0.05%
Asset Backed Securities - BMW Vehicle Owner Trust 2023-A	Not rated	AAA	0.06%
Asset Backed Securities - BMW Vehicle Owner Trust 2024-A	Aaa	AAA	0.17%
Asset Backed Securities - Capital One Multi-Asset Execution Trust 2022-A1	Not rated	AAA	0.16%
Asset Backed Securities - Capital One Multi-Asset Execution Trust 2022-A2	Not rated	AAA	0.22%
Asset Backed Securities - Capital One Prime Auto Rcvbl Trust 2021-1	Aaa	AAA	0.04%
Asset Backed Securities - CarMax Auto Owner Trust 2021-2	Not rated	AAA	0.01%
Asset Backed Securities - CarMax Auto Owner Trust 2021-3	Aaa	AAA	0.05%
Asset Backed Securities - CarMax Auto Owner Trust 2022-2	Aaa	AAA	0.09%
Asset Backed Securities - CarMax Auto Owner Trust 2022-3	Not rated	AAA	0.16%
Asset Backed Securities - CarMax Auto Owner Trust 2022-4	Not rated	AAA	0.19%
Asset Backed Securities - Chase Issuance Trust 2023-A1	Not rated	AAA	0.27%
Asset Backed Securities - Chase Issuance Trust 2024-A1	Not rated	AAA	0.24%
Asset Backed Securities - Discover Card Execution Note Trust 2022-A2	Aaa	Not rated	0.17%
Asset Backed Securities - Discover Card Execution Note Trust 2022-A3	Aaa	AAA	0.19%
Asset Backed Securities - Discover Card Execution Note Trust 2023-A1	Aaa	Not rated	0.19%

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2024

Note 2 – Cash and Investments (Continued)

C. Risk Disclosures (Continued)

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

Investment Type	Moody's Credit Rating	S&P's Credit Rating	% of Investments with Interest Rate Risk
Asset Backed Securities - Fifth Third Auto Trust 2023-1	Aaa	AAA	0.17%
Asset Backed Securities - Ford Credit Auto Owner Trust 2022-A	Not rated	AAA	0.04%
Asset Backed Securities - Ford Credit Auto Owner Trust 2023-A	Not rated	AAA	0.08%
Asset Backed Securities - Ford Credit Auto Owner Trust 2023-B	Not rated	AAA	0.09%
Asset Backed Securities - Ford Credit Auto Owner Trust 2024-A	Aaa	Not rated	0.13%
Asset Backed Securities - Ford Credit Auto Owner Trust 2024-B	Aaa	AAA	0.22%
Asset Backed Securities - GM Financial Consumer Auto Receivables Trust 2021-4	Aaa	AAA	0.03%
Asset Backed Securities - GM Financial Consumer Auto Receivables Trust 2022-1	Not rated	Not rated	0.04%
Asset Backed Securities - GM Financial Consumer Auto Receivables Trust 2022-2	Aaa	AAA	0.06%
Asset Backed Securities - GM Financial Consumer Auto Receivables Trust 2022-3	Aaa	Not rated	0.10%
Asset Backed Securities - GM Financial Consumer Auto Receivables Trust 2023-2	Aaa	AAA	0.09%
Asset Backed Securities - GM Financial Consumer Auto Receivables Trust 2023-3	Aaa	AAA	0.05%
Asset Backed Securities - GM Financial Consumer Auto Receivables Trust 2024-1	Aaa	Not rated	0.03%
Asset Backed Securities - Harley-Davidson Motorcycle Trust 2022-A	Aaa	AAA	0.09%
Asset Backed Securities - Harley-Davidson Motorcycle Trust 2023-A	Aaa	Not rated	0.11%
Asset Backed Securities - Honda Auto Receivables 2021-4 Owner Trust	Aaa	Not rated	0.04%
Asset Backed Securities - Honda Auto Receivables 2023-2 Owner Trust	Aaa	AAA	0.10%
Asset Backed Securities - Honda Auto Receivables 2023-4 Owner Trust	Aaa	Not rated	0.06%
Asset Backed Securities - Honda Auto Receivables 2024-1 Owner Trust	Aaa	AAA	0.22%
Asset Backed Securities - Hyundai Auto Receivables Trust 2021-A	Not rated	AAA	0.00%
Asset Backed Securities - Hyundai Auto Receivables Trust 2021-C	Not rated	AAA	0.03%
Asset Backed Securities - Hyundai Auto Receivables Trust 2022-A	Not rated	AAA	0.06%
Asset Backed Securities - Hyundai Auto Receivables Trust 2022-C	Not rated	AAA	0.21%
Asset Backed Securities - Hyundai Auto Receivables Trust 2023-B	Not rated	AAA	0.05%
Asset Backed Securities - Hyundai Auto Receivables Trust 2024-A	Not rated	AAA	0.08%
Asset Backed Securities - Kubota Credit Owner Trust 2021-1	Aaa	Not rated	0.01%
Asset Backed Securities - Kubota Credit Owner Trust 2021-2	Aaa	Not rated	0.04%
Asset Backed Securities - Kubota Credit Owner Trust 2021-1	Aaa	Not rated	0.14%
Asset Backed Securities - Mercedes-Benz Auto Receivables Trust 2022-1	Aaa	AAA	0.26%
Asset Backed Securities - Nissan Auto Receivables 2022-B Owner Trust	Aaa	AAA	0.15%
Asset Backed Securities - Nissan Auto Receivables Trust 2023-A	Aaa	Not rated	0.15%
Asset Backed Securities - Nissan Auto Receivables Trust 2024-A	Aaa	Not rated	0.24%
Asset Backed Securities - Toyota Auto Receivables 2022-B	Aaa	AAA	0.07%
Asset Backed Securities - Toyota Auto Receivables 2022-C	Not rated	AAA	0.07%
Asset Backed Securities - Toyota Auto Receivables 2022-D	Aaa	Not rated	0.07%
Asset Backed Securities - Toyota Auto Receivables 2023-A	Not rated	AAA	0.10%
Asset Backed Securities - Toyota Auto Receivables 2023-B	Aaa	AAA	0.12%
Asset Backed Securities - Volkswagen Auto Lease Trust 2022-A	Aaa	Not rated	0.02%
Asset Backed Securities - WF Card Issuance Trust 2024-A1	Aaa	AAA	0.28%
Asset Backed Securities - World Omni Auto Receivables Trust 2021-D	Not rated	AAA	0.04%
Corporate Bonds - Adobe	A1	A+	0.11%
Corporate Bonds - American Express	A2	BBB+	0.14%
Corporate Bonds - American Honda	A3	A-	0.25%
Corporate Bonds - AstraZeneca	A2	A	0.14%
Corporate Bonds - Australia & New Zealand Banking Group	Aa3	AA-	0.33%
Corporate Bonds - Bank of America	A1	A-	0.29%

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2024

Note 2 – Cash and Investments (Continued)

C. Risk Disclosures (Continued)

Credit Quality Distribution for Securities with Credit Exposure as a Percentage of Total Investments			
Investment Type	Moody's Credit Rating	S&P's Credit Rating	% of Investments with Interest Rate Risk
Corporate Bonds - BMW US Capital LLC	A2	A	0.08%
Corporate Bonds - BNY Mellon	A1	A	0.16%
Corporate Bonds - BP Capital Markets America	A1	A-	0.20%
Corporate Bonds - Bristol-Myers Squibb	A2	A	0.13%
Corporate Bonds - Brown-Forman Corp	A1	A-	0.07%
Corporate Bonds - Caterpillar	A2	A	0.31%
Corporate Bonds - Cintas Corp	A3	A-	0.11%
Corporate Bonds - Cisco Systems	A1	AA-	0.23%
Corporate Bonds - Citigroup	A3	BBB+	0.13%
Corporate Bonds - Comcast Corp	A3	A-	0.13%
Corporate Bonds - Eli Lilly	Aa2	AA-	0.19%
Corporate Bonds - Goldman Sachs	A1	A+	0.27%
Corporate Bonds - Home Depot	A2	A	0.19%
Corporate Bonds - Hormel Foods	A1	A-	0.08%
Corporate Bonds - John Deere Capital	A2	A	0.28%
Corporate Bonds - Linde Inc	A2	A	0.16%
Corporate Bonds - Morgan Stanley	A1	A-	0.42%
Corporate Bonds - National Australia Bank LTD/New York	Aa2	AA-	0.43%
Corporate Bonds - National Rural Utilities Cooperative	A2	A-	0.29%
Corporate Bonds - New York Life	Aaa	AA+	1.30%
Corporate Bonds - Paccar Financial Corp	A1	A+	0.17%
Corporate Bonds - PepsiCo Inc	A1	A+	0.04%
Corporate Bonds - PNC Bank	A2	A	0.16%
Corporate Bonds - PNC Financial Services Group	A3	A-	0.07%
Corporate Bonds - State Street Corp	A1	A	0.44%
Corporate Bonds - Texas Instruments	Aa3	A+	0.16%
Corporate Bonds - The Hershey Co	A1	A	0.08%
Corporate Bonds - Toyota Motor	A1	A+	1.55%
Corporate Bonds - Truist Financial Corp	BAA1	A-	0.23%
Corporate Bonds - Wells Fargo	Aa2	A+	0.37%
			100.00%

Custodial Credit Risk - For deposits, custodial credit risk is the risk that, in the event of the failure of a depository financial institution, the City will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Of the City's investments, No securities are held by the investment's counterparty, the trustee for the general obligation and tax allocation bonds, as of June 30, 2024.

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2024

Note 2 – Cash and Investments (Continued)

D. Fair Value Measurements

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

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

The City pooled investments has the following recurring fair value measurements as of June 30, 2024:

Investment by Fair Value Level	Fair Value	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Input (Level 2)	Significant Unobservable Inputs (Level 3)
Debt securities				
Certificates of Deposits	\$ 4,132,340	\$ -	\$ 4,132,340	\$ -
Money Market Funds	60,648	-	60,648	-
U.S. Treasury Notes	33,008,345	33,008,345	-	-
Federal Farm Credit Bank	7,874,660	-	7,874,660	-
Federal Home Loan Bank	22,190,353	-	22,190,353	-
Federal Home Loan Mortgage Corporation	8,466,562	-	8,466,562	-
Federal Agricultural Mortgage Corp.	995,910	-	995,910	-
Federal National Mortgage Association	4,077,550	-	4,077,550	-
Federal CMO	4,697,659	-	4,697,659	-
Municipal Bonds	5,042,253	-	5,042,253	-
Asset Backed Securities	10,962,602	-	10,962,602	-
Corporate Bonds	14,784,928	-	14,784,928	-
Total Investments Measured at Fair Value	116,293,810	<u>\$ 33,008,345</u>	<u>\$ 83,285,465</u>	<u>\$ -</u>
Investments Measured at Amortized Cost				
LAIF	7,508,744			
CAMP	28,748,013			
Total Pooled Investments	<u>\$ 152,550,567</u>			

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2024

Note 3 – Interfund Transactions

Fund Financial Statements

Due From/To Other Funds - At June 30, 2024, the City had the following due from/to other funds:

Due from Other Funds	
Due to Other Funds	General Fund
Pension Obligation Bonds Fund	\$ 3,140
Nonmajor Governmental Funds	1,035,563
Nonmajor Enterprise Fund	173,863
Total	\$ 1,212,566

The above interfund balances resulted from temporary reclassifications made at June 30, 2024 to cover cash shortfalls.

Transfers In/Out - At June 30, 2024, the City had the following transfers in/out which arise in the normal course of operations:

Transfers In					
Transfers Out	General	Capital Outlay	Nonmajor	Nonmajor	Total
	Fund	Capital Projects Fund	Governmental Funds	Enterprise Fund	
General Fund	\$ -	\$ 3,400,000	\$ 802,648	\$ -	\$ 4,202,648
Nonmajor Governmental Funds	1,609,618	-	-	208,592	1,818,210
Total	\$ 1,609,618	\$ 3,400,000	\$ 802,648	\$ 208,592	\$ 6,020,858

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

Note 4 – Lease Receivable

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

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

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2024

Note 4 – Lease Receivable (Continued)

The lease receivable of \$838,372 at June 30, 2024 is measured as the present value of the future minimum rent payments expected to be received during the lease term at a discount rate of 3% which is the US Treasury bill rate.

A deferred inflow of resources is recorded for the lease. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized on a straight-line basis over the term of the lease. As of June 30, 2024, the balance was \$776,143.

In fiscal year 2024, the City recognized \$252,658 in lease revenue and \$28,954 in interest revenue.

Note 5 – Capital Assets

A. Government-Wide Financial Statements

A summary of changes in the capital assets for the governmental activities for the fiscal year ended June 30, 2024, is as follows:

	Governmental Activities				
	Balance July 1, 2023	Additions	Deletions	Transfers	Balance June 30, 2024
Nondepreciable assets:					
Land	\$ 4,335,769	\$ -	\$ -	\$ -	\$ 4,335,769
Construction in progress	1,860,200	3,881,136	-	(900,555)	4,840,781
Total nondepreciable assets	6,195,969	3,881,136	-	(900,555)	9,176,550
Depreciable assets:					
Buildings and improvements	60,563,944	-	-	-	60,563,944
Automotive equipment	13,886,617	1,445,782	(269,860)	-	15,062,539
Furniture and equipment	13,750,936	212,041	(177,296)	-	13,785,681
Infrastructure	98,973,658	-	-	487,863	99,461,521
Subscription-based information technology arrangements	363,363	-	-	-	363,363
Total capital assets, being depreciated/amortized	187,538,518	1,657,823	(447,156)	487,863	189,237,048
Less accumulated depreciation/amortization:					
Buildings and improvements	(35,913,702)	(2,025,548)	-	-	(37,939,250)
Automobile equipment	(10,928,331)	(579,706)	269,860	-	(11,238,177)
Furniture and equipment	(3,336,666)	(597,293)	177,296	-	(3,756,663)
Infrastructure	(79,295,735)	(1,064,856)	-	-	(80,360,591)
Subscription-based information technology arrangements	(121,121)	(121,121)	-	-	(242,242)
Total accumulated depreciation/amortization	(129,595,555)	(4,388,524)	447,156	-	(133,536,923)
Total depreciable assets, net	57,942,963	(2,730,701)	-	487,863	55,700,125
Governmental activities capital assets, net	\$ 64,138,932	\$ 1,150,435	\$ -	\$ (412,692)	\$ 64,876,675

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2024

Note 5 – Capital Assets (Continued)

A. Government-Wide Financial Statements (Continued)

Depreciation expense was charged to functions/programs of governmental activities for the fiscal year ended June 30, 2024, as follows:

General government	\$ 363,145
Public safety	1,793,336
Public works services	1,373,803
Community development	204,891
Library	277,631
Recreation and community services	375,718
Total depreciation/amortization expense	\$ 4,388,524

A summary of changes in the capital assets for the business-type activities for the fiscal year ended June 30, 2024, is as follows:

	Business-Type Activities				
	Balance July 1, 2023	Additions	Deletions	Transfers	Balance June 30, 2024
Nondepreciable assets:					
Land	\$ 192,436	\$ -	\$ -	\$ -	\$ 192,436
Water rights	5,602,000	-	-	-	5,602,000
Construction in progress	2,198,310	639,111	-	(540,805)	2,296,616
Total nondepreciable assets	7,992,746	639,111	-	(540,805)	8,091,052
Depreciable assets:					
Water treatment plant and systems	73,371,721	-	-	412,692	73,784,413
Sewer pipes	13,275,844	-	-	540,805	13,816,649
Automotive equipment	5,347,163	219,002	(363,490)	-	5,202,675
Furniture and equipment	860,581	105,942	(11,717)	27,730	982,536
Total capital assets, being depreciated	92,855,309	324,944	(375,207)	981,227	93,786,273
Less accumulated depreciation:					
Water treatment plant and systems	(45,803,335)	(1,523,846)	-	-	(47,327,181)
Sewer pipes	(7,959,747)	(211,591)	-	-	(8,171,338)
Automobile equipment	(3,389,105)	(537,428)	363,490	-	(3,563,043)
Furniture and equipment	(453,043)	(50,142)	11,717	(27,730)	(519,198)
Total accumulated depreciation	(57,605,230)	(2,323,007)	375,207	(27,730)	(59,580,760)
Total depreciable assets, net	35,250,079	(1,998,063)	-	953,497	34,205,513
Business-type activities capital assets, net	\$ 43,242,825	\$ (1,358,952)	\$ -	\$ 412,692	\$ 42,296,565

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2024

Note 5 – Capital Assets (Continued)

A. Government-Wide Financial Statements (Continued)

Depreciation expense for business-type activities for the fiscal year ended June 30, 2024, was charged as follows:

Water Utility	\$ 1,616,813
Sewer Maintenance	329,741
Transit System	358,006
Arcadia PAR 3 Golf Course	18,447
Total depreciation expense	\$ 2,323,007

B. Fund Financial Statements

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

Note 6 – Long-Term Liabilities

A. Governmental Activities

A summary of changes in long-term liabilities for governmental activities for the fiscal year ended June 30, 2024 is as follows:

	Balance July 1, 2023	Additions	Deletions	Balance June 30, 2024	Due within One Year	Due in more than One Year
2021 General Obligation Refunding Bonds (Police Station)	\$ 4,429,000	\$ -	\$ (467,000)	\$ 3,962,000	\$ 473,000	\$ 3,489,000
2021 General Obligation Refunding Bonds (Measure A)	3,489,000	-	(363,000)	3,126,000	371,000	2,755,000
2020 Pension Obligation Bonds	81,576,400	-	(3,820,100)	77,756,300	3,854,300	73,902,000
Total bonds payable	89,494,400	-	(4,650,100)	84,844,300	4,698,300	80,146,000
Subscription liabilities	238,408	-	(117,326)	121,082	121,082	-
Claims and judgments payable	9,499,827	562,216	(1,479,178)	8,582,865	2,389,914	6,192,951
Compensated absences	2,944,562	1,902,418	(1,765,670)	3,081,310	1,765,670	1,315,640
Total	\$ 102,177,197	\$ 2,464,634	\$ (8,012,274)	\$ 96,629,557	\$ 8,974,966	\$ 87,654,591

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

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2024

Note 6 – Long-Term Liabilities (Continued)

A. Governmental Activities (Continued)

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

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

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

As noted below, on November 23, 2021, the remaining outstanding balances of the 2011 General Obligation Bonds in the total amount of \$4,860,000, were refunded by the General Obligation Refunding Bonds Series 2021. As of June 30, 2024, the bonds were fully redeemed.

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

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

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

As noted below, on November 23, 2021, the remaining outstanding balances of the 2012 General Obligation Refunding Bonds in the total amount of \$3,725,000, were refunded by the General Obligation Refunding Bonds, Series 2021. As of June 30, 2024, the bonds were fully redeemed.

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

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

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2024

Note 6 – Long-Term Liabilities (Continued)

A. Governmental Activities (Continued)

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

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

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

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

As of June 30, 2024, the principal balance outstanding was \$3,962,000 and \$3,126,000.

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

Fiscal Year Ending June 30,	<i>General Obligation Refunding Bonds, Election 2006 (Bond Measure A)</i>			<i>General Obligation Refunding Bonds, Series 2021 (Police Station Project)</i>		
	Principal	Interest	Total	Principal	Interest	Total
2025	\$ 473,000	\$ 47,687	\$ 520,687	\$ 371,000	\$ 37,638	\$ 408,638
2026	479,000	41,594	520,594	373,000	32,877	405,877
2027	488,000	35,405	523,405	381,000	28,051	409,051
2028	491,000	29,139	520,139	388,000	23,129	411,129
2029	498,000	22,809	520,809	394,000	18,125	412,125
2030 - 2032	1,533,000	29,585	1,562,585	1,219,000	23,546	1,242,546
TOTAL	\$ 3,962,000	\$ 206,219	\$ 4,168,219	\$ 3,126,000	\$ 163,366	\$ 3,289,366

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

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

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

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2024

Note 6 – Long-Term Liabilities (Continued)

A. Governmental Activities (Continued)

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

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

The amount of bonds outstanding at June 30, 2024 for the governmental activities was \$77,756,300 and the business-type activities was \$1,728,700 and totaled \$79,485,000.

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

Fiscal Year Ending June 30,	Governmental Activities		Business-type Activities		Total
	Principal	Interest	Principal	Interest	
2025	\$ 3,854,300	\$ 1,892,594	\$ 85,700	\$ 42,077	\$ 5,874,671
2026	3,893,400	1,850,660	86,600	41,145	5,871,805
2027	3,947,200	1,798,084	87,800	39,976	5,873,060
2028	4,010,800	1,734,468	89,200	38,561	5,873,029
2029	4,084,200	1,660,023	90,800	36,906	5,871,929
2030-2034	21,859,000	6,872,914	486,000	152,802	29,370,716
2035-2039	24,974,900	3,752,335	555,100	83,423	29,365,758
2040-2041	11,132,500	356,028	247,500	7,915	11,743,943
TOTAL	<u>\$ 77,756,300</u>	<u>\$ 19,917,106</u>	<u>\$ 1,728,700</u>	<u>\$ 442,805</u>	<u>\$ 99,844,911</u>

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2024

Note 6 – Long-Term Liabilities (Continued)

A. Governmental Activities (Continued)

Subscription Liabilities

The City has entered into subscription-based information technology arrangements (SBITAs) during the fiscal year and the software arrangements mature as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2025	\$ 121,082	\$ 3,874	\$ 124,956
TOTAL	\$ 121,082	\$ 3,874	\$ 124,956

Claims and Judgments Payable

The amount of claims and judgments payable at June 30, 2024 was \$8,582,865. See Note 8B for details.

Compensated Absences

The City's liability for vested and unpaid compensated absences (accrued vacation) in the governmental activities has been accrued and amounted to \$3,081,310.

B. Business-Type Activities

A summary of changes in long-term liabilities for business-type activities for the fiscal year ended June 30, 2024, is as follows:

	Balance July 1, 2023	Additions	Deletions	Balance June 30, 2024	Due within One Year	Due in more than One Year
2020 Pension Obligation Bonds	\$ 1,813,600	\$ -	\$ (84,900)	\$ 1,728,700	\$ 85,700	\$ 1,643,000
Compensated absences	122,631	143,772	(140,816)	125,587	125,587	-
Total long-term debt	\$ 1,936,231	\$ 143,772	\$ (225,716)	\$ 1,854,287	\$ 211,287	\$ 1,643,000

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

The pension obligation bonds at June 30, 2024 in the proprietary funds amounted to \$1,728,700. See Note 6A for additional detail.

Compensated Absences

In the proprietary funds, the liability for vested and unpaid compensated absences (accrued vacation) is reported in the fund as the benefits are vested and earned. The compensated absences accrued in the proprietary funds amounted to \$125,587 at June 30, 2024.

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2024

Note 6 – Long-Term Liabilities (Continued)

C. Fiduciary Activities

A summary of changes in long-term debt for the private-purpose trust fund for the fiscal year ended June 30, 2024, is as follows:

	Balance July 1, 2023	Additions	Deletions	Balance June 30, 2024	Due within One Year	Due in more than One Year
2020 Tax Allocation Refunding Bonds	\$ 9,340,000	\$ -	\$ (1,580,000)	\$ 7,760,000	\$ 2,540,000	\$ 5,220,000
Total bonds payable	\$ 9,340,000	\$ -	\$ (1,580,000)	\$ 7,760,000	\$ 2,540,000	\$ 5,220,000

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

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

The amount of bonds outstanding at June 30, 2024 totaled \$7,760,000 in the Successor Agency to the Arcadia Redevelopment Agency Private-Purpose Trust Fund.

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

Fiscal Year Ending	Principal	Interest	Total
June 30,			
2025	\$ 2,540,000	\$ 118,962	\$ 2,658,962
2026	2,585,000	71,991	2,656,991
2027	2,635,000	24,150	2,659,150
TOTAL	\$ 7,760,000	\$ 215,103	\$ 7,975,103

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2024

Note 7 – Expenditures in Excess of Appropriations

The following funds had expenditures in excess of budget:

Fund	Appropriations	Expenditures	Excess Expenditures over Appropriations
Major Governmental Fund			
General Fund:			
General government:			
City council	\$ 313,078	\$ 382,965	\$ 69,887
Debt service:			
Principal retirement	-	117,326	117,326
American Rescue Plan Act Fund:			
Community development	-	479,859	479,859
Library	-	24,147	24,147
Recreation and community services	-	13,527	13,527
General Obligation Bonds Debt Service Fund			
Debt service:			
Interest and fiscal charges	96,000	97,888	1,888
Pension Obligation Bonds Fund:			
General city	-	1,500	1,500
Nonmajor Governmental Funds:			
Special Revenue Funds:			
Proposition A Transit:			
Public works services	144,500	145,652	1,152
State and County Gas Tax:			
Public works services	-	3,800	3,800
Homeland Security:			
Public safety:			
Fire	80,000	98,151	18,151

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

Note 8 – Risk Management

A. Coverage

At June 30, 2024, the City was self-insured for workers' compensation and general liability. The self-insured portion for workers' compensation and general liability is limited to the first \$500,000 of liability per occurrence. Coverage in excess of these amounts is maintained in layers to a maximum of \$38,000,000 for general liability and the statutory limit for workers compensation (of which \$3,000,000 per occurrence is for each employee accident or disease) through the California Insurance Pool Authority (CIPA).

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2024

Note 8 – Risk Management (Continued)

A. Coverage (Continued)

CIPA is a consortium of 14 cities in Southern California, established to pool resources, share risks, purchase excess insurance and to share costs for professional risk management and claims administration. Member agencies make payments based on underwriting estimates. Each agency may be assessed the difference between funds available and the \$20,000,000 annual aggregate in proportion to their annual premiums. The Governing Board is comprised of one member from each City and is responsible for the selection of management, and for the budgeting and financial management of CIPA. No determination has been made as to each participant's proportionate share of the fund equity as of June 30, 2024. Upon termination of CIPA, and after settlement of all claims, any excess or deficit will be divided among the cities in proportion to the amount of their contributions.

B. Claims Activity

Claims expenses and liabilities were reported when they were probable that a loss had occurred and the amount of that loss can be reasonably estimated. At June 30, 2024, the amount of these liabilities was \$8,582,865 and was the City's best estimate based on available information. The liabilities for unpaid claims were calculated using actuarial methods and assumptions with the conclusions consistent with GASB Statement No. 10. The liabilities included allocated loss adjustment expenses containing case reserves, the development on known claims and incurred but not reported claims. It did not include a provision for non-incremental expenses.

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

Fiscal Year Ending June 30,	Claims Payable July 1	Claims Incurred during the Fiscal Year	Claims Payments	Fiscal Year Ended June 30
2022	\$ 6,654,154	\$ 2,161,432	\$ (855,890)	\$ 7,959,696
2023	7,959,696	2,917,618	(1,377,487)	9,499,827
2024	9,499,827	562,216	(1,479,178)	8,582,865

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

Note 9 – Pension Plan

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

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2024

Note 9 – Pension Plan (Continued)

A. General Information about the Pension Plan

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

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

The Plans’ provisions and benefits in effect at June 30, 2024, are summarized as follows:

	City Miscellaneous Plan			
	Classic	Tier I	Tier II	Tier III
Hire date	Prior to July 1, 2011	Hired between July 1, 2011 - October 8, 2011	On or after October 9, 2011	On or after January 1, 2013
Benefit formula	2.0% @ 55	2.5% @ 55	2% @ 60	2% @ 62
Benefit vesting schedule	5 years service	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life	monthly for life
Retirement age	50-63	50-63	50-63	52 - 67
Monthly benefits, as a % of eligible compensation	2.0% - 2.5%	2.0% - 2.5%	1.092%-2.418%	1.0% to 2.5%
Required employee contribution rates	Total 8%. 7% paid by City (EMPC)	8.00%	7.00%	7.50%
Required employer contribution rates	Total 10.330%. Employee pays 8% of employer cost through cost-sharing	11.620%	11.620%	11.620%
Required employer payment of unfunded liability	\$ 1,349,376	\$ 1,349,376	\$ 1,349,376	\$ 1,349,376

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2024

Note 9 – Pension Plan (Continued)

A. General Information about the Pension Plan (Continued)

The Plans' provisions and benefits in effect at June 30, 2024, are summarized as follows (Continued):

	City Safety Plan			
	Classic	Tier I	Tier II	Tier III
Hire date	Prior to July 1, 2011	Hired between July 1, 2011 - October 8, 2011	On or after October 9, 2011	On or after January 1, 2013
Benefit formula	3.0% @ 50	3.0% @ 50	3% @ 55	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life	monthly for life
Retirement age	50-55	50-55	50-55	52 - 67
Monthly benefits, as a % of eligible compensation	3.0%	3.0%	2.4%-3.0%	1.0% to 2.5%
Required employee contribution rates	Total 9%. 9% paid by City (EMPC)	9.00%	9.00%	13.25%
Required employer contribution rates	Total 23.350%. Employee pays 9% of employer cost through cost-sharing	23.350%	23.350%	23.350%
Required employer payment of unfunded liability	\$ 2,552,371	\$ 2,552,371	\$ 2,552,371	\$ 2,552,371

Employees Covered – At June 30, 2024, the following employees were covered by the benefit terms for each Plan:

	Miscellaneous	Safety
Inactive employees or beneficiaries currently receiving benefits	418	254
Inactive employees entitled to but not yet receiving benefits	348	112
Active employees	187	116
Total	953	482

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

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2024

Note 9 – Pension Plan (Continued)

B. Net Pension Liability

The City's net pension liability for each Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of each of the Plans is measured as of June 30, 2023, using an annual actuarial valuation as of June 30, 2022 rolled forward to June 30, 2023 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

Actuarial Assumptions – The total pension liabilities in the June 30, 2023 (measurement date), actuarial valuations were determined using the following actuarial assumptions:

	Miscellaneous	Safety
Valuation Date	June 30, 2022	June 30, 2022
Measurement Date	June 30, 2023	June 30, 2023
Actuarial Cost Method	Entry age actuarial cost method	
Actuarial Assumptions:		
Discount Rate	6.90%	6.90%
Inflation	2.30%	2.30%
Salary Increases	Varies by entry age and service	
Mortality Rate Table ¹	Derived using CalPERS' membership data for all funds	
Post Retirement Benefit Increase	The lesser of contract COLA or 2.30% until Purchasing Power Protection Allowance floor on purchasing power applies, 2.30% thereafter	

¹The mortality table used was developed based on CalPERS'-specific data. The probabilities of mortality are based on the 2021 CalPERS' Experience Study and Review of Actuarial Assumptions. Mortality rates incorporate full generational mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries. For more details on this table, please refer to the 2021 experience study report from November 2021 that can be found on the CalPERS' website.

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

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations. Using historical returns of all of the funds' asset classes, expected compound (geometric) returns were calculated over the next 20 years using a building-block approach. The expected rate of return was then adjusted to account for assumed administrative expenses of 10 Basis points.

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2024

Note 9 – Pension Plan (Continued)

B. Net Pension Liability (Continued)

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

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

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

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

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

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

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2024

Note 9 – Pension Plan (Continued)

B. Net Pension Liability (Continued)

Amortization of Deferred Outflows and Deferred Inflows of Resources - Under GASB statement no. 68, gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time.

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

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

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

C. Changes in the Net Pension Liability

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

Miscellaneous Plan:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balance at June 30, 2022	\$ 179,271,607	\$ 151,659,272	\$ 27,612,335
Changes during the fiscal year:			
Service Cost	2,701,722	-	2,701,722
Interest on the Total Pension Liability	12,254,693	-	12,254,693
Change of Benefit Terms	277,769	-	277,769
Change of Assumptions	-	-	-
Differences between Expected and Actual Experience	1,423,636	-	1,423,636
Contributions - Employer	-	3,309,734	(3,309,734)
Contributions - Employees	-	1,146,044	(1,146,044)
Net Investment Income	-	9,258,724	(9,258,724)
Benefit Payments, including Refunds of Employee Contributions	(9,439,260)	(9,439,260)	-
Administrative Expense	-	(111,523)	111,523
Net Changes	7,218,560	4,163,719	3,054,841
Balance at June 30, 2023	\$ 186,490,167	\$ 155,822,991	\$ 30,667,176

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2024

Note 9 – Pension Plan (Continued)

C. Changes in the Net Pension Liability (Continued)

Public Safety Plan:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balance at June 30, 2022	\$ 304,917,819	\$ 255,287,544	\$ 49,630,275
Changes during the fiscal year:			
Service Cost	4,944,387	-	4,944,387
Interest on the Total Pension Liability	20,922,057	-	20,922,057
Change of Benefit Terms	141,801	-	141,801
Change of Assumptions	-	-	-
Differences between Expected and Actual Experience	3,639,167	-	3,639,167
Contributions - Employer	-	7,254,760	(7,254,760)
Contributions - Employees	-	1,523,380	(1,523,380)
Net Investment Income	-	15,578,607	(15,578,607)
Benefit Payments, including Refunds of Employee Contributions	(15,905,528)	(15,905,528)	-
Administrative Expense	-	(187,726)	187,726
Net Changes	13,741,884	8,263,493	5,478,391
Balance at June 30, 2023	\$ 318,659,703	\$ 263,551,037	\$ 55,108,666

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

	Miscellaneous	Safety
1% Decrease	5.90%	5.90%
Net Pension Liability	\$ 55,874,472	\$ 99,674,799
Current Discount Rate	6.90%	6.90%
Net Pension Liability	\$ 30,667,176	\$ 55,108,666
1% Increase	7.90%	7.90%
Net Pension Liability	\$ 10,024,342	\$ 18,790,372

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

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2024

Note 9 – Pension Plan (Continued)

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

For the fiscal year ended June 30, 2024, the City recognized pension expense of \$7,259,172 and \$13,289,795 for Miscellaneous and Safety plan respectively. At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Miscellaneous		Safety	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension Contributions Subsequent to Measurement Date	\$ 3,181,684	\$ -	\$ 6,304,988	\$ -
Changes of Assumptions	869,715	-	4,149,185	-
Differences between Expected and Actual Experiences	804,664	(350,559)	2,384,282	(1,213,611)
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	7,456,964	-	12,838,886	-
Total	<u>\$ 12,313,027</u>	<u>\$ (350,559)</u>	<u>\$ 25,677,341</u>	<u>\$ (1,213,611)</u>

\$9,486,672 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2025. Other amounts reported as deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Measurement Periods Ended	Miscellaneous	Safety
June 30		
2024	\$ 2,482,837	\$ 6,038,822
2025	1,063,728	3,278,038
2026	5,028,770	8,485,294
2027	205,449	356,588

E. Payable to the Pension Plan

At June 30, 2024, no pension contribution is outstanding to the pension plan or the fiscal year ended June 30, 2024.

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2024

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

At June 30, 2024, net OPEB liability and related deferred outflows of resources and deferred inflows of resources are as follows:

	Governmental Activities	Business-Type Activities	Total
Deferred outflows of resources:			
Contribution subsequent to measurement date	\$ 3,336,486	\$ 21,144	\$ 3,357,630
Changes of assumptions	1,823,810	42,935	1,866,745
Differences between Expected and Actual Experiences	627,910	14,782	642,692
Total deferred outflows of resources	<u>\$ 5,788,206</u>	<u>\$ 78,861</u>	<u>\$ 5,867,067</u>
Net OPEB liabilities:	<u>\$ 10,581,331</u>	<u>\$ 249,100</u>	<u>\$ 10,830,431</u>
Deferred inflows of Resources:			
Differences between Expected and Actual Experiences	\$ 2,943,194	\$ 69,287	\$ 3,012,481
Total deferred inflows of resources	<u>\$ 2,943,194</u>	<u>\$ 69,287</u>	<u>\$ 3,012,481</u>

Plan Description

In addition to the retirement plan described in Note 9, the City also provides certain health insurance benefits, in accordance with the fringe benefits resolution, to retired employees. The City Council has the authority to establish and amend the benefits offered by the single-employer plan. The City Council approved contracts with employees capping the maximum monthly retiree health benefit contribution made by the City for existing employees who retire on or after July 1, 2011; reducing retiree health insurance benefits for employees hired on or after July 1, 2011 to the mandatory minimum contribution established by California Government Code Section 22892(b). An eligible retiree is an employee who retires on a service retirement and has 125 days of accumulated sick leave at the date of retirement. Such payment shall cease by the employee's sixty-fifth (65) birthday. If the retired employee has other group medical coverage available to them, then this other group insurance shall be primary and the City's health insurance plan shall function as a secondary coinsurance. An employee who has fewer than 125 days of accumulated sick leave at the date of retirement may become eligible for coverage by paying the City an amount equal to the employee's daily pay rate at the time of retirement times the number of days needed to meet the 125 days of accumulated sick leave requirement with restrictions. The requirement varies slightly among different employee groups.

Eligibility

Employees of the City are eligible for retiree health benefits if they are between 50-55 years of age as of the last day of work prior to retirement and are a vested member of CalPERS. Membership in the plan consisted of the following at June 30, 2023, the date of the latest actuarial valuation:

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

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2024

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

Contribution

The obligation of the City to contribute to the plan is established and may be amended by the City Council. For the fiscal year ended June 30, 2024, the City made contributions based on an actuarially determined rate and additional prefund contribution in an amount of \$1,865,000.

Net OPEB Liability

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

Actuarial assumptions

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

Valuation Date	June 30, 2023
Measurement Date	June 30, 2023
Actuarial Cost Method	Entry Age Normal Level % of Pay
Asset Valuation Method	Fair Value
Inflation	2.50%
Healthcare Cost Trend Rates	6.5% in 2025 decreasing to 3.9% by 2075
Salary Increase	3.00%
Investment Rate of Return	6.00%
Retirement Age	From 50 to 75
Mortality	2021 CalPERS' Experience Study
Mortality Improvement	MW Scale 2022

Discount Rate

The discount rate used to measure the total OPEB liability was 6.00 percent. The projection of cash flows used to determine the discount rate assumed that City contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2024

Note 10 – Postemployment Health Care Benefits (Continued)

Change in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability/(Asset)
	(a)	(b)	(c) = (a) - (b)
Balance at June 30, 2022 (Measurement Date)	\$ 20,747,022	\$ 7,963,544	\$ 12,783,478
Changes Recognized for the Measurement Period:			
Service Cost	649,890	-	649,890
Interest on the total OPEB liability	1,264,340	-	1,264,340
Investment experience	-	(19,169)	19,169
Changes of assumptions	414,343	-	414,343
Contributions from the employer	-	3,050,051	(3,050,051)
Plan experience	(715,622)	-	(715,622)
Net investment income	-	537,848	(537,848)
Administrative expenses	-	(2,732)	2,732
Benefit payments	(1,340,051)	(1,340,051)	-
Net Changes during July 1, 2022 to June 30, 2023	272,900	2,225,947	(1,953,047)
Balance at June 30, 2023 (Measurement Date)	\$ 21,019,922	\$ 10,189,491	\$ 10,830,431

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

The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.00 percent) or 1-percentage-point higher (7.00 percent) than the current discount rate:

Plan's Net OPEB Liability (Asset)		
Current Discount Rate - 1% (5.00%)	Current Discount Rate (6.00%)	Current Discount Rate + 1% (7.00%)
\$ 13,083,198	\$ 10,830,431	\$ 8,911,897

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

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

Plan's Net OPEB Liability (Asset)		
Current Trend Rate -1%	Healthcare Cost Current Trend Rate*	Current Trend Rate + 1%
\$ 8,616,728	\$ 10,830,431	\$ 13,506,294

*Healthcare cost trend rate was assumed to start at 6.5% (increase effective January 1, 2025) and grade down to 3.9% for years 2075 and later.

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2024

Note 10 – Postemployment Health Care Benefits (Continued)

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

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

For the fiscal year ended June 30, 2024, the City recognized OPEB expense of \$1,226,702. At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred outflows of resources	Deferred inflows of resources
Contributions made subsequent to the measurement date	\$ 3,050,051	\$ -
Changes of assumptions	1,856,631	-
Differences between expected and actual experience	780,234	3,010,211
Total	<u>\$ 5,686,916</u>	<u>\$ 3,010,211</u>

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

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

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

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

Measurement period ended June 30,	Amount
2024	\$ (155,428)
2025	(189,429)
2026	(15,815)
2027	(90,421)
2028	9,482
Thereafter	(61,433)
Total	<u>\$ (503,044)</u>

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2024

Note 11 – Classification of Fund Balances

At June 30, 2024, fund balances are classified as follows:

	General	Parks and Recreation	Measure W Safe, Clean Water Program	Capital Outlay	General Obligation Bonds	Pension Obligation	Nonmajor Governmental Funds	Total
Nonspendable:								
Prepaid items and deposits	\$ 81,542	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 81,542
Inventories	1,053,373	-	-	-	-	-	-	1,053,373
Lease receivable	62,229	-	-	-	-	-	-	62,229
Total nonspendable	1,197,144	-	-	-	-	-	-	1,197,144
Restricted:								
Debt service	-	-	-	-	1,058,834	-	-	1,058,834
Law enforcement	-	-	-	-	-	-	1,027,891	1,027,891
Transportation / streets	-	-	-	-	-	-	19,258,639	19,258,639
Parks and recreation	-	9,740,281	-	-	-	-	-	9,740,281
Solid waste	-	-	-	-	-	-	2,388,782	2,388,782
Clean air	-	-	-	-	-	-	224,305	224,305
Clean water	-	-	2,636,518	-	-	-	-	2,636,518
Street lighting	-	-	-	-	-	-	302,824	302,824
Library	-	-	-	-	-	-	624	624
Cable access	-	-	-	-	-	-	1,215,738	1,215,738
Recycling	-	-	-	-	-	-	91,441	91,441
Community services	-	-	-	-	-	-	680	680
Fire protection	-	-	-	-	-	-	310,487	310,487
Total restricted	-	9,740,281	2,636,518	-	1,058,834	-	24,821,411	38,257,044
Committed:								
Parks and recreation	-	-	-	-	-	-	2,790,929	2,790,929
Total committed	-	-	-	-	-	-	2,790,929	2,790,929
Assigned:								
Capital improvements	5,982,152	-	-	13,705,611	-	-	-	19,687,763
Equipment replacement	19,378,770	-	-	-	-	-	-	19,378,770
Self-insurance	5,426,259	-	-	-	-	-	-	5,426,259
Emergency reserves	16,337,970	-	-	-	-	-	-	16,337,970
Medical/dental fund	489,584	-	-	-	-	-	-	489,584
Total assigned	47,614,735	-	-	13,705,611	-	-	-	61,320,346
Unassigned	25,838,632	-	-	-	-	(1,690)	(661,060)	25,175,882
Total	\$ 74,650,511	\$ 9,740,281	\$ 2,636,518	\$ 13,705,611	\$ 1,058,834	\$ (1,690)	\$ 26,951,280	\$ 128,741,345

At June 30, 2024, outstanding encumbrances are as follows:

Funds	Amount
General Fund	\$ 2,843,333
Parks and Recreation Special Revenue Fund	6,369,943
American Rescue Plan Act Special Revenue Fund	147,577
Capital Outlay Capital Projects Fund	2,004,000
Water Utility Fund	908,578
Sewer Maintenance Fund	19,448
Nonmajor Enterprise Funds	3,595,989
Nonmajor Governmental Funds	1,794,240
Total	\$ 17,683,108

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2024

Note 12 – Deficit Fund Balances/Net Position

As of June 30, 2024, deficit fund balances will be eliminated either through future revenues or transfers from the General Fund. Deficit fund balances/net position were recorded as follows:

Major Fund:		
Pension Obligation Bonds	\$	1,690
Nonmajor Special Revenue Funds:		
OTS Grant	\$	10,003
Homeland Security Fund	\$	100,831
County Homelessness Grant	\$	489,237
CA OES HSGP	\$	60,989
Fiduciary Fund:		
Successor Agency to the Arcadia Redevelopment		
Agency Private-Purpose Trust Fund	\$	2,484,459

Note 13 - Contingencies

A. Lawsuits

The City is presently involved in certain matters of litigation that have arisen in the normal course of conducting City business. City management believes, based upon consultation with the City Attorney, that these cases, in the aggregate, are not expected to result in a material adverse financial impact on the City. Additionally, City management believes that the City's insurance programs are sufficient to cover any potential losses should an unfavorable outcome materialize (See Note 8).

B. Federal and State Grant Programs

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

REQUIRED SUPPLEMENTARY INFORMATION (Unaudited)

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City of Arcadia
Required Supplementary Information (Unaudited)
For the Fiscal Year Ended June 30, 2024

Budgetary Comparison Schedule, General Fund

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES:				
Taxes	\$ 59,314,700	\$ 59,314,700	\$ 61,544,702	\$ 2,230,002
Licenses and permits	5,554,900	5,554,900	6,576,067	1,021,167
Fines and forfeitures	502,200	502,200	554,838	52,638
Use of money and property	2,517,500	2,517,500	4,831,334	2,313,834
Intergovernmental	9,031,000	9,031,000	9,401,461	370,461
Charges for services	5,928,800	5,928,800	6,430,929	502,129
Other revenues	3,389,300	3,397,950	3,460,981	63,031
Total revenues	86,238,400	86,247,050	92,800,312	6,553,262
EXPENDITURES:				
Current:				
General government:				
City council	289,300	313,078	382,965	(69,887)
City manager	976,700	1,049,712	1,030,518	19,194
City clerk	286,400	294,700	284,082	10,618
City attorney	685,300	685,300	560,157	125,143
General city	5,354,500	5,354,500	5,068,316	286,184
Administrative services	5,437,000	6,197,077	5,376,047	821,030
Public safety:				
Police	26,529,100	27,395,331	25,193,290	2,202,041
Fire	20,585,800	22,496,284	20,947,235	1,549,049
Public works services	6,494,800	6,635,538	5,085,878	1,549,660
Community development	5,300,700	5,383,000	5,208,632	174,368
Library	4,685,700	4,715,400	4,236,655	478,745
Recreation and community services	3,708,500	3,856,300	3,741,870	114,430
Debt service:				
Principal retirement	-	-	117,326	(117,326)
Total expenditures	80,333,800	84,376,220	77,232,971	7,143,249
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	5,904,600	1,870,830	15,567,341	13,696,511
OTHER FINANCING SOURCES (USES):				
Transfers in	3,400,000	1,840,000	1,609,618	(230,382)
Transfers out	(3,417,000)	(4,268,000)	(4,202,648)	65,352
Total other financing sources (uses)	(17,000)	(2,428,000)	(2,593,030)	(165,030)
Net changes in fund balance	\$ 5,887,600	\$ (557,170)	12,974,311	\$ 13,531,481
FUND BALANCE:				
Beginning of fiscal year			61,676,200	
End of fiscal year			<u>\$ 74,650,511</u>	

See Accompanying Notes to the Required Supplementary Information.

City of Arcadia
Required Supplementary Information (Unaudited)
For the Fiscal Year Ended June 30, 2024

Budgetary Comparison Schedule, Parks and Recreation Special Revenue Fund

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES:				
Use of money and property	\$ 147,000	\$ 147,000	\$ 430,654	\$ 283,654
Charges for services	1,400,000	1,400,000	1,814,156	414,156
Total revenues	<u>1,547,000</u>	<u>1,547,000</u>	<u>2,244,810</u>	<u>697,810</u>
EXPENDITURES:				
Current:				
Recreation and community services	1,834,200	9,907,264	1,022,470	8,884,794
Total expenditures	<u>1,834,200</u>	<u>9,907,264</u>	<u>1,022,470</u>	<u>8,884,794</u>
Net change in fund balance	<u>\$ (287,200)</u>	<u>\$ (8,360,264)</u>	1,222,340	<u>\$ 9,582,604</u>
FUND BALANCE:				
Beginning of fiscal year			8,517,941	
End of fiscal year			<u>\$ 9,740,281</u>	

See Accompanying Notes to the Required Supplementary Information.

City of Arcadia
Required Supplementary Information (Unaudited)
For the Fiscal Year Ended June 30, 2024

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

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES:				
Taxes	\$ 1,025,000	\$ 1,025,000	\$ 1,023,236	\$ (1,764)
Use of money and property	49,400	49,400	135,140	85,740
Other	-	-	88,820	88,820
Total revenues	1,074,400	1,074,400	1,247,196	172,796
EXPENDITURES:				
Current:				
Public works services	321,000	621,000	481,890	139,110
Total expenditures	321,000	621,000	481,890	139,110
Net change in fund balance	\$ 753,400	\$ 453,400	765,306	\$ 311,906
FUND BALANCE:				
Beginning of fiscal year			1,871,212	
End of fiscal year			<u>\$ 2,636,518</u>	

See Accompanying Notes to the Required Supplementary Information.

City of Arcadia
Required Supplementary Information (Unaudited)
For the Fiscal Year Ended June 30, 2024

Budgetary Comparison Schedule, American Rescue Plan Act Special Revenue Fund

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES:				
Intergovernmental	\$ -	\$ -	\$ 2,504,860	\$ 2,504,860
Total revenues	-	-	2,504,860	2,504,860
EXPENDITURES:				
Current:				
General government:				
General city	2,718,000	3,668,333	1,987,327	1,681,006
Public safety:				
Fire	-	4,360	-	4,360
Community development	-	-	479,859	(479,859)
Library	-	-	24,147	(24,147)
Recreation and community services	-	-	13,527	(13,527)
Total expenditures	2,718,000	3,672,693	2,504,860	1,167,833
Net change in fund balance	<u>\$ (2,718,000)</u>	<u>\$ (3,672,693)</u>	-	<u>\$ 3,672,693</u>
FUND BALANCE (DEFICIT):				
Beginning of fiscal year			-	
End of fiscal year			<u>\$ -</u>	

See Accompanying Notes to the Required Supplementary Information.

City of Arcadia
Notes to the Required Supplementary Information (Unaudited) (Continued)
For the Fiscal Year Ended June 30, 2024

A. General Budget Policies

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

B. Continuing Appropriations

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

C. Encumbrances

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

City of Arcadia
Required Supplementary Information (Unaudited) (Continued)
For the Fiscal Year Ended June 30, 2024

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

Schedule of Changes in the Net Pension Liability and Related Ratios

	Miscellaneous Plan	Public Safety	Miscellaneous Plan	Public Safety	Miscellaneous Plan	Public Safety
Employer Fiscal Year	2024	2024	2023	2023	2022	2022
Measurement Period	2022-23 ¹	2022-23 ¹	2021-22 ¹	2021-22 ¹	2020-21 ¹	2020-21 ¹
Total Pension Liability						
Service Cost	2,701,722	\$ 4,944,387	2,820,078	\$ 4,934,594	2,517,187	\$ 4,442,542
Interest on the Total Pension Liability	12,254,693	20,922,057	11,776,596	20,002,704	11,593,471	19,479,942
Changes of Benefit Terms	277,769	141,801	-	-	-	-
Changes of Assumptions	-	-	5,218,291	11,064,491	-	-
Difference between Expected and Actual Experience	1,423,636	3,639,167	(2,103,355)	(3,171,607)	(198,638)	(388,137)
Benefit Payments, including Refunds of Employee Contributions	(9,439,260)	(15,905,528)	(9,180,659)	(14,892,882)	(8,515,738)	(14,334,859)
Net Change in Total Pension Liability	7,218,560	13,741,884	8,530,951	17,937,300	5,396,282	9,199,488
Total Pension Liability - Beginning	179,271,607	304,917,819	170,740,656	286,980,519	165,344,374	277,781,031
Total Pension Liability - Ending (a)	\$ 186,490,167	\$ 318,659,703	\$ 179,271,607	\$ 304,917,819	\$ 170,740,656	\$ 286,980,519
Plan Fiduciary Net Position						
Contributions - Employer	\$ 3,309,734	\$ 7,254,760	\$ 3,130,875	\$ 6,470,822	\$ 33,024,710	\$ 74,743,487
Contributions - Employees	1,146,044	1,523,380	1,111,468	1,435,187	1,099,003	1,435,152
Net Investment Income	9,258,724	15,578,607	(12,610,469)	(21,312,652)	29,812,725	48,746,123
Benefit Payments, including Refunds of Employee Contributions	(9,439,260)	(15,905,528)	(9,180,659)	(14,892,882)	(8,515,738)	(14,334,859)
Net Plan to Plan Resource Movement	-	-	-	-	-	-
Administrative Expense	(111,523)	(187,726)	(105,472)	(176,768)	(113,886)	(173,163)
Other Miscellaneous Income/(Expense)	-	-	-	-	-	-
Net Change in Plan Fiduciary Net Position	4,163,719	8,263,493	(17,654,257)	(28,476,293)	55,306,814	110,416,740
Plan Fiduciary Net Position - Beginning	151,659,272	255,287,544	169,313,529	283,763,837	114,006,715	173,347,097
Plan Fiduciary Net Position - Ending (b)	\$ 155,822,991	\$ 263,551,037	\$ 151,659,272	\$ 255,287,544	\$ 169,313,529	\$ 283,763,837
Net Pension Liability - Ending (a)-(b)	\$ 30,667,176	\$ 55,108,666	\$ 27,612,335	\$ 49,630,275	\$ 1,427,127	\$ 3,216,682
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	83.56%	82.71%	84.60%	83.72%	99.16%	98.88%
Covered Payroll	\$ 14,470,928	\$ 15,037,672	\$ 14,936,854	\$ 15,141,436	\$ 14,626,303	\$ 15,039,071
Net Pension Liability as Percentage of Covered Payroll	211.92%	366.47%	184.86%	327.78%	9.76%	21.39%

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

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

Change in Assumptions: There were no assumption changes in 2023 measurement period. Effective with the June 30, 2021 valuation date (June 30, 2022 measurement date), the accounting discount rate was reduced from 7.15% to 6.90%. In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. In addition, demographic assumptions and the price inflation assumption were changed in accordance with the 2021 CalPERS' Experience Study and Review of Actuarial Assumptions. The accounting discount rate was 7.15% for measurement dates June 30, 2017 through June 30, 2021, 7.65% for measurement dates June 30, 2015 through June 30, 2016, and 7.50% for measurement date June 30, 2014.

Change in Benefits Terms: The figures above generally include any liability impact that may have resulted from voluntary benefit changes that occurred on or before the Measurement Date. However, offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes) that occurred after the Valuation Date are not included in the figures above, unless the liability impact is deemed to be material by the plan actuary. In 2022, SB 1168 increased the standard retiree lump sum death benefit from \$500 to \$2,000 for any death occurring on or after July 1, 2023. The impact, if any, is included in the changes of benefit terms.

City of Arcadia
Required Supplementary Information (Unaudited) (Continued)
For the Fiscal Year Ended June 30, 2024

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

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

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

City of Arcadia
Required Supplementary Information (Unaudited) (Continued)
For the Fiscal Year Ended June 30, 2024

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

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

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

City of Arcadia
Required Supplementary Information (Unaudited) (Continued)
For the Fiscal Year Ended June 30, 2024

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

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

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

City of Arcadia
Required Supplementary Information (Unaudited) (Continued)
For the Fiscal Year Ended June 30, 2024

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

Schedule of Contributions¹

	Miscellaneous Plan				
Employer Fiscal Year End	2024	2023	2022	2021	2020
Actuarially Determined Contribution	\$ 3,181,684	\$ 3,309,734	\$ 3,130,875	\$ 5,366,181	\$ 4,951,643
Contributions in Relation to the Actuarially Determined Contribution	(3,181,684)	(3,309,734)	(3,130,875)	(33,024,710)	(4,951,643)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ (27,658,529)	\$ -
Covered Payroll	\$ 15,785,029	\$ 14,470,928	\$ 14,936,854	\$ 14,626,303	\$ 14,526,524
Contributions as a Percentage of Covered Payroll	20.16%	22.87%	20.96%	225.79%	34.09%

	Miscellaneous Plan				
Employer Fiscal Year End	2019	2018	2017	2016	2015
Actuarially Determined Contribution	\$ 4,372,487	\$ 3,857,676	\$ 3,547,604	\$ 3,252,745	\$ 3,005,140
Contributions in Relation to the Actuarially Determined Contribution	(4,372,487)	(3,857,676)	(3,547,604)	(3,252,745)	(3,005,140)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 14,123,323	\$ 13,505,676	\$ 13,759,226	\$ 13,185,552	\$ 13,353,541
Contributions as a Percentage of Covered Payroll	30.96%	28.56%	25.78%	24.67%	22.50%

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

Notes to Schedule of Plan Contributions:

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2023-24 were from the June 30, 2021 public agency valuations.

Actuarial Cost Method	Entry-Age Normal Cost Method
Amortization Method/Period	Level Percent of Pay
Asset Valuation Method	Fair Value of Assets
Inflation	2.30%
Salary Increases	Varies by Entry Age and Service
Payroll Growth	2.80%
Investment Rate of Return	6.80% Net of Pension Plan Investment and Administrative Expenses; includes Inflation.
Retirement Age	The probabilities of Retirement are based on the 2021 CalPERS' Experience Study for the period from 2000 to 2019.
Mortality	The probabilities of mortality are based on the CalPERS' experience and include generational mortality improvement using 80 percent of Scale MP 2020 published by the Society of Actuaries.

City of Arcadia
Required Supplementary Information (Unaudited) (Continued)
For the Fiscal Year Ended June 30, 2024

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

Schedule of Contributions¹ (Continued)

	Public Safety Plan				
Employer Fiscal Year End	2024	2023	2022	2021	2020
Actuarially Determined Contribution	\$ 6,304,988	\$ 6,254,760	\$ 5,970,822	\$ 10,100,516	\$ 9,417,055
Contributions in Relation to the Actuarially Determined Contribution	(6,304,988)	(7,254,760)	(6,470,822)	(74,743,487)	(9,417,055)
Contribution Deficiency (Excess)	\$ -	\$ (1,000,000)	\$ (500,000)	\$ (64,642,971)	\$ -
Covered Payroll	\$ 16,001,227	\$ 15,037,672	\$ 15,141,436	\$ 15,039,071	\$ 16,244,295
Contributions as a Percentage of Covered Payroll	39.40%	48.24%	42.74%	497.00%	57.97%
	Public Safety Plan				
Employer Fiscal Year End	2019	2018	2017	2016	2015
Actuarially Determined Contribution	\$ 8,413,611	\$ 7,393,585	\$ 6,660,024	\$ 6,049,364	\$ 5,537,175
Contributions in Relation to the Actuarially Determined Contribution	(8,413,611)	(7,393,585)	(6,660,024)	(6,049,364)	(5,537,175)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 15,237,762	\$ 15,247,111	\$ 14,774,086	\$ 14,384,057	\$ 14,161,240
Contributions as a Percentage of Covered Payroll	55.22%	48.49%	45.08%	42.06%	39.10%

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

Notes to Schedule of Plan Contributions:

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2023-24 were from the June 30, 2021 public agency valuations.

Actuarial Cost Method	Entry-Age Normal Cost Method
Amortization Method/Period	Level Percent of Pay
Asset Valuation Method	Fair Value of Assets
Inflation	2.30%
Salary Increases	Varies by Entry Age and Service
Payroll Growth	2.80%
Investment Rate of Return	6.80% Net of Pension Plan Investment and Administrative Expenses; includes Inflation.
Retirement Age	The probabilities of Retirement are based on the 2021 CalPERS' Experience Study for the period from 2000 to 2019.
Mortality	The probabilities of mortality are based on the CalPERS' experience and include generational mortality improvement using 80 percent of Scale MP 2020 published by the Society of Actuaries.

City of Arcadia
Required Supplementary Information (Unaudited) (Continued)
For the Fiscal Year Ended June 30, 2024

Schedule of Changes in Net OPEB Liability and Related Ratios*

Employer Fiscal Year End Measurement Period	2023-24 2022-23 ¹	2022-23 2021-22 ¹	2021-22 2020-21 ¹	2020-21 2019-20 ¹	2019-20 2018-19 ¹	2018-19 2017-18 ¹
Total OPEB Liability						
Service Cost	\$ 649,890	\$ 630,962	\$ 555,773	\$ 539,587	\$ 624,092	\$ 571,905
Interest on the Total OPEB Liability	1,264,340	1,232,324	1,315,564	1,277,195	1,473,509	1,433,073
Changes of Benefit Terms	-	-	-	-	-	-
Difference between Expected and Actual Experience	(715,622)	-	(1,159,229)	-	(4,103,434)	-
Changes of Assumptions	414,343	-	1,545,077	-	926,042	518,256
Benefit Payments	(1,340,051)	(1,374,685)	(1,296,606)	(1,249,082)	(1,232,218)	(1,188,482)
Net Change in Total OPEB Liability	272,900	488,601	960,579	567,700	(2,312,009)	1,334,752
Total OPEB Liability - Beginning	20,747,022	20,258,421	19,297,842	18,730,142	21,042,151	19,707,399
Total OPEB Liability - Ending	<u>\$ 21,019,922</u>	<u>\$ 20,747,022</u>	<u>\$ 20,258,421</u>	<u>\$ 19,297,842</u>	<u>\$ 18,730,142</u>	<u>\$ 21,042,151</u>
OPEB Fiduciary Net Position						
Contributions from the Employer	\$ 3,050,051	\$ 2,574,685	\$ 2,446,606	\$ 2,191,682	\$ 2,143,818	\$ 1,839,281
Plan experience	(19,169)	-	402,509	(137,211)	-	19,701
Net Investment Income	537,848	(1,249,898)	1,163,298	318,573	229,602	183,040
Administrative Expenses	(2,732)	(2,302)	(2,199)	(2,462)	(826)	(1,425)
Other expenses	-	-	-	-	-	(2,901)
Benefit Payments	(1,340,051)	(1,374,685)	(1,296,606)	(1,249,082)	(1,232,218)	(1,188,482)
Net Change in Plan Fiduciary Net Position	2,225,947	(52,200)	2,713,608	1,121,500	1,140,376	849,214
Plan Fiduciary Net Position - Beginning	<u>\$ 7,963,544</u>	<u>\$ 8,015,744</u>	<u>\$ 5,302,136</u>	<u>\$ 4,180,636</u>	<u>\$ 3,040,260</u>	<u>2,191,046</u>
Plan Fiduciary Net Position - Ending	<u>\$ 10,189,491</u>	<u>\$ 7,963,544</u>	<u>\$ 8,015,744</u>	<u>\$ 5,302,136</u>	<u>\$ 4,180,636</u>	<u>\$ 3,040,260</u>
Plan Net OPEB Liability - Ending	<u>\$ 10,830,431</u>	<u>\$ 12,783,478</u>	<u>\$ 12,242,677</u>	<u>\$ 13,995,706</u>	<u>\$ 14,549,506</u>	<u>\$ 18,001,891</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	<u>48.48%</u>	<u>38.38%</u>	<u>39.57%</u>	<u>27.48%</u>	<u>22.32%</u>	<u>14.45%</u>
Covered-Employee Payroll	\$ 37,040,755	\$ 36,964,789	\$ 33,974,008	\$ 34,745,161	\$ 34,884,018	\$ 33,785,974
Net OPEB Liability as a Percentage of Covered-Employee Payroll	29.24%	34.58%	36.04%	40.28%	41.71%	53.28%

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

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

City of Arcadia
Required Supplementary Information (Unaudited) (Continued)
For the Fiscal Year Ended June 30, 2024

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

Employer Fiscal Year End	2017-18
Measurement Period	<u>2016-17¹</u>
Total OPEB Liability	
Service Cost	\$ 553,903
Interest on the Total OPEB Liability	1,373,468
Changes of Benefit Terms	-
Difference between Expected and Actual Experience	-
Changes of Assumptions	-
Benefit Payments	<u>(1,064,775)</u>
Net Change in Total OPEB Liability	862,596
Total OPEB Liability - Beginning	<u>18,844,803</u>
Total OPEB Liability - Ending	<u><u>\$ 19,707,399</u></u>
OPEB Fiduciary Net Position	
Contributions from the Employer	\$ 1,715,575
Plan experience	-
Net Investment Income	180,573
Administrative Expenses	(875)
Other expenses	-
Benefit Payments	<u>(1,064,775)</u>
Net Change in Plan Fiduciary Net Position	830,498
Plan Fiduciary Net Position - Beginning	<u>1,360,548</u>
Plan Fiduciary Net Position - Ending	<u><u>\$ 2,191,046</u></u>
Plan Net OPEB Liability - Ending	<u><u>\$ 17,516,353</u></u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	<u><u>11.12%</u></u>
Covered-Employee Payroll	\$ 33,578,926
Net OPEB Liability as a Percentage of Covered-Employee Payroll	52.16%

City of Arcadia
Required Supplementary Information (Unaudited) (Continued)
For the Fiscal Year Ended June 30, 2024

Schedule of Contributions – OPEB

Last Ten Fiscal Years¹

	2023-2024	2022-2023	2021-2022	2020-2021	2019-2020	20018-2019
Actuarially Determine Contribution	\$ 1,559,923	\$ 1,468,662	\$ 1,618,693	\$ 1,636,344	\$ 1,634,135	\$ 1,891,281
Contributions in Relation to the Actuarially Determined Contribution	3,357,630	3,050,051	2,574,685	2,446,606	2,191,682	2,143,818
Contribution Deficiency (Excess)	<u>\$ (1,797,707)</u>	<u>\$ (1,581,389)</u>	<u>\$ (955,992)</u>	<u>\$ (810,262)</u>	<u>\$ (557,547)</u>	<u>\$ (252,537)</u>
Cover Employee Payroll During Fiscal Year	\$ 38,777,578	\$ 37,040,755	\$ 36,964,789	\$ 33,974,008	\$ 34,745,161	\$ 34,884,018
Contributions as a Percentage of Covered Employee Payroll	8.66%	8.23%	6.97%	7.20%	6.31%	6.15%

¹ GASB Statement No. 75 requires this information for plans funding with OPEB trusts be reported in the employer's Required Supplementary Information for 10 years or as many years as are available up on implementation. Fiscal year 2018 was the 1st year of implementation, therefore only six fiscal years are shown.

Notes to Schedule:

Valuation Date	June 30, 2023	June 30, 2021	June 30, 2021	June 30, 2019	June 30, 2019	June 30, 2017
Actuarial Cost Method	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age
	Normal Level	Normal Level	Normal Level	Normal Level	Normal Level	Normal Level
	% of Pay	% of Pay	% of Pay	% of Pay	% of Pay	% of Pay
Amortization Method	Level % of Payroll Closed	Level % of Payroll Closed	Level % of Payroll Closed	Level % of Payroll Closed	Level % of Payroll Closed	Level % of Payroll Closed
	30 Years	30 Years	30 Years	30 Years	30 Years	30 Years
Amortization Period	17 Years	18Years	19 Years	20 Years	21 Years	22 Years
	Remain	Remain	Remain	Remain	Remain	Remain
Asset Valuation Method	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value
Inflation	2.50%	2.50%	2.50%	2.50%	2.50%	2.75%
Healthcare Cost Trend Rates	6.5% in 2023, grading down to 3.9% by 2075	5.8% in 2023, grading down to 3.9% by 2076	5.8% in 2023, grading down to 3.9% by 2076	6.5% in 2021, grading down to 4% by 2076	6.5% in 2021, grading down to 4% by 2076	8.0% in 2018, step down by 0.5% to 5% by 2024
Salary Increase	3.00%	3.00%	3.00%	3.00%	3.00%	3.25%
Investment Rate of Return	6.00%	6.10%	6.10%	6.85%	6.85%	7.28%
Retirement Age	From 50 to 75	From 50 to 75	From 50 to 75	From 50 to 75	From 50 to 75	From 50 to 75
Mortality	2021 CalPERS' Experience Study	2017 CalPERS' Experience Study	2017 CalPERS' Experience Study	2017 CalPERS' Experience Study	2017 CalPERS' Experience Study	2017 CalPERS' Experience Study
Mortality Improvement	MW Scale 2022	MW Scale 2022	MW Scale 2022	MW Scale 2020	MW Scale 2020	MW Scale 2017

City of Arcadia
Required Supplementary Information (Unaudited) (Continued)
For the Fiscal Year Ended June 30, 2024

Schedule of Contributions – OPEB (Continued)

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

Notes to Schedule:	
Valuation Date	June 30, 2017
Actuarial Cost Method	Entry Age Normal Level % of Pay
Amortization Method	Level % of Payroll Closed 30 Years
Amortization Period	23 Years Remain
Asset Valuation Method	Fair Value
Inflation	2.75%
Healthcare Cost Trend Rates	8.0% in 2018, step down by 0.5% to 5% by 2024
Salary Increase	3.25%
Investment Rate of Return	7.28%
Retirement Age	From 50 to 75
Mortality	2017 CalPERS' Experience Study
Mortality Improvement	MW Scale 2017

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SUPPLEMENTARY INFORMATION

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MAJOR GOVERNMENTAL FUND

CAPITAL PROJECTS FUND

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

DEBT SERVICE FUND

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

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

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

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

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

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

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

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

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

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

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

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

NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)

SPECIAL REVENUE FUNDS (Continued)

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

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

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

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

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

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

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

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

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

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

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

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

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

NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)

SPECIAL REVENUE FUNDS (Continued)

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

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

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

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

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

NONMAJOR ENTERPRISE FUNDS

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

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

City of Arcadia
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Capital Outlay Capital Projects Fund
For the Fiscal Year Ended June 30, 2024

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES:				
Taxes	\$ 432,000	\$ 432,000	\$ 421,270	\$ (10,730)
Use of money and property	267,400	267,400	632,926	365,526
Total revenues	<u>699,400</u>	<u>699,400</u>	<u>1,054,196</u>	<u>354,796</u>
EXPENDITURES				
Current:				
General government:				
General City	2,103,400	2,474,160	1,154,518	1,319,642
Public safety:				
Police	830,000	1,136,361	365,402	770,959
Fire	73,000	404,841	192,821	212,020
Public works services	2,735,000	4,595,906	697,067	3,898,839
Community development	35,000	109,345	-	109,345
Library	260,000	898,645	290,327	608,318
Recreation and community services	336,000	1,066,000	13,044	1,052,956
Total expenditures	<u>6,372,400</u>	<u>10,685,258</u>	<u>2,713,179</u>	<u>7,972,079</u>
EXCESS (DEFICIENCY) OF				
REVENUES OVER (UNDER) EXPENDITURES	<u>(5,673,000)</u>	<u>(9,985,858)</u>	<u>(1,658,983)</u>	<u>8,326,875</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	3,400,000	3,400,000	3,400,000	-
Total other financing sources (uses)	<u>3,400,000</u>	<u>3,400,000</u>	<u>3,400,000</u>	<u>-</u>
Net change in fund balance	<u><u>\$ (2,273,000)</u></u>	<u><u>\$ (6,585,858)</u></u>	<u>1,741,017</u>	<u><u>\$ 8,326,875</u></u>
FUND BALANCE:				
Beginning of fiscal year			11,964,594	
End of fiscal year			<u><u>\$ 13,705,611</u></u>	

City of Arcadia
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
General Obligation Bonds Debt Service Fund
For the Fiscal Year Ended June 30, 2024

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES:				
Taxes	\$ 835,000	\$ 835,000	\$ 1,057,811	\$ 222,811
Use of money and property	1,700	1,700	28,976	27,276
Total revenues	836,700	836,700	1,086,787	250,087
EXPENDITURES:				
Current:				
General government:				
General city	2,400	2,400	2,400	-
Debt service:				
Principal retirement	830,000	830,000	830,000	-
Interest and fiscal charges	96,000	96,000	97,888	(1,888)
Total expenditures	928,400	928,400	930,288	(1,888)
Net change in fund balance	\$ (91,700)	\$ (91,700)	156,499	\$ 248,199
FUND BALANCE:				
Beginning of fiscal year			902,335	
End of fiscal year			\$ 1,058,834	

City of Arcadia
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Pension Obligation Bonds
For the Fiscal Year Ended June 30, 2024

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES:				
Use of money and property	\$ -	\$ -	\$ -	\$ -
Other revenues	-	-	5,747,530	5,747,530
Total revenues	-	-	5,747,530	5,747,530
EXPENDITURES:				
Current:				
General city	-	-	1,500	(1,500)
Debt service:				
Principal retirement	3,905,000	3,905,000	3,820,100	84,900
Interest and fiscal charges	1,970,300	1,970,300	1,927,430	42,870
Total expenditures	5,875,300	5,875,300	5,749,030	126,270
Net change in fund balance	<u>\$ (5,875,300)</u>	<u>\$ (5,875,300)</u>	(1,500)	<u>\$ 5,873,800</u>
FUND BALANCE (DEFICITS):				
Beginning of fiscal year			(190)	
End of fiscal year			<u>\$ (1,690)</u>	

City of Arcadia
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2024

	Special Revenue				
	Narcotics Seizure	COPS SLESF	OTS Grant	Traffic Safety	Solid Waste
ASSETS					
Cash and investments	\$ 224,318	\$ 287,293	\$ -	\$ -	\$ 2,299,041
Interest receivable	-	2,392	-	-	19,166
Due from other governments	23,591	-	13,082	3,891	110,365
Total assets	\$ 247,909	\$ 289,685	\$ 13,082	\$ 3,891	\$ 2,428,572
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ 200	\$ 2,467	\$ 39,790
Due to other funds	-	-	9,803	1,424	-
Deposits	-	-	-	-	-
Retentions payable	-	-	-	-	-
Total liabilities	-	-	10,003	3,891	39,790
Deferred Inflows of Resources:					
Unavailable revenue	-	-	13,082	-	-
Total deferred inflows of resources	-	-	13,082	-	-
Fund Balances:					
Restricted	247,909	289,685	-	-	2,388,782
Committed	-	-	-	-	-
Unassigned	-	-	(10,003)	-	-
Total fund balances (deficits)	247,909	289,685	(10,003)	-	2,388,782
Total liabilities and deferred inflows of resources and fund balances	\$ 247,909	\$ 289,685	\$ 13,082	\$ 3,891	\$ 2,428,572

(Continued)

City of Arcadia
Combining Balance Sheet
Nonmajor Governmental Funds (Continued)
June 30, 2024

	Special Revenue				
	AQMD	CDBG	Prop A Transit	Transportation Impact	State and County Gas Tax
ASSETS					
Cash and investments	\$ 222,451	\$ -	\$ 4,954,843	\$ 783,325	\$ -
Interest receivable	1,854	-	40,886	6,530	-
Due from other governments	-	68,288	116,848	-	132,788
Total assets	\$ 224,305	\$ 68,288	\$ 5,112,577	\$ 789,855	\$ 132,788
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ -	\$ 2,908	\$ -	\$ 749	\$ -
Due to other funds	-	64,700	-	-	132,788
Deposits	-	-	-	-	-
Retentions payable	-	-	-	-	-
Total liabilities	-	67,608	-	749	132,788
Deferred Inflows of Resources:					
Unavailable revenue	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-
Fund Balances:					
Restricted	224,305	680	5,112,577	789,106	-
Committed	-	-	-	-	-
Unassigned	-	-	-	-	-
Total fund balances (deficits)	224,305	680	5,112,577	789,106	-
Total liabilities and deferred inflows of resources and fund balances	\$ 224,305	\$ 68,288	\$ 5,112,577	\$ 789,855	\$ 132,788

(Continued)

City of Arcadia
Combining Balance Sheet
Nonmajor Governmental Funds (Continued)
June 30, 2024

	Special Revenue				
	Measure R	Lighting Maintenance	Prop C	IRS Task Force	TDA Article 3 Bikeway
ASSETS					
Cash and investments	\$ 2,874,531	\$ 478,000	\$ 4,530,021	\$ 490,297	\$ 348
Interest receivable	23,803	4,530	35,193	-	-
Due from other governments	72,687	11,014	96,632	-	-
Total assets	\$ 2,971,021	\$ 493,544	\$ 4,661,846	\$ 490,297	\$ 348
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ -	\$ 190,720	\$ 4,516	\$ -	\$ -
Due to other funds	-	-	-	-	-
Deposits	-	-	-	-	-
Retentions payable	-	-	20,463	-	-
Total liabilities	-	190,720	24,979	-	-
Deferred Inflows of Resources:					
Unavailable revenue	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-
Fund Balances:					
Restricted	2,971,021	302,824	4,636,867	490,297	348
Committed	-	-	-	-	-
Unassigned	-	-	-	-	-
Total fund balances (deficits)	2,971,021	302,824	4,636,867	490,297	348
Total liabilities and deferred inflows of resources and fund balances	\$ 2,971,021	\$ 493,544	\$ 4,661,846	\$ 490,297	\$ 348

(Continued)

City of Arcadia
Combining Balance Sheet
Nonmajor Governmental Funds (Continued)
June 30, 2024

	Special Revenue				
	Santa Anita	Homeland	Library	PEG	Used Oil
	Grade Separation		State Grant	Access Television	
ASSETS					
Cash and investments	\$ 753,538	\$ -	\$ 624	\$ 1,191,207	\$ 8,928
Interest receivable	6,282	-	-	9,931	74
Due from other governments	-	98,152	-	14,600	-
Total assets	\$ 759,820	\$ 98,152	\$ 624	\$ 1,215,738	\$ 9,002
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ -	\$ 21,271	\$ -	\$ -	\$ -
Due to other funds	-	79,560	-	-	-
Deposits	-	-	-	-	-
Retentions payable	-	-	-	-	-
Total liabilities	-	100,831	-	-	-
Deferred Inflows of Resources:					
Unavailable revenue	-	98,152	-	-	-
Total deferred inflows of resources	-	98,152	-	-	-
Fund Balances:					
Restricted	759,820	-	624	1,215,738	9,002
Committed	-	-	-	-	-
Unassigned	-	(100,831)	-	-	-
Total fund balances (deficits)	759,820	(100,831)	624	1,215,738	9,002
Total liabilities and deferred inflows of resources and fund balances	\$ 759,820	\$ 98,152	\$ 624	\$ 1,215,738	\$ 9,002

(Continued)

City of Arcadia
Combining Balance Sheet
Nonmajor Governmental Funds (Continued)
June 30, 2024

	Special Revenue				
	DOC Beverage	Road Maintenance	Measure M	County	CA OES
	Grant	and Rehabilitation Act		Homelessness Grant	HSGP
ASSETS					
Cash and investments	\$ 88,256	\$ 1,789,510	\$ 2,255,753	\$ -	\$ -
Interest receivable	736	14,919	21,378	-	-
Due from other governments	-	118,431	985,565	215,465	60,962
Total assets	\$ 88,992	\$ 1,922,860	\$ 3,262,696	\$ 215,465	\$ 60,962
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 6,553	\$ -	\$ 114	\$ -	\$ -
Due to other funds	-	-	-	489,237	60,989
Deposits	-	-	-	-	-
Retentions payable	-	-	66,733	-	-
Total liabilities	6,553	-	66,847	489,237	60,989
Deferred Inflows of Resources:					
Unavailable revenue	-	-	129,809	215,465	60,962
Total deferred inflows of resources	-	-	129,809	215,465	60,962
Fund Balances:					
Restricted	82,439	1,922,860	3,066,040	-	-
Committed	-	-	-	-	-
Unassigned	-	-	-	(489,237)	(60,989)
Total fund balances (deficits)	82,439	1,922,860	3,066,040	(489,237)	(60,989)
Total liabilities and deferred inflows of resources and fund balances	\$ 88,992	\$ 1,922,860	\$ 3,262,696	\$ 215,465	\$ 60,962

City of Arcadia
Combining Balance Sheet
Nonmajor Governmental Funds (Continued)
June 30, 2024

	Special Revenue		Total
	Emergency	Fire	Nonmajor
	Response	Facilities	Governmental
			Funds
ASSETS			
Cash and investments	\$ 2,830,137	\$ 313,374	\$ 26,375,795
Interest receivable	-	2,613	190,287
Due from other governments	-	-	2,142,361
Total assets	\$ 2,830,137	\$ 315,987	\$ 28,708,443
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ -	\$ 5,500	\$ 274,788
Due to other funds	-	-	838,501
Deposits	39,208	-	39,208
Retentions payable	-	-	87,196
Total liabilities	39,208	5,500	1,239,693
Deferred Inflows of Resources:			
Unavailable revenue	-	-	517,470
Total deferred inflows of resources	-	-	517,470
Fund Balances:			
Restricted	-	310,487	24,821,411
Committed	2,790,929	-	2,790,929
Unassigned	-	-	(661,060)
Total fund balances (deficits)	2,790,929	310,487	26,951,280
Total liabilities and deferred inflows of resources and fund balances	\$ 2,830,137	\$ 315,987	\$ 28,708,443

(Concluded)

City of Arcadia
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2024

	Special Revenue				
	Narcotics Seizure	COPS SLESF	OTS Grant	Traffic Safety	Solid Waste
REVENUES:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 687,254
Licenses and permits	-	-	-	-	-
Fines and forfeitures	-	-	-	225,983	-
Use of money and property	791	14,544	-	-	105,692
Intergovernmental	-	-	18,625	-	-
Charges for services	(54,443)	-	-	-	209,067
Other revenues	101,204	186,159	-	-	18,271
Total revenues	47,552	200,703	18,625	225,983	1,020,284
EXPENDITURES:					
Current:					
General government:					
General city	-	-	-	-	-
Public safety:					
Police	-	176,610	24,771	-	-
Fire	-	-	-	-	-
Public works services	-	-	-	-	503,635
Community development	-	-	-	-	-
Recreation and community services	-	-	-	-	-
Total expenditures	-	176,610	24,771	-	503,635
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	47,552	24,093	(6,146)	225,983	516,649
OTHER FINANCING SOURCES (USES):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	(225,983)	(300,000)
Total other financing sources (uses)	-	-	-	(225,983)	(300,000)
Net changes in fund balances	47,552	24,093	(6,146)	-	216,649
FUND BALANCES (DEFICITS):					
Beginning of fiscal year	200,357	265,592	(3,857)	-	2,172,133
End of fiscal year	\$ 247,909	\$ 289,685	\$ (10,003)	\$ -	\$ 2,388,782

(Continued)

City of Arcadia
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds (Continued)
For the Fiscal Year Ended June 30, 2024

	Special Revenue				
	AQMD	CDBG	Prop A Transit	Transportation Impact	State and County Gas Tax
REVENUES:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	974,000	-
Fines and forfeitures	-	-	-	-	-
Use of money and property	9,840	-	189,342	15,879	55
Intergovernmental	55,985	212,299	1,483,168	27,304	1,538,347
Charges for services	-	22,643	-	-	-
Other revenues	-	-	-	-	-
Total revenues	65,825	234,942	1,672,510	1,017,183	1,538,402
EXPENDITURES:					
Current:					
General government:					
General city	-	-	-	-	-
Public safety:					
Police	-	-	-	-	-
Fire	37,744	-	-	-	-
Public works services	-	-	145,652	-	3,800
Community development	16,233	143,483	72,778	143,053	-
Recreation and community services	-	81,161	20,110	-	-
Total expenditures	53,977	224,644	238,540	143,053	3,800
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	11,848	10,298	1,433,970	874,130	1,534,602
OTHER FINANCING SOURCES (USES):					
Transfers in	-	-	-	-	-
Transfers out	-	-	(125,175)	-	(1,083,635)
Total other financing sources (uses)	-	-	(125,175)	-	(1,083,635)
Net changes in fund balances	11,848	10,298	1,308,795	874,130	450,967
FUND BALANCES (DEFICITS):					
Beginning of fiscal year	212,457	(9,618)	3,803,782	(85,024)	(450,967)
End of fiscal year	\$ 224,305	\$ 680	\$ 5,112,577	\$ 789,106	\$ -

(Continued)

City of Arcadia
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds (Continued)
For the Fiscal Year Ended June 30, 2024

	Special Revenue				
	Measure R	Lighting Maintenance	Prop C	IRS Task Force	TDA Article 3 Bikeway
REVENUES:					
Taxes	\$ -	\$ 579,207	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-
Use of money and property	108,215	17,478	220,384	5,029	-
Intergovernmental	922,401	-	1,230,253	-	-
Charges for services	-	-	-	-	-
Other revenues	-	-	-	19,855	-
Total revenues	1,030,616	596,685	1,450,637	24,884	-
EXPENDITURES:					
Current:					
General government:					
General city	-	-	-	-	-
Public safety:					
Police	-	-	-	-	-
Fire	-	-	-	-	-
Public works services	-	1,337,368	-	-	-
Community development	182,523	-	1,633,018	-	121
Recreation and community services	-	-	-	-	-
Total expenditures	182,523	1,337,368	1,633,018	-	121
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	848,093	(740,683)	(182,381)	24,884	(121)
OTHER FINANCING SOURCES (USES):					
Transfers in	-	802,648	-	-	-
Transfers out	(83,417)	-	-	-	-
Total other financing sources (uses)	(83,417)	802,648	-	-	-
Net changes in fund balances	764,676	61,965	(182,381)	24,884	(121)
FUND BALANCES (DEFICITS):					
Beginning of fiscal year	2,206,345	240,859	4,819,248	465,413	469
End of fiscal year	<u>\$ 2,971,021</u>	<u>\$ 302,824</u>	<u>\$ 4,636,867</u>	<u>\$ 490,297</u>	<u>\$ 348</u>

(Continued)

City of Arcadia
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds (Continued)
For the Fiscal Year Ended June 30, 2024

	Special Revenue				
	Santa Anita Grade Separation	Homeland Security	Library State Grant	PEG Access Television	Used Oil Grant
REVENUES:					
Taxes	\$ -	\$ -	\$ -	\$ 65,955	\$ -
Licenses and permits	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-
Use of money and property	35,680	-	-	54,605	353
Intergovernmental	-	79,000	-	-	8,052
Charges for services	-	-	-	-	-
Other revenues	-	-	-	-	-
Total revenues	35,680	79,000	-	120,560	8,405
EXPENDITURES:					
Current:					
General government:					
General city	-	-	-	-	-
Public safety:					
Police	-	-	-	-	-
Fire	-	98,151	-	-	-
Public works services	-	-	-	-	4,605
Community development	-	-	-	-	-
Recreation and community services	-	-	-	-	-
Total expenditures	-	98,151	-	-	4,605
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	35,680	(19,151)	-	120,560	3,800
OTHER FINANCING SOURCES (USES):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Net changes in fund balances	35,680	(19,151)	-	120,560	3,800
FUND BALANCES (DEFICITS):					
Beginning of fiscal year	724,140	(81,680)	624	1,095,178	5,202
End of fiscal year	<u>\$ 759,820</u>	<u>\$ (100,831)</u>	<u>\$ 624</u>	<u>\$ 1,215,738</u>	<u>\$ 9,002</u>

(Continued)

City of Arcadia
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds (Continued)
For the Fiscal Year Ended June 30, 2024

	Special Revenue				
	Road Maintenance and Rehabilitation			County Homelessness	CA OES
	DOC Beverage Grant	Act	Measure M	Grant	HSGP
REVENUES:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-
Use of money and property	3,634	82,170	127,389	-	-
Intergovernmental	14,225	1,439,306	2,496,521	23,192	-
Charges for services	-	-	-	-	-
Other revenues	-	-	-	-	-
Total revenues	17,859	1,521,476	2,623,910	23,192	-
EXPENDITURES:					
Current:					
General government:					
General city	-	-	-	-	-
Public safety:					
Police	-	-	-	-	60,962
Fire	-	-	-	-	-
Public works services	6,553	-	-	-	-
Community development	-	1,200,000	2,116,805	-	-
Recreation and community services	-	-	-	282,184	-
Total expenditures	6,553	1,200,000	2,116,805	282,184	60,962
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	11,306	321,476	507,105	(258,992)	(60,962)
OTHER FINANCING SOURCES (USES):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Net changes in fund balances	11,306	321,476	507,105	(258,992)	(60,962)
FUND BALANCES (DEFICITS):					
Beginning of fiscal year	71,133	1,601,384	2,558,935	(230,245)	(27)
End of fiscal year	<u>\$ 82,439</u>	<u>\$ 1,922,860</u>	<u>\$ 3,066,040</u>	<u>\$ (489,237)</u>	<u>\$ (60,989)</u>

(Continued)

City of Arcadia
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds (Continued)
For the Fiscal Year Ended June 30, 2024

	Special Revenue		Total Nonmajor Governmental Funds
	Emergency Response	Fire Facilities	
REVENUES:			
Taxes	\$ -	\$ -	\$ 1,332,416
Licenses and permits	-	310,715	1,284,715
Fines and forfeitures	-	-	225,983
Use of money and property	-	5,272	996,352
Intergovernmental	3,529	-	9,552,207
Charges for services	-	-	177,267
Other revenues	-	-	325,489
Total revenues	3,529	315,987	13,894,429
EXPENDITURES:			
Current:			
General government:			
General city	404	-	404
Public safety:			
Police	-	-	262,343
Fire	-	5,500	141,395
Public works services	-	-	2,001,613
Community development	-	-	5,508,014
Recreation and community services	-	-	383,455
Total expenditures	404	5,500	8,297,224
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	3,125	310,487	5,597,205
OTHER FINANCING SOURCES (USES):			
Transfers in	-	-	802,648
Transfers out	-	-	(1,818,210)
Total other financing sources (uses)	-	-	(1,015,562)
Net changes in fund balances	3,125	310,487	4,581,643
FUND BALANCES (DEFICITS):			
Beginning of fiscal year	2,787,804	-	22,369,637
End of fiscal year	\$ 2,790,929	\$ 310,487	\$ 26,951,280

(Concluded)

City of Arcadia
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Narcotics Seizure Special Revenue Fund
For the Fiscal Year Ended June 30, 2024

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES:				
Use of money and property	\$ 4,900	\$ 4,900	\$ 791	\$ (4,109)
Charges for services	30,000	30,000	(54,443)	(84,443)
Other revenues	4,000	4,000	101,204	97,204
Total revenues	38,900	38,900	47,552	8,652
EXPENDITURES:				
Current:				
Public safety:				
Police	-	-	-	-
Total expenditures	-	-	-	-
Net change in fund balance	\$ 38,900	\$ 38,900	47,552	\$ 8,652
FUND BALANCE:				
Beginning of fiscal year			200,357	
End of fiscal year			\$ 247,909	

City of Arcadia
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
COPS SLESF Special Revenue Fund
For the Fiscal Year Ended June 30, 2024

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES:				
Use of money and property	\$ 7,700	\$ 7,700	\$ 14,544	\$ 6,844
Other revenues	170,000	170,000	186,159	16,159
Total revenues	177,700	177,700	200,703	23,003
EXPENDITURES:				
Current:				
Public safety:				
Police	179,600	179,600	176,610	2,990
Total expenditures	179,600	179,600	176,610	2,990
Net change in fund balance	<u>\$ (1,900)</u>	<u>\$ (1,900)</u>	24,093	<u>\$ 25,993</u>
FUND BALANCE:				
Beginning of fiscal year			265,592	
End of fiscal year			<u>\$ 289,685</u>	

City of Arcadia
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
OTS Grant Special Revenue Fund
For the Fiscal Year Ended June 30, 2024

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES:				
Intergovernmental	\$ 97,600	\$ 97,600	\$ 18,625	\$ (78,975)
Total revenues	<u>97,600</u>	<u>97,600</u>	<u>18,625</u>	<u>(78,975)</u>
EXPENDITURES:				
Current:				
Public safety:				
Police	<u>79,300</u>	<u>79,300</u>	<u>24,771</u>	<u>54,529</u>
Total expenditures	<u>79,300</u>	<u>79,300</u>	<u>24,771</u>	<u>54,529</u>
Net change in fund balance	<u>\$ 18,300</u>	<u>\$ 18,300</u>	(6,146)	<u>\$ (24,446)</u>
FUND BALANCE (DEFICITS):				
Beginning of fiscal year			<u>(3,857)</u>	
End of fiscal year			<u>\$ (10,003)</u>	

City of Arcadia
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Traffic Safety Special Revenue Fund
For the Fiscal Year Ended June 30, 2024

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES:				
Fines and forfeitures	\$ 150,000	\$ 150,000	\$ 225,983	\$ 75,983
Total revenues	150,000	150,000	225,983	75,983
OTHER FINANCING SOURCES (USES):				
Transfers out	(140,000)	(140,000)	(225,983)	(85,983)
Total other financing sources (uses)	(140,000)	(140,000)	(225,983)	(85,983)
Net change in fund balance	<u>\$ 10,000</u>	<u>\$ 10,000</u>	-	<u>\$ (10,000)</u>
FUND BALANCE:				
Beginning of fiscal year			-	
End of fiscal year			<u>\$ -</u>	

City of Arcadia
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Solid Waste Special Revenue Fund
For the Fiscal Year Ended June 30, 2024

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES:				
Taxes	\$ 570,000	\$ 570,000	\$ 687,254	\$ 117,254
Use of money and property	59,800	59,800	105,692	45,892
Charges for services	130,000	130,000	209,067	79,067
Other revenues	500	500	18,271	17,771
Total revenues	760,300	760,300	1,020,284	259,984
EXPENDITURES:				
Current:				
Public works services	532,300	532,300	503,635	28,665
Total expenditures	532,300	532,300	503,635	28,665
EXCESS (DEFICIENCY) OF				
REVENUES OVER (UNDER) EXPENDITURES	228,000	228,000	516,649	288,649
OTHER FINANCING SOURCES (USES):				
Transfers out	(300,000)	(300,000)	(300,000)	-
Total other financing sources (uses)	(300,000)	(300,000)	(300,000)	-
Net change in fund balance	\$ (72,000)	\$ (72,000)	216,649	\$ 288,649
FUND BALANCE:				
Beginning of fiscal year			2,172,133	
End of fiscal year			<u>\$ 2,388,782</u>	

City of Arcadia
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
AQMD Special Revenue Fund
For the Fiscal Year Ended June 30, 2024

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES:				
Use of money and property	\$ 4,000	\$ 4,000	\$ 9,840	\$ 5,840
Intergovernmental	74,300	74,300	55,985	(18,315)
Total revenues	<u>78,300</u>	<u>78,300</u>	<u>65,825</u>	<u>(12,475)</u>
EXPENDITURES:				
Current:				
General government:				
General city	36,000	36,000	-	36,000
Public safety:				
Fire	50,000	50,000	37,744	12,256
Community development	22,400	22,400	16,233	6,167
Total expenditures	<u>108,400</u>	<u>108,400</u>	<u>53,977</u>	<u>54,423</u>
Net change in fund balance	<u>\$ (30,100)</u>	<u>\$ (30,100)</u>	11,848	<u>\$ 41,948</u>
FUND BALANCE:				
Beginning of fiscal year			<u>212,457</u>	
End of fiscal year			<u>\$ 224,305</u>	

City of Arcadia
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
CDBG Special Revenue Fund
For the Fiscal Year Ended June 30, 2024

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES:				
Intergovernmental	\$ -	\$ -	\$ 212,299	\$ 212,299
Charges for services	24,300	24,300	22,643	(1,657)
Total revenues	24,300	24,300	234,942	210,642
EXPENDITURES:				
Current:				
Community development	240,600	240,600	143,483	97,117
Recreation and community services	83,300	83,300	81,161	2,139
Total expenditures	323,900	323,900	224,644	99,256
Net change in fund balance	<u>\$ (299,600)</u>	<u>\$ (299,600)</u>	10,298	<u>\$ 309,898</u>
FUND BALANCE (DEFICITS):				
Beginning of fiscal year			(9,618)	
End of fiscal year			<u>\$ 680</u>	

City of Arcadia
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Proposition A Transit Special Revenue Fund
For the Fiscal Year Ended June 30, 2024

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES:				
Use of money and property	\$ 66,800	\$ 66,800	\$ 189,342	\$ 122,542
Intergovernmental	1,616,500	1,616,500	1,483,168	(133,332)
Total revenues	1,683,300	1,683,300	1,672,510	(10,790)
EXPENDITURES:				
Current:				
Public works services	144,500	144,500	145,652	(1,152)
Community development	121,100	347,100	72,778	274,322
Recreation and community services	31,100	31,100	20,110	10,990
Total expenditures	296,700	522,700	238,540	284,160
EXCESS (DEFICIENCY) OF				
REVENUES OVER (UNDER) EXPENDITURES	1,386,600	1,160,600	1,433,970	273,370
OTHER FINANCING SOURCES (USES):				
Transfers out	(1,352,600)	(1,352,600)	(125,175)	1,227,425
Total other financing sources (uses)	(1,352,600)	(1,352,600)	(125,175)	1,227,425
Net change in fund balance	\$ 34,000	\$ (192,000)	1,308,795	\$ 1,500,795
FUND BALANCE:				
Beginning of fiscal year			3,803,782	
End of fiscal year			<u>\$ 5,112,577</u>	

City of Arcadia
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Transportation Impact Special Revenue Fund
For the Fiscal Year Ended June 30, 2024

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES:				
Licenses and permits	\$ 300,000	\$ 300,000	\$ 974,000	\$ 674,000
Use of money and property	-	-	15,879	15,879
Intergovernmental	-	-	27,304	27,304
Total revenues	<u>300,000</u>	<u>300,000</u>	<u>1,017,183</u>	<u>717,183</u>
EXPENDITURES:				
Current:				
Community development	<u>200,000</u>	<u>447,161</u>	<u>143,053</u>	<u>304,108</u>
Total expenditures	<u>200,000</u>	<u>447,161</u>	<u>143,053</u>	<u>304,108</u>
Net change in fund balance	<u>\$ 100,000</u>	<u>\$ (147,161)</u>	874,130	<u>\$ 1,021,291</u>
FUND BALANCE (DEFICITS):				
Beginning of fiscal year			<u>(85,024)</u>	
End of fiscal year			<u>\$ 789,106</u>	

City of Arcadia
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
State and County Gas Tax Special Revenue Fund
For the Fiscal Year Ended June 30, 2024

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 55	\$ 55
Intergovernmental	1,609,500	1,609,500	1,538,347	(71,153)
Total revenues	1,609,500	1,609,500	1,538,402	(71,098)
EXPENDITURES:				
Current:				
Public works services	-	-	3,800	(3,800)
Total expenditures	-	-	3,800	(3,800)
EXCESS (DEFICIENCY) OF				
REVENUES OVER (UNDER) EXPENDITURES	1,609,500	1,609,500	1,534,602	(74,898)
OTHER FINANCING SOURCES (USES):				
Transfers out	(1,400,000)	(1,400,000)	(1,083,635)	316,365
Total other financing sources (uses)	(1,400,000)	(1,400,000)	(1,083,635)	316,365
Net change in fund balance	<u>\$ 209,500</u>	<u>\$ 209,500</u>	450,967	<u>\$ 241,467</u>
FUND BALANCE (DEFICITS):				
Beginning of fiscal year			(450,967)	
End of fiscal year			<u>\$ -</u>	

City of Arcadia
Schedule of Revenues, Expenditures, and Change in Fund Balance - Budget and Actual
Measure R Special Revenue Fund
For the Fiscal Year Ended June 30, 2024

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES:				
Use of money and property	\$ 50,600	\$ 50,600	\$ 108,215	\$ 57,615
Intergovernmental	1,005,600	1,005,600	922,401	(83,199)
Total revenues	1,056,200	1,056,200	1,030,616	(25,584)
EXPENDITURES:				
Current:				
Community development	72,700	2,002,634	182,523	1,820,111
Total expenditures	72,700	2,002,634	182,523	1,820,111
EXCESS (DEFICIENCY) OF				
REVENUES OVER (UNDER) EXPENDITURES	983,500	(946,434)	848,093	1,794,527
OTHER FINANCING SOURCES (USES):				
Transfers out	(901,700)	(901,700)	(83,417)	818,283
Total other financing sources (uses)	(901,700)	(901,700)	(83,417)	818,283
Net change in fund balance	<u>\$ 81,800</u>	<u>\$ (1,848,134)</u>	764,676	<u>\$ 2,612,810</u>
FUND BALANCE:				
Beginning of fiscal year			2,206,345	
End of fiscal year			<u>\$ 2,971,021</u>	

City of Arcadia
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Lighting Maintenance Special Revenue Fund
For the Fiscal Year Ended June 30, 2024

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES:				
Taxes	\$ 515,000	\$ 515,000	\$ 579,207	\$ 64,207
Use of money and property	4,100	4,100	17,478	13,378
Total revenues	519,100	519,100	596,685	77,585
EXPENDITURES:				
Current:				
Public works services	1,446,600	1,446,600	1,337,368	109,232
Total expenditures	1,446,600	1,446,600	1,337,368	109,232
EXCESS (DEFICIENCY) OF				
REVENUES OVER (UNDER) EXPENDITURES	(927,500)	(927,500)	(740,683)	186,817
OTHER FINANCING SOURCES (USES):				
Transfers in	868,000	868,000	802,648	(65,352)
Total other financing sources (uses)	868,000	868,000	802,648	(65,352)
Net change in fund balance	\$ (59,500)	\$ (59,500)	61,965	\$ 121,465
FUND BALANCE:				
Beginning of fiscal year			240,859	
End of fiscal year			<u>\$ 302,824</u>	

City of Arcadia
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Prop C Special Revenue Fund
For the Fiscal Year Ended June 30, 2024

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES:				
Use of money and property	\$ 1,200	\$ 1,200	\$ 220,384	\$ 219,184
Intergovernmental	1,340,800	1,340,800	1,230,253	(110,547)
Total revenues	<u>1,342,000</u>	<u>1,342,000</u>	<u>1,450,637</u>	<u>108,637</u>
EXPENDITURES:				
Current:				
Community development	<u>1,003,400</u>	<u>6,600,691</u>	<u>1,633,018</u>	<u>4,967,673</u>
Total expenditures	<u>1,003,400</u>	<u>6,600,691</u>	<u>1,633,018</u>	<u>4,967,673</u>
Net change in fund balance	<u>\$ 338,600</u>	<u>\$ (5,258,691)</u>	<u>(182,381)</u>	<u>\$ 5,076,310</u>
FUND BALANCE:				
Beginning of fiscal year			<u>4,819,248</u>	
End of fiscal year			<u>\$ 4,636,867</u>	

City of Arcadia
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
IRS Task Force Special Revenue Fund
For the Fiscal Year Ended June 30, 2024

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES:				
Use of money and property	\$ 14,000	\$ 14,000	\$ 5,029	\$ (8,971)
Other revenue	-	-	19,855	19,855
Total revenues	14,000	14,000	24,884	10,884
Net change in fund balance	<u>\$ 14,000</u>	<u>\$ 14,000</u>	24,884	<u>\$ 10,884</u>

FUND BALANCE:

Beginning of fiscal year	465,413
End of fiscal year	<u>\$ 490,297</u>

City of Arcadia
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
TDA Article 3 Bikeway Special Revenue Fund
For the Fiscal Year Ended June 30, 2024

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES:				
Intergovernmental	\$ 50,000	\$ 50,000	\$ -	\$ (50,000)
Total revenues	<u>50,000</u>	<u>50,000</u>	<u>-</u>	<u>(50,000)</u>
EXPENDITURES:				
Current:				
Community development	<u>50,000</u>	<u>50,000</u>	<u>121</u>	<u>49,879</u>
Total expenditures	<u>50,000</u>	<u>50,000</u>	<u>121</u>	<u>49,879</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	(121)	<u>\$ (121)</u>
FUND BALANCE:				
Beginning of fiscal year			<u>469</u>	
End of fiscal year			<u>\$ 348</u>	

City of Arcadia
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Santa Anita Grade Separation Special Revenue Fund
For the Fiscal Year Ended June 30, 2024

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES:				
Use of money and property	\$ 21,900	\$ 21,900	\$ 35,680	\$ 13,780
Total revenues	<u>21,900</u>	<u>21,900</u>	<u>35,680</u>	<u>13,780</u>
EXPENDITURES:				
Current:				
Community development	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ 21,900</u>	<u>\$ 21,900</u>	35,680	<u>\$ 13,780</u>
FUND BALANCE:				
Beginning of fiscal year			<u>724,140</u>	
End of fiscal year			<u>\$ 759,820</u>	

City of Arcadia
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Homeland Security Special Revenue Fund
For the Fiscal Year Ended June 30, 2024

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES:				
Intergovernmental	\$ -	\$ -	\$ 79,000	\$ 79,000
Total revenues	-	-	79,000	79,000
EXPENDITURES:				
Current:				
Public safety:				
Fire	80,000	80,000	98,151	(18,151)
Total expenditures	80,000	80,000	98,151	(18,151)
Net change in fund balance	<u>\$ (80,000)</u>	<u>\$ (80,000)</u>	(19,151)	<u>\$ 60,849</u>
FUND BALANCE (DEFICITS):				
Beginning of fiscal year			(81,680)	
End of fiscal year			<u>\$ (100,831)</u>	

City of Arcadia
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
PEG Access Television Special Revenue Fund
For the Fiscal Year Ended June 30, 2024

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES:				
Taxes	\$ 80,000	\$ 80,000	\$ 65,955	\$ (14,045)
Use of money and property	33,200	33,200	54,605	21,405
Total revenues	113,200	113,200	120,560	7,360
EXPENDITURES:				
Current:				
General city	90,000	140,000	-	140,000
Total expenditures	90,000	140,000	-	140,000
Net change in fund balance	\$ 23,200	\$ (26,800)	120,560	\$ 147,360
FUND BALANCE:				
Beginning of fiscal year			1,095,178	
End of fiscal year			\$ 1,215,738	

City of Arcadia
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Used Oil Grant Special Revenue Fund
For the Fiscal Year Ended June 30, 2024

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES:				
Use of money and property	\$ 500	\$ 500	\$ 353	\$ (147)
Intergovernmental	9,000	9,000	8,052	(948)
Total revenues	9,500	9,500	8,405	(1,095)
EXPENDITURES:				
Current:				
Public works services	7,000	7,000	4,605	2,395
Total expenditures	7,000	7,000	4,605	2,395
Net change in fund balance	<u>\$ 2,500</u>	<u>\$ 2,500</u>	3,800	<u>\$ 1,300</u>

FUND BALANCE:

Beginning of fiscal year	5,202
End of fiscal year	<u>\$ 9,002</u>

City of Arcadia
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
DOC Beverage Grant Special Revenue Fund
For the Fiscal Year Ended June 30, 2024

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES:				
Use of money and property	\$ 1,700	\$ 1,700	\$ 3,634	\$ 1,934
Intergovernmental	14,500	14,500	14,225	(275)
Total revenues	16,200	16,200	17,859	1,659
EXPENDITURES:				
Current:				
Public works services	14,500	14,500	6,553	7,947
Total expenditures	14,500	14,500	6,553	7,947
Net change in fund balance	<u>\$ 1,700</u>	<u>\$ 1,700</u>	11,306	<u>\$ 9,606</u>

FUND BALANCE:

Beginning of fiscal year	71,133
End of fiscal year	<u>\$ 82,439</u>

City of Arcadia
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Road Maintenance and Rehabilitation Act Special Revenue Fund
For the Fiscal Year Ended June 30, 2024

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES:				
Use of money and property	\$ 22,600	\$ 22,600	\$ 82,170	\$ 59,570
Intergovernmental	1,406,400	1,406,400	1,439,306	32,906
Total revenues	1,429,000	1,429,000	1,521,476	92,476
EXPENDITURES:				
Current:				
Community development	1,200,000	2,584,104	1,200,000	1,384,104
Total expenditures	1,200,000	2,584,104	1,200,000	1,384,104
Net change in fund balance	<u>\$ 229,000</u>	<u>\$ (1,155,104)</u>	321,476	<u>\$ 1,476,580</u>

FUND BALANCE:

Beginning of fiscal year	1,601,384
End of fiscal year	<u>\$ 1,922,860</u>

City of Arcadia
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Measure M Special Revenue Fund
For the Fiscal Year Ended June 30, 2024

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES:				
Use of money and property	\$ 53,400	\$ 53,400	\$ 127,389	\$ 73,989
Intergovernmental	1,139,700	1,139,700	2,496,521	1,356,821
Total revenues	1,193,100	1,193,100	2,623,910	1,430,810
EXPENDITURES:				
Current:				
Community development	507,000	5,124,516	2,116,805	3,007,711
Total expenditures	507,000	5,124,516	2,116,805	3,007,711
Net change in fund balance	\$ 686,100	\$ (3,931,416)	507,105	\$ 4,438,521
FUND BALANCE:				
Beginning of fiscal year			2,558,935	
End of fiscal year			<u>\$ 3,066,040</u>	

City of Arcadia
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
County Homelessness Grant Special Revenue Fund
For the Fiscal Year Ended June 30, 2024

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES:				
Intergovernmental	\$ -	\$ -	\$ 23,192	\$ 23,192
Total revenues	-	-	23,192	23,192
EXPENDITURES:				
Current:				
Recreation and community services	355,000	355,000	282,184	72,816
Total expenditures	355,000	355,000	282,184	72,816
Net change in fund balance	<u>\$ (355,000)</u>	<u>\$ (355,000)</u>	(258,992)	<u>\$ 96,008</u>
FUND BALANCE (DEFICITS):				
Beginning of fiscal year			(230,245)	
End of fiscal year			<u>\$ (489,237)</u>	

City of Arcadia
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
CA OES HSGP Special Revenue Fund
For the Fiscal Year Ended June 30, 2024

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES:				
Intergovernmental	\$ 72,000	\$ 72,000	\$ -	\$ (72,000)
Total revenues	72,000	72,000	-	(72,000)
EXPENDITURES:				
Current:				
Public safety:				
Police	72,000	72,000	60,962	11,038
Total expenditures	72,000	72,000	60,962	11,038
Net change in fund balance	\$ -	\$ -	(60,962)	\$ (60,962)

FUND BALANCE (DEFICITS):

Beginning of fiscal year	(27)
End of fiscal year	\$ (60,989)

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City of Arcadia
Statement of Net Position
Nonmajor Enterprise Funds
June 30, 2024

	Transit System	Arcadia PAR 3 Golf Course	Total Nonmajor Enterprise Funds
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
Current assets:			
Cash and investments	\$ 3,521	\$ 2,536,882	\$ 2,540,403
Accounts receivable	-	15,689	15,689
Prepaid items	-	308	308
Due from other governments	66,993	-	66,993
Inventories	-	51,169	51,169
Total current assets	70,514	2,604,048	2,674,562
Capital assets:			
Depreciable, net	53,659	152,255	205,914
Total capital assets	53,659	152,255	205,914
Total assets	124,173	2,756,303	2,880,476
Deferred outflows of resources:			
Deferred outflows related to net pension liability	105,992	-	105,992
Total deferred outflows of resources	105,992	-	105,992
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES			
Current liabilities:			
Accounts payable	185,625	160,728	346,353
Interest payable	178	-	178
Due to other funds	173,863	-	173,863
Pension obligation bonds payable - due within one year	4,300	-	4,300
Total current liabilities	363,966	160,728	524,694
Noncurrent liabilities:			
Net pension liabilities	263,984	-	263,984
Pension obligation bonds payable - due in more than one year	82,700	-	82,700
Total noncurrent liabilities	346,684	-	346,684
Total liabilities	710,650	160,728	871,378
Deferred inflows of resources:			
Deferred inflows related to net pension liability	3,018	-	3,018
Total deferred inflows of resources	3,018	-	3,018
NET POSITION			
Net investment in capital assets	53,659	152,255	205,914
Unrestricted	(537,162)	2,443,320	1,906,158
Total net position	\$ (483,503)	\$ 2,595,575	\$ 2,112,072

City of Arcadia
Statement of Revenues, Expenses, and Changes in Net Position
Nonmajor Enterprise Funds
For the Fiscal Year Ended June 30, 2024

	Transit System	Arcadia PAR 3 Golf Course	Total Nonmajor Enterprise Funds
OPERATING REVENUES:			
Charges for services	\$ 8,456	\$ 2,051,402	\$ 2,059,858
Total operating revenues	<u>8,456</u>	<u>2,051,402</u>	<u>2,059,858</u>
OPERATING EXPENSES:			
Administration and general	408,205	280,480	688,685
Merchandise and food	-	81,932	81,932
Supplies and maintenance	-	265,769	265,769
Contract costs	2,267,610	791,265	3,058,875
Depreciation	358,006	18,447	376,453
Total operating expenses	<u>3,033,821</u>	<u>1,437,893</u>	<u>4,471,714</u>
OPERATING INCOME (LOSS)	<u>(3,025,365)</u>	<u>613,509</u>	<u>(2,411,856)</u>
NONOPERATING REVENUES (EXPENSES):			
Federal and state grants	2,460,918	-	2,460,918
Interest and fiscal charges	(2,151)	-	(2,151)
Total nonoperating revenues (expenses)	<u>2,458,767</u>	<u>-</u>	<u>2,458,767</u>
INCOME (LOSS) BEFORE TRANSFERS	<u>(566,598)</u>	<u>613,509</u>	<u>46,911</u>
TRANSFERS:			
Transfers in	208,592	-	208,592
Total transfers	<u>208,592</u>	<u>-</u>	<u>208,592</u>
Changes in net position	<u>(358,006)</u>	<u>613,509</u>	<u>255,503</u>
NET POSITION:			
Beginning of fiscal year	(125,497)	1,982,066	1,856,569
End of fiscal year	<u>\$ (483,503)</u>	<u>\$ 2,595,575</u>	<u>\$ 2,112,072</u>

City of Arcadia
Statement of Cash Flows
Nonmajor Enterprise Funds
For the Fiscal Year Ended June 30, 2024

	Transit System	Arcadia PAR 3 Golf Course	Total Nonmajor Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from customers	\$ 8,456	\$ 2,037,232	\$ 2,045,688
Cash payments to suppliers for goods and services	(2,465,890)	(1,355,928)	(3,821,818)
Cash payments to employees for services	(189,315)	-	(189,315)
Net cash provided by (used in) operating activities	(2,646,749)	681,304	(1,965,445)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Cash received from other governments	2,448,032	-	2,448,032
Payments for pension obligation bonds	(4,200)	-	(4,200)
Payments of interest on pension obligation bonds	(2,154)	-	(2,154)
Transfers in	208,592	-	208,592
Net cash provided by noncapital financing activities	2,650,270	-	2,650,270
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Acquisition of capital assets	-	(105,942)	(105,942)
Net cash provided by (used in) capital and related financing activities	-	(105,942)	(105,942)
NET INCREASE IN CASH AND CASH EQUIVALENTS	3,521	575,362	578,883
CASH AND CASH EQUIVALENTS - Beginning of fiscal year	-	1,961,520	1,961,520
CASH AND CASH EQUIVALENTS - End of fiscal year	\$ 3,521	\$ 2,536,882	\$ 2,540,403
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
Operating income (loss)	\$ (3,025,365)	\$ 613,509	\$ (2,411,856)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation	358,006	18,447	376,453
Changes in assets, deferred outflows, liabilities, and deferred inflows:			
Accounts receivable	-	(14,170)	(14,170)
Prepaid items	-	952	952
Inventories	-	(7,144)	(7,144)
Accounts payable	(1,896)	69,710	67,814
Accrued salaries payable	(5,929)	-	(5,929)
Net pension liabilities	13,717	-	13,717
Deferred outflows of resources - pension	23,056	-	23,056
Deferred inflows of resources - pension	(8,338)	-	(8,338)
Total adjustments	378,616	67,795	446,411
Net cash provided by (used in) operating activities	\$ (2,646,749)	\$ 681,304	\$ (1,965,445)

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STATISTICAL SECTION

(Unaudited)

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

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

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Debt Capacity - These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

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Operating Information - These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

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

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City of Arcadia
Net Position by Component
Last Ten Fiscal Years

	Fiscal Year				
	2015	2016	2017	2018	2019
Governmental Activities:					
Net investment in capital assets	\$ 50,652,770	\$ 51,124,268	\$ 50,448,943	\$ 47,725,910	\$ 48,831,491
Restricted for:					
Capital Projects	-	-	-	-	-
Debt Service	694,085	664,992	706,723	698,863	690,343
Specific Projects and Programs	-	-	-	-	-
Community Purposes	8,236,718	10,578,749	12,424,349	13,472,245	14,939,901
Public Safety	1,340,410	1,253,412	1,058,486	925,971	820,309
Transportation/Streets	9,312,873	9,165,526	9,440,319	9,943,521	8,635,526
Total Restricted	19,584,086	21,662,679	23,629,877	25,040,600	25,086,079
Unrestricted	(75,062,952)	(71,558,258)	(72,803,923)	(95,840,709)	(102,593,443)
Total governmental activities net position	\$ (4,826,096)	\$ 1,228,689	\$ 1,274,897	\$ (23,074,199)	\$ (28,675,873)
Business-type Activities:					
Net investment in capital assets	\$ 48,858,963	\$ 46,957,250	\$ 46,000,669	\$ 44,405,319	\$ 44,379,157
Unrestricted	23,494,250	22,536,965	20,182,581	18,243,338	16,885,183
Total business-type activities net position	\$ 72,353,213	\$ 69,494,215	\$ 66,183,250	\$ 62,648,657	\$ 61,264,340
Primary Government:					
Net investment in capital assets	\$ 99,511,733	\$ 98,081,518	\$ 96,449,612	\$ 92,131,229	\$ 93,210,648
Restricted	19,584,086	21,662,679	23,629,877	25,040,600	25,086,079
Unrestricted	(51,568,702)	(49,021,293)	(52,621,342)	(77,597,371)	(85,708,260)
Total Primary Government net position	\$ 67,527,117	\$ 70,722,904	\$ 67,458,147	\$ 39,574,458	\$ 32,588,467

Source: City of Arcadia Financial Reports

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

	Fiscal Year				
	2020	2021	2022	2023	2024
Governmental Activities:					
Net investment in capital assets	\$ 55,858,893	\$ 55,972,945	\$ 54,984,585	\$ 55,695,486	\$ 57,289,440
Restricted for:					
Capital Projects	-	268,319	987,574	1,871,212	2,636,518
Debt Service	714,457	-	1,292,719	698,160	861,739
Specific Projects and Programs*	-	-	-	-	-
Community Purposes	9,542,104	10,819,094	11,353,303	12,325,825	13,964,675
Public Safety	837,230	833,442	870,860	931,362	1,341,457
Transportation/Streets	10,458,741	10,234,986	10,974,665	15,714,303	19,388,448
Total Restricted	21,552,532	22,155,841	25,479,121	31,540,862	38,192,837
Unrestricted	(111,643,096)	(107,043,660)	(83,376,599)	(63,384,857)	(52,050,533)
Total governmental activities net position	\$ (34,231,671)	\$ (28,914,874)	\$ (2,912,893)	\$ 23,851,491	\$ 43,431,744
Business-type Activities:					
Net investment in capital assets	\$ 44,852,614	\$ 45,296,900	\$ 44,444,938	\$ 43,223,078	\$ 42,285,478
Unrestricted	13,728,271	11,236,425	16,011,111	14,424,746	16,258,079
Total business-type activities net position	\$ 58,580,885	\$ 56,533,325	\$ 60,456,049	\$ 57,647,824	\$ 58,543,557
Primary Government:					
Net investment in capital assets	\$ 100,711,507	\$ 101,269,845	\$ 99,429,523	\$ 98,918,564	\$ 99,574,918
Restricted	21,552,532	22,155,841	25,479,121	31,540,862	38,192,837
Unrestricted	(97,914,825)	(95,807,235)	(67,365,488)	(48,960,111)	(35,792,454)
Total Primary Government net position	\$ 24,349,214	\$ 27,618,451	\$ 57,543,156	\$ 81,499,315	\$ 101,975,301

Source: City of Arcadia Financial Reports

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

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

	Fiscal Year				
	2015	2016	2017	2018	2019
Expenses					
Governmental activities:					
General government	\$ 7,458,250	\$ 6,890,053	\$ 9,515,214	\$ 17,454,570	\$ 13,584,059
Public safety	32,579,734	34,089,922	36,377,345	37,298,318	40,360,568
Public works services	7,741,343	8,525,715	7,829,369	9,224,613	7,519,824
Community development	5,050,382	6,316,456	6,542,784	7,527,613	7,790,989
Library	3,640,914	3,858,956	4,000,700	3,982,384	4,168,410
Recreation and community services	3,310,420	3,455,024	3,593,171	3,600,354	3,691,627
Interest on long-term debt	434,682	417,780	398,133	373,622	343,846
Total governmental activities expenses	<u>\$ 60,215,725</u>	<u>\$ 63,553,906</u>	<u>\$ 68,256,716</u>	<u>\$ 79,461,474</u>	<u>\$ 77,459,323</u>
Business-type activities:					
Water	\$ 16,891,412	\$ 12,563,018	\$ 14,942,992	\$ 17,005,371	\$ 16,853,369
Sewer	1,457,275	1,360,509	1,440,677	1,779,385	1,819,847
Transit	1,836,228	1,818,171	1,935,418	1,823,710	2,020,690
Arcadia Par 3 Golf Course **	-	-	-	-	515,560
Total business-type activities expenses	<u>20,184,915</u>	<u>15,741,698</u>	<u>18,319,087</u>	<u>20,608,466</u>	<u>21,209,466</u>
Total primary government expenses	<u><u>\$ 80,400,640</u></u>	<u><u>\$ 79,295,604</u></u>	<u><u>\$ 86,575,803</u></u>	<u><u>\$ 100,069,940</u></u>	<u><u>\$ 98,668,789</u></u>
Program Revenues					
Governmental activities:					
Charges for services:					
General government	\$ -	\$ 33,223	\$ 596	\$ 7,184	\$ 16,899
Public safety	3,683,293	3,972,018	3,896,797	4,335,707	3,952,519
Public works services	312,995	434,681	363,274	491,341	28,385
Community development	4,497,375	4,577,662	5,406,275	2,712,354	3,313,734
Library	71,564	72,242	71,393	96,038	162,421
Recreation and community services	3,045,343	3,237,272	2,804,010	2,112,552	1,940,232
Operating Grants and Contributions	5,020,312	4,876,997	4,523,948	5,542,417	6,441,413
Capital Grants and Contributions	804,556	927,837	254,204	45,850	526,077
Total governmental activities program revenues	<u>17,435,438</u>	<u>18,131,932</u>	<u>17,320,497</u>	<u>15,343,443</u>	<u>16,381,680</u>
Business-type activities:					
Charges for services:					
Water	10,132,653	9,122,745	10,990,520	13,223,624	12,806,780
Sewer	1,310,499	1,664,249	2,046,705	2,347,364	2,408,365
Transit	76,484	63,520	12,408	13,246	12,613
Arcadia Par 3 Golf Course **	-	-	-	-	511,860
Operating Grants and Contributions	786,352	768,229	696,053	772,915	1,509,498
Capital Grants and Contributions	-	-	-	-	-
Total business-type activities program revenues	<u>12,305,988</u>	<u>11,618,743</u>	<u>13,745,686</u>	<u>16,357,149</u>	<u>17,249,116</u>
Total primary government program revenues	<u><u>\$ 29,741,426</u></u>	<u><u>\$ 29,750,675</u></u>	<u><u>\$ 31,066,183</u></u>	<u><u>\$ 31,700,592</u></u>	<u><u>\$ 33,630,796</u></u>

Source: City of Arcadia Financial Reports

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

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

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

	Fiscal Year				
	2020	2021	2022	2023	2024
Expenses					
Governmental activities:					
General government	\$ 10,103,949	\$ 10,813,414	\$ 10,803,452	\$ 12,004,055	\$ 16,459,095
Public safety	47,203,348	43,574,155	29,066,389	41,795,701	50,174,731
Public works services	7,663,032	8,673,614	8,647,033	8,844,599	8,141,398
Community development	6,790,407	8,551,090	7,777,990	7,505,977	9,018,973
Library	5,016,702	4,050,091	4,277,054	4,423,335	4,587,794
Recreation and community services	3,414,698	3,243,583	4,305,064	3,991,588	4,373,488
Interest on long-term debt	314,741	1,533,534	2,097,318	1,994,126	1,992,248
Total governmental activities expenses	\$ 80,506,877	\$ 80,439,481	\$ 66,974,300	\$ 80,559,381	\$ 94,747,727
Business-type activities:					
Water	\$ 17,758,315	\$ 18,372,053	\$ 14,539,080	\$ 19,978,775	\$ 17,636,469
Sewer	1,872,674	2,038,907	523,704	1,821,291	1,601,101
Transit	2,244,345	2,512,915	2,364,783	2,872,170	3,035,972
Arcadia Par 3 Golf Course **	867,314	1,259,153	1,280,311	1,214,285	1,437,893
Total business-type activities expenses	22,742,648	24,183,028	18,707,878	25,886,521	23,711,435
Total primary government expenses	\$ 103,249,525	\$ 104,622,509	\$ 85,682,178	\$ 106,445,902	\$ 118,459,162
Program Revenues					
Governmental activities:					
Charges for services:					
General government	\$ 10,329	\$ 13,960	\$ 1,303,166	\$ 5,421	\$ 1,044
Public safety	4,166,144	3,488,709	5,154,191	5,459,010	5,587,791
Public works services	29,516	25,152	16,022	4,683	21,724
Community development	2,707,638	2,865,163	4,017,212	3,800,881	5,767,748
Library	107,810	59,372	101,332	106,988	105,612
Recreation and community services	1,843,145	1,139,152	1,261,332	1,858,007	3,245,258
Operating Grants and Contributions	7,447,444	12,299,250	8,147,751	9,298,444	10,892,315
Capital Grants and Contributions	741,641	1,342,260	1,430,019	2,214,893	1,673,010
Total governmental activities program revenues	17,053,667	21,233,018	21,431,025	22,748,327	27,294,502
Business-type activities:					
Charges for services:					
Water	14,284,391	16,048,632	16,469,592	14,411,322	15,879,156
Sewer	2,493,274	2,552,327	2,606,646	2,658,717	2,692,101
Transit	9,311	3,773	6,954	6,895	8,456
Arcadia Par 3 Golf Course **	887,942	1,855,856	1,912,574	1,953,192	2,051,402
Operating Grants and Contributions	1,055,193	2,449,548	694,038	1,814,251	2,460,371
Capital Grants and Contributions	-	-	-	-	412,692
Total business-type activities program revenues	18,730,111	22,910,136	21,689,804	20,844,377	23,504,178
Total primary government program revenues	\$ 35,783,778	\$ 44,143,154	\$ 43,120,829	\$ 43,592,704	\$ 50,798,680

(continued)

Source: City of Arcadia Financial Reports

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

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

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

	Fiscal Year				
	2015	2016	2017	2018	2019
Net (Expense)/Revenue					
Governmental activities	\$ (42,780,287)	\$ (45,421,974)	\$ (50,936,219)	\$ (64,118,031)	\$ (61,077,643)
Business-type activities	(7,878,927)	(4,122,955)	(4,573,401)	(4,251,317)	(3,960,350)
Total primary government net expense	<u>\$ (50,659,214)</u>	<u>\$ (49,544,929)</u>	<u>\$ (55,509,620)</u>	<u>\$ (68,369,348)</u>	<u>\$ (65,037,993)</u>
General Revenues and Other Changes in Net Position					
Governmental activities:					
Taxes					
Property taxes	\$ 13,865,978	\$ 15,149,171	\$ 16,150,617	\$ 16,965,156	\$ 18,301,135
Sales taxes	10,427,065	11,441,622	10,766,558	11,115,292	11,399,632
Franchise fees	1,192,519	1,100,952	1,000,308	982,756	931,750
Utilities user taxes	7,142,118	6,816,464	6,773,169	6,856,067	6,591,834
Transient occupancy taxes	3,365,408	3,531,944	3,543,908	3,320,953	3,447,186
Motor vehicle license taxes	5,641,681	6,136,906	6,461,508	6,906,050	7,309,525
Non-regulatory business license taxes	1,202,350	1,293,357	1,270,876	1,248,106	1,227,480
Other Taxes	1,662,956	1,538,467	1,647,136	1,621,716	1,057,546
Total Taxes and fees	44,500,075	47,008,883	47,614,080	49,016,096	50,266,088
Investment earnings	1,632,484	1,856,318	1,458,553	1,529,734	3,432,169
Miscellaneous	4,421,469	3,482,819	3,007,213	3,486,199	3,447,105
Gain/loss on disposal of capital assets	28,323	-	13,587	49,243	-
Transfers	(817,751)	(871,261)	(1,111,006)	(1,006,826)	(1,669,393)
Restatement	-	-	-	(13,305,511)	-
Total Governmental activities	<u>49,764,600</u>	<u>51,476,759</u>	<u>50,982,427</u>	<u>39,768,935</u>	<u>55,475,969</u>
Business-type activities:					
Investment earnings	332,719	380,861	138,679	150,511	896,111
Miscellaneous	18,300	11,835	12,751	13,976	10,529
Transfers	817,751	871,261	1,111,006	1,006,826	1,669,393
Restatement	-	-	-	(454,589)	-
Total business-type activities	<u>1,168,770</u>	<u>1,263,957</u>	<u>1,262,436</u>	<u>716,724</u>	<u>2,576,033</u>
Total primary government	<u>\$ 50,933,370</u>	<u>\$ 52,740,716</u>	<u>\$ 52,244,863</u>	<u>\$ 40,485,659</u>	<u>\$ 58,052,002</u>
Change in Net Position					
Governmental activities	\$ 6,984,313	\$ 6,054,785	\$ 46,208	\$ (24,349,096)	\$ (5,601,674)
Business-type activities	(6,710,157)	(2,858,998)	(3,310,965)	(3,534,593)	(1,384,317)
Total primary government	<u>\$ 274,156</u>	<u>\$ 3,195,787</u>	<u>\$ (3,264,757)</u>	<u>\$ (27,883,689)</u>	<u>\$ (6,985,991)</u>

Source: City of Arcadia Financial Reports

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

	Fiscal Year				
	2020	2021	2022	2023	2024
Net (Expense)/Revenue					
Governmental activities	\$ (63,453,210)	\$ (59,206,463)	\$ (45,543,275)	\$ (57,811,054)	\$ (67,453,225)
Business-type activities	(4,012,537)	(1,272,892)	2,981,926	(5,042,144)	(207,257)
Total primary government net expense	<u>\$ (67,465,747)</u>	<u>\$ (60,479,355)</u>	<u>\$ (42,561,349)</u>	<u>\$ (62,853,198)</u>	<u>\$ (67,660,482)</u>
General Revenues and Other Changes in Net Position					
Governmental activities:					
Taxes					
Property taxes	\$ 19,070,668	\$ 20,513,025	\$ 21,365,282	\$ 21,641,066	\$ 22,391,870
Sales taxes	12,154,052	17,197,203	23,378,015	25,217,042	24,767,977
Franchise fees	954,878	1,037,322	1,049,291	1,227,708	1,302,471
Utilities user taxes	6,779,875	7,193,797	8,429,763	9,637,119	9,291,301
Transient occupancy taxes	2,748,642	1,923,352	4,128,326	4,891,525	5,428,101
Motor vehicle license taxes	7,773,429	8,105,664	8,823,621	8,640,006	9,051,732
Non-regulatory business license taxes	1,211,783	1,181,862	1,195,992	1,312,779	1,345,023
Other Taxes	912,537	1,678,449	1,953,404	2,037,907	2,131,760
Total Taxes and fees	51,605,864	58,830,674	70,323,694	74,605,152	75,710,235
Investment earnings	3,270,868	1,436,597	(1,441,136)	3,192,593	6,773,771
Miscellaneous	3,391,726	3,143,829	8,316,576	7,373,004	4,758,064
Gain/loss on disposal of capital assets	-	46,870	-	-	-
Transfers	(1,055,363)	1,065,290	(1,221,450)	(595,311)	(208,592)
Restatement	-	-	-	-	-
Total Governmental activities	<u>57,213,095</u>	<u>64,523,260</u>	<u>75,977,684</u>	<u>84,575,438</u>	<u>87,033,478</u>
Business-type activities:					
Investment earnings	860,880	154,622	(289,306)	466,084	845,962
Miscellaneous	97,156	136,000	8,654	1,172,524	48,436
Transfers	1,055,363	(1,065,290)	1,221,450	595,311	208,592
Restatement	-	-	-	-	-
Total business-type activities	<u>2,013,399</u>	<u>(774,668)</u>	<u>940,798</u>	<u>2,233,919</u>	<u>1,102,990</u>
Total primary government	<u>\$ 59,226,494</u>	<u>\$ 63,748,592</u>	<u>\$ 76,918,482</u>	<u>\$ 86,809,357</u>	<u>\$ 88,136,468</u>
Change in Net Position					
Governmental activities	\$ (6,240,115)	\$ 5,316,797	\$ 30,434,409	\$ 26,764,384	\$ 19,580,253
Business-type activities	(1,999,138)	(2,047,560)	3,922,724	(2,808,225)	895,733
Total primary government	<u>\$ (8,239,253)</u>	<u>\$ 3,269,237</u>	<u>\$ 34,357,133</u>	<u>\$ 23,956,159</u>	<u>\$ 20,475,986</u>

Source: City of Arcadia Financial Reports

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

	Fiscal Year				
	2015	2016	2017	2018	2019
General Fund					
Nondisposable	\$ 768,417	\$ 797,305	\$ 845,513	\$ 1,068,976	\$ 1,112,837
Assigned	23,710,862	24,756,336	23,015,454	22,829,444	23,295,469
Unassigned	12,357,558	6,399,003	7,323,121	7,225,918	5,101,129
Total General Fund	<u>\$ 36,836,837</u>	<u>\$ 31,952,644</u>	<u>\$ 31,184,088</u>	<u>\$ 31,124,338</u>	<u>\$ 29,509,435</u>
 All Other Governmental Funds					
Nondisposable	\$ -	\$ -	\$ 11,540	\$ 3,000	\$ 8,640
Restricted	19,779,855	21,851,364	23,810,229	25,207,910	25,227,986
Committed	-	-	-	-	-
Assigned	4,894,097	11,203,221	12,921,656	11,404,087	11,976,987
Unassigned	-	-	(7,818)	(3,627)	(8,691)
Total all other Governmental Funds	<u>\$ 24,673,952</u>	<u>\$ 33,054,585</u>	<u>\$ 36,735,607</u>	<u>\$ 36,611,370</u>	<u>\$ 37,204,922</u>
 Total Governmental Funds	<u>\$ 61,510,789</u>	<u>\$ 65,007,229</u>	<u>\$ 67,919,695</u>	<u>\$ 67,735,708</u>	<u>\$ 66,714,357</u>

Source: City of Arcadia Financial Reports

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

	Fiscal Year				
	2020	2021	2022	2023	2024
General Fund					
Nondisposable	\$ 996,006	\$ 715,474	\$ 963,051	\$ 1,359,550	\$ 1,197,144
Assigned	22,394,350	22,738,731	33,627,562	33,627,562	47,614,735
Unassigned	6,202,314	7,726,513	13,838,387	26,689,088	25,838,632
Total General Fund	<u>\$ 29,592,670</u>	<u>\$ 31,180,718</u>	<u>\$ 48,429,000</u>	<u>\$ 61,676,200</u>	<u>\$ 74,650,511</u>
All Other Governmental Funds					
Nondisposable	\$ 1,517	\$ -	\$ -	\$ -	\$ -
Restricted	20,886,106	27,325,258	25,216,076	31,734,739	38,257,044
Committed	-	-	-	2,787,804	2,790,929
Assigned	11,332,519	9,867,419	10,275,554	11,964,594	13,705,611
Unassigned	(363,283)	(1,014,560)	170,319	(861,608)	(662,750)
Total all other Governmental Funds	<u>\$ 31,856,859</u>	<u>\$ 36,178,117</u>	<u>\$ 35,661,949</u>	<u>\$ 45,625,529</u>	<u>\$ 54,090,834</u>
Total Governmental Funds	<u>\$ 61,449,529</u>	<u>\$ 67,358,835</u>	<u>\$ 84,090,949</u>	<u>\$ 107,301,729</u>	<u>\$ 128,741,345</u>

Source: City of Arcadia Financial Reports

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

	Fiscal Year				
	2015	2016	2017	2018	2019
REVENUES:					
Taxes	\$ 37,911,174	\$ 39,504,488	\$ 40,258,016	\$ 40,506,071	\$ 42,050,021
Licenses, fees and permits	6,512,028	6,723,286	7,583,907	4,833,508	5,165,340
Fines and penalties	935,629	801,161	634,261	690,703	643,858
Use of money of property	1,632,483	1,856,318	1,458,553	1,529,733	3,432,169
Intergovernmental revenues	11,508,381	11,653,593	10,782,388	12,530,015	14,289,330
Charges for services	6,086,755	6,777,300	6,140,231	6,088,728	5,591,091
Other revenues	4,390,220	3,419,455	3,062,448	3,525,714	3,052,228
Total revenues	68,976,670	70,735,601	69,919,804	69,704,472	74,224,037
EXPENDITURES:					
Current:					
General government	6,730,305	8,920,807	8,338,619	8,134,490	7,971,659
Public safety	31,748,649	33,772,958	35,497,246	36,941,437	39,912,792
Public works services	6,372,293	7,827,183	7,199,751	8,024,811	7,491,991
Community development	8,168,873	8,003,227	6,673,998	7,599,862	9,992,826
Library	3,433,071	3,612,759	3,830,240	3,826,333	3,917,195
Recreation and community services	3,099,283	3,209,492	3,343,402	3,339,426	3,509,543
Debt service:					
Interest	525,000	555,000	448,076	590,000	673,028
Principal	484,854	466,474	565,000	425,274	397,101
Total expenditures	60,562,328	66,367,900	65,896,332	68,881,633	73,866,135
Less: acquisition of capital assets	(3,756,352)	(4,180,176)	(2,978,796)	(2,357,155)	(5,187,456)
Total expenditures excluding capital assets	56,805,976	62,187,724	62,917,536	66,524,478	68,678,679
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	8,414,342	4,367,701	4,023,472	822,839	357,902
OTHER FINANCING SOURCES (USES):					
Transfers in	3,874,984	10,330,462	5,259,012	3,617,262	4,843,303
Transfers out	(4,692,735)	(11,201,723)	(6,370,018)	(4,624,088)	(6,512,696)
Proceeds from lease obligations	-	-	-	-	290,140
Proceeds of bond issuance	-	-	-	-	-
Payment on refunded bonds	-	-	-	-	-
SBITA proceeds	-	-	-	-	-
Total other financing sources (uses)	(817,751)	(871,261)	(1,111,006)	(1,006,826)	(1,379,253)
Net change in fund balances	\$ 7,596,591	\$ 3,496,440	\$ 2,912,466	\$ (183,987)	\$ (1,021,351)
Debt service as a percentage of non-capital expenditures	1.78%	1.64%	1.61%	1.53%	1.56%

Source: City of Arcadia Financial Reports

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

	Fiscal Year				
	2020	2021	2022	2023	2024
REVENUES:					
Taxes	\$ 42,898,353	\$ 48,224,288	\$ 61,828,424	\$ 64,717,374	\$ 65,379,435
Licenses, fees and permits	4,666,441	4,354,199	5,255,958	5,835,661	7,860,782
Fines and penalties	611,714	282,423	584,429	770,905	780,821
Use of money of property	3,270,862	1,435,273	(158,833)	3,535,430	7,055,382
Intergovernmental revenues	15,346,681	22,428,521	17,914,946	19,912,519	21,458,528
Charges for services	5,482,124	4,543,281	6,630,726	6,866,661	8,422,352
Other revenues	3,054,712	3,192,048	8,526,178	12,215,260	9,622,820
Total revenues	75,330,887	84,460,033	100,581,828	113,853,810	120,580,120
EXPENDITURES:					
Current:					
General government	8,399,145	100,789,367	8,778,651	11,827,814	15,848,234
Public safety	40,487,037	39,679,150	38,778,735	45,553,648	47,102,486
Public works services	7,295,018	7,586,823	7,464,330	8,295,328	8,266,448
Community development	8,257,180	11,646,128	8,510,135	9,441,977	11,196,505
Library	4,750,047	3,788,724	4,065,186	4,537,253	4,551,129
Recreation and community services	9,969,738	3,096,724	3,970,106	3,821,446	5,174,366
Debt service:					
Interest	698,028	733,028	3,438,528	4,907,683	4,767,426
Principal	368,476	338,673	3,302,461	2,025,933	2,025,318
Total expenditures	80,224,669	167,658,617	78,308,132	90,411,082	98,931,912
Less: acquisition of capital assets	(10,712,049)	(3,612,270)	(2,456,858)	(4,317,143)	(5,126,267)
Total expenditures excluding capital assets	69,512,620	164,046,347	75,851,274	86,093,939	93,805,645
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(4,893,782)	(83,198,584)	22,273,696	23,442,728	21,648,208
OTHER FINANCING SOURCES (USES):					
Transfers in	3,127,518	4,744,623	10,698,039	5,310,030	5,812,266
Transfers out	(4,182,881)	(3,679,333)	(11,919,489)	(5,905,341)	(6,020,858)
Proceeds from lease obligations	-	-	-	-	-
Proceeds of bond issuance	-	88,042,600	8,852,000	-	-
Payment on refunded bonds	-	-	(8,739,704)	-	-
SBITA proceeds	-	-	-	363,363	-
Total other financing sources (uses)	(1,055,363)	89,107,890	(1,109,154)	(231,948)	(208,592)
Net change in fund balances	\$ (5,949,145)	\$ 5,909,306	\$ 21,164,542	\$ 23,210,780	\$ 21,439,616
Debt service as a percentage of non-capital expenditures	1.53%	0.65%	8.89%	8.05%	7.24%

Source: City of Arcadia Financial Reports

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

Fiscal Year Ended June 30,	Property Tax	Sales Tax	Franchise Fee	Utilities user Tax	Transient Occupancy Tax	Motor Vehicle License Tax	Business License Tax	Other Taxes	Total Taxes and Fees
2015	13,865,978	10,427,065	1,192,519	7,142,118	3,365,408	5,641,681	1,202,350	1,662,956	44,500,075
2016	15,149,171	11,441,622	1,100,952	6,816,464	3,531,944	6,136,906	1,293,357	1,538,467	47,008,883
2017	16,150,617	10,766,558	1,000,308	6,773,169	3,543,908	6,461,508	1,270,876	1,647,136	47,614,080
2018	16,965,156	11,115,292	982,756	6,856,067	3,320,953	6,906,050	1,248,106	1,621,716	49,016,096
2019	18,301,135	11,399,632	931,750	6,591,834	3,447,186	7,309,525	1,227,480	1,057,546	50,266,088
2020	19,070,668	12,154,052	954,878	6,779,875	2,748,642	7,773,429	1,211,783	912,537	51,605,864
2021	20,513,025	17,197,203	1,037,322	7,193,797	1,923,352	8,105,664	1,181,862	1,678,449	58,830,674
2022	21,365,282	23,378,015	1,049,291	8,429,763	4,128,326	8,316,576	1,195,992	1,953,404	69,816,649
2023	21,641,066	25,217,042	1,227,708	9,637,119	4,891,525	8,640,006	1,312,779	2,037,907	74,605,152
2024	22,391,870	24,767,977	1,302,471	9,291,301	5,428,101	9,051,732	1,345,023	2,131,760	75,710,235

Source: City of Arcadia Financial Reports

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

Fiscal Year Ended June 30,	Property Tax	Sales Tax	Franchise Fee	Utilities User Tax	Transient Occupancy Tax	Other Taxes	Total Taxes
2015	13,865,978	10,587,947	1,192,519	7,142,118	3,365,408	1,757,204	37,911,174
2016	15,149,171	11,264,090	1,100,952	6,816,464	3,531,944	1,641,867	39,504,488
2017	16,150,617	11,069,263	1,000,308	6,773,169	3,543,908	1,720,751	40,258,016
2018	16,965,156	10,670,332	982,756	6,856,067	3,320,953	1,710,806	40,506,070
2019	18,301,135	11,641,002	931,750	6,591,834	3,447,186	1,137,115	42,050,022
2020	19,070,668	12,315,129	954,878	6,779,875	2,748,642	988,723	42,857,915
2021	20,029,560	17,264,537	941,552	6,706,446	1,351,745	1,649,982	47,943,822
2022	20,891,736	17,500,291	1,059,331	8,377,291	3,626,494	2,001,862	53,457,004
2023	22,011,588	20,089,916	1,220,035	9,716,663	3,876,044	2,036,429	58,950,675
2024	22,391,870	24,767,977	1,302,471	9,291,301	5,428,101	2,131,760	65,313,480

Source: City of Arcadia Financial Reports

City of Arcadia

Assessed Value of Taxable Property

Last Ten Fiscal Years

Fiscal Year Ended June 30,	Residential Property	Commercial Property	Recreational Property	Industrial Property	Others	Total Taxable Assessed Value	Percent Increase	Total Direct Rate
2015	10,562,151,620	1,306,789,917	312,687,185	191,721,395	435,327,830	12,808,677,947	8.3%	0.10249%
2016	11,422,747,681	1,398,109,370	308,101,469	203,248,894	606,384,854	13,938,592,268	8.8%	0.10110%
2017	12,199,219,454	1,432,309,677	312,799,943	206,523,314	522,677,256	14,673,529,644	5.3%	0.10131%
2018	12,959,501,963	1,524,210,934	315,605,776	237,411,247	639,741,642	15,676,471,562	6.8%	0.10064%
2019	13,771,100,892	1,704,921,018	316,133,985	244,561,003	565,358,789	16,602,075,687	5.9%	0.10070%
2020	14,486,048,290	1,772,159,777	218,752,715	360,976,906	778,694,374	17,616,632,062	6.1%	0.10054%
2021	15,161,280,034	1,834,565,702	221,262,459	381,768,216	785,828,161	18,384,704,572	4.4%	0.10073%
2022	15,554,122,719	1,872,543,673	223,797,807	387,645,484	942,248,963	18,809,368,631	2.3%	0.10056%
2023	16,351,394,961	1,948,881,358	228,273,456	415,963,247	1,031,584,441	19,976,097,463	6.2%	0.09930%
2024	17,125,399,118	2,017,572,790	232,609,914	434,435,474	667,107,010	20,477,124,306	2.5%	0.10016%

Note: Exempt values are not included in total

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

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

<u>Year</u>	<u>City's Share of 1% Levy Per Prop 13</u>	<u>Redevelopment Rate</u>	<u>Total Direct Rate *</u>
2015	0.09602	N/A	0.10249
2016	0.09602	N/A	0.10110
2017	0.09602	N/A	0.10131
2018	0.09602	N/A	0.10064
2019	0.09602	N/A	0.10070
2020	0.09602	N/A	0.10036
2021	0.09602	N/A	0.10073
2022	0.09602	N/A	0.10056
2023	0.09602	N/A	0.09930
2024	0.09602	N/A	0.00000

Source: HDL Coren & Cone and Los Angeles County Assessor

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

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

City Direct and Overlapping Rates %							
Year	Basic Levy	General Obligation Debt Service	Lighting District	School Districts	Community College	Water Districts	Tax Rate %
2015	1.0000	0.008221	0.00000	0.57233	0.06180	0.02150	1.66385
2016	1.0000	0.006681	0.00000	0.60790	0.05225	0.01800	1.68483
2017	1.0000	0.006817	0.00000	0.60344	0.06099	0.02300	1.69425
2018	1.0000	0.006170	0.00000	0.59725	0.05796	0.03000	1.69138
2019	1.0000	0.005970	0.00000	0.57076	0.05559	0.03000	1.66232
2020	1.0000	0.005690	0.00000	0.49749	0.05464	0.03000	1.58782
2021	1.0000	0.005800	0.00000	0.42355	0.04072	0.03000	1.50007
2022	1.0000	0.005580	0.00000	0.44563	0.07257	0.03000	1.55378
2023	1.0000	0.004290	0.00000	0.42733	0.06919	0.03000	1.53081
2024	1.0000	0.005060	0.00000	0.48074	0.09092	0.03000	1.60672

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

Source: HDL Coren & Cone and Los Angeles County Assessor

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

2023/24				
<u>Taxpayer</u>	Assessed Value	Est. Total * Tax Revenue	Rank	Percentage of Total City Property Tax Revenue
Riderwood USA Inc	\$ 445,986,935	\$ 446,701	1	2.18%
Santa Anita Land Holdings LLC	233,874,301	234,248	2	1.14%
SAICP Hotel LLC	116,137,059	116,323	3	0.57%
Scannell Properties 255 LLC LSEE	109,260,067	109,435	4	0.54%
Baldwin Arcadia Center LP	90,263,545	90,408	5	0.44%
JLJ Properties Arcadia LLC	69,240,234	69,351	6	0.34%
Huntington Village LLC	62,745,262	62,846	7	0.31%
Stanley A Sirott Trust	57,061,724	57,153	8	0.28%
Arcadia Propco LLC	48,007,547	48,084	9	0.23%
VG Property Investments LLC	40,417,108	40,482	10	0.20%
Total	<u>\$ 1,272,993,782</u>	<u>\$ 1,275,031</u>		<u>6.23%</u>

2014/15				
<u>Taxpayer</u>	Assessed Value	Est. Total * Tax Revenue	Rank	Percentage of Total City Property Tax Revenue
Santa Anita Borrower LLC	\$ 367,556,102	\$ 376,708	1	2.87%
Santa Anita Land Holdings LLC	285,728,663	292,843	2	2.23%
Baldwin Arcadia Center LP	76,607,515	78,515	3	0.60%
Bre Select Hotels Properties LLC	35,791,756	36,683	4	0.28%
Safeway Inc	32,079,183	32,878	5	0.25%
Bre Newton Hotels Property Owner	31,114,784	31,890	6	0.24%
LA Turf Club Inc	26,934,509	27,605	7	0.21%
Arcadia Hotel Venture LP	24,698,605	25,314	8	0.19%
Windrose Santa Anita Properties LLC	23,312,350	23,893	9	0.18%
Post Exchange LLC	21,165,515	21,693	10	0.17%
Total	<u>\$ 924,988,982</u>	<u>\$ 948,021</u>		<u>7.22%</u>

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

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

City of Arcadia
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Year **	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy *
2015	\$ 1,036,042	\$ 1,103,805	106.54%	\$ 6,900	\$ 1,110,705	107.21%
2016	916,767	957,245	104.42%	22,813	980,058	106.90%
2017	986,300	1,020,512	103.47%	25,356	1,045,868	106.04%
2018	967,300	964,452	99.71%	32,920	997,372	103.11%
2019	990,300	948,177	95.75%	25,303	973,480	98.30%
2020	1,001,500	992,051	99.06%	13,148	1,005,199	100.37%
2021	1,065,000	1,037,624	97.43%	30,241	1,067,865	100.27%
2022	1,050,000	1,074,335	102.32%	22,943	1,097,278	104.50%
2023	840,000	844,925	100.59%	17,010	861,935	102.61%
2024	1,035,800	1,057,810	102.12%	17,018	1,074,828	103.77%

Source: Administrative Services Department, City of Arcadia

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

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

City of Arcadia
Taxable Sales by Category
Last Ten Calendar Years
(in thousands of dollars)

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Apparel Stores	\$ 143,438	\$ 140,715	\$ 151,076	\$ 148,029	\$ 149,951	\$ 135,507	\$ 55,993	\$ 131,352	\$ 130,570	\$ 133,040
General Merchandise	152,946	157,053	154,455	152,525	151,481	142,457	71,663	116,939	131,152	132,002
Food Stores	32,779	31,966	31,641	28,002	31,848	30,055	35,219	39,049	42,643	42,663
Eating and Drinking Places	168,156	178,138	189,305	208,192	211,436	219,587	121,886	188,588	232,590	245,995
Building Materials	9,103	8,295	8,641	7,694	8,542	7,941	8,874	7,961	9,226	8,671
Auto Dealers and Supplies	104,139	101,018	114,630	118,929	108,964	106,147	97,658	133,746	156,463	126,354
Service Stations	90,016	75,902	62,544	64,789	71,949	72,008	50,533	79,739	116,325	102,502
Other Retail Stores	141,640	146,024	144,184	149,597	146,909	140,177	83,153	123,255	141,562	143,845
All Other Outlets	223,275	222,588	243,803	251,065	255,278	294,858	258,356	326,105	368,622	380,957
Total	<u>\$ 1,065,492</u>	<u>\$ 1,061,699</u>	<u>\$ 1,100,279</u>	<u>\$ 1,128,822</u>	<u>\$ 1,136,358</u>	<u>\$ 1,148,737</u>	<u>\$ 783,335</u>	<u>\$ 1,146,734</u>	<u>\$ 1,329,153</u>	<u>\$ 1,316,029</u>

Note: Due to confidentiality issues, the names of the ten largest revenue payers are not available. The categories presented are intended to provide alternative information regarding the sources of the City's revenue.

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

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

2023

<u>Business Name</u>	<u>Business Category</u>
Allstar Fire Equipment	Light Industrial/Printers
Arco AM PM	Service Stations
Arco AM PM	Service Stations
Burlington	Family Apparel
Cheesecake Factory	Casual Dining
CVS Pharmacy	Drug Stores
Din Tai Fung	Casual Dining
Foot Locker	Shoe Stores
In N Out Burger	Quick-Service Restaurants
JC Penney	Department Stores
Macy's	Department Stores
Mercedes Benz of Arcadia	New Motor Vehicle Dealers
Mercedes Benz Vehicle Trust	Auto Lease
Nordstrom	Department Stores
Osim	Home Furnishings
Racetrack 76	Service Stations
Ralphs	Grocery Stores
REI	Sporting Goods/Bike Stores
Santa Anita Park	Leisure/Entertainment
Sephora	Specialty Stores
Union 76 Auto Care Center	Service Stations
Uniqlo	Family Apparel
USC Arcadia Hospital	Medical/Biotech
Vons	Grocery Stores
Zara	Women's Apparel
Percent of Fiscal Year Total Paid By Top 25 Accounts	48.43%

Period: January 2023 Thru December 2023

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

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

2014

<u>Business Name</u>	<u>Business Category</u>
Abercrombie & Fitch	Family Apparel
Allstar Fire Equipment	Light Industrial/Printers
Arco AM PM	Service Stations
Arco AM PM	Service Stations
Burlington	Family Apparel
Cheesecake Factory	Casual Dining
Chevron	Service Stations
CVS Pharmacy	Drug Stores
Daimler Trust	Auto Lease
Dave & Busters	Leisure/Entertainment
Din Tai Fung Restaurant	Casual Dining
Foot Locker	Shoe Store
Forever 21	Women's Apparel
H&M	Family Apparel
JC Penney	Department Stores
Macys	Department Stores
Mercedes Benz Of Arcadia	New Motor Vehicle Dealers
Mobil	Service Stations
Nordstrom	Department Stores
REI	Sporting Goods/Bike Stores
Santa Anita Park	Leisure/Entertainment
Sephora	Specialty Stores
Victoria's Secret	Women's Apparel
Vons	Grocery Stores
Western Medical Supply	Medical/Biotech Service
Percent of Fiscal Year Total Paid By Top 25 Accounts	50.53%

Period: January 2014 Thru December 2014

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

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

Year	Governmental Activities						Business-Type Activities			
	General Obligation Bonds			Pension Obligation Bonds	Subscription Liabilities	Leases	Pension Obligation Bonds	Total Primary Government	Percentage of Personal Income	Per Capita
	2011	2012	2021							
2015	\$ 7,579,767	\$ 6,022,492	\$ -	\$ -	-	\$ -	\$ -	\$ 13,602,259	0.612%	\$ 236
2016	7,262,502	5,743,147	-	-	-	-	-	13,005,649	0.589%	228
2017	6,935,237	5,463,802	-	-	-	-	-	12,399,039	0.556%	216
2018	6,592,972	5,174,457	-	-	-	-	-	11,767,429	0.509%	204
2019	6,235,707	4,875,112	-	-	-	232,112	-	11,342,931	0.464%	193
2020	5,863,442	4,565,767	-	-	-	174,084	-	10,603,293	0.436%	185
2021	5,471,177	4,241,422	-	88,042,600	-	116,056	1,957,400	99,828,655	3.908%	1,731
2022	-	-	8,852,000	85,367,100	-	58,028	1,897,900	96,175,028	3.679%	1,719
2023	-	-	7,918,000	81,576,400	238,408	-	1,813,600	91,546,408	3.093%	1,669
2024	-	-	7,088,000	77,756,300	121,082	-	1,728,700	86,694,082	2.860%	1,554

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

Governmental Activities			
Year	General Obligation Bonds	Percentage of Personal Income	Per Capita
2015	12,712,405	0.572%	221
2016	12,151,972	0.550%	213
2017	11,511,964	0.516%	201
2018	10,898,256	0.472%	189
2019	10,493,923	0.430%	178
2020	9,642,296	0.397%	169
2021	8,808,646	0.345%	153
2022	7,559,281	0.289%	135
2023	7,057,895	0.238%	129
2024	6,066,969	0.200%	109

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

City of Arcadia
Legal Debt Margin Information
Last Ten Fiscal Years

Legal Debt Margin Calculation for Fiscal Year 2024

Assessed Taxable Value	\$ 20,477,124,306
Debt Limit (15% of assessed value)	<u>3,071,568,646</u>
Debt Applicable to limit:	
Total Bonds Payable	<u>86,694,082</u>
Legal Debt Margin	<u><u>\$ 2,984,874,564</u></u>
Percent of Charter Debt Limit	2.82%

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Debt Limit	\$ 1,921,301,692	\$ 2,090,788,840	\$ 2,201,029,447	\$ 2,351,470,734	\$ 2,490,311,353
Total net debt applicable to limit	<u>13,602,259</u>	<u>13,005,649</u>	<u>12,399,039</u>	<u>11,767,429</u>	<u>11,342,931</u>
Legal debt margin	1,907,699,433	2,077,783,191	2,188,630,408	2,339,703,305	2,478,968,422
Total debt applicable to the limit	0.71%	0.62%	0.56%	0.50%	0.46%

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

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

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

	2020	2021	2022	2023	2024
Debt Limit	\$ 2,642,494,809	\$ 2,723,534,040	\$ 2,752,603,600	\$ 2,898,543,364	\$ 2,984,874,564
Total net debt applicable to limit	10,603,293	99,828,655	96,175,028	91,546,408	86,694,082
Legal debt margin	2,631,891,516	2,623,705,385	2,656,428,572	2,806,996,956	2,898,180,482
Total debt applicable to the limit	0.40%	3.67%	3.49%	3.16%	2.90%

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

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

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

2023/24

	Gross Bonded Debt Balance	% Applicable	Net Bonded Debt
<u>Direct Debt</u>			
Arcadia General Obligation Bond 2011	\$ 3,962,000	100.000%	\$ 3,962,000
Arcadia General Obligation Bond 2012	3,126,000	100.000%	3,126,000
Subscription Liabilities	121,082	100.000%	121,082
Pension Obligation Bond 2020	77,756,300	100.000%	77,756,300
Total Direct Debt	84,965,382		\$ 84,965,382
<u>Overlapping Debt</u>			
Metropolitan Water District Area Upper San Gabriel Valley Area *	18,210,000	0.52900%	\$ 96,331
El Monte City School District	123,960,081	5.14200%	\$ 6,374,027
El Monte Union High School District	258,981,162	2.74700%	\$ 7,114,213
Citrus Community College District	115,880,302	0.18400%	\$ 213,220
Pasadena Area Community College District	174,690,000	17.66700%	\$ 30,862,482
Rio Hondo Community College District	164,769,080	0.83200%	\$ 1,370,879
Arcadia Unified School District	247,145,000	96.56500%	\$ 238,655,569
Monrovia Unified School District	58,796,072	0.83100%	\$ 488,595
Pasadena Unified School District	363,215,000	0.01500%	\$ 54,482
Temple City Unified School District	87,780,848	7.75300%	\$ 6,805,649
Total Overlapping Debt			\$ 292,035,453
TOTAL Direct and Overlapping Debt			\$ 377,000,835
2023/24 Assessed Valuation : \$20,477,124,306			
Debt to Assessed Valuation Ratios:			
	Direct Debt	0.030%	
	Overlapping Debt	1.460%	
	Combined Direct Debt	0.420%	
	Total Debt	2.040%	

Note:

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

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

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

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

2014/15

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

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

Debt to Assessed Valuation Ratios:

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

Note:

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

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

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

City of Arcadia
Demographic and Economic Statistics
Last Ten Calendar Years

Year	Population	Personal Income (in Thousands)	Per Capita Personal Income	Unemployment Rate
2014	57,526	2,221,309	38,614	4.80%
2015	57,050	2,208,838	38,717	3.90%
2016	57,374	2,228,856	38,847	3.00%
2017	57,704	2,310,918	40,047	3.40%
2018	58,891	2,443,094	41,485	3.50%
2019	57,212	2,429,207	42,459	3.40%
2020	57,660	2,554,238	44,298	10.00%
2021	55,934	2,614,487	46,742	6.60%
2022	54,857	2,960,029	53,959	4.10%
2023	55,783	3,031,498	54,344	3.90%

Source: US Bureau of Census, Employment Development Department

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

2024			
Employer	Employees	Rank	Percentage of Total City Employment
Atlas Assembly, Inc.	740	1	4.53%
Fedex Ground Package System, Inc	588	2	3.60%
Nordstrom Inc	386	3	2.36%
Macy's	289	4	1.77%
Din Tai Fung	265	5	1.62%
Optum	232	6	1.42%
Glenair, Inc	220	7	1.35%
Arcadia Care Center	187	8	1.14%
The Cheesecake Factory Restaurants, Inc	180	9	1.10%
Dave & Buster's	145	10	0.89%
Total	3232		19.77%

2015			
Employer	Employees	Rank	Percentage of Total City Employment
Macy's West	350	1	2.43%
Nordstrom Inc	330	2	2.29%
Worley Parsons Group, Inc	221	3	1.53%
J C Penney Corp, Inc # 1417-5	204	4	1.41%
The Cheesecake Factory Restaurants, Inc	170	5	1.18%
J T Posey Company	162	6	1.12%
99 Ranch Market 7	159	7	1.10%
Roze Room Hospice Of S G V	145	8	1.00%
Forever 21, Retail, Inc	131	9	0.91%
Coldwell Banker Residential Real Estate	122	10	0.85%
Total	1994		13.82%

Source: Business License Division, City of Arcadia

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

Function/Program	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Government:										
City Manager	5	5	5	5	4	4	4	4	4	4
City Clerk	4	4	3	3	3	3	3	3	3	3
City Attorney	1	1	0	0	0	0	0	0	0	0
Administrative Services	16	16	16	16	17	17	18	17	17	17
Police	94	95	98	98	98	98	97	96	97	97
Fire	58	58	58	58	58	58	58	58	58	58
Public Works:										
Streets	25	25	27	27	25	25	25	25	25	25
Water & Sewer	33	34	34	34	34	34	34	34	35	36
Garage	4	4	4	4	5	5	5	5	5	5
Development:										
Community Development	23	25	23	23	23	23	23	23	23	23
Redevelopment	0	0	0	0	0	0	0	0	0	0
Engineering	5	5	5	5	5	5	5	5	5	5
Recreation	9	10	11	12	12	12	12	12	12	13
Library	19	19	19	19	19	19	19	23	24	24
Total	296	301	303	304	303	303	303	305	308	310

Source: Administrative Services Department, City of Arcadia

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

Function/Program	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Police:										
Physical Arrests	2,103	2,098	1,828	1,704	1,904	1,131	765	897	896	1,077
Parking Violations	14,348	11,805	11,449	10,395	9,636	9,869	5,210	13,432	12,882	11,334
Moving & Non-Moving Violations	5,885	6,122	4,726	2,865	3,273	1,668	174	276	383	566
Fire:										
Emergency Responses	5,123	5,560	5,614	5,688	5,734	5,301	5,167	6,007	6,179	6,055
Fires Extinguished	111	123	114	147	130	129	169	174	140	177
Inspections	4,089	3,798	4,187	3,921	3,863	3,821	3,246	3,451	3,132	4,177
Public Works:										
Street Slurry Resurfacing (SF)	3,341,306	3,441,499	3,581,577	2,856,213	2,529,210	2,314,640	3,201,889	2,370,668	3,527,825	4,050,403
Sidewalk Repaired (SF)	11,300	28,475	7,491	750	12,486	5,960	1,210	917	2,205	1,000
Curb & Gutter Repaired (LF)	1,793	15,815	3,595	4,771	16,881	7,267	3,065	5,887	3,476	6,125
Street Lights Repaired	106	340	83	213	175	235	176	170	483	200
Street AC Resurfacing (SF)	-	347,550	328,716	344,640	432,614	369,429	275,595	306,008	229,532	249,480
PCC Driveway Approaches (SF)			856	1,043	6,111	4,157	2,466	5,468	4,352	5,966
PCC Cross Gutter/Spandrel			4,259	9,308	3,317	14,498	2,185	7,960	6,220	4,085
PCC ADA Ramps			31	16	24	12	5	8	12	4
Economic Development:										
Street Resurfacing (SF)	44,000	335,500	157,200	292,100	515,900	453,600	461,200	1,014,500	229,532	223,035
Building Permits	1,615	1,724	1,551	1,433	1,889	1,742	1,758	1,955	2,206	2,139
Planning Cases Submitted and Processed	655	538	474	515	584	557	610	647	836	678
Parks and Community Services:										
(Number of Participation)										
Youth Programs	50,800	58,463	69,796	77,470	114,557	53,959	20,284	35,322	38,929	57,700
Swim Program	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Senior Citizen Programs	82,671	79,371	77,523	88,581	111,540	75,428	7,966	41,202	73,486	90,649
Contract Classes/Adult Programs	138,032	97,475	89,601	44,337	48,095	36,303	7,269	33,300	35,194	28,803
Community Center Rental Usages	12,391	10,561	10,038	12,250	21,414	8,872	-	1,580	9,303	12,920
Special Events	19,576	14,563	16,476	20,847	14,954	10,531	-	10,019	14,321	19,770
Dana Gym	20,168	13,295	28,869	31,959	27,476	19,726	-	18,206	18,416	18,041
Wilderness Park Classes & Rentals	5,871	5,488	5,011	12,936	9,123	7,403	1,593	4,010	869	266
Library:										
Books and other items total	205,107	200,980	259,000	208,109	203,859	186,694	186,837	173,246	176,904	178,134
Total Circulation	685,362	719,432	695,250	869,472	975,318	705,831	227,718	592,548	471,385	469,297
Water:										
Number of Water Accounts	13,942	13,659	14,114	13,688	14,146	13,554	14,160	14,354	14,408	15,605
Total Water Served to Direct Customer (AF)	15,325	11,089	11,801	14,416	13,574	13,935	15,010	14,279	11,621	11,868
Sewer:										
Sewer Cleaning (Miles)	227	224	168	150	150	194	178	195	193	189
Transit Services/Dial-A-Ride:										
Total Route Miles (round-trip)	251,420	243,873	295,991	280,941	280,616	282,326	250,290	266,370	256,587	292,592
Passengers	112,398	108,005	67,228	79,624	79,809	54,159	17,853	40,118	39,121	49,400

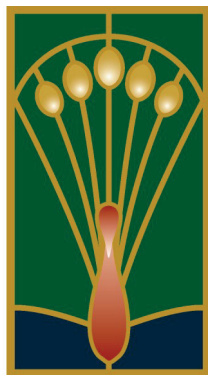
Source: Various City Departments

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

Function/Program	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	23	23	23	23	23	23	23	23	18	20
Fire Stations	3	3	3	3	3	3	3	3	3	3
Streets:										
Streets (miles)	148	148	148	148	148	148	148	148	148	148
Streetlights	1,642	1,642	1,642	1,642	1,642	1,642	1,642	1,642	1,642	1,642
Traffic Signals	69	69	69	69	73	75	76	76	76	76
Parks and Community Services:										
Total Park Acreage	166	166	166	166	166	166	166	166	166	166
Playgrounds	8	8	8	8	8	8	8	8	8	8
Tennis Courts	19	19	19	19	19	19	19	19	19	19
Baseball/softball diamonds	4	4	4	4	4	4	4	4	4	4
Soccer/football fields	1	1	1	1	1	1	1	1	1	1
Community Centers	1	1	1	1	1	1	1	1	1	1
Gymnasium	1	1	1	1	1	1	1	1	1	1
Water:										
Water Main (miles)	169	169	169	169	169	169	169	169	169	169
Fire Hydrants	1,534	1,539	1,542	1,542	1,542	1,542	1,543	1,543	1,527	1,527
Storage Capacity (millions of gallons)	45	45	45	45	45	45	45	45	45	45
Wastewater:										
Sanitary Sewers (miles)	140	140	140	140	140	140	140	140	140	140
Storm Sewers (miles)	8	8	8	8	8	8	8	8	8	8
Library	1	1	1	1	1	1	1	1	1	1
Museum						1	1	1	1	1
Museum Education Center (Museum/Community Center joint use)						1	1	1	1	1
Transit Services/Dial-A-Ride:										
Transit Buses	18	18	18	18	18	18	18	18	18	18

Note: Include only properties owned by the City

Source: Various City Departments



CITY OF
ARCADIA