

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

*Village of the Foothills*

## **For the Year Ending June 30, 2022**



Prepared by the Finance Department Staff

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

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December 20, 2022

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

It is our pleasure to present the City of Sierra Madre's Annual Comprehensive Financial Report (ACFR) for the fiscal year ending June 30, 2022. This report has been prepared in accordance with Generally Accepted Accounting Principles (GAAP) as set forth in the pronouncements of the Governmental Accounting Standards Board (GASB). GASB has the primary responsibility for determining accounting and financial reporting standards for state and local government entities.

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

The City of Sierra Madre's financial statements have been audited by *Rogers, Anderson, Malody & Scott, LLP*, Certified Public Accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Sierra Madre for the fiscal year ended June 30, 2022, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Sierra Madre's financial statements for the fiscal year ended June 30, 2022, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City of Sierra Madre's MD&A can be found immediately following the report of the independent auditors.

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

### ***City Profile***

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

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

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

The City of Sierra Madre is a full-service city with approximately 88 full time equivalent employees consisting of nine departments, including full-service Police and Fire Departments. Part-Time employees and volunteers add service and value as integral parts the City organization and community service clubs.

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

The Sierra Madre Financing Authority was established in 1972. The purpose of the Authority is to act as a vehicle for various financing activities of the City and the Successor Agency. The bylaws of the Authority establish the City Council as the governing body. This entity is blended into the City's combined financial statements. The Redevelopment Successor Agency was dissolved in October 2021.

### ***Economic Condition and Outlook***

Sierra Madre is a full-service municipality operating with a \$24 million budget. It funds 88 full-time employees assigned to nine operating departments which include general government activity, police and fire services, and water and sewer utilities. The City's primary goal is to provide high-quality, cost-effective services to its residents and businesses. As in all service industries, personnel expense is the primary business cost. During the budget preparation for FY2017-18, Zero-based budget techniques were inaugurated to more efficiently manage financial resources; the technique is effective and has become a permanent part of the annual budget planning process. Zero-Based budgeting ensures accountability and provides departments with a City-wide budget perspective.

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

On March 17, 2020, the Sierra Madre City Council passed a resolution declaring a local state of emergency regarding COVID-19, and authorizing the City to request disaster recovery assistance from the State of California and the Federal Emergency Management Agency (FEMA). The City is tracking these expenditures



for potential FEMA reimbursement. The City has also created a Small Business Grant program funded through Los Angeles County Urban County Community Development Block Grant (CDBG) Program.

**Results for FY 21-22**

The total fund balance of the City’s General Fund increased by \$315,814 for FY 21-22. The Water fund net position increased by \$2.3M. The Water fund invested \$2.2M in water main replacement. The Sewer Fund had an increase in net position of \$159,061 in FY 21-22.

The General Fund balance reserve requirements is set at 25% of expenses; the City successfully met this threshold for FY21-22.

**Major Accomplishments for the Year:**

- The continuation of the long-term project to replace the City’s water main infrastructure; Capital Investment in FY 21-22 was \$2.2M and \$2.1M for FY 20-21.
- The City received a \$2.7M zero interest loan from the San Gabriel Valley Water District to help fund water infrastructure.
- Received an allocation from American Rescue Plan Act to help fund eligible expenditures related to the pandemic
- Purchased a new public safety building and improvements are projected to begin in FY 22-23.
- Through the Sierra Madre Cares Program, the City provided grants for small business support in response to the COVID 19 pandemic.
- Continued the street rehabilitation program with over \$1M for the Street improvement project. In addition to regular repair and maintenance to improve the City’s PCI rating, the City also invested in sidewalk and ADA ramps
- City Public Wi-Fi expansion to Kersting Court
- Continued to update and address our aging facility. A California State Library Building Forward, Infrastructure grant application was submitted. A \$10 million Library Meaningful Improvement/Rehabilitation request was submitted through Assembly Member Holden.
- Continued cooperation with, and support, of the Sierra Madre Citizen Emergency Response Team (CERT) program.

**Long-Term Financial Planning**

The FY 21-22 Adopted Budget was developed based on the policies and vision of the City Council. In order to implement the vision of the City Council, staff completed a balanced budget for the 2021-2022 Fiscal Year. The City has started the process to review strategic goals that will be used during the budget process.

**FY 21-22 Budget**

The FY 21-22 Adopted Revenue budget is \$24.2 million in total. Budgeted revenue for the City’s three primary funds are \$13.3 million for the General Fund, \$6.3 million for the Water Fund, and \$1.1 million for the Sewer Fund. City-wide expenses were budgeted at \$24.2 million.

**Relevant Financial Policies**

On June 8, 2021, the City Council adopted the Budget, which includes a comprehensive set of financial policies and procedures. It is established that the budget should be adopted on an annual basis prior to the beginning of the budget cycle. The budgets are adopted on a basis that does not materially differ from Generally Accepted Accounting Principles (GAAP).

### ***Independent Audit***

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

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

The Government Finance Officers Association (GFOA) awarded a *certificate of Achievement for Excellence in Financial Reporting to the City of Sierra Madre for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2021*. This is the fifth consecutive year the City has received this award.

In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The Government Finance Officers Association (GFOA) awarded a *certificate of Distinguished Budget Presentation Award to the City of Sierra Madre for its Annual Budget Report for the fiscal year ended June 30, 2020*.

In order to be receive the Budget award, the City had to satisfy nationally recognized guidelines for effective budget presentation. These guidelines are designed to assess how well an entity's budget serves as 1) a policy document, 2) a financial plan, 3) an operational guide, and 4) a communications device.

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

Respectfully,



Hillary Guirola-Leon  
Finance Director



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Sierra Madre  
California**

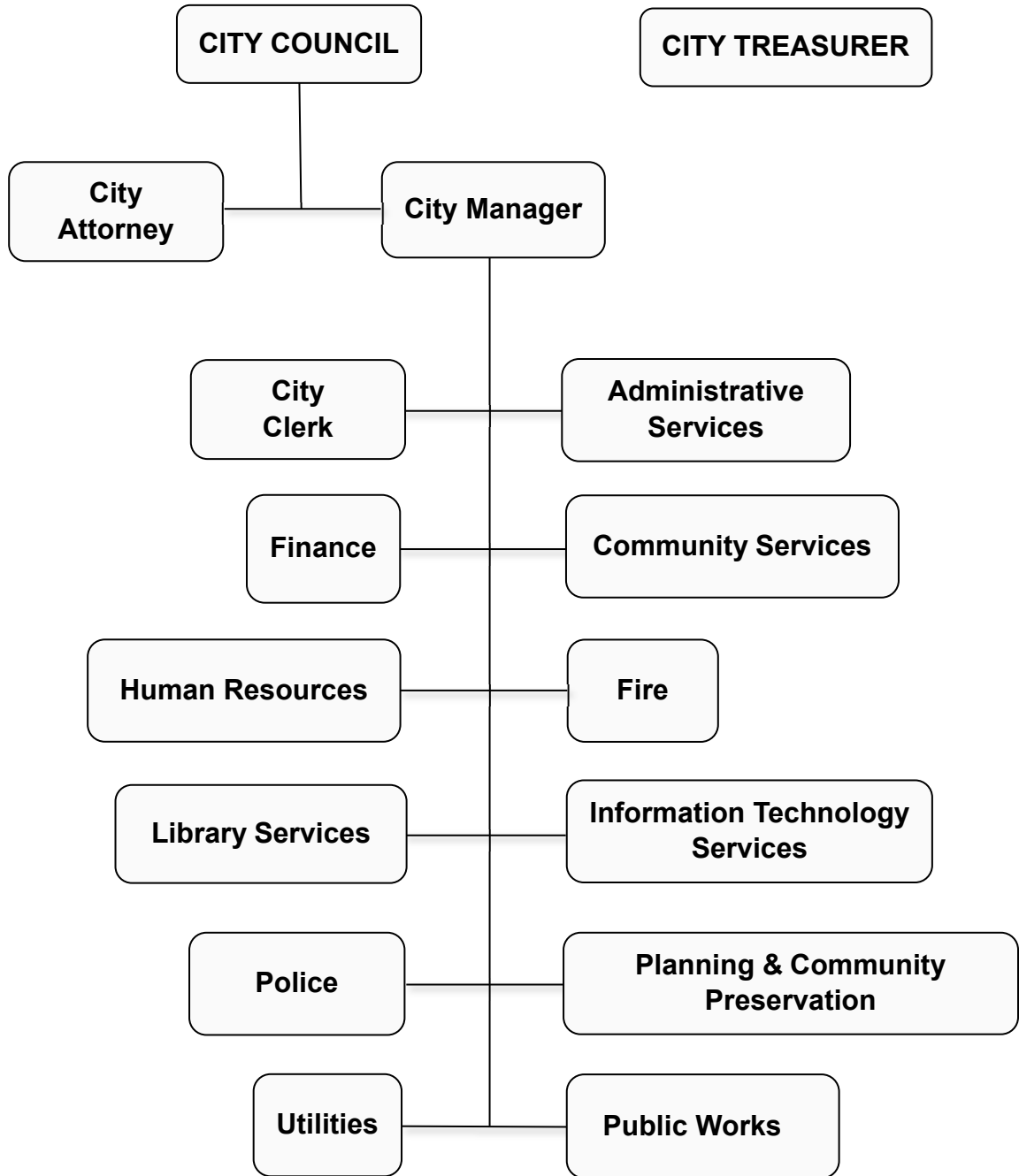
For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2021

*Christopher P. Morill*

Executive Director/CEO

CITY OF SIERRA MADRE  
Organizational Structure  
As of June 30, 2022



# City of Sierra Madre, California

*Village of the Foothills*

## Annual Comprehensive Financial Report



For the Year Ending June 30, 2022

Sierra Madre, California

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

As of June 30, 2022

Gene Goss  
Edward Garcia  
Rachelle Arizmendi  
Kelly Kriebs  
Robert Parkhurst

Laura Aguilar  
Michael Amerio

Mayor  
Mayor Pro Tempore  
Council Member  
Council Member  
Council Member

City Clerk  
City Treasurer

### **Executive Management**

Jose Reynoso  
Aleks Giragosian  
Miguel Hernandez  
Laura Aguilar  
Hillary Guirola-Leon  
Vincent Gonzalez  
Brent Bartlett  
Rebecca Silva-Barron  
Leila Regan  
Henry Amos  
Chris Cimino

City Manager  
City Attorney  
Assistant City Manager  
Deputy City Manager  
Finance Director  
Director of Planning and Community Preservation  
Fire Chief  
Community Services Manager  
City Librarian  
Acting Police Chief  
Director of Public Works

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

## *Independent Auditor's Report*

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San Bernardino, CA 92408  
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ramscpa.net

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

### **Report on the Audit of the Financial Statements**

#### **PARTNERS**

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

#### **MANAGERS / STAFF**

Gardenya Duran, CPA, CGMA  
Brianna Schultz, CPA, CGMA  
Seong-Hyea Lee, CPA, MBA  
Evelyn Morentin-Barcena, CPA  
Veronica Hernandez, CPA  
Laura Arvizu, CPA  
Xinlu Zoe Zhang, CPA, MSA  
John Maldonado, CPA, MSA  
Julia Rodriguez Fuentes, CPA, MSA  
Demi Hite, CPA  
Jeffrey McKennan, CPA

#### **MEMBERS**

American Institute of  
Certified Public Accountants

*PCPS The AICPA Alliance  
for CPA Firms*

*Governmental Audit  
Quality Center*

*Employee Benefit Plan  
Audit Quality Center*

California Society of  
Certified Public Accountants



#### ***Opinions***

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Sierra Madre, California (the City), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the 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 (GAAS) 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***

The City's management is responsible for the preparation and fair presentation of the 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 GAAS 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.

n performing an audit in accordance with GAAS, 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 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.

### ***Emphasis of Matter***

As discussed in Note 5 to the financial statements, the City adopted provisions of Governmental Accounting Standards Board Statement No. 87, *Leases*. Our opinions are not modified with respect to this matter.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the required supplementary information, as listed in the table of contents, 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 supplementary information, as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The accompanying supplementary 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Information Included in the Annual Report***

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 financial statements and our auditor's report thereon. Our opinions on the 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 financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the 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 December 20, 2022, 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 solely 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 the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.

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

San Bernardino, California  
December 20, 2022

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# **City of Sierra Madre, California**

*Village of the Foothills*



## **Management's Discussion and Analysis For the Year Ending June 30, 2022**

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**CITY OF SIERRA MADRE**  
**Management Discussion and Analysis**  
**June 30, 2022**

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**MANAGEMENT’S DISCUSSION AND ANALYSIS**

As management of the City of Sierra Madre (“City”), we offer readers of the City’s financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2022. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i-iv of this report.

**FINANCIAL HIGHLIGHTS**

- At June 30, 2022, the City’s net position was \$243 million. The City’s total net position increased from prior fiscal year 2020-2021 by \$14.6 million. Of this amount \$8 million is due to changes in pension obligations and \$3.5 million is due to capital investments. The City-wide net position is composed of \$208 million in net investment in capital assets, \$7.3 million in restricted, and \$27.6 million in unrestricted net position.
- During the year, the City’s General Fund balance increased by \$315 thousand, the American Rescue Plan Act Fund increased by \$6 thousand and non-major governmental fund balance increased by \$468 thousand. During FY 21-22, there was \$441 thousand set aside in a section 115 trust for future pension obligations.
- The increase in the General fund was due to an increase in sales tax revenues and a decrease in operating expenditures as part of the pandemic response plan. The City also purchased a new building for public safety operations during the year. Property taxes also increased primarily due to the net taxable value increase. The increase was also attributed to the 2% Proposition 13 inflation adjustment.
- The General fund had an adopted budget of \$10.8 million and amended budget of \$15.3 million. The budget amendments were primarily due to the purchase of the new public safety building and payroll costs.
- In the City’s proprietary funds: The Water Fund net position increased by \$2.3 million. During the fiscal year, the City received a zero-interest loan for \$2.7 million from the San Gabriel Valley Water District to fund watermain projects. The remaining increase in net position for fiscal year 21-22 was reinvested in capital assets. The Sewer Fund had an increase in net position of \$159 thousand. Non-Major Enterprise Funds remained unchanged, and total Internal Service Funds decreased by \$584 thousand due to reducing cost allocations and using existing reserves as the pandemic response budgeting plan.

**OVERVIEW OF FINANCIAL STATEMENTS**

The discussion and analysis provided here are intended to serve as an introduction to the City of Sierra Madre’s basic financial statements. The City’s basic financial statements consist of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) the notes to the basic financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

**CITY OF SIERRA MADRE**  
**Management Discussion and Analysis**  
**June 30, 2022**

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**Government-Wide Financial Statements**

The government-wide financial statements are designed to provide readers with a broad overview of the City of Sierra Madre's finances, in a manner similar to the private sector business. These statements are designed to provide information about the activities of the City as a whole and present a longer-term view of the City's finances. The statements are prepared using the accrual basis of accounting which considers money available when earned and considers money spent when a liability is incurred. As such, this basis of accounting focuses on measuring economic resources that are available to the City regardless of the timing of the availability of those resources. The accrual basis of accounting is similar to that used by most private sector companies.

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

The statement of net position presents information on all the City's assets, liabilities, and deferred inflows/outflows of resources. The difference between assets plus deferred outflows of resources, and liabilities and deferred inflows of resources is reported as net position. This statement includes changes in capitalized and depreciated capital assets. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

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

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

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

The *government-wide* financial statements can be found on pages 16 through 18 of this report.

**Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The fund financial statements provide detailed information about the most significant funds and other funds – not the City as a whole. Some funds are required by state law and by bond covenants. In addition, in order to meet legal responsibilities for using certain taxes, grants, and other resources, prudent fiscal management requires the establishment of other funds to help control and manage money. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds. The basic fund financial statements can be found on pages 19 through 28 of this report.

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

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

The City maintains 44 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund which is considered to be a major fund. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds are provided in the form of combining statements in the Supplementary Information.

The City adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided to demonstrate compliance with this budget. This comparison can be found on page 66 of this report.

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

**Proprietary funds:** When the City charges customers' fees to cover the cost of the services it provides; these services are generally reported in proprietary funds. The City maintains two different types of proprietary funds: enterprise funds and internal service funds. In the fund financial statements section, proprietary funds provide similar information to that contained in the business-type activities in the government-wide financial statements, only in more detail. The basic proprietary fund financial statements can be found on pages 23 through 26 of this report.

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

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

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

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***Fiduciary funds:*** The City is the trustee, or fiduciary, for certain funds held as a conduit or clearinghouse, established to account for assets (usually cash) received for and paid to other funds, individuals, or organizations. The assets thus received are usually held very briefly. The City has a Private Purpose Trust Fund for recording the financial activities of the Successor Agency as it relates to the dissolution of the Community Redevelopment Agency. The Successor Agency has been dissolved as of the issuance date of these financial statements.

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

**Notes to the Financial Statements**

The notes provide additional information that is essential to obtain a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements begin on page 29 of this report.

**Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's budgetary information and compliance; Schedule of the City's Proportionate Share of the Plan's Net Pension Liability and Related Ratios, Schedule of Plan Contributions, and Schedule of Changes in the Net OPEB Liability and Related Ratios, and the Schedule of OPEB Contributions. Required supplementary information can be found on pages 65 through 71 of this report.

The combining statements referred to earlier in connection with non-major governmental funds, enterprise funds, internal service funds, and fiduciary funds are presented immediately following the required supplementary information captioned supplementary schedules. Combining and individual fund statements and schedules can be found on pages 72 through 134 of this report.

**THE CITY AS A WHOLE**

**Government-Wide Financial Statements**

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

**The Statement of Net Position and the Statement of Activities**

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

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



**CITY OF SIERRA MADRE**  
**Management Discussion and Analysis**  
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In the Statement of Net Position and the Statement of Activities, City activities are separated as follows:

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

**Business-type activities** – The City charges a fee to customers to cover the services it provides within this category. The City’s water system, sewer system, and community operations are reported in this category.

**Government-Wide Financial Analysis**

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

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**CITY OF SIERRA MADRE**  
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**June 30, 2022**

**Net Position:** Net Position, the difference between a government’s assets plus deferred outflows of resources and liabilities and deferred inflows of resources, may serve over time as one potential useful indicator of a government’s financial position (Table 1). Net Position includes the City’s capital assets, cash balances, amounts receivable from other entities, and other similar resources offset by payments due to vendors, interest payable, long-term debt, and other similar obligations. By far the largest portion of the City’s net position (86%) reflects its investment in capital assets (e.g. land, buildings, utility plant, machinery, equipment, and infrastructure), net of any related outstanding debt, used to acquire those assets. The City uses these assets to provide services to citizens. Consequently, these assets are not available for future spending. Although the City’s investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

In the case of the City, total assets and deferred outflows of resources exceeded total liabilities and deferred inflows of resources by \$243 million at the close of the most recent fiscal year as compared to the net position of \$228 million in fiscal year 2020-21.

Table 1  
**Condensed Statement of Net Position**  
**June 30, 2021 and 2022**  
(in thousands)

	Governmental activities		Business-type activities		Total	
	2021	2022	2021	2022	2021	2022
<b>Assets</b>						
Current and other assets	\$ 21,476	\$ 22,463	\$ 9,546	\$ 10,206	\$ 31,022	\$ 32,669
Noncurrent assets	1,537	4,102	4	2,236	1,541	6,338
Capital assets, net	181,761	185,319	28,584	30,039	210,345	215,358
Right-to-use assets, net	-	10	-	-	-	10
Total assets	<u>204,774</u>	<u>211,894</u>	<u>38,134</u>	<u>42,481</u>	<u>242,908</u>	<u>254,375</u>
Deferred outflows of resources	<u>6,442</u>	<u>5,821</u>	<u>381</u>	<u>285</u>	<u>6,823</u>	<u>6,106</u>
<b>Liabilities</b>						
Current and other liabilities	2,584	3,128	2,029	2,472	4,613	5,600
Noncurrent liabilities	<u>7,045</u>	<u>806</u>	<u>5,675</u>	<u>7,008</u>	<u>12,720</u>	<u>7,814</u>
Total liabilities	<u>9,629</u>	<u>3,934</u>	<u>7,704</u>	<u>9,480</u>	<u>17,333</u>	<u>13,414</u>
Deferred inflows of resources	<u>4,001</u>	<u>3,816</u>	<u>225</u>	<u>197</u>	<u>4,226</u>	<u>4,013</u>
<b>Net position:</b>						
Net investment in capital assets	181,761	185,319	23,167	22,881	204,928	208,200
Restricted	446	7,237	54	48	500	7,285
Unrestricted	<u>15,379</u>	<u>17,409</u>	<u>7,365</u>	<u>10,160</u>	<u>22,744</u>	<u>27,569</u>
Total net position	<u>\$ 197,586</u>	<u>\$ 209,965</u>	<u>\$ 30,586</u>	<u>\$ 33,089</u>	<u>\$ 228,172</u>	<u>\$ 243,054</u>

**CITY OF SIERRA MADRE**  
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**Statement of Activities and Changes in Net Position:** Program expenses by function, general revenues by major source, excess and/or deficiency of revenues over expenses before contributions to fund principal, special, and extraordinary items, changes in and total net position are presented in the Statement of Activities (Table 2). Total revenues decreased by approximately \$269 thousand, or 1.0 percent; and total expenses decreased by \$9.1 million.

Table 2  
**Condensed Statement of Activities**  
**For the years ended June 30, 2021 and 2022**  
(in thousands)

	Governmental activities		Business-type activities		Total	
	2021	2022	2021	2022	2021	2022
<b>Revenues:</b>						
Program revenues						
Charges for services	\$ 2,430	\$ 3,117	\$ 10,058	\$ 7,800	\$ 12,488	\$ 10,917
Operating grants and contributions	2,280	3,108	-	-	2,280	3,108
Capital grants and contributions	115	45	-	-	115	45
General revenues						
Taxes	11,882	12,881	-	-	11,882	12,881
Investment income	(10)	(303)	49	(185)	39	(488,000)
Miscellaneous	29	94	80	87	109	181
Total revenues	<u>16,726</u>	<u>18,942</u>	<u>10,187</u>	<u>7,702</u>	<u>26,913</u>	<u>26,644</u>
<b>Expenses:</b>						
General government	4,323	1,464	-	-	4,323	1,464
Public safety	6,445	2,377	-	-	6,445	2,377
Public works	2,464	2,131	-	-	2,464	2,131
Development services	1,025	517	-	-	1,025	517
Culture and recreation	1,115	374	-	-	1,115	374
Interest	-	-	-	-	-	-
Water	-	-	4,735	4,276	4,735	4,276
Sewer	-	-	1,111	945	1,111	945
Total expenses	<u>15,372</u>	<u>6,863</u>	<u>5,846</u>	<u>5,221</u>	<u>21,218</u>	<u>12,084</u>
Change in net position before transfers	1,354	12,079	4,341	2,481	5,695	14,560
Transfers	-	(21)	-	21	-	-
Change in net position	1,354	12,058	4,341	2,502	5,695	14,560
Net position, beginning of year	<u>196,232</u>	<u>197,908</u>	<u>26,246</u>	<u>30,587</u>	<u>222,478</u>	<u>228,495</u>
Net position, end of year	<u>\$ 197,586</u>	<u>\$ 209,966</u>	<u>\$ 30,587</u>	<u>\$ 33,089</u>	<u>\$ 228,173</u>	<u>\$ 243,055</u>

**CITY OF SIERRA MADRE**  
**Management Discussion and Analysis**  
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**Governmental Activities:** The following (Table 3) presents the cost of each of the City’s largest programs – general government, public safety, public works, community development and culture and recreation, – and in addition, each program’s net cost (total cost less revenues generated by the activities). The net cost shows the financial burden that was placed on the City’s taxpayers by each of these functions (excludes interest expense):

Table 3  
**Net Cost of Governmental Activities**  
**For the year ended June 30, 2022**  
(in thousands)

	<u>Total cost of services</u>	<u>Total program revenues</u>	<u>Net cost of services</u>
General government	\$ 1,464	\$ 1,088	\$ (376)
Public safety	2,377	1,236	(1,141)
Public works	2,131	3,265	1,134
Development services	517	515	(2)
Culture and recreation	374	166	(208)
Totals	<u>\$ 6,863</u>	<u>\$ 6,270</u>	<u>\$ (593)</u>

**THE CITY’S FUNDS**

**Financial Analysis of the Government’s Funds**

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

Table 4  
**Condensed Statement of Revenues, Expenditures and Changes in Fund Balance**  
**For the years ended June 30, 2021 and 2022**  
(in thousands)

	<u>Revenues</u>		<u>Expenditures</u>		<u>Transfers</u>		<u>Net change in fund balance</u>	
	2021	2022	2021	2022	2021	2022	2021	2022
General Fund	\$ 14,180	\$ 15,344	\$ 11,836	\$ 14,847	\$ (242)	\$ (181)	\$ 2,102	\$ 316
American Rescue Plan Act	-	397	-	391	-	-	-	6
Other governmental funds	2,568	3,105	3,668	2,827	260	190	(840)	468
Totals	<u>\$ 16,748</u>	<u>\$ 18,846</u>	<u>\$ 15,504</u>	<u>\$ 18,065</u>	<u>\$ 18</u>	<u>\$ 9,000</u>	<u>\$ 1,262</u>	<u>\$ 790</u>

**CITY OF SIERRA MADRE**  
**Management Discussion and Analysis**  
**June 30, 2022**

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**Governmental Funds:** Based on the audited Statement of Revenues, Expenditures and Changes in Fund Balance, the total fund balance of the City’s General Fund increased by approximately \$316 thousand in FY 2021-22. General Fund revenues increased by approximately \$1.2 million, or 8.2 percent; expenditures increased by approximately \$3.0 million, and net transfers in decreased by approximately \$61 thousand. The American Rescue Plan Act (ARPA) Fund accounts for Federal funding received for eligible expenditures related to the COVID-19 pandemic. The ARPA fund had expenditures of \$390,831 and a total fund balance of \$6,488. Other non-major governmental funds total fund balance increased by \$468 thousand.

At June 30, 2022, the fund balance for the General Fund was \$10.0 million which was an increase of approximately \$316 thousand. The City adopted an operating reserve as follows:

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

	<u>Amount</u>
General Fund - fund balance for the year ending June 30, 2021	\$ 9,692,762
Total revenues	15,343,890
Total expenditures	(14,847,352)
Transfers	(180,724)
General Fund - fund balance for the year ending June 30, 2022	<u>\$ 10,008,576</u>
 <i>Unassigned reserves</i>	
25% of operating expenditures - cash flow reserve policy	\$ 3,711,838
<i>Unassigned (less nonspendable and restricted amounts)</i>	5,892,048

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

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

The City is working on developing a 5-year capital improvement plan for FY 22-23 to help with long-term planning and financial sustainability.

**CITY OF SIERRA MADRE**  
**Management Discussion and Analysis**  
**June 30, 2022**

**Enterprise Funds:** As shown in the Statement of Revenues, Expenses, and Changes in Net Position, the Enterprise Funds had an increase in net position of \$4.3 million for the current year. The Water fund had an increase in net position of \$4.3 million; and the Sewer Fund had an increase in net position of \$20 thousand. At the close of FY 2020-21, the total net change in net position of the City's Internal Service Funds was a decrease of \$1.2 million.

Table 5  
**Statement of Revenues, Expenses and Changes in Net Position**  
**For the years ended June 30, 2021 and 2022**  
(in thousands)

	Revenues		Expenses		Nonoperating revenue(expenses) and transfers		Net change in fund balance	
	2021	2022	2021	2022	2021	2022	2021	2022
Water	\$ 8,934	\$6,656	\$4,505	\$4,059	\$ (109)	\$ (253)	\$ 4,320	\$2,344
Sewer	1,124	1,145	1,111	945	7	(41)	20	159
Totals	<u>\$10,058</u>	<u>\$7,801</u>	<u>\$5,616</u>	<u>\$5,004</u>	<u>\$ (102)</u>	<u>\$ (294)</u>	<u>\$ 4,340</u>	<u>\$2,503</u>
Governmental Activities -								
Internal Service Funds	<u>\$ 3,234</u>	<u>\$3,855</u>	<u>\$4,361</u>	<u>\$4,332</u>	<u>\$ (41)</u>	<u>\$ (108)</u>	<u>\$ (1,168)</u>	<u>\$ (585)</u>

**Capital Assets and Debt Administration**

**Capital Assets and intangible right-to-use assets**

The City of Sierra Madre investment in capital assets for its governmental and business-type activities as of June 30, 2022, amounts to \$210.3 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, machinery, equipment, vehicles, park facilities, roads, highways, bridges, sewer lines, and the water distribution system.

Table 6  
**Capital assets and intangible assets (net of depreciation)**  
**June 30, 2021 and 2022**  
(in thousands)

	Governmental Activities		Business-type Activities		Total	
	2021	2022	2021	2022	2021	2022
Land	\$ 162,276	\$162,276	\$ 1,483	\$1,483	\$ 163,759	\$163,759
Trees	1,206	1,206	-	-	1,206	1,206
Construction in progress	471	3,432	75	30	546	3,462
Structures and improvements	6,345	6,276	153	133	6,498	6,409
Machinery and equipment	2,007	1,996	217	291	2,224	2,287
Infrastructure	9,455	10,132	26,567	28,102	36,022	38,234
Right-to-use asset - leases	-	10	-	-	-	10
Total	<u>\$ 181,760</u>	<u>\$185,328</u>	<u>\$ 28,495</u>	<u>\$30,039</u>	<u>\$ 210,255</u>	<u>\$215,367</u>

**CITY OF SIERRA MADRE**  
**Management Discussion and Analysis**  
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Additional information on the City of Sierra Madre's capital assets can be found in Note 6 on pages 43 through 45 of this report.

**Debt Administration**

At the end of FY 2021-22, the City had long-term debt outstanding of \$5,066,476 (of which \$362,881 is due in FY 2022-23) for the 2017 Installment Agreement and long-term debt of \$2,091,622 for the loan from the San Gabriel Valley Municipal Water District.

Additional information on the City's long-term debt can be found in Note 7 of the Financial Statements (pages 46 through 48).

**Economic Condition and Budget Outlook**

The City is a full-service municipality operating with a \$24.2 million budget that funds 88 full-time equivalent employees assigned to nine operating departments and includes police and fire services as well as its own water and sewer utilities. In order to provide a balanced budget, the City implemented Zero-Based Budgeting during fiscal year 2017-18. The continuation of Zero-Based Budgeting continues to be an effective method used by the City to manage its budget and expenses. The City will be reviewing its strategic goals and implementing a 5-year capital improvement plan starting FY 2022-23.

Citizens of Sierra Madre approved a permanent extension of the Utility Users Tax (UUT) at 10% (the City's second largest revenue source), and property taxes in Sierra Madre continued to increase similar to the property value increases in Los Angeles County as a whole. Moving forward, challenges to the budget will include mandatory programs from the County and State and increases in pension obligations through CalPERS and the unfunded accrued liability (UAL). The City has made three prepayments to CalPERS UAL in 2018, 2019, and 2020 which has reduced our annual contributions going forward.

**General Fund**

The City's largest fund is the General Fund and its revenues are approximately \$15.3 million. It provides the resources necessary to sustain the day-to-day activities and services to the community. All ten departments receive support from the General Fund, either directly or indirectly in the form of subsidies (recorded as Transfers Out in the financial statements) or cost allocations (overhead).

The City of Sierra Madre, with a population of approximately 11,000, is primarily a residential community. Its small size and quiet neighborhoods provide a village-like atmosphere the residents are proud to maintain. Sierra Madre has a small, bustling downtown, centered around the iconic Kersting Court. The commercial activity is proportional to the small population of the City, meaning Sierra Madre receives its most significant support from property tax and utility user tax (UUT), and a smaller amount from sales tax and other commercial activities.

At fiscal year ending June 30, 2022, General Fund revenues were 51% property taxes, 32% other taxes, 10% licenses and permits, and 7% other sources.

**CITY OF SIERRA MADRE**  
**Management Discussion and Analysis**  
**June 30, 2022**

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**Water Fund**

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

In FY 2018-2019 the City adopted the comprehensive water and wastewater cost of service and a Proposition 218 process to increase the rates. An infrastructure charge was implemented to raise funding to match the annual need of main replacements and improvements. In FY 21-22 the water fund invested \$2.4 million in capital and \$2.1 million in FY 20-21. The water fund will continue to invest in capital to make improvements needed.

**Sewer Fund**

The City Sewer Fund utility is the City's third largest fund. As a proprietary fund, the fund must collect fees for the services (sewer discharge) that it provides and should be self-funding. Similar to the Water Fund, in FY 18-19, the Sewer fund had a new rate study implemented and a Proposition 218 process to increase the rates.

**Contacting the City's Financial Management**

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



# **City of Sierra Madre, California**

*Village of the Foothills*



## **Basic Financial Statements For the Year Ending June 30, 2022**

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**CITY OF SIERRA MADRE**  
**Statement of Net Position**  
**June 30, 2022**

	Governmental Activities	Business-type Activities	Total
<b>Assets:</b>			
Current assets:			
Cash and investments	\$ 20,029,216	\$ 9,483,266	\$ 29,512,482
Restricted cash and investments	393,201	47,615	440,816
Receivables, net:			
Accounts	980,787	674,704	1,655,491
Taxes	701,911	-	701,911
Interest	39,553	-	39,553
Lease	116,402	-	116,402
Due from other governments	201,580	-	201,580
Total current assets	<u>22,462,650</u>	<u>10,205,585</u>	<u>32,668,235</u>
Noncurrent assets:			
Receivable from SGVMWD	-	2,091,622	2,091,622
Land held for resale	1,500,000	-	1,500,000
Capital assets:			
Non-depreciable assets	166,914,590	1,513,005	168,427,595
Depreciable assets-net	18,404,129	28,526,289	46,930,418
Right-to-use asset, net	10,474	-	10,474
Net OPEB asset	402,103	39,769	441,872
Net pension asset	2,199,766	104,248	2,304,014
Total noncurrent assets	<u>189,431,062</u>	<u>32,274,933</u>	<u>221,705,995</u>
Total assets	<u>211,893,712</u>	<u>42,480,518</u>	<u>254,374,230</u>
<b>Deferred Outflows of Resources:</b>			
OPEB related	167,813	16,596	184,409
Pension related	5,653,484	268,807	5,922,291
Total deferred outflows of resources	<u>5,821,297</u>	<u>285,403</u>	<u>6,106,700</u>
<b>Liabilities:</b>			
Current liabilities:			
Accounts payable	1,041,381	1,731,758	2,773,139
Accrued payroll and related liabilities	373,333	82,585	455,918
Interest payable	-	34,625	34,625
Deposits and retentions	607,584	206,348	813,932
Unearned revenue	900,126	-	900,126
Due within one year	206,252	416,130	622,382
Total current liabilities	<u>3,128,676</u>	<u>2,471,446</u>	<u>5,600,122</u>
Noncurrent liabilities:			
Due in more than one year	805,693	7,008,212	7,813,905
Total noncurrent liabilities	<u>805,693</u>	<u>7,008,212</u>	<u>7,813,905</u>
Total liabilities	<u>3,934,369</u>	<u>9,479,658</u>	<u>13,414,027</u>
<b>Deferred Inflows of Resources:</b>			
OPEB related	589,085	58,261	647,346
Pension related	3,125,842	138,931	3,264,773
Leases	100,876	-	100,876
Total deferred inflows of resources	<u>3,815,803</u>	<u>197,192</u>	<u>4,012,995</u>
<b>Net Position:</b>			
Net investment in capital assets	185,318,754	22,881,196	208,199,950
Restricted for:			
Culture and recreation	598,955	-	598,955
Development services	3,208,352	-	3,208,352
Public safety	203,037	-	203,037
Public works	2,833,457	-	2,833,457
Section 115 Trust	393,201	47,615	440,816
Unrestricted	17,409,081	10,160,260	27,569,341
Total net position	<u>\$ 209,964,837</u>	<u>\$ 33,089,071</u>	<u>\$ 243,053,908</u>

See accompanying notes to the basic financial statements.

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**CITY OF SIERRA MADRE**  
**Statement of Activities**  
**For the year ended June 30, 2022**

Functions/programs	Expenses	Program Revenues			Total
		Charges for services	Operating grants and contributions	Capital grants and contributions	
<b>Primary government:</b>					
Governmental activities:					
General government	\$ 1,464,496	\$ 482,964	\$ 605,486	\$ -	\$ 1,088,450
Public safety	2,377,264	713,019	522,526	-	1,235,545
Public works	2,131,163	1,365,065	1,854,415	45,343	3,264,823
Development services	517,557	450,385	65,000	-	515,385
Culture and recreation	373,800	105,355	60,896	-	166,251
Interest on long-term liability	68	-	-	-	-
Total governmental activities	<u>6,864,348</u>	<u>3,116,788</u>	<u>3,108,323</u>	<u>45,343</u>	<u>6,270,454</u>
Business-type activities:					
Water	4,275,124	6,655,722	-	-	6,655,722
Sewer	945,302	1,144,803	-	-	1,144,803
Total business-type activities	<u>5,220,426</u>	<u>7,800,525</u>	<u>-</u>	<u>-</u>	<u>7,800,525</u>
Total primary government	<u>\$ 12,084,774</u>	<u>\$ 10,917,313</u>	<u>\$ 3,108,323</u>	<u>\$ 45,343</u>	<u>\$ 14,070,979</u>

General revenues:  
Taxes:  
Property taxes  
Utility user taxes  
Other taxes  
Unrestricted sales taxes - shared state revenue  
Investment earnings (loss)  
Miscellaneous  
Transfers in (out)

Total general revenues and transfers

Change in net position

Net position, beginning of year, as restated

Net position, end of year

See accompanying notes to the basic financial statements.

Net (expense) revenue and changes in net position		
Governmental Activities	Business-type Activities	Total
\$ (376,046)	\$ -	\$ (376,046)
(1,141,719)	-	(1,141,719)
1,133,660	-	1,133,660
(2,172)	-	(2,172)
(207,549)	-	(207,549)
(68)	-	(68)
<u>(593,894)</u>	<u>-</u>	<u>(593,894)</u>
-	2,380,598	2,380,598
-	199,501	199,501
-	<u>2,580,099</u>	<u>2,580,099</u>
<u>(593,894)</u>	<u>2,580,099</u>	<u>1,986,205</u>
7,867,767	-	7,867,767
2,981,273	-	2,981,273
571,514	-	571,514
1,459,786	-	1,459,786
(302,973)	(184,925)	(487,898)
93,943	86,706	180,649
(20,724)	20,724	-
<u>12,650,586</u>	<u>(77,495)</u>	<u>12,573,091</u>
12,056,692	2,502,604	14,559,296
<u>197,908,145</u>	<u>30,586,467</u>	<u>228,494,612</u>
<u>\$ 209,964,837</u>	<u>\$ 33,089,071</u>	<u>\$ 243,053,908</u>

**CITY OF SIERRA MADRE**  
**Balance Sheet**  
**Governmental funds**  
**June 30, 2022**

	General Fund	American Rescue Plan Act	Non-Major Governmental Funds	Total Governmental Funds
<b>Assets:</b>				
Cash and investments	\$ 8,976,780	\$ 906,614	\$ 5,891,953	\$ 15,775,347
Restricted cash and investments	374,523	-	-	374,523
Receivables:				
Accounts	446,695	-	523,394	970,089
Taxes	593,150	-	108,761	701,911
Interest	39,553	-	-	39,553
Leases	116,402	-	-	116,402
Due from other agencies	-	-	201,580	201,580
Due from other funds	535,801	-	-	535,801
Land held for resale	-	-	1,500,000	1,500,000
Total assets	<u>\$ 11,082,904</u>	<u>906,614</u>	<u>\$ 8,225,688</u>	<u>\$ 20,215,206</u>
<b>Liabilities, deferred inflows of resources, and fund balances:</b>				
Liabilities:				
Accounts payable	\$ 164,214	\$ -	\$ 680,903	\$ 845,117
Accrued payroll and related liabilities	260,771	-	66,753	327,524
Due to other funds	-	-	535,801	535,801
Deposits and retentions	525,219	-	82,365	607,584
Unearned revenue	-	900,126	-	900,126
Total liabilities	<u>950,204</u>	<u>900,126</u>	<u>1,365,822</u>	<u>3,216,152</u>
Deferred inflows of resources:				
Unavailable revenues	23,248	-	263,328	286,576
Leases	100,876	-	-	100,876
Total deferred inflows of resources	<u>124,124</u>	<u>-</u>	<u>263,328</u>	<u>387,452</u>
Fund balances:				
Restricted	404,690	6,488	6,807,146	7,218,324
Committed	-	-	13,338	13,338
Unassigned	9,603,886	-	(223,946)	9,379,940
Total fund balances	<u>10,008,576</u>	<u>6,488</u>	<u>6,596,538</u>	<u>16,611,602</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 11,082,904</u>	<u>\$ 906,614</u>	<u>\$ 8,225,688</u>	<u>\$ 20,215,206</u>

See accompanying notes to the basic financial statements.

**CITY OF SIERRA MADRE**  
**Reconciliation of the Governmental Funds Balance Sheet**  
**to the Government-wide Statement of Net Position**  
**June 30, 2022**

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**Total fund balances - total governmental funds** \$ 16,611,602

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

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

Capital assets, net of depreciation 184,387,782

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

Net pension (liability) asset 2,107,606  
Net OPEB (liability) asset 384,428  
Compensated absences (804,689)

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

Pension and OPEB related deferred outflows of resources 5,577,029  
Pension and OPEB related deferred inflows of resources (3,558,442)

Revenues reported as unavailable revenue in the governmental funds are recognized in the Statement of Activities. These are included in the intergovernmental revenues in the governmental fund activity.

286,576

Internal service funds are used by management to charge the costs of certain activities, such as facilities management, to individual funds. The assets and liabilities of the internal service funds are not included in the governmental funds balance sheet, however, these are included on governmental activities in the Statement of Net Position.

4,972,945

**Net position of governmental activities**

**\$ 209,964,837**



**CITY OF SIERRA MADRE**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**For the year ended June 30, 2022**

	General Fund	American Rescue Plan Act	Non-Major Governmental Funds	Total Governmental Funds
<b>Revenues:</b>				
Property taxes	\$ 7,867,767	\$ -	\$ 99,314	\$ 7,967,081
Other taxes	4,913,188	-	-	4,913,188
Charges for services	934,841	-	986	935,827
Intergovernmental	132,604	390,832	2,121,948	2,645,384
Licenses and permits	1,502,751	-	460,192	1,962,943
Fines and forfeitures	116,820	-	-	116,820
Investment income (loss)	(247,263)	6,487	32,361	(208,415)
Miscellaneous	123,182	-	390,526	513,708
Total revenues	<u>15,343,890</u>	<u>397,319</u>	<u>3,105,327</u>	<u>18,846,536</u>
<b>Expenditures:</b>				
Current:				
General government	2,745,381	390,831	155	3,136,367
Public safety	6,025,374	-	542,010	6,567,384
Public works	3,770,023	-	2,107,924	5,877,947
Development	1,353,076	-	96,169	1,449,245
Culture and recreation	953,498	-	81,191	1,034,689
Total expenditures	<u>14,847,352</u>	<u>390,831</u>	<u>2,827,449</u>	<u>18,065,632</u>
Excess (deficiency) of revenues over (under) expenditures	<u>496,538</u>	<u>6,488</u>	<u>277,878</u>	<u>780,904</u>
<b>Other financing sources (uses):</b>				
Transfers in	-	-	214,856	214,856
Transfers out	<u>(180,724)</u>	<u>-</u>	<u>(25,000)</u>	<u>(205,724)</u>
Total other financing sources (uses)	<u>(180,724)</u>	<u>-</u>	<u>189,856</u>	<u>9,132</u>
Net change in fund balances	315,814	6,488	467,734	790,036
Fund balances, beginning of year, as restated	<u>9,692,762</u>	<u>-</u>	<u>6,128,804</u>	<u>15,821,566</u>
Fund balances, end of year	<u>\$ 10,008,576</u>	<u>\$ 6,488</u>	<u>\$ 6,596,538</u>	<u>\$ 16,611,602</u>

See accompanying notes to the basic financial statements.

**CITY OF SIERRA MADRE**

**Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Government-Wide Statement of Activities  
For the year ended June 30, 2022**

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**Net change in fund balances - total governmental funds** \$ 790,036

Amounts reported for governmental activities in the Statement of Activities were differs because:

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

Depreciation expense	(1,508,474)
Capital outlay	5,097,964

Revenues that do not meet the revenue recognition criteria are recorded as unavailable revenue in the governmental funds, however, they are reported as revenues in the Statement of Activities. 173,248

Internal service funds are used by management to charge the costs of self-insurance and capital replacements to individual funds. The net revenue of internal service funds is reported with governmental activities. (584,965)

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

Net change in compensated absences	(181,622)
Net change in OPEB asset related deferred outflows and inflows of resources	131,329
Net change in pension asset related deferred outflows and inflows of resources	<u>8,139,176</u>

**Change in net position of governmental activities** \$ 12,056,692

*See accompanying notes to the basic financial statements.*

**CITY OF SIERRA MADRE**  
**Statement of Net Position**  
**Proprietary Funds**  
**June 30, 2022**

	Business-type Activities				Governmental Activities Internal Service Funds
	Enterprise Funds			Total Enterprise Funds	
	Major Funds		Non-Major Fund		
Water	Sewer	Special Strike Team Services			
<b>Assets:</b>					
Current assets:					
Cash and investments	\$ 7,483,225	\$ 1,918,167	\$ 81,874	\$ 9,483,266	\$ 4,253,869
Restricted cash and investments	26,517	21,098	-	47,615	18,678
Receivables:					
Accounts Receivable	575,163	99,541	-	674,704	10,698
Total current assets	<u>8,084,905</u>	<u>2,038,806</u>	<u>81,874</u>	<u>10,205,585</u>	<u>4,283,245</u>
Noncurrent assets:					
Receivable from SGVMWD	2,091,622	-	-	2,091,622	-
Capital assets:					
Non-depreciable assets	1,513,005	-	-	1,513,005	22,189
Depreciable assets, net	25,763,211	2,763,078	-	28,526,289	908,748
Right-to-use asset, net	-	-	-	-	10,474
Net OPEB asset	22,094	17,675	-	39,769	17,675
Net pension asset	57,916	46,332	-	104,248	92,160
Total noncurrent assets	<u>29,447,848</u>	<u>2,827,085</u>	<u>-</u>	<u>32,274,933</u>	<u>1,051,246</u>
Total assets	<u>37,532,753</u>	<u>4,865,891</u>	<u>81,874</u>	<u>42,480,518</u>	<u>5,334,491</u>
<b>Deferred Outflows of Resources:</b>					
OPEB related	9,220	7,376	-	16,596	7,376
Pension related	149,337	119,470	-	268,807	236,892
Total deferred outflows of resources	<u>158,557</u>	<u>126,846</u>	<u>-</u>	<u>285,403</u>	<u>244,268</u>
<b>Liabilities:</b>					
Current liabilities:					
Accounts payable	1,717,960	13,798	-	1,731,758	196,264
Accrued payroll and related liabilities	63,855	18,730	-	82,585	45,809
Interest payable	34,625	-	-	34,625	-
Deposits and retentions	196,230	10,118	-	206,348	-
Compensated absences - current	35,892	17,357	-	53,249	39,363
Lease liability - current	-	-	-	-	5,951
Installment agreement payable - current	362,881	-	-	362,881	-
Total current liabilities	<u>2,411,443</u>	<u>60,003</u>	<u>-</u>	<u>2,471,446</u>	<u>287,387</u>
Noncurrent liabilities:					
Compensated absences	143,567	69,428	-	212,995	157,454
Lease liability	-	-	-	-	4,488
Installment agreement/loan payable	6,795,217	-	-	6,795,217	-
Total noncurrent liabilities	<u>6,938,784</u>	<u>69,428</u>	<u>-</u>	<u>7,008,212</u>	<u>161,942</u>
Total liabilities	<u>9,350,227</u>	<u>129,431</u>	<u>-</u>	<u>9,479,658</u>	<u>449,329</u>
<b>Deferred Inflows of Resources:</b>					
OPEB related	32,367	25,894	-	58,261	25,894
Pension related	77,184	61,747	-	138,931	130,591
Total deferred inflows of resources	<u>109,551</u>	<u>87,641</u>	<u>-</u>	<u>197,192</u>	<u>156,485</u>
<b>Net Position:</b>					
Net investment in capital assets	20,118,118	2,763,078	-	22,881,196	930,972
Restricted - section 115 trust	26,517	21,098	-	47,615	18,678
Unrestricted	8,086,897	1,991,489	81,874	10,160,260	4,023,295
Total net position	<u>\$ 28,231,532</u>	<u>\$ 4,775,665</u>	<u>\$ 81,874</u>	<u>\$ 33,089,071</u>	<u>\$ 4,972,945</u>

See accompanying notes to the basic financial statements.

**CITY OF SIERRA MADRE**  
**Statement of Revenues, Expenses, and Changes in Net Position**  
**Proprietary Funds**  
**For the year ended June 30, 2022**

	Business-type Activities				Governmental Activities Internal Service Funds
	Enterprise Funds			Total Enterprise Funds	
	Major Funds		Non-Major Fund		
Water	Sewer	Special Strike Team Services			
<b>Operating revenues:</b>					
Charges for services	\$ 6,651,239	\$ 1,144,322	\$ -	\$ 7,795,561	\$ 3,823,718
Licenses and permits	-	481	-	481	31,186
Miscellaneous	4,483	-	-	4,483	30
Total operating revenues	<u>6,655,722</u>	<u>1,144,803</u>	<u>-</u>	<u>7,800,525</u>	<u>3,854,934</u>
<b>Operating expenses:</b>					
Personnel services	305,262	364,788	-	670,050	1,678,061
Contractual services	335,152	45,190	-	380,342	602,095
Materials and supplies	894,189	14,326	-	908,515	316,769
Utilities	650,302	-	-	650,302	601,935
Maintenance and operation	40,912	346,078	-	386,990	207,960
Administrative Charges	1,105,381	9,725	-	1,115,106	771,745
Depreciation	727,814	165,195	-	893,009	147,489
Amortization	-	-	-	-	5,901
Total operating expenses	<u>4,059,012</u>	<u>945,302</u>	<u>-</u>	<u>5,004,314</u>	<u>4,331,955</u>
Operating income (loss)	<u>2,596,710</u>	<u>199,501</u>	<u>-</u>	<u>2,796,211</u>	<u>(477,021)</u>
<b>Nonoperating revenues (expenses):</b>					
Investment income (loss)	(143,451)	(41,474)	-	(184,925)	(80,274)
Interest expense	(216,112)	-	-	(216,112)	(68)
Grant revenue	85,672	1,034	-	86,706	2,254
Total nonoperating revenues (expenses)	<u>(273,891)</u>	<u>(40,440)</u>	<u>-</u>	<u>(314,331)</u>	<u>(78,088)</u>
Income before transfers	<u>2,322,819</u>	<u>159,061</u>	<u>-</u>	<u>2,481,880</u>	<u>(555,109)</u>
<b>Transfers:</b>					
Transfers in	20,724	-	-	20,724	-
Transfers out	-	-	-	-	(29,856)
Total transfers	<u>20,724</u>	<u>-</u>	<u>-</u>	<u>20,724</u>	<u>(29,856)</u>
Change in net position	<u>2,343,543</u>	<u>159,061</u>	<u>-</u>	<u>2,502,604</u>	<u>(584,965)</u>
Net position, beginning of year	<u>25,887,989</u>	<u>4,616,604</u>	<u>81,874</u>	<u>30,586,467</u>	<u>5,557,910</u>
Net position, end of year	<u>\$ 28,231,532</u>	<u>\$ 4,775,665</u>	<u>\$ 81,874</u>	<u>\$ 33,089,071</u>	<u>\$ 4,972,945</u>

See accompanying notes to the basic financial statements.

**CITY OF SIERRA MADRE**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the year ended June 30, 2022**

	Business-type Activities				Governmental Activities Internal Service Funds
	Enterprise Funds				
	Major Funds		Non-Major Fund		
Water	Sewer	Special Strike Team Services	Total Enterprise Funds		
<b>Cash flows from operating activities:</b>					
Receipts from customers and users	\$ 6,755,662	\$ 1,156,379	\$ -	\$ 7,912,041	\$ -
Receipts from interfund services provided	-	-	-	-	3,889,668
Payments to suppliers	(1,925,305)	(409,788)	-	(2,335,093)	(2,445,920)
Payments to employees	(1,241,504)	(569,958)	-	(1,811,462)	(2,014,575)
Net cash provided (used) by operating activities	<u>3,588,853</u>	<u>176,633</u>	<u>-</u>	<u>3,765,486</u>	<u>(570,827)</u>
<b>Cash flows from non-capital financing activities:</b>					
Transfers from other funds	20,724	-	-	20,724	-
Transfers to other funds	-	-	-	-	(29,856)
Grant revenue	85,672	1,034	-	86,706	2,254
Net cash provided (used) by non-capital financing activities	<u>106,396</u>	<u>1,034</u>	<u>-</u>	<u>107,430</u>	<u>(27,602)</u>
<b>Cash flows from capital and related financing activities:</b>					
Acquisition and construction of capital assets	(2,245,236)	(103,235)	-	(2,348,471)	(138,518)
Principal paid	(350,161)	-	-	(350,161)	(5,936)
Interest paid	(218,505)	-	-	(218,505)	(68)
Net cash provided (used) by capital and related financing activities	<u>(2,813,902)</u>	<u>(103,235)</u>	<u>-</u>	<u>(2,917,137)</u>	<u>(144,522)</u>
<b>Cash flows from investing activities:</b>					
Investment income	(143,451)	(41,474)	-	(184,925)	(80,274)
Net cash provided (used) by investing activities	<u>(143,451)</u>	<u>(41,474)</u>	<u>-</u>	<u>(184,925)</u>	<u>(80,274)</u>
Net increase (decrease) in cash and cash equivalents	737,896	32,958	-	770,854	(823,225)
<b>Cash and investments:</b>					
Beginning of year	<u>6,771,846</u>	<u>1,906,307</u>	<u>81,874</u>	<u>8,760,027</u>	<u>5,095,772</u>
End of year	<u>\$ 7,509,742</u>	<u>\$ 1,939,265</u>	<u>\$ 81,874</u>	<u>\$ 9,530,881</u>	<u>\$ 4,272,547</u>
<b>Reconciliation to the Statement of Net Position:</b>					
Cash and investments	\$ 7,483,225	\$ 1,918,167	\$ 81,874	\$ 9,483,266	\$ 4,253,869
Restricted cash and investments	26,517	21,098	-	47,615	18,678
Total	<u>\$ 7,509,742</u>	<u>\$ 1,939,265</u>	<u>\$ 81,874</u>	<u>\$ 9,530,881</u>	<u>\$ 4,272,547</u>

See accompanying notes to the basic financial statements.

**CITY OF SIERRA MADRE**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the year ended June 30, 2022**

	Business-type Activities				Governmental Activities Internal Service Funds
	Enterprise Funds			Total Enterprise Funds	
	Major Funds		Non-Major Fund		
Water	Sewer	Non-Major Enterprise Funds			
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>					
Operating income (loss)	\$ 2,596,710	\$ 199,501	\$ -	\$ 2,796,211	\$ (477,021)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation	727,814	165,195	-	893,009	147,489
Amortization	-	-	-	-	5,901
Changes in assets, liabilities and deferred amounts:					
(Increase) decrease in accounts receivable	99,940	11,576	-	111,516	34,734
(Increase) decrease in prepaid expenses	-	-	-	-	8,135
(Increase) decrease in net OPEB asset	(20,085)	(16,068)	-	(36,153)	(16,068)
(Increase) decrease in net pension asset	(57,916)	(46,332)	-	(104,248)	(92,160)
(Increase) decrease in deferred outflows	53,362	42,691	-	96,053	28,653
Increase (decrease) in accounts payable	1,054,868	6,583	-	1,061,451	24,134
Increase (decrease) in accrued liabilities	(675,323)	2,152	-	(673,171)	9,676
Increase (decrease) in deposits payable	45,763	(1,052)	-	44,711	-
Increase (decrease) in compensated absences	(1,332)	344	-	(988)	17,883
Increase (decrease) in deferred inflows	(15,436)	(12,348)	-	(27,784)	(12,540)
Increase (decrease) in net pension liability	(219,512)	(175,609)	-	(395,121)	(271,958)
Total adjustments	992,143	(22,868)	-	969,275	(116,121)
Net cash provided (used) by operating activities	\$ 3,588,853	\$ 176,633	\$ -	\$ 3,765,486	\$ (593,142)
<b>Noncash investing, capital and financing activities:</b>					
Receivable from SGVMWD	\$ (2,091,622)	\$ -	\$ -	\$ -	\$ -
Loan payable to SGVMWD	2,091,622	-	-	-	-

See accompanying notes to the basic financial statements.

**CITY OF SIERRA MADRE**  
**Statement of Fiduciary Net Position**  
**Fiduciary Funds**  
**June 30, 2022**

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

*See accompanying notes to the basic financial statements.*

**CITY OF SIERRA MADRE**  
**Statement of Changes in Fiduciary Net Position**  
**Fiduciary Funds**  
**For the year ended June 30, 2022**

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	Private-Purpose Trust Fund Redevelopment Obligation Retirement Fund
<b>Additions:</b>	
Investment income	\$ -
Total additions	<u>-</u>
<b>Deductions:</b>	
General and administration	<u>210,762</u>
Total deductions	<u>210,762</u>
Change in net position	(210,762)
Net position, beginning of year	<u>210,762</u>
Net position, ending of year	<u><u>\$ -</u></u>

*See accompanying notes to the basic financial statements.*



# **City of Sierra Madre, California**

*Village of the Foothills*



## **Notes to Basic Financial Statements For the Year Ending June 30, 2022**

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**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2022**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The basic financial statements of the City of Sierra Madre, California (the City) have been prepared in conformity with generally accepted accounting principles (GAAP) in the United States of America as applied to governmental agencies. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

**A. Financial Reporting Entity**

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

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

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

*Blended Component Units*

**The Sierra Madre Public Financing Authority (Authority):**

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

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

**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2022**

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

**A. Financial Reporting Entity, (continued)**

*Organizations Other Than Component Units*

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

**B. Basis of Accounting and Measurement Focus**

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

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

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

*Government-Wide Financial Statements*

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

These basic financial statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the City's assets and liabilities, including capital assets (as well as infrastructure assets) and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred. The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Certain indirect costs are included in the program expenses reported for specific functions.

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

Certain eliminations have been made as prescribed by generally accepted accounting principles in regard to interfund activities. All internal balances in the Statement of Net Position have been eliminated except those representing internal balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column.

**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2022**

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

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

*Governmental Fund Financial Statements*

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

All governmental funds are accounted for on a spending or “*current financial resources*” measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheet. The Statement of Revenues, Expenditures, and Changes in Fund Balances presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period, generally 60 days after year-end. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

Property taxes, sales taxes, franchise taxes, and other taxes associated with the current fiscal year are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal year. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 180 days of year-end). All other revenue items are considered measurable and available only when cash is received by the government.

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

The City reports the following major governmental funds:

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

*American Rescue Plan Fund* – Accounts for all American Rescue Plan Act grant funds and allowable expenditures.

*Proprietary Fund Financial Statements*

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

**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2022**

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

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

*Proprietary Fund Financial Statements, (continued)*

Proprietary funds are accounted for using the “*economic resources*” measurement focus and the accrual basis of accounting. Accordingly, all assets and liabilities (whether current or noncurrent) are included on the Statement of Net Position. The Statement of Revenues, Expenses, and Changes in Net Position presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period when they are earned; expenses are recognized when they are incurred. Unbilled service receivables are recorded as accounts receivable and as revenue when earned.

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

The City reports the following major enterprise funds:

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

*Sewer Fund* – Accounts for the operations of the City’s sewer system and storm drain operations.

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

*Fiduciary Fund Financial Statements*

Fiduciary fund financial statements include a Statement of Net Position and a Statement of Changes in Net Position. The City maintains one fiduciary fund type: a private-purpose trust fund. Fiduciary fund types are accounted for according to the nature of the fund. The private-purpose trust fund uses the “*economic resources*” measurement focus and the accrual basis of accounting. It is used to report trust arrangements under which principal and income benefit individuals, private organizations, and other governments.

**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2022**

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

**C. Cash, Cash Equivalents, and Investments**

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

In accordance with generally accepted accounting principles, highly liquid market investments with maturities of one year or less at time of purchase are stated at amortized cost. All other investments are stated at fair value. Market value is used as fair value for those securities for which market quotation are readily available or exceed cost. However, if the liquidity needs of the City were to require that investments be sold at a loss subsequent to year-end, the decline in value would be recorded as a loss at year-end.

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

In accordance with generally accepted accounting principles, certain disclosure requirements, if applicable, are provided for deposit and investment risk in the following areas:

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

**D. Land Held for Resale**

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

**E. Prepaid Expenses**

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

**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2022**

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

**F. Property Taxes**

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

The following dates relate to property tax levies and collections:

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

**G. Capital Assets**

Capital assets are valued at historical cost or estimated historical cost if actual historical cost was not available. Donated assets are valued at acquisition value on the date of acquisition. The City’s capitalization policy is \$5,000 and above for various capital assets and \$25,000 for improvements and infrastructure. Capital assets are depreciated on a straight-line basis over their estimated useful lives as follows:

Roadways pavement AC	25 years
Street appurtenances bridges	40 years
Park structures	25 years
Wastewater manholes	60 years
Pipelines	60 years
Spreading basins	60 years
Pump stations	60 years
Meters	30 years
Pipelines	50 years
Pressure reducing stations	40 years
Fire hydrants	50 years
Wells	50 years
Reservoirs	75 years
General buildings	50 years
Vehicles and equipment	10 years

**H. Claims Payable**

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

**I. Compensated Absences**

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



**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2022**

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

**J. Net Position and Fund Balances**

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

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

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

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

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

**Fund Financial Statements** – Generally accepted accounting principles require the City to report the governmental fund balances in the following categories:

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

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

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

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

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

When expenditures are incurred for purposes for which restricted, committed, assigned, or unassigned fund balances are available, the City’s policy is to apply restricted fund balance first, committed second, then assigned fund balance, and finally unassigned fund balance. Further, when components of unrestricted fund balance can be used for the same purpose, committed fund balance is used first, followed by assigned fund balance and lastly unassigned fund balance.

**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2022**

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

**K. Use of Estimates**

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

**L. Deferred Outflows/Inflows of Resources**

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

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

**M. Pensions**

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

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

Valuation Date	June 30, 2020
Measurement Date	June 30, 2021
Measurement Period	July 1, 2020 to June 30, 2021

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

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

Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

Valuation Date (VD)	June 30, 2021
Measurement Date (MD)	June 30, 2021
Measurement Period (MP)	July 1, 2020 to June 30, 2021

**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2022**

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**2. CASH AND INVESTMENTS**

Cash and investments as of June 30, 2022 are classified in the accompanying financial statements as follows:

Statement of Net Position:

Cash and investments	\$ 29,512,482
Restricted cash and investments	440,816
Total cash and investments	<u>\$ 29,953,298</u>

Cash and investments as of June 30, 2022 consist of the following:

Petty cash	\$ 2,000
Deposits with financial institutions	2,456,798
Investments	27,494,500
Total cash and investments	<u>\$ 29,953,298</u>

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

The City's investment policy does not contain any specific provisions intended to limit the City's exposure to interest rate risk, credit risk, and concentration of credit risk.

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

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

\* based on state law requirements or investment policy requirements, whichever is more restrictive

**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2022**

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

*Investments Authorized by Debt Agreements*

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

Authorized investment type	Maximum maturity	Maximum percentage of portfolio	Maximum investment in one issuer
US Treasury Obligations	None	None	None
US Agency Securities	None	None	None
Money market funds	None	None	None
Certificates of deposit secured by collateral	None	None	None
Interest-bearing deposit accounts	None	None	None
Investment agreements	None	None	None
Commercial paper	None	None	None
Municipal bonds or notes	None	None	None
State bonds or notes	None	None	None
Bankers' acceptances	1 year	None	None
Repurchase agreements	30 days	None	None

*Concentration of Credit*

The investment policy of the City contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. As of June 30, 2022, there were no investments in any one issuer (other than US Treasury securities and external investment pools) that represents 5% or more of total City investments.

*Interest Rate Risk*

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

**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2022**

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

*Interest Rate Risk, (continued)*

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

Investment type	Total	Investment maturities (in months)		
		12 or less	13 -24	25 - 60
State investment pool	\$ 20,173,427	\$ 20,173,427	\$ -	\$ -
US Treasury Notes	5,072,714	2,184,578	-	2,888,136
US Agency Securities	1,534,931	-	1,534,931	-
Certificate of Deposits	713,428	-	479,243	234,185
<b>Total</b>	<b>\$ 27,494,500</b>	<b>\$ 22,358,005</b>	<b>\$ 2,014,174</b>	<b>\$ 3,122,321</b>

*Credit Risk*

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

Investment type	Total	Minimum legal rating	Ratings as of year-end	
			AAA	Not rated
State investment pool	\$ 20,173,427	N/A	\$ -	\$ 20,173,427
US Treasury Notes	5,072,714	N/A	5,072,714	-
US Agency Securities	1,534,931	N/A	1,534,931	-
Certificates of Deposits	713,428	N/A	713,428	-
<b>Total</b>	<b>\$ 27,494,500</b>		<b>\$ 7,321,073</b>	<b>\$ 20,173,427</b>

**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2022**

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

*Custodial Credit Risk*

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. As of June 30, 2022, none of the City's deposits with financial institutions in excess of federal depository insurance limits were held in uncollateralized accounts.

*Investment in State Investment Pool*

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The fair value of the City's investment in this pool is reported in the accompanying financial statements at amounts based upon the City's pro rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. LAIF has a minimum \$5,000 transaction amount in increments of \$1,000 with a maximum of 15 transactions (combination of deposits and withdrawals) per month. LAIF requires a one-day prior notice for deposits and withdrawals of \$10 million or more.

*Fair Value Measurements*

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Investment type	Total	Fair value measurement		
		Level 1	Level 2	Level 3
US Treasury Notes	\$ 5,072,714	\$ -	\$ 5,072,714	\$ -
US Agency Securities	1,534,931	-	1,534,931	-
Certificates of Deposits	713,428	-	713,428	-
Sub-total	7,321,073	\$ -	\$ 7,321,073	\$ -
Investments not subject to fair value hierarchy:				
State investment pool	20,173,427			
Total	\$ 27,494,500			

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

**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2022**

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**3. INTERFUND BALANCES AND TRANSFERS**

**A. Due To/Due From**

At June 30, 2022, the City had the following short-term interfund receivables and payables:

<u>Receivable</u>	<u>Payable</u>	<u>Amount</u>
General Fund	Non-major Governmental Funds	<u>\$ 535,801</u>

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

**B. Transfers**

At June 30, 2022, the City had the following transfers:

<u>Transfers out</u>	<u>Transfers in</u>	<u>Amount</u>
General Fund	Non-major Governmental Funds (Capital Projects Fund)	\$ 160,000
General Fund	Water Fund	20,724
Non-major Governmental Funds	Non-major Governmental Funds	25,000
Internal Service Funds	Non-major Governmental Funds	<u>29,856</u>
	Total	<u>\$ 235,580</u>

- a. \$160,000 transfer from General fund to Capital Projects fund to fund street capital expenditures as a match requirement.
- b. \$20,724 transfer from the General Fund to the Water Fund to subsidize low income discount.
- c. \$25,000 transfer from Robert Day Trust Fund to the Library Gift and Memorial Fund as approved by the Library Board of Trustees.
- d. \$29,856 transfer from Internal Service Fund to non-major governmental funds to cover expenditures.

**4. FUND DEFICITS**

The following funds reported deficits in fund balance at June 30, 2022:

<u>Description</u>	<u>Deficit balance</u>
Non-major Governmental Funds:	
Parking Maintenance District	\$ 4,287
County Prop A Park Development	61,748
Community Development Block Grant	75,186
Measure W	82,725

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

The City did not adopt budgets for the following funds: County Prop A Park Development, CA Beverage Container Grant, Community Development Block Grant, Local History State Grant, Low & Moderate Income Housing Asset Fund, Fane/Winwood Assessment District, DUI Enforcement, SM Community Foundation, YAC-Youth Activity Center, Local Historical Society, and Robert Day Trust Fund.

**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2022**

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**5. Leases Receivable**

For the year ended June 30, 2022, the financial statements include the adoption of GASB Statement No. 87, *Leases*. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. For additional information, refer to the disclosures below.

On July 1, 2021, City entered into a 55-month lease as Lessor for the use of 242 Sierra Madre Boulevard. An initial lease receivable was recorded in the amount of \$127,956. As of June 30, 2022, the value of the lease receivable is \$116,402. The lessee is required to make monthly fixed payments of \$2,500. The lease has an interest rate of 0.9800%. The value of the deferred inflow of resources as of June 30, 2022 was \$100,876, and the City recognized lease revenue of \$27,081 during the fiscal year. The lessee has 4 extension option(s), each for 60 months. The lessee had a termination period of 2 months as of the lease commencement. The lease has a lease termination penalty of \$7,500.

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**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2022**

**6. CAPITAL ASSETS AND INTANGIBLE ASSETS**

**A. Governmental Activities**

A summary of changes in the governmental activities capital assets at June 30, 2022 is as follows:

<u>Governmental activities:</u>	Beginning balance	Additions	Deletions	Ending balance
Capital assets, not being depreciated:				
Land	\$ 162,275,945	\$ -	\$ -	\$ 162,275,945
Trees	1,206,214	-	-	1,206,214
Construction in progress	<u>471,013</u>	<u>3,432,431</u>	<u>(471,013)</u>	<u>3,432,431</u>
Total capital assets, not being depreciated	<u>163,953,172</u>	<u>3,432,431</u>	<u>(471,013)</u>	<u>166,914,590</u>
Capital assets, being depreciated:				
Structures and improvements	13,562,246	175,892	-	13,738,138
Machinery and equipment	5,520,567	275,491	-	5,796,058
Infrastructure	<u>25,943,801</u>	<u>1,653,877</u>	<u>-</u>	<u>27,597,678</u>
Total capital assets, being depreciated	<u>45,026,614</u>	<u>2,105,260</u>	<u>-</u>	<u>47,131,874</u>
Less accumulated depreciation				
Structures and improvements	(7,216,986)	(244,767)	-	(7,461,753)
Machinery and equipment	(3,513,186)	(286,694)	-	(3,799,880)
Infrastructure	<u>(16,489,099)</u>	<u>(977,013)</u>	<u>-</u>	<u>(17,466,112)</u>
Total accumulated depreciation	<u>(27,219,271)</u>	<u>(1,508,474)</u>	<u>-</u>	<u>(28,727,745)</u>
Total capital assets being depreciated	<u>17,807,343</u>	<u>596,786</u>	<u>-</u>	<u>18,404,129</u>
Governmental activities, capital assets, net	<u>\$ 181,760,515</u>	<u>\$ 4,029,217</u>	<u>\$ (471,013)</u>	<u>\$ 185,318,719</u>

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

<b>Governmental activities:</b>	
General government	\$ 74,801
Public safety	167,219
Public works	1,065,489
Culture and recreation	200,965
Total	<u>\$ 1,508,474</u>

**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2022**

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**6. CAPITAL ASSETS AND INTANGIBLE ASSETS, (continued)**

**A. Governmental Activities, (continued)**

A summary of changes in the governmental activities intangible assets at June 30, 2022 is as follows:

	Beginning balance	Additions	Deletions	Ending balance
Intangible right to use asset	\$ -	\$ 16,375	\$ -	\$ 16,375
Accumulated amortization	-	(5,901)	-	(5,901)
Lease asset, net of amortization	<u>\$ -</u>	<u>\$ 10,474</u>	<u>\$ -</u>	<u>\$ 10,474</u>

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

**Governmental activities:**

Public safety	\$ (5,901)
Total	<u>\$ (5,901)</u>

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**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2022**

**6. CAPITAL ASSETS AND INTANGIBLE ASSETS, (continued)**

**B. Business-type Activities**

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

<b>Business-type activities:</b>	Beginning balance	Additions	Deletions	Ending balance
Capital assets, not being depreciated:				
Land	\$ 1,483,250	\$ -	\$ -	\$ 1,483,250
Construction in progress	<u>74,755</u>	<u>-</u>	<u>(45,000)</u>	<u>29,755</u>
Total capital assets, not being depreciated	<u>1,558,005</u>	<u>-</u>	<u>(45,000)</u>	<u>1,513,005</u>
Capital assets, being depreciated:				
Structures and improvements	821,290	-	-	821,290
Machinery and equipment	1,208,940	103,235	-	1,312,175
Infrastructure	<u>49,190,167</u>	<u>2,290,236</u>	<u>-</u>	<u>51,480,403</u>
Total capital assets, being depreciated	<u>51,220,397</u>	<u>2,393,471</u>	<u>-</u>	<u>53,613,868</u>
Structures and improvements	(668,560)	(19,397)	-	(687,957)
Machinery and equipment	(992,428)	(29,205)	-	(1,021,633)
Infrastructure	<u>(22,533,582)</u>	<u>(844,407)</u>	<u>-</u>	<u>(23,377,989)</u>
Total accumulated depreciation	<u>(24,194,570)</u>	<u>(893,009)</u>	<u>-</u>	<u>(25,087,579)</u>
Total capital assets being depreciated	<u>27,025,827</u>	<u>1,500,462</u>	<u>-</u>	<u>28,526,289</u>
Business-type activities, capital assets, net	<u>\$ 28,583,832</u>	<u>\$ 1,500,462</u>	<u>\$ (45,000)</u>	<u>\$ 30,039,294</u>

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

<b>Business-type activities:</b>	
Water	\$ 727,814
Sewer	<u>165,195</u>
Total	<u>\$ 893,009</u>

**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2022**

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**7. LONG-TERM LIABILITIES**

**A. Governmental Activities**

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

<u>Governmental activities:</u>	<u>Beginning balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending balance</u>	<u>Due within one year</u>	<u>Due more than one year</u>
Lease liability	\$ -	\$ 16,375	\$ (5,936)	\$ 10,439	\$ 5,951	\$ 4,488
Compensated absences	802,001	566,107	(366,602)	1,001,506	200,301	801,205
Net pension liability	<u>6,403,816</u>	<u>-</u>	<u>(6,403,816)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 7,205,817</u>	<u>\$ 582,482</u>	<u>\$ (6,776,354)</u>	<u>\$ 1,011,945</u>	<u>\$ 206,252</u>	<u>\$ 805,693</u>

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

*Lease Liability*

On July 1, 2021, City entered into a 33-month lease as Lessee for the use of Neopost Mailing System. An initial lease liability was recorded in the amount of \$16,375. As of June 30, 2022, the value of the lease liability is \$10,439. City is required to make quarterly fixed payments of \$1,501. The lease has an interest rate of 0.6480%. The value of the right to use asset as of June 30, 2022 of \$16,375 with accumulated amortization of \$5,901 as reported in Note 5.

Annual debt service requirements on this liability are as follows:

<u>Year ending</u>	<u>Lease liability</u>			
	<u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$	5,951	\$ 53	\$ 6,004
2024		<u>4,488</u>	<u>15</u>	<u>4,503</u>
Totals	\$	<u>10,439</u>	<u>\$ 68</u>	<u>\$ 10,507</u>

**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2022**

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

**B. Business-type Activities**

A summary of changes in the Business-type Activities long-term liabilities at June 30, 2022 is as follows:

<b>Business-type activities:</b>	Beginning balance	Additions	Deletions	Ending balance	Due within one year	Due more than one year
<b>Long-term debt</b>						
<i>Direct borrowings:</i>						
2017 Installment agreement	\$ 5,416,637	\$ -	\$ (350,161)	\$ 5,066,476	\$ 362,881	\$ 4,703,595
Loan payable to SGVMWD	-	2,091,622	-	2,091,622	-	2,091,622
Subtotal long-term debt	<u>5,416,637</u>	<u>2,091,622</u>	<u>(350,161)</u>	<u>7,158,098</u>	<u>362,881</u>	<u>6,795,217</u>
<b>Other long-term liabilities</b>						
Compensated absences	267,232	114,001	(114,989)	266,244	53,249	212,995
Net pension liability	395,121	-	(395,121)	-	-	-
Subtotal other long-term liabilities	<u>662,353</u>	<u>114,001</u>	<u>(510,110)</u>	<u>266,244</u>	<u>53,249</u>	<u>212,995</u>
Total long-term liabilities	<u>\$ 6,078,990</u>	<u>\$ 2,205,623</u>	<u>\$ (860,271)</u>	<u>\$ 7,424,342</u>	<u>\$ 416,130</u>	<u>\$ 7,008,212</u>

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

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

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

The City has pledged all of the net water revenues (as described in the agreement) to the payment of the debt until paid in full. The current year debt service was \$568,713 and the net revenues were \$2,596,710.

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

The outstanding balance is \$5,066,476 at June 30, 2022.

**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2022**

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

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

Annual debt service requirements on this debt are as follows:

Year ending June 30,	Principal	Interest	Total
2023	\$ 362,881	\$ 204,066	\$ 566,947
2024	376,062	189,054	565,116
2025	389,722	173,497	563,219
2026	403,878	157,374	561,252
2027	418,549	140,666	559,215
2028-2032	2,332,144	430,681	2,762,825
2033	<u>783,240</u>	<u>32,314</u>	<u>815,554</u>
Totals	<u>\$ 5,066,476</u>	<u>\$ 1,327,652</u>	<u>\$ 6,394,128</u>

*Loan Payable to San Gabriel Valley Municipal Water District \$2,700,000 – direct borrowing*

The City has identified three water main infrastructure replacement projects. Therefore, the City entered into a loan agreement with the San Gabriel Valley Municipal Water District to fund a portion of the project cost in the amount up to \$2,700,000. As of June 30, 2022, the City reported a loan payable of \$2,091,622. Proceeds of the loan have not been disbursed to the City and are presented as a receivable in the Statement of Net Position. Payments will be due in ten annual installments beginning one year after the Notice of Completion is approved by City Council.

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**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2022**

**8. NET POSITION AND FUND BALANCES**

**A. Fund Balance Classification**

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

	General Fund	American Rescue Plan Act	Non-Major Governmental Funds	Total
Restricted for:				
Public works	\$ -	\$ -	\$ 2,384,908	\$ 2,384,908
Public safety	30,167	-	172,870	203,037
Community services/development	-	6,488	3,201,864	3,208,352
Streets projects	-	-	448,549	448,549
Culture and recreation	-	-	598,955	598,955
Section 115 Trust	374,523	-	-	374,523
Committed to:				
Debt service	-	-	13,338	13,338
Unassigned	9,603,886	-	(223,946)	9,379,940
Total fund balance	<u>\$ 10,008,576</u>	<u>\$ 6,488</u>	<u>\$ 6,596,538</u>	<u>\$ 16,611,602</u>

The City Council has adopted a minimum fund balance policy for the General Fund. The intent of the policy is to maintain a minimum unassigned fund balance. The policy requires 25% of General Fund expenditures be set aside. As of June 30, 2022, the amount set aside was \$3,711,837 and is reported as unassigned fund balance.

**B. Net Position Classification**

In accordance with generally accepted accounting principles, the City's restricted net position is as follows:

Description	Governmental Activities	Business-type Activities	Total
Restricted:			
Public safety	\$ 203,037	\$ -	\$ 203,037
Public works	2,833,457	-	2,833,457
Development services	3,208,352	-	3,208,352
Culture and recreation	598,955	-	598,955
Section 115 Trust	393,201	47,615	440,816
Total restricted net position	<u>\$ 7,237,002</u>	<u>\$ 47,615</u>	<u>\$ 7,284,617</u>

**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2022**

**8. NET POSITION AND FUND BALANCES, (continued)**

**C. Net Investment in Capital Assets**

Net position for governmental activities and business-type activities is classified as 1) net investment in capital assets, 2) restricted, or 3) unrestricted. Net position that was classified as net investment in capital assets as of June 30, 2022, was determined as follows:

	Governmental Activities
Capital assets, net of accumulated depreciation	\$ 185,318,719
Right-to-use asset, net	10,474
Less capital related debt balance:	
Lease liability	<u>(10,439)</u>
Net investment in capital assets	<u>\$ 185,318,754</u>

	Business-type Activities		
	Water	Sewer	Total Enterprise Funds
Capital assets, net of accumulated depreciation	\$ 27,276,216	\$ 2,763,078	\$ 30,039,294
Less capital related debt balance:			
Outstanding principal balance of 2017 Installment Agreement	<u>(7,158,098)</u>	-	<u>(7,158,098)</u>
Net investment in capital assets	<u>\$ 20,118,118</u>	<u>\$ 2,763,078</u>	<u>\$ 22,881,196</u>

**9. RISK MANAGEMENT**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the Member entity obtains insurance coverage.

The City is a Member of the California Intergovernmental Risk Authority (CIRA), a joint powers authority, which provides joint protection programs for public entities covering automobile, general liability, errors and omission losses, workers' compensation, and property claims. Under the General Liability program, the City has a \$25,000 retention limit similar to a deductible, with the Authority being responsible for losses above that amount up to \$1 million. The Authority has additional coverage of \$39 million in excess of its \$1 million retention limit through affiliated risk management authorities. The Authority also provides \$600 million aggregate property coverage to its members with such coverage provided by purchased insurance.

Liabilities of the member entity are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines, and damage awards. Accordingly, claims are reevaluated periodically to consider the effects of economic and social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims. Estimated recoveries, for example, from salvage or subrogation, are another component of the claims liability estimate.



**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2022**

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

The Authority covers workers' compensation claims up to its self-insurance limit of \$500,000. Safety National and Gray Insurance Company provide excess coverage to statutory limits. Financial Statements of CIRA may be obtained from its administrative office located at 2330 E. Bidwell Street, Suite 150, Folsom, CA 95630; [www.cira-jpa.org](http://www.cira-jpa.org) or by calling (916) 927-7727.

*Adequacy of Protection*

During the past three fiscal years, none of the above programs of protection experienced settlements or judgments that exceeded pooled or insured coverage. There were also no significant reductions in pooled or insured liability coverage in 2021-22.

**9. DEFERRED COMPENSATION PLAN**

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

**11. DEFINED BENEFIT PENSION PLAN**

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

*Plan Description*

All qualified permanent and probationary employees are eligible to participate in the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (Plan or PERF C) administered by the California Public Employees' Retirement System (CalPERS.) The Plan consists of a miscellaneous pool and a safety pool (also referred to as "risk pools"), which are comprised of individual employer miscellaneous and safety rate plans, respectively. Plan assets may be used to pay benefits for any employer rate plan of the safety and miscellaneous pools. Accordingly, rate plans within the safety or miscellaneous pools are not separate plans under generally accepted accounting principles. Individual employers may sponsor more than one rate plan in the miscellaneous or safety risk pools. The City participates in five rate plans (two miscellaneous and three safety). Benefit provisions under the Plan are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS' website, at [www.calpers.ca.gov](http://www.calpers.ca.gov).

*Benefits Provided*

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 5 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost-of-living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2022**

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

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

The Plan operates under the provisions of the California Public Employees' Retirement Law (PERL), the California Public Employees' Pension Reform Act of 2013 (PEPRA), and the regulations, procedures and policies adopted by the CalPERS Board of Administration. The Plan's authority to establish and amend the benefit terms are set by the PERL and PEPRA, and may be amended by the California state legislature and in some cases require approval by the CalPERS Board.

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

	Miscellaneous	
	Prior to January 1, 2013	On or after January 1, 2013
Hire date		
Benefit formula	2.5% @ 55	2% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50 - 57	52 - 67
Monthly benefits, as a % of eligible compensation	2.0% to 2.5%	1.0% to 2.5%
Required employer contribution rates for FY 2021	12.990%	7.730%

	Safety	
	Prior to January 1, 2013	On or after January 1, 2013
Hire date		
Benefit formula	3% @ 55	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50 - 55	50 - 57
Monthly benefits, as a % of eligible compensation	2.4% to 3.0%	2.0% to 2.7%
Required employer contribution rates for FY 2021	23.620%	13.980%

*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. Employer Contributions to the Plan for the fiscal year ended June 30, 2022 were \$1,202,469. The actual employer payments of \$2,546,555 made to CalPERS by the District during the measurement period ended June 30, 2021 differed from the District's proportionate share of the employer's contributions of \$2,808,292 by \$261,737, which is being amortized over the expected average remaining service lifetime in the Public Agency Cost-Sharing Multiple Employer Plan.

**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2022**

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

**B. Net Pension Liability**

The City's net pension liability for the Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of the Plan is measured as of June 30, 2021, using an annual actuarial valuation as of June 30, 2020 rolled forward to June 30, 2021 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is as follows.

*Actuarial Methods and Assumptions Used to Determine Total Pension Liability*

All other actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the period from 1997 to 2015, including updates to salary increase, mortality and retirement rates. The Experience Study report can be obtained at CalPERS' website, at [www.calpers.ca.gov](http://www.calpers.ca.gov).

Valuation date	June 30, 2020
Measurement date	June 30, 2021
Actuarial cost method	Entry Age Normal
Asset valuation method	Market Value of Assets
Actuarial assumptions:	
Discount rate	7.15%
Inflation	2.50%
Salary increases	Varies by Entry Age and Service
Mortality rate table (1)	Derived using CALPERS' membership data for all Funds
Post retirement benefit increase	The lesser of contract COLA or 2.50% until Purchasing Power Protection Allowance floor on purchasing power applies, 2.5% thereafter.

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

**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2022**

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

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

*Long-term Expected Rate of Return*

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

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

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

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

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

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

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

*Change of Assumptions*

There were no change of assumptions for measurement date June 30, 2021.

**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2022**

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

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

*Discount Rate*

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

*Subsequent Events*

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

On November 17, 2021, the board adopted a new strategic asset allocation. The new asset allocation along with the new capital market assumptions, economic assumptions and administrative expense assumption support a discount rate of 6.90% (net of investment expense but without a reduction for administrative expense) for financial reporting purposes. This includes a reduction in the price inflation assumption from 2.50% to 2.30% as recommended in the November 2021 CalPERS Experience Study and Review of Actuarial Assumptions. This study also recommended modifications to retirement rates, termination rates, mortality rates and rates of salary increases that were adopted by the board. These new assumptions will be reflected in the GASB 68 accounting valuation reports for the June 30, 2022, measurement date

*Pension Plan Fiduciary Net Position*

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

**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2022**

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

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

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

	Increase (decrease)		
	Plan Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Plan Net Pension Liability / (Asset) (c) = (a) - (b)
Balance at: 6/30/2020 (VD*)	\$ 56,046,431	\$ 49,247,494	\$ 6,798,937
Balance at: 6/30/2021 (MD*)	59,164,251	61,468,265	(2,304,014)
Net Changes during 2020-21	3,117,820	12,220,771	(9,102,951)

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

The City's proportion of the net pension liability was determined by CalPERS using the output from the Actuarial Valuation System and the fiduciary net position, as provided in the CalPERS Public Agency Cost-Sharing Allocation Methodology Report, which is a publicly available report that can be obtained at CalPERS' website, at [www.calpers.ca.gov](http://www.calpers.ca.gov).

The City's proportionate share of the net pension liability for the Plan as of the June 30, 2021 and 2022 fiscal years was as follows:

	Misc.	Safety	Total
Proportion - June 30, 2021	0.10408%	0.03615%	0.06249%
Proportion - June 30, 2022	-0.06100%	-0.03265%	-0.04260%
Change - increase/(decrease)	<u>-0.16508%</u>	<u>-0.06880%</u>	<u>-0.10509%</u>

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

The following presents the City's proportionate share of the net pension liability / (Asset) of the Plan as of the measurement date, calculated using the discount rate of 7.15 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (6.15 percent) or 1 percentage-point higher (8.15 percent) than the current rate:

	Discount rate -1% 6.15%	Current discount rate 7.15%	Discount rate +1% 8.15%
Net Pension Liability / (Asset)- Misc.	\$ 3,144,866	\$ (1,158,312)	\$ (4,715,687)
Net Pension Liability / (Asset) - Safety	2,431,125	(1,145,702)	(4,083,624)
Net Pension Liability / (Asset) - Total	<u>\$ 5,575,991</u>	<u>\$ (2,304,014)</u>	<u>\$ (8,799,311)</u>

**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2022**

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

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

*Amortization of Deferred Outflows and Deferred Inflows of Resources*

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

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

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

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

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

The EARSL for PERF C for the measurement period ending June 30, 2021 is 3.7 years, which was obtained by dividing the total service years of 561,622 (the sum of remaining service lifetimes of the active employees) by 150,648 (the total number of participants: active, inactive, and retired) in PERF C. Inactive employees and retirees have remaining service lifetimes equal to 0. Total future service is based on the members' probability of decrementing due to an event other than receiving a cash refund.

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

As of the start of the measurement period (July 1, 2020), the City's net pension liability was \$6,798,937. For the measurement period ending June 30, 2021 (the measurement date), the City incurred a pension income of \$7,748,410.

**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2022**

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

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

As of June 30, 2022, the City has deferred outflows and deferred inflows of resources related to pensions as follows:

	Deferred outflows of resources	Deferred inflows of resources
Differences between expected and actual experience	\$ -	\$ 325,634
Differences between projected and actual investment earnings	1,693,058	-
Differences between employer's contributions and proportionate share of contributions	2,274,495	650,538
Change in employer's proportion	752,269	2,288,601
Pension contributions made subsequent to measurement date	1,202,469	-
Totals	<u>\$ 5,922,291</u>	<u>\$ 3,264,773</u>

The amounts above are net of outflows and inflows recognized in the 2020-21 measurement period expense. Contributions subsequent to the measurement date of \$1,202,469 reported with deferred outflows of resources will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in future pension expense as follows:

Fiscal year ending June 30:	Misc.	Safety	Total
2023	\$ 145,661	\$ 224,332	\$ 369,993
2024	156,972	41,659	198,631
2025	256,592	162,751	419,343
2026	279,429	187,653	467,082
2027	-	-	-
Thereafter	-	-	-
	<u>\$ 838,654</u>	<u>\$ 616,395</u>	<u>\$ 1,455,049</u>

**E. Payable to the Pension Plan**

At June 30, 2022, the City reported a payable of \$10,308 for the outstanding amount of contributions to the pension plan required for the year then ended.



**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2022**

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**12. DEFINED CONTRIBUTION PENSION PLAN**

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

For the year ended June 30, 2022, the City's payroll covered by the plan was \$261,249. The employees contributed 100% of the contributions.

**13. COMMITMENTS AND CONTINGENCIES**

**A. Grant Audits**

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

**B. Litigation**

The City is presently involved in certain matters of litigation that have arisen in the normal course of conducting City business. City management believes, based upon consultation with the City Attorney, that these cases, in the aggregate, are not expected to result in a material adverse financial impact on the City beyond that already accrued in the basic financial statements. Additionally, City management believes that sufficient resources are available to the City to cover any potential losses, should an unfavorable outcome arise.

**C. Compliance with Laws and Regulations**

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

**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2022**

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**14. OTHER POST EMPLOYMENT EMPLOYEE BENEFITS**

*Plan Description*

The City administers an agent-multiple employer defined benefit plan which provides medical benefits to eligible retirees and their spouses. Medical coverage is currently provided through CalPERS as permitted under the Public Employees' Medical and Hospital Care Act (PEMHCA). This coverage requires the employee to satisfy the requirements for retirement under CalPERS: either (a) attainment of age 50 (age 52, if new to PERS on or after January 1, 2013) with 5 years of State or public City service or (b) approved disability retirement. The Plan does not issue separate financial statements.

*Benefits Provided*

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

- All employees who retire from the City (including disability retirement) and continue coverage in the CalPERS medical program are eligible for the benefit provided in the PEMHCA resolutions.
- Those resolutions provide for the City to contribute toward retiree premiums by multiplying together the following items: 5% times the number of prior years the City has been contracted with PEMHCA times The monthly contracted PEMCHA contribution the employer makes towards active employee health benefits, which was \$146 per month in 2022.

The City's monthly PEMCHA contribution toward health plan benefits for retirees as of the June 30, 2021 measurement date is \$146 for all retirees, since all employee groups have been contracted with CalPERS for over 20 years.

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

- For CEA (and other non-POA) employees hired before October 15, 1995 and POA employees hired on or before December 22, 2011 who meet the requirements for CalPERS retirement (including industrial disability retirement), 5% times the number of years worked for the City (up to a maximum of 100%) times the lowest premium in Region 3.
- For CEA (and other non-POA) employees hired on or after October 15, 1995 and POA employees hired after December 22, 2011 who retire (including disability retirement) at age 60 or older with at least 30 years of service with the City, 100% of the actual premium in Region 3.

The lowest cost HMO plan premium in the Region 3 available to retirees in 2022 is the Health Net Salud y Mas plan with a monthly premium of \$412.88

**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2022**

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

*Employee covered*

As of the June 30, 2021 valuation, the following current and former employees are covered by the benefit terms under the plan:

Active employees	91
Inactive employees or beneficiaries currently receiving benefits	<u>22</u>
Total	<u><u>113</u></u>

71 active employees are currently enrolled with 20 waiving coverage.

*Contributions*

The contribution requirements of plan members and the City are established and may be amended by the City Council. The City makes contributions to eligible retirees for their medical plan premiums when the retiree enrolls in a City sponsored health plan. The current monthly amount paid by the City varies depending on the retiree's bargaining unit at retirement. These amounts do not increase in future years to account for inflation. The City provided amounts are detailed in the Summary of Principal Plan Provisions. For the fiscal year ended June 30, 2022, the City's cash contributions were \$140,718 in payments for premiums. The City voluntarily prefunds its annual contribution requirement (i.e. to set aside funds in advance of when medical premiums become due).

*Net OPEB liability/(asset)*

The City's net OPEB liability/(asset) was measured as of June 30, 2021 and the total OPEB liability used to calculate the net OPEB liability/asset was determined by an actuarial valuation dated June 30, 2021, based on the following actuarial methods and assumptions:

Discount rate	6.45%
Inflation	2.50%
Salary increases	3.00%
Mortality rate	MacLeod Watts Scale 2020 applied generationally
Healthcare trend	5.7% to 4.0% for 2022 and beyond

*Change of Assumptions*

Trust rate of return	For accounting purposes: Increased from 6.35% to 6.45%.
Demographic Assumptions	Rates of service retirement, mortality and other terminations (separation of service) prior to retirement were updated to those recommended in the January 2020 CalSTRS and December 2017 CalPERS experience study report.
Mortality Improvement	Updated from MacLeod Watts Scale 2018 to MacLeod Watts Scale 2020.
Medical Trend	Updated to the Getzen model which was published by the Society of Actuaries.
Spouse Coverage	Updated to vary by eligibility by different levels of benefits.
PEMCHA MEC Increases	Decreased assumed participation for employees only eligible for PEMCHA minimum from 60% for participating and 30% for waiving actives to 55% and 15%, respectively.

**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2022**

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

*Discount rate*

The discount rate used to measure the total OPEB liability/(asset) was 6.45% percent. The discount rate is the expected long-term return on trust assets. The projection of cash flows used to determine the discount rate assumed that City contributions will be made at rates equal to the actuarially determined contribution rates.

The following table reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation.

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

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

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

	<u>Total OPEB liability (a)</u>	<u>Plan fiduciary net position (b)</u>	<u>Net OPEB liability/(asset) (a)-(b)=(c)</u>
<b>Balance at June 30, 2021</b>			
(Valuation date June 30, 2019)	\$ 1,962,685	\$ 2,002,857	\$ (40,172)
<b>Changes recognized for the measurement period:</b>			
Service cost	96,434	-	96,434
Interest cost	127,156	-	127,156
Difference between the expected and the actual experience	12,735	-	12,735
Changes of assumptions	(131,711)	-	(131,711)
Employer contributions	-	113,325	(113,325)
Net investment income	-	393,718	(393,718)
Benefit payments	(113,325)	(113,325)	-
Administrative expenses	-	(729)	729
<b>Net changes</b>	<u>(8,711)</u>	<u>392,989</u>	<u>(401,700)</u>
<b>Balance at June 30, 2022</b>			
(Measurement date June 30, 2021)	<u>\$ 1,953,974</u>	<u>\$ 2,395,846</u>	<u>\$ (441,872)</u>

**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2022**

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

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

The following presents the net OPEB liability of the City if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2021:

	Discount rate		
	1% decrease	Current rate	1% increase
Net OPEB liability/(asset)	\$ (230,006)	\$ (441,872)	\$ (621,667)

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

The following presents the net OPEB liability of the City if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2021:

	Healthcare Cost Trend Rates		
	1% decrease	Current rate	1% increase
Net OPEB liability/(asset)	\$ (652,193)	\$ (441,872)	\$ (186,002)

*Recognition of Deferred Outflows and Deferred Inflows of Resources*

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

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

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

Difference between projected and actual earnings	5 year straight-line amortization
All other amounts	Staright line reconition over the expected average remaining service lifetime (EARSL) (10.44 years at June 30, 2021)

**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2022**

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

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

For the fiscal year ended June 30, 2022, the City recognized OPEB income of \$16,665. As of fiscal year ended June 30, 2022, the City reported deferred outflows of resources related to OPEB from the following sources:

	<u>Deferred outflows of resources</u>	<u>Deferred inflows of resources</u>
Changes in assumptions	\$ 38,606	\$ 119,095
Differences between expected and actual experience	11,515	326,421
Net difference between projected and actual earnings on investments	-	201,830
Contributions subsequent to the measurement date	<u>134,288</u>	<u>-</u>
Totals	<u>\$ 184,409</u>	<u>\$ 647,346</u>

The \$134,288 reported as deferred outflows of resources related to contributions subsequent to the June 30, 2021 measurement date will be recognized as a reduction of the net OPEB liability / (asset) in the upcoming fiscal year. Other amounts reported as deferred outflows of resources related to OPEB will be recognized as expense as follows:

<u>For the fiscal year ending June 30,</u>	<u>Recognized net deferred outflows (inflows) of resources</u>
2023	\$ (110,756)
2024	(112,513)
2025	(111,834)
2026	(115,507)
2027	(44,871)
Thereafter:	<u>(101,744)</u>
	<u>\$ (597,225)</u>

**15. PRIOR PERIOD ADJUSTMENT**

The beginning fund balance of the non-major governmental funds was restated by \$209,533 from \$5,919,271, as previously stated, to \$6,128,804, as restated due to the correction of error. The City previously recognized revenue in the amount of \$113,328 that should have been recorded as unavailable revenue. In addition, the City had not previously reported a loan receivable of \$322,861. The loan receivable was paid in full in fiscal year 2022.

The beginning net position of the governmental activities was restated by \$322,861 from \$197,585,284, as previously stated to \$197,908,145, as restated due to the correction of error in recording the loan receivable mentioned above.

# **City of Sierra Madre, California**

*Village of the Foothills*



**Required Supplementary Information  
For the Year Ending  
June 30, 2022**

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**CITY OF SIERRA MADRE**  
**Required Supplementary Information**  
**For the year ended June 30, 2022**

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**BUDGETS AND BUDGETARY ACCOUNTING**

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

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**CITY OF SIERRA MADRE**  
**Required Supplementary Information**  
**General Fund Budgetary Comparison Schedule**  
**For the year ended June 30, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Property taxes	\$ 7,239,300	7,429,300	\$ 7,867,767	\$ 438,467
Other taxes	4,040,000	4,370,000	4,913,188	543,188
Charges for services	610,600	752,600	934,841	182,241
Intergovernmental	-	63,000	132,604	69,604
Licenses and permits	1,218,000	1,398,000	1,502,751	104,751
Fines and forfeitures	72,500	72,500	116,820	44,320
Investment income (loss)	75,000	75,000	(247,263)	(322,263)
Miscellaneous	46,000	46,000	123,182	77,182
Total revenues	<u>13,301,400</u>	<u>14,206,400</u>	<u>15,343,890</u>	<u>1,137,490</u>
<b>Expenditures:</b>				
Current:				
General government:				
Administrative Services	2,519,900	2,429,200	2,426,612	2,588
Elected and Appointed	327,310	343,350	318,769	24,581
Total general government	<u>2,847,210</u>	<u>2,772,550</u>	<u>2,745,381</u>	<u>27,169</u>
Public safety:				
Police	3,003,350	3,455,350	3,479,422	(24,072)
Fire	2,360,200	2,705,400	2,545,952	159,448
Total public safety	<u>5,363,550</u>	<u>6,160,750</u>	<u>6,025,374</u>	<u>135,376</u>
Public works	400,400	3,815,467	3,770,023	45,444
Development	1,141,300	1,500,100	1,353,076	147,024
Culture and recreation:				
Community Services	408,350	415,050	390,400	24,650
Library Services	622,990	622,990	563,098	59,892
Total culture and recreation	<u>1,031,340</u>	<u>1,038,040</u>	<u>953,498</u>	<u>84,542</u>
Total expenditures	<u>10,783,800</u>	<u>15,286,907</u>	<u>14,847,352</u>	<u>439,555</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,517,600</u>	<u>(1,080,507)</u>	<u>496,538</u>	<u>1,577,045</u>
Other financing sources (uses):				
Transfers out	(160,000)	(160,000)	(180,724)	(20,724)
Total other financing sources (uses)	<u>(160,000)</u>	<u>(160,000)</u>	<u>(180,724)</u>	<u>(20,724)</u>
Net change in fund balance	2,357,600	(1,240,507)	315,814	1,556,321
Fund balance, beginning of year	9,692,762	9,692,762	9,692,762	-
Fund balance, end of year	<u>\$ 12,050,362</u>	<u>\$ 8,452,255</u>	<u>\$ 10,008,576</u>	<u>\$ 1,556,321</u>

**CITY OF SIERRA MADRE**  
**Required Supplementary Information**  
**American Rescue Plan Act Fund Budgetary Comparison Schedule**  
**For the year ended June 30, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Intergovernmental	\$ -	\$ 1,290,900	\$ 390,832	\$ (900,068)
Investment income	-	-	6,487	6,487
Total revenues	<u>-</u>	<u>1,290,900</u>	<u>397,319</u>	<u>(893,581)</u>
<b>Expenditures:</b>				
Current:				
General government	-	400,657	390,831	9,826
Total expenditures	<u>-</u>	<u>400,657</u>	<u>390,831</u>	<u>9,826</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>890,243</u>	<u>6,488</u>	<u>(883,755)</u>
Net change to fund balance	-	890,243	6,488	(883,755)
Fund balance, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ 890,243</u>	<u>\$ 6,488</u>	<u>\$ (883,755)</u>

**CITY OF SIERRA MADRE**  
**Required Supplementary Information**  
**For the year ended June 30, 2022**

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

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

<u>Measurement Date</u>	<u>Employer's Proportion of the Collective Net Pension Liability / (Asset)<sup>1</sup></u>	<u>Employer's Proportionate Share of the Collective Net Pension Liability</u>	<u>Employer's Covered Payroll</u>	<u>Employer's Proportionate Share of the Collective Net Pension Liability as a percentage of the Employer's Covered Payroll</u>	<u>Pension Plan's Fiduciary Net Position as a percentage of the Total Pension Liability/Asset</u>
June 30, 2014	\$ 9,021,417	0.14780%	\$ 4,688,122	192.43%	77.90%
June 30, 2015	10,143,930	0.14779%	4,841,779	209.51%	75.43%
June 30, 2016	12,331,116	0.14251%	4,869,024	253.26%	71.10%
June 30, 2017	13,878,779	0.13995%	5,243,636	264.68%	70.40%
June 30, 2018	12,568,021	0.13042%	4,566,971	275.19%	74.85%
June 30, 2019	9,173,681	0.08953%	4,773,023	192.20%	82.91%
June 30, 2020	6,798,937	0.06249%	5,315,808	127.90%	87.87%
June 30, 2021	(2,304,014)	-0.04260%	5,789,730	-39.79%	103.89%

<sup>1</sup>Proportion of the collective net pension liability represents the plan's proportion of PERF C, which includes both the Miscellaneous and Safety Risk Pools excluding the 1959 Survivors Risk Pool

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

**CITY OF SIERRA MADRE**  
**Required Supplementary Information**  
**For the year ended June 30, 2022**

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

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

<u>Fiscal year</u>	<u>Actuarially Determined Contribution</u>	<u>Contributions in Relation to the Actuarially Determined Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
June 30, 2015	\$ 1,004,211	\$ (1,004,211)	\$ -	\$ 4,841,779	20.74%
June 30, 2016	1,175,439	(1,175,439)	-	4,869,024	24.14%
June 30, 2017	1,272,198	(1,272,198)	-	5,243,636	24.26%
June 30, 2018	1,418,218	(1,418,218)	-	4,566,971	31.05%
June 30, 2019	1,585,121	(6,585,121)	(5,000,000)	4,773,023	137.97%
June 30, 2020	1,107,313	(4,107,313)	(3,000,000)	5,315,808	77.27%
June 30, 2021	1,046,555	(2,546,555)	(1,500,000)	5,789,730	43.98%
June 30, 2022	1,202,469	(1,202,469)	-	6,343,997	18.95%

**Notes to Schedule:**

Changes in Benefit Terms: There were no changes to benefit terms that applied to all members of the Public Agency Pool. Additionally, the figures above do not include any liability impact that may have resulted from Golden Handshakes that occurred after the June 30, 2020 valuation date, unless the liability impact is deemed to be material to the Public Agency Pool.

Changes in Assumptions: There were no assumption changes for 2021. For 2020, the Plan adopted a new amortization policy effective with the 2019 actuarial valuation. The new amortization policy shortens the period over which actuarial gains and losses are amortized from 30 years to 20 years with the payments computed as a level dollar amount. In addition, the new policy does not utilize a five-year ramp-up and ramp-down on UAL bases attributable to assumption changes and non-investment gains/losses. The new policy also does not utilize a five-year ramp-down on investment gains/losses. These changes apply only to new UAL bases established on or after June 30, 2019. There were no changes in assumptions in 2019. In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no changes in the discount rate in 2019. In 2017, the accounting discount rate was reduced from 7.65 percent to 7.15 percent. In 2016, there were no changes in the discount rate. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5 percent (net of administrative expense) to 7.65 percent (without a reduction for pension plan administrative expense). In 2014, amounts reported were based on the 7.5 percent discount rate.

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

**CITY OF SIERRA MADRE**  
**Required Supplementary Information**  
**For the year ended June 30, 2022**

**2. OTHER POST EMPLOYMENT BENEFITS**

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

	Measurement date				
	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>
<b>Total OPEB Liability</b>					
Service cost	\$ 96,434	\$ 93,625	\$ 113,216	\$ 109,652	\$ 107,444
Interest cost	127,156	120,510	139,838	130,212	132,432
Plan experience	12,735	-	(352,670)	-	(186,345)
Changes in assumptions	(131,711)	-	47,406	-	13,329
Benefit payments	<u>(113,325)</u>	<u>(111,228)</u>	<u>(105,241)</u>	<u>(95,572)</u>	<u>(108,541)</u>
<b>Net change in Total OPEB Liability</b>	(8,711)	102,907	(157,451)	144,292	(41,681)
<b>Total OPEB Liability - beginning</b>	<u>1,962,685</u>	<u>1,859,778</u>	<u>2,017,229</u>	<u>1,872,937</u>	<u>1,914,618</u>
<b>Total OPEB Liability - ending (a)</b>	<u>1,953,974</u>	<u>1,962,685</u>	<u>1,859,778</u>	<u>2,017,229</u>	<u>1,872,937</u>
<b>Plan Fiduciary Net Position</b>					
Contribution - employer	113,325	150,528	163,349	95,572	108,541
Expected investment income/experience	393,718	101,166	118,856	98,236	99,406
Investment experience	-	-	-	-	15,348
Benefit payments	(113,325)	(111,228)	(105,241)	(95,572)	(108,541)
Administrative expense	<u>(729)</u>	<u>(920)</u>	<u>(363)</u>	<u>(2,941)</u>	<u>(782)</u>
<b>Net change in Plan Fiduciary Net Position</b>	392,989	139,546	176,601	95,295	113,972
<b>Plan Fiduciary Net Position - beginning</b>	<u>2,002,857</u>	<u>1,863,311</u>	<u>1,686,710</u>	<u>1,591,415</u>	<u>1,477,443</u>
<b>Plan Fiduciary Net Position - ending (b)</b>	<u>2,395,846</u>	<u>2,002,857</u>	<u>1,863,311</u>	<u>1,686,710</u>	<u>1,591,415</u>
<b>Net OPEB Liability (asset) - ending (a) - (b)</b>	<u>\$ (441,872)</u>	<u>\$ (40,172)</u>	<u>\$ (3,533)</u>	<u>\$ 330,519</u>	<u>\$ 281,522</u>
Plan fiduciary net position as a percentage of the total OPEB liability	122.61%	102.05%	100.19%	83.62%	84.97%
Covered-employee payroll	\$ 7,686,509	\$ 6,061,061	\$ 5,884,525	\$ 5,537,332	\$ 4,937,800
Net OPEB liability (asset) as a percentage of covered-employee payroll	-5.75%	-0.66%	-0.06%	5.97%	5.70%

**Notes to schedule:**

The following assumptions were changed from the prior valuation:

Discount rate: increased from 6.35% to 6.45%

Mortality improvement: Sclae updated from 2018 to 2020 MacLeod Watts Scale

**Actuarial Methods and Assumptions**

Demographic assumptions: Mortality rates use the 2017 experience study.

General inflation rate: same as that of prior year 2.5%

Salary increase: Same as that of prior year 3.0%

Medical trend: updated to use Getzen Model 2021\_b published by the Society of Actuaries

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

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

**CITY OF SIERRA MADRE**  
**Required Supplementary Information**  
**For the year ended June 30, 2022**

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

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

Fiscal year	Actuarially Determined Contributions (ADC)	Contributions in relation to the ADC	Contribution deficiency (excess)	Covered- employee payroll	Contributions as a percentage of covered- employee payroll
June 30, 2018	\$ 153,086	\$ (95,572)	\$ 57,514	\$ 5,537,332	1.73%
June 30, 2019	145,849	(163,349)	(17,500)	5,884,525	2.78%
June 30, 2020	150,528	(150,528)	-	6,061,061	2.48%
June 30, 2021	100,910	(113,325)	(12,415)	7,686,509	1.68%
June 30, 2022	103,663	(134,288)	(30,625)	7,917,104	1.78%

**Notes to schedule:**

Valuation Date: Actuarially determined contribution rates are calculated as of June 30, one year prior to the end of the fiscal year in which contributions are reported. Benefits are not based on a measure of pay so covered-employee payroll is issued.

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

Valuation date	June 30, 2021
Funding method	Entry age normal cost, level % of pay
Asset valuation	Market value of assets
Discount Rate	6.45%
Inflation	2.50%
Salary Increases	3.00%
Mortality Rate	CalPERS 2017 Experience Study
Healthcare Trend Rate	5.7% in 2022 stepping down by .1% to 4.0% in 2076

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

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# **City of Sierra Madre, California**

*Village of the Foothills*



## **Supplementary Information For the Year Ending June 30, 2022**

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**CITY OF SIERRA MADRE**  
**Combined Balance Sheet**  
**Non-Major Governmental Funds by Fund Type**  
**June 30, 2022**

	Special Revenue Funds	Capital Projects Funds	Citywide Debt Service Fund	Total Non-Major Governmental Funds
<b>Assets:</b>				
Cash and investments	\$ 5,293,032	\$ 585,583	\$ 13,338	\$ 5,891,953
Receivables:				
Accounts	523,394	-	-	523,394
Taxes	108,761	-	-	108,761
Due from other agencies	201,580	-	-	201,580
Land held for resale	-	1,500,000	-	1,500,000
Total assets	<u>\$ 6,126,767</u>	<u>\$ 2,085,583</u>	<u>\$ 13,338</u>	<u>\$ 8,225,688</u>
<b>Liabilities, deferred inflows of resources, and fund balances:</b>				
Liabilities:				
Accounts payable	\$ 613,590	\$ 67,313	\$ -	\$ 680,903
Accrued payroll and related liabilities	66,753	-	-	66,753
Due to other funds	535,801	-	-	535,801
Deposits and retentions	79,865	2,500	-	82,365
Total liabilities	<u>1,296,009</u>	<u>69,813</u>	<u>-</u>	<u>1,365,822</u>
Deferred inflows of resources:				
Unavailable revenues	263,328	-	-	263,328
Total deferred inflows of resources	<u>263,328</u>	<u>-</u>	<u>-</u>	<u>263,328</u>
Fund balances (deficit):				
Restricted	4,791,376	2,015,770	-	6,807,146
Committed	-	-	13,338	13,338
Unassigned	(223,946)	-	-	(223,946)
Total fund balances	<u>4,567,430</u>	<u>2,015,770</u>	<u>13,338</u>	<u>6,596,538</u>
 Total Liabilities, Deferred Inflows of Resources, and Fund Balances	 <u>\$ 6,126,767</u>	 <u>\$ 2,085,583</u>	 <u>\$ 13,338</u>	 <u>\$ 8,225,688</u>

**CITY OF SIERRA MADRE**  
**Combined Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Non-Major Governmental Funds by Fund Type**  
**For the year ended June 30, 2022**

	Special Revenue Funds	Capital Projects Funds	City-wide Debt Service Fund	Total Non-Major Governmental Funds
<b>Revenues:</b>				
Property taxes	\$ 99,314	\$ -	\$ -	\$ 99,314
Charges for services	986	-	-	986
Intergovernmental	2,121,948	-	-	2,121,948
Licenses and permits	460,192	-	-	460,192
Investment income (loss)	29,841	2,520	-	32,361
Miscellaneous	388,910	1,616	-	390,526
Total revenues	<u>3,101,191</u>	<u>4,136</u>	<u>-</u>	<u>3,105,327</u>
<b>Expenditures:</b>				
Current:				
General government	155	-	-	155
Public safety	542,010	-	-	542,010
Public works	1,747,959	359,965	-	2,107,924
Development	96,169	-	-	96,169
Culture and recreation	81,191	-	-	81,191
Total expenditures	<u>2,467,484</u>	<u>359,965</u>	<u>-</u>	<u>2,827,449</u>
Excess (deficiency) of revenues over (under) expenditures	<u>633,707</u>	<u>(355,829)</u>	<u>-</u>	<u>277,878</u>
<b>Other financing sources (uses):</b>				
Transfers in	54,856	160,000	-	214,856
Transfers out	(25,000)	-	-	(25,000)
Total other financing sources (uses)	<u>29,856</u>	<u>160,000</u>	<u>-</u>	<u>189,856</u>
Net change to fund balances	663,563	(195,829)	-	467,734
Fund balances, beginning of year, as restated	<u>3,903,867</u>	<u>2,211,599</u>	<u>13,338</u>	<u>6,128,804</u>
Fund balances, end of year	<u>\$ 4,567,430</u>	<u>\$ 2,015,770</u>	<u>\$ 13,338</u>	<u>\$ 6,596,538</u>

**CITY OF SIERRA MADRE**  
**Combining Balance Sheet**  
**Non-Major Special Revenue Funds**  
**June 30, 2022**

	Grant Funds	Assessment Funds	Other Special Revenue Funds	Total Special Revenue Funds
<b>Assets:</b>				
Cash and investments	\$ 75	\$ 1,454,264	\$ 3,838,693	\$ 5,293,032
Receivables:				
Accounts	41,765	-	481,629	523,394
Taxes	-	13,016	95,745	108,761
Due from other agencies	-	-	201,580	201,580
Total assets	<u>\$ 41,840</u>	<u>\$ 1,467,280</u>	<u>\$ 4,617,647</u>	<u>\$ 6,126,767</u>
<b>Liabilities, deferred inflows of resources, and fund balances:</b>				
Liabilities:				
Accounts payable	\$ 10,737	\$ 11,700	\$ 591,153	\$ 613,590
Accrued payroll and related liabilities	-	4,334	62,419	66,753
Due to other funds	31,028	-	504,773	535,801
Deposits and retentions	-	-	79,865	79,865
Total liabilities	<u>41,765</u>	<u>16,034</u>	<u>1,238,210</u>	<u>1,296,009</u>
Deferred inflows of resources:				
Unavailable revenues	-	-	263,328	263,328
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>263,328</u>	<u>263,328</u>
Fund balances (deficit):				
Restricted	75	1,455,533	3,335,768	4,791,376
Unassigned	-	(4,287)	(219,659)	(223,946)
Total fund balances	<u>75</u>	<u>1,451,246</u>	<u>3,116,109</u>	<u>4,567,430</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 41,840</u>	<u>\$ 1,467,280</u>	<u>\$ 4,617,647</u>	<u>\$ 6,126,767</u>

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**CITY OF SIERRA MADRE**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Non-Major Special Revenue Funds**  
**For the year ended June 30, 2022**

	Grant Funds	Assessment Funds	Other Special Revenue Funds	Total Special Revenue Funds
<b>Revenues:</b>				
Property taxes	\$ -	\$ 99,314	\$ -	\$ 99,314
Charges for services	-	-	986	986
Intergovernmental	110,343	-	2,011,605	2,121,948
Licenses and permits	-	-	460,192	460,192
Investment income (loss)	1	8,769	21,071	29,841
Miscellaneous	-	-	388,910	388,910
Total revenues	<u>110,344</u>	<u>108,083</u>	<u>2,882,764</u>	<u>3,101,191</u>
<b>Expenditures:</b>				
Current:				
General government	-	-	155	155
Public safety	-	-	542,010	542,010
Public works	-	66,203	1,681,756	1,747,959
Development	96,169	-	-	96,169
Culture and recreation	4,289	-	76,902	81,191
Total expenditures	<u>100,458</u>	<u>66,203</u>	<u>2,300,823</u>	<u>2,467,484</u>
Excess (deficiency) of revenues over (under) expenditures	<u>9,886</u>	<u>41,880</u>	<u>581,941</u>	<u>633,707</u>
<b>Other financing sources (uses):</b>				
Transfers in	-	29,856	25,000	54,856
Transfers out	-	-	(25,000)	(25,000)
Total other financing sources (uses)	<u>-</u>	<u>29,856</u>	<u>-</u>	<u>29,856</u>
Net change in fund balances	9,886	71,736	581,941	663,563
Fund balances (deficit), beginning of year as restated	<u>(9,811)</u>	<u>1,379,510</u>	<u>2,534,168</u>	<u>3,903,867</u>
Fund balances (deficit), end of year	<u>\$ 75</u>	<u>\$ 1,451,246</u>	<u>\$ 3,116,109</u>	<u>\$ 4,567,430</u>

**CITY OF SIERRA MADRE**  
**Combining Balance Sheet**  
**Non-Major Special Revenue Funds – Grants**  
**June 30, 2022**

	Local History State Grant	SB2 Grant	Leap Grant	Total Special Revenue-Grant Funds
<b>Assets:</b>				
Cash and investments	\$ 75	\$ -	\$ -	\$ 75
Receivables:				
Accounts receivable	-	-	41,765	41,765
Total assets	<u>\$ 75</u>	<u>\$ -</u>	<u>\$ 41,765</u>	<u>\$ 41,840</u>
<b>Liabilities and Fund Balances:</b>				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ 10,737	\$ 10,737
Due to other funds	-	-	31,028	31,028
Total liabilities	<u>-</u>	<u>-</u>	<u>41,765</u>	<u>41,765</u>
Fund balances:				
Restricted	<u>75</u>	<u>-</u>	<u>-</u>	<u>75</u>
Total fund balances	<u>75</u>	<u>-</u>	<u>-</u>	<u>75</u>
Total liabilities and fund balances	<u>\$ 75</u>	<u>\$ -</u>	<u>\$ 41,765</u>	<u>\$ 41,840</u>



**CITY OF SIERRA MADRE**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Non-Major Special Revenue Funds – Grants**  
**For the year ended June 30, 2022**

	Local History State Grant	SB2 Grant	Leap Grant	Total Special Revenue-Grant Funds
<b>Revenues:</b>				
Intergovernmental	\$ -	\$ 45,343	\$ 65,000	\$ 110,343
Investment income	1	-	-	1
Total revenues	<u>1</u>	<u>45,343</u>	<u>65,000</u>	<u>110,344</u>
<b>Expenditures:</b>				
Current:				
Development	-	45,343	50,826	96,169
Culture and recreation	4,289	-	-	4,289
Total expenditures	<u>4,289</u>	<u>45,343</u>	<u>50,826</u>	<u>100,458</u>
Excess (deficit) of revenues over (under) expenditures	<u>(4,288)</u>	<u>-</u>	<u>14,174</u>	<u>9,886</u>
Net change to fund balances	(4,288)	-	14,174	9,886
Fund balances (deficit), beginning of year	<u>4,363</u>	<u>-</u>	<u>(14,174)</u>	<u>(9,811)</u>
Fund balances (deficit), end of year	<u>\$ 75</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 75</u>

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**CITY OF SIERRA MADRE**  
**Combining Balance Sheet**  
**Non-Major Special Revenue Funds – Assessments**  
**June 30, 2022**

	Bonita Sewer Assessment District	Central Business Assessment District	Fane/Winwood Assessment District	Lighting District #1
<b>Assets:</b>				
Cash and investments	\$ 64,722	\$ 2,958	\$ 7,982	\$ 512,904
Taxes receivable	646	-	-	12,342
Total assets	<u>\$ 65,368</u>	<u>\$ 2,958</u>	<u>\$ 7,982</u>	<u>\$ 525,246</u>
<b>Liabilities and Fund Balances:</b>				
Liabilities:				
Accounts payable	\$ -	\$ 2,958	\$ -	\$ 164
Accrued payroll and related liabilities	-	-	-	-
Total liabilities	<u>-</u>	<u>2,958</u>	<u>-</u>	<u>164</u>
Fund balances:				
Restricted	65,368	-	7,982	525,082
Unassigned	-	-	-	-
Total fund balances	<u>65,368</u>	<u>-</u>	<u>7,982</u>	<u>525,082</u>
Total liabilities and fund balances	<u>\$ 65,368</u>	<u>\$ 2,958</u>	<u>\$ 7,982</u>	<u>\$ 525,246</u>

Lighting District Zone A	Lighting District Zone B	Parking Maintenance District	Sewer Assessment District	Sierra Madre CFD	Total Special Revenue- Assessment Funds
\$ 362,306 5	\$ 397,254 -	\$ 5,422 -	\$ 29,240 23	\$ 71,476 -	\$ 1,454,264 13,016
<u>\$ 362,311</u>	<u>\$ 397,254</u>	<u>\$ 5,422</u>	<u>\$ 29,263</u>	<u>\$ 71,476</u>	<u>\$ 1,467,280</u>
\$ 1,683	\$ 1,474	\$ 5,421	\$ -	\$ -	\$ 11,700
-	-	4,288	46	-	4,334
<u>1,683</u>	<u>1,474</u>	<u>9,709</u>	<u>46</u>	<u>-</u>	<u>16,034</u>
360,628	395,780	-	29,217	71,476	1,455,533
-	-	(4,287)	-	-	(4,287)
<u>360,628</u>	<u>395,780</u>	<u>(4,287)</u>	<u>29,217</u>	<u>71,476</u>	<u>1,451,246</u>
<u>\$ 362,311</u>	<u>\$ 397,254</u>	<u>\$ 5,422</u>	<u>\$ 29,263</u>	<u>\$ 71,476</u>	<u>\$ 1,467,280</u>

**CITY OF SIERRA MADRE**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Non-Major Special Revenue Funds – Assessments**  
**For the year ended June 30, 2022**

	Bonita Sewer Assessment District	Central Business Assessment District	Fane/Winwood Assessment District	Lighting District #1
<b>Revenues:</b>				
Property taxes	\$ 10,590	\$ 227	\$ -	\$ 72,814
Investment income (loss)	373	-	49	3,013
Total revenues	<u>10,963</u>	<u>227</u>	<u>49</u>	<u>75,827</u>
<b>Expenditures:</b>				
Current:				
Public works	-	9,610	-	2,057
Total expenditures	<u>-</u>	<u>9,610</u>	<u>-</u>	<u>2,057</u>
Excess (deficiency) of revenues over (under) expenditures	<u>10,963</u>	<u>(9,383)</u>	<u>49</u>	<u>73,770</u>
<b>Other financing sources (uses):</b>				
Transfers in	-	9,392	-	-
Total other financing sources (uses)	<u>-</u>	<u>9,392</u>	<u>-</u>	<u>-</u>
Net change to fund balances	10,963	9	49	73,770
Fund balances (deficit), beginning of year	<u>54,405</u>	<u>(9)</u>	<u>7,933</u>	<u>451,312</u>
Fund balances (deficit), end of year	<u>\$ 65,368</u>	<u>\$ -</u>	<u>\$ 7,982</u>	<u>\$ 525,082</u>

<u>Lighting District Zone A</u>	<u>Lighting District Zone B</u>	<u>Parking Maintenance District</u>	<u>Sewer Assessment District</u>	<u>Sierra Madre CFD</u>	<u>Total Special Revenue- Assessment Funds</u>
\$ 503	\$ 1,287	\$ 35	\$ 7,014	\$ 6,844	\$ 99,314
2,264	2,488	1	160	421	8,769
<u>2,767</u>	<u>3,775</u>	<u>36</u>	<u>7,174</u>	<u>7,265</u>	<u>108,083</u>
12,724	17,486	24,326	-	-	66,203
<u>12,724</u>	<u>17,486</u>	<u>24,326</u>	<u>-</u>	<u>-</u>	<u>66,203</u>
(9,957)	(13,711)	(24,290)	7,174	7,265	41,880
-	-	20,464	-	-	29,856
<u>-</u>	<u>-</u>	<u>20,464</u>	<u>-</u>	<u>-</u>	<u>29,856</u>
(9,957)	(13,711)	(3,826)	7,174	7,265	71,736
<u>370,585</u>	<u>409,491</u>	<u>(461)</u>	<u>22,043</u>	<u>64,211</u>	<u>1,379,510</u>
<u>\$ 360,628</u>	<u>\$ 395,780</u>	<u>\$ (4,287)</u>	<u>\$ 29,217</u>	<u>\$ 71,476</u>	<u>\$ 1,451,246</u>

**CITY OF SIERRA MADRE**  
**Combining Balance Sheet**  
**Non-Major Special Revenue Funds – Other**  
**June 30, 2022**

	Development Impact Fees	Development Fees Art in Public Places	DUI Enforcement	Police Department Donations	Public Safety Augmentation Fund
<b>Assets:</b>					
Cash and investments	\$ 656,103	\$ 18,090	\$ 1,176	\$ 69,411	\$ 48,034
Receivables:					
Accounts	-	-	-	-	-
Taxes	-	-	-	-	30,474
Due from other agencies	-	-	-	-	-
Total assets	<u>\$ 656,103</u>	<u>\$ 18,090</u>	<u>\$ 1,176</u>	<u>\$ 69,411</u>	<u>\$ 78,508</u>
<b>Liabilities, deferred inflows of resources, and fund balances:</b>					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ -	\$ 3,223	\$ -
Accrued payroll and related liabilities	-	-	-	16,453	10,950
Due to other funds	-	-	-	-	-
Deposits and retentions	50,780	-	-	-	-
Total liabilities	<u>50,780</u>	<u>-</u>	<u>-</u>	<u>19,676</u>	<u>10,950</u>
Deferred inflows of resources:					
Unavailable revenues	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances (deficit):					
Restricted	605,323	18,090	1,176	49,735	67,558
Unassigned	-	-	-	-	-
Total fund balances	<u>605,323</u>	<u>18,090</u>	<u>1,176</u>	<u>49,735</u>	<u>67,558</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 656,103</u>	<u>\$ 18,090</u>	<u>\$ 1,176</u>	<u>\$ 69,411</u>	<u>\$ 78,508</u>

<u>State COPS</u>	<u>Fire Department Donations</u>	<u>Community Arts Commission</u>	<u>Recreation Department Donations</u>	<u>Local Transportation Prop A</u>	<u>Open Space</u>	<u>Senior Center</u>
\$ -	\$ 45,443	\$ 6,595	\$ 21,216	\$ 594,694	\$ 84,734	\$ 225,793
-	-	-	-	-	4,132	-
65,271	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 65,271</u>	<u>\$ 45,443</u>	<u>\$ 6,595</u>	<u>\$ 21,216</u>	<u>\$ 594,694</u>	<u>\$ 88,866</u>	<u>\$ 225,793</u>
\$ -	\$ -	\$ -	\$ 4,356	\$ 13,998	\$ -	\$ 443
6,313	-	-	-	-	-	-
50,000	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>56,313</u>	<u>-</u>	<u>-</u>	<u>4,356</u>	<u>13,998</u>	<u>-</u>	<u>443</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
8,958	45,443	6,595	16,860	580,696	88,866	225,350
-	-	-	-	-	-	-
<u>8,958</u>	<u>45,443</u>	<u>6,595</u>	<u>16,860</u>	<u>580,696</u>	<u>88,866</u>	<u>225,350</u>
<u>\$ 65,271</u>	<u>\$ 45,443</u>	<u>\$ 6,595</u>	<u>\$ 21,216</u>	<u>\$ 594,694</u>	<u>\$ 88,866</u>	<u>\$ 225,793</u>

(continued)



**CITY OF SIERRA MADRE**  
**Combining Balance Sheet**  
**Non-Major Special Revenue Funds – Other, Continued**  
**June 30, 2022**

	SM Community Foundation	YAC-Youth Activity Center	Local Transit Prop C	County Prop A Park Development	CA Beverage Container
<b>Assets:</b>					
Cash and investments	\$ 46,989	\$ 62,820	\$ 249,384	\$ -	\$ 34,917
Receivables:					
Accounts	-	-	-	363,513	-
Taxes	-	-	-	-	-
Due from other agencies	-	-	-	-	-
Total assets	<u>\$ 46,989</u>	<u>\$ 62,820</u>	<u>\$ 249,384</u>	<u>\$ 363,513</u>	<u>\$ 34,917</u>
<b>Liabilities, deferred inflows of resources, and fund balances:</b>					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ 195,318	\$ -	\$ 22,857
Accrued payroll and related liabilities	-	-	-	-	-
Due to other funds	-	-	-	363,513	-
Deposits and retentions	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>195,318</u>	<u>363,513</u>	<u>22,857</u>
Deferred inflows of resources:					
Unavailable revenues	-	-	-	61,748	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>61,748</u>	<u>-</u>
Fund balances (deficit):					
Restricted	46,989	62,820	54,066	-	12,060
Unassigned	-	-	-	(61,748)	-
Total fund balances	<u>46,989</u>	<u>62,820</u>	<u>54,066</u>	<u>(61,748)</u>	<u>12,060</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 46,989</u>	<u>\$ 62,820</u>	<u>\$ 249,384</u>	<u>\$ 363,513</u>	<u>\$ 34,917</u>

Community Development Block Grant	Clean Air Fund (AQMD)	Environmental Fund	Gas Tax Fund	Bikeway/ Sidewalk TDA	Measure R	Measure M
\$ -	\$ 54,536	\$ 81,737	\$ 66,987	\$ -	\$ 182,108	\$ 165,124
-	3,504	26,782	21,044	663	-	-
-	-	-	-	-	-	-
51,580	-	-	-	-	-	-
<u>\$ 51,580</u>	<u>\$ 58,040</u>	<u>\$ 108,519</u>	<u>\$ 88,031</u>	<u>\$ 663</u>	<u>\$ 182,108</u>	<u>\$ 165,124</u>
\$ -	\$ -	\$ 12,525	\$ 112	\$ -	\$ -	\$ 22,450
23,606	-	595	4,502	-	-	-
51,580	-	-	-	663	-	-
-	-	2,160	-	-	26,925	-
<u>75,186</u>	<u>-</u>	<u>15,280</u>	<u>4,614</u>	<u>663</u>	<u>26,925</u>	<u>22,450</u>
51,580	-	-	-	-	-	-
<u>51,580</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	58,040	93,239	83,417	-	155,183	142,674
(75,186)	-	-	-	-	-	-
<u>(75,186)</u>	<u>58,040</u>	<u>93,239</u>	<u>83,417</u>	<u>-</u>	<u>155,183</u>	<u>142,674</u>
<u>\$ 51,580</u>	<u>\$ 58,040</u>	<u>\$ 108,519</u>	<u>\$ 88,031</u>	<u>\$ 663</u>	<u>\$ 182,108</u>	<u>\$ 165,124</u>

(continued)

**CITY OF SIERRA MADRE**  
**Combining Balance Sheet**  
**Non-Major Special Revenue Funds – Other, Continued**  
**June 30, 2022**

	Road Maintenance and Rehabilitation	Library Gift and Memorial	Friends of the Library	Local Historical Society	Measure W
<b>Assets:</b>					
Cash and investments	\$ 223,259	\$ 151,423	\$ -	\$ 174	\$ -
Receivables:					
Accounts	38,903	-	23,088	-	-
Taxes	-	-	-	-	-
Due from other agencies	-	-	-	-	150,000
Total assets	<u>\$ 262,162</u>	<u>\$ 151,423</u>	<u>\$ 23,088</u>	<u>\$ 174</u>	<u>\$ 150,000</u>
<b>Liabilities, deferred inflows of resources, and fund balances:</b>					
Liabilities:					
Accounts payable	\$ 248,953	\$ 122	\$ 9,341	\$ -	\$ 57,455
Accrued payroll and related liabilities	-	-	-	-	-
Due to other funds	-	-	13,747	-	25,270
Deposits and retentions	-	-	-	-	-
Total liabilities	<u>248,953</u>	<u>122</u>	<u>23,088</u>	<u>-</u>	<u>82,725</u>
Deferred inflows of resources:					
Unavailable revenues	-	-	-	-	150,000
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>150,000</u>
Fund balances (deficit):					
Restricted	13,209	151,301	-	174	-
Unassigned	-	-	-	-	(82,725)
Total fund balances	<u>13,209</u>	<u>151,301</u>	<u>-</u>	<u>174</u>	<u>(82,725)</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 262,162</u>	<u>\$ 151,423</u>	<u>\$ 23,088</u>	<u>\$ 174</u>	<u>\$ 150,000</u>

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<u>Robert Day Trust Fund</u>	<u>Total Other Special Revenue Funds</u>
\$ 747,946	\$ 3,838,693
-	481,629
-	95,745
-	201,580
<u>\$ 747,946</u>	<u>\$ 4,617,647</u>

\$ -	\$ 591,153
-	62,419
-	504,773
-	79,865
<u>-</u>	<u>1,238,210</u>

<u>-</u>	<u>263,328</u>
<u>-</u>	<u>263,328</u>

747,946	3,335,768
-	(219,659)
<u>747,946</u>	<u>3,116,109</u>

<u>\$ 747,946</u>	<u>\$ 4,617,647</u> (concluded)
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**CITY OF SIERRA MADRE**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Non-Major Special Revenue Funds – Other**  
**For the year ended June 30, 2022**

	Development Impact Fees	Development Fees Art in Public Places	DUI Enforcement	Police Department Donations	Public Safety Augmentation Fund
<b>Revenues:</b>					
Charges for services	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	153,359
Licenses and permits	359,515	-	-	-	-
Investment income (loss)	3,647	203	7	302	360
Miscellaneous	-	-	-	100,000	-
Total revenues	<u>363,162</u>	<u>203</u>	<u>7</u>	<u>100,302</u>	<u>153,719</u>
<b>Expenditures:</b>					
Current:					
General government	-	-	-	-	-
Public safety	-	-	-	56,957	265,250
Public works	-	43,153	-	-	-
Culture and recreation	331	-	-	-	-
Total expenditures	<u>331</u>	<u>43,153</u>	<u>-</u>	<u>56,957</u>	<u>265,250</u>
Excess (deficiency) of revenues over (under) expenditures	<u>362,831</u>	<u>(42,950)</u>	<u>7</u>	<u>43,345</u>	<u>(111,531)</u>
<b>Other financing sources (uses):</b>					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change to fund balances	362,831	(42,950)	7	43,345	(111,531)
Fund balances (deficit), beginning of year, as restated	<u>242,492</u>	<u>61,040</u>	<u>1,169</u>	<u>6,390</u>	<u>179,089</u>
Fund balances (deficit), end of year	<u>\$ 605,323</u>	<u>\$ 18,090</u>	<u>\$ 1,176</u>	<u>\$ 49,735</u>	<u>\$ 67,558</u>

<u>State COPS Grant</u>	<u>Fire Department Donations</u>	<u>Community Arts Commission</u>	<u>Recreation Department Donations</u>	<u>Local Transportation Prop A</u>	<u>Open Space</u>	<u>Senior Center</u>
\$ -	\$ -	\$ -	\$ -	\$ 986	\$ -	\$ -
165,271	-	-	-	273,137	-	-
-	-	-	-	-	-	-
-	259	41	133	3,410	431	1,254
-	102,975	-	-	-	49,579	78,530
<u>165,271</u>	<u>103,234</u>	<u>41</u>	<u>133</u>	<u>277,533</u>	<u>50,010</u>	<u>79,784</u>
-	-	-	155	-	-	-
156,313	63,490	-	-	-	-	-
-	-	-	-	170,793	-	-
-	-	-	6,284	-	-	24,305
<u>156,313</u>	<u>63,490</u>	<u>-</u>	<u>6,439</u>	<u>170,793</u>	<u>-</u>	<u>24,305</u>
<u>8,958</u>	<u>39,744</u>	<u>41</u>	<u>(6,306)</u>	<u>106,740</u>	<u>50,010</u>	<u>55,479</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>8,958</u>	<u>39,744</u>	<u>41</u>	<u>(6,306)</u>	<u>106,740</u>	<u>50,010</u>	<u>55,479</u>
-	5,699	6,554	23,166	473,956	38,856	169,871
<u>\$ 8,958</u>	<u>\$ 45,443</u>	<u>\$ 6,595</u>	<u>\$ 16,860</u>	<u>\$ 580,696</u>	<u>\$ 88,866</u>	<u>\$ 225,350</u>

(continued)

**CITY OF SIERRA MADRE**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Non-Major Special Revenue Funds – Other, Continued**  
**For the year ended June 30, 2022**

	SM Community Foundation	YAC-Youth Activity Center	Local Transit Prop C	County Prop A Park Development	CA Beverage Container Grant
<b>Revenues:</b>					
Charges for services	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	226,561	2,108	5,000
Licenses and permits	-	-	-	-	-
Investment income (loss)	290	388	1,002	-	199
Miscellaneous	-	-	-	-	-
Total revenues	<u>290</u>	<u>388</u>	<u>227,563</u>	<u>2,108</u>	<u>5,199</u>
<b>Expenditures:</b>					
Current:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Public works	-	-	197,214	2,108	23,151
Culture and recreation	-	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>197,214</u>	<u>2,108</u>	<u>23,151</u>
Excess (deficiency) of revenues over (under) expenditures	<u>290</u>	<u>388</u>	<u>30,349</u>	<u>-</u>	<u>(17,952)</u>
<b>Other financing sources (uses):</b>					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change to fund balances	290	388	30,349	-	(17,952)
Fund balances (deficit), beginning of year, as restated	<u>46,699</u>	<u>62,432</u>	<u>23,717</u>	<u>(61,748)</u>	<u>30,012</u>
Fund balances (deficit), end of year	<u>\$ 46,989</u>	<u>\$ 62,820</u>	<u>\$ 54,066</u>	<u>\$ (61,748)</u>	<u>\$ 12,060</u>

Community Development Block Grant	Clean Air Fund (AQMD)	Environmental Fund	Gas Tax Fund	Bikeway/Sidew alk TDA	Measure R	Measure M
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	13,470	-	262,128	36,764	169,894	192,254
-	-	100,677	-	-	-	-
-	302	468	439	-	767	642
-	-	-	-	-	-	-
-	13,772	101,145	262,567	36,764	170,661	192,896
-	-	-	-	-	-	-
-	-	-	-	-	-	-
23,606	-	75,726	254,877	36,764	172,925	50,889
-	-	-	-	-	-	-
23,606	-	75,726	254,877	36,764	172,925	50,889
(23,606)	13,772	25,419	7,690	-	(2,264)	142,007
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
(23,606)	13,772	25,419	7,690	-	(2,264)	142,007
(51,580)	44,268	67,820	75,727	-	157,447	667
\$ (75,186)	\$ 58,040	\$ 93,239	\$ 83,417	\$ -	\$ 155,183	\$ 142,674

(continued)



**CITY OF SIERRA MADRE**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Non-Major Special Revenue Funds – Other, Continued**  
**For the year ended June 30, 2022**

	Road Maintenance and Rehabilitation	Library Gift and Memorial	Friends of the Library	Local Historical Society	Measure W
<b>Revenues:</b>					
Charges for services	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	221,265	-	760	-	289,634
Licenses and permits	-	-	-	-	-
Investment income (loss)	984	807	-	-	-
Miscellaneous	-	14,507	43,319	-	-
Total revenues	<u>222,249</u>	<u>15,314</u>	<u>44,079</u>	<u>-</u>	<u>289,634</u>
<b>Expenditures:</b>					
Current:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Public works	552,696	-	-	-	77,854
Culture and recreation	-	1,903	44,079	-	-
Total expenditures	<u>552,696</u>	<u>1,903</u>	<u>44,079</u>	<u>-</u>	<u>77,854</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(330,447)</u>	<u>13,411</u>	<u>-</u>	<u>-</u>	<u>211,780</u>
<b>Other financing sources (uses):</b>					
Transfers in	-	25,000	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>25,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change to fund balances	(330,447)	38,411	-	-	211,780
Fund balances (deficit), beginning of year, as restated	<u>343,656</u>	<u>112,890</u>	<u>-</u>	<u>174</u>	<u>(294,505)</u>
Fund balances (deficit), end of year	<u>\$ 13,209</u>	<u>\$ 151,301</u>	<u>\$ -</u>	<u>\$ 174</u>	<u>\$ (82,725)</u>

Robert Day Trust Fund	Total Other Special Revenue Funds
\$ -	\$ 986
-	2,011,605
-	460,192
4,736	21,071
-	388,910
<u>4,736</u>	<u>2,882,764</u>
-	155
-	542,010
-	1,681,756
-	76,902
<u>-</u>	<u>2,300,823</u>
<u>4,736</u>	<u>581,941</u>
-	25,000
<u>(25,000)</u>	<u>(25,000)</u>
<u>(25,000)</u>	<u>-</u>
(20,264)	581,941
<u>768,210</u>	<u>2,534,168</u>
<u>\$ 747,946</u>	<u>\$ 3,116,109</u>
	(concluded)

**CITY OF SIERRA MADRE**  
**Combining Balance Sheet**  
**Non-Major Capital Project Funds**  
**June 30, 2022**

	Low & Moderate Income Housing Asset Fund	Capital Projects Fund	Total Capital Project Funds
<b>Assets:</b>			
Cash and investments	\$ 328,824	\$ 256,759	\$ 585,583
Land held for resale	1,500,000	-	1,500,000
Total assets	<u>\$ 1,828,824</u>	<u>\$ 256,759</u>	<u>\$ 2,085,583</u>
<b>Liabilities and Fund Balances:</b>			
Accounts payable	\$ -	\$ 67,313	\$ 67,313
Deposits and retentions	2,500	-	2,500
Total liabilities	<u>2,500</u>	<u>67,313</u>	<u>69,813</u>
Fund balances:			
Restricted	<u>1,826,324</u>	<u>189,446</u>	<u>2,015,770</u>
Total fund balances	<u>1,826,324</u>	<u>189,446</u>	<u>2,015,770</u>
Total liabilities and fund balances	<u>\$ 1,828,824</u>	<u>\$ 256,759</u>	<u>\$ 2,085,583</u>

**CITY OF SIERRA MADRE**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Non-Major Capital Project Funds**  
**For the year ended June 30, 2022**

	Low & Moderate Income Housing Asset Fund	Capital Projects Fund	Total Capital Project Funds
<b>Revenues:</b>			
Investment income (loss)	\$ 1,681	\$ 839	\$ 2,520
Miscellaneous	<u>1,616</u>	<u>-</u>	<u>1,616</u>
Total revenues	<u>3,297</u>	<u>839</u>	<u>4,136</u>
<b>Expenditures:</b>			
Current:			
Public works	-	359,965	359,965
Total expenditures	<u>-</u>	<u>359,965</u>	<u>359,965</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,297</u>	<u>(359,126)</u>	<u>(355,829)</u>
Other financing sources (uses):			
Transfers in	-	160,000	160,000
Total other financing sources (uses)	<u>-</u>	<u>160,000</u>	<u>160,000</u>
Net change to fund balance	3,297	(199,126)	(195,829)
Fund balances, beginning of year, as restated	<u>1,823,027</u>	<u>388,572</u>	<u>2,211,599</u>
Fund Balances, end of year	<u>\$ 1,826,324</u>	<u>\$ 189,446</u>	<u>\$ 2,015,770</u>

**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**SB2 Grant Special Revenue Fund**  
**For the year ended June 30, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Intergovernmental	\$ -	\$ -	\$ 45,343	\$ 45,343
Total revenues	<u>-</u>	<u>-</u>	<u>45,343</u>	<u>45,343</u>
<b>Expenditures:</b>				
Current:				
Development	77,070	45,344	45,343	1
Total expenditures	<u>77,070</u>	<u>45,344</u>	<u>45,343</u>	<u>1</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(77,070)</u>	<u>(45,344)</u>	<u>-</u>	<u>45,344</u>
Net change to fund balance	(77,070)	(45,344)	-	45,344
Fund balance, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, end of year	<u>\$ (77,070)</u>	<u>\$ (45,344)</u>	<u>\$ -</u>	<u>\$ 45,344</u>

**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**LEAP Grant Special Revenue Fund**  
**For the year ended June 30, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Intergovernmental	\$ -	\$ -	\$ 65,000	\$ 65,000
Total revenues	<u>-</u>	<u>-</u>	<u>65,000</u>	<u>65,000</u>
<b>Expenditures:</b>				
Current:				
Development	65,000	50,826	50,826	-
Total expenditures	<u>65,000</u>	<u>50,826</u>	<u>50,826</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(65,000)</u>	<u>(50,826)</u>	<u>14,174</u>	<u>65,000</u>
Net change to fund balance	(65,000)	(50,826)	14,174	65,000
Fund balance, beginning of year	<u>(14,174)</u>	<u>(14,174)</u>	<u>(14,174)</u>	<u>-</u>
Fund balance, end of year	<u>\$ (79,174)</u>	<u>\$ (65,000)</u>	<u>\$ -</u>	<u>\$ 65,000</u>

**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**Bonita Sewer Assessment District**  
**For the year ended June 30, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Property taxes	\$ 10,000	\$ 10,000	\$ 10,590	\$ 590
Investment income	-	-	373	373
Total revenues	<u>10,000</u>	<u>10,000</u>	<u>10,963</u>	<u>963</u>
<b>Expenditures:</b>				
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>10,000</u>	<u>10,000</u>	<u>10,963</u>	<u>963</u>
Net change to fund balance	10,000	10,000	10,963	963
Fund balance, beginning of year	<u>54,405</u>	<u>54,405</u>	<u>54,405</u>	<u>-</u>
Fund balance, end of year	<u>\$ 64,405</u>	<u>\$ 64,405</u>	<u>\$ 65,368</u>	<u>\$ 963</u>

**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**Central Business Assessment District Special Revenue Fund**  
**For the year ended June 30, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Property taxes	\$ 5,000	\$ 5,000	\$ 227	\$ (4,773)
Total revenues	<u>5,000</u>	<u>5,000</u>	<u>227</u>	<u>(4,773)</u>
<b>Expenditures:</b>				
Current:				
Public works	12,100	12,100	9,610	(2,490)
Total expenditures	<u>12,100</u>	<u>12,100</u>	<u>9,610</u>	<u>(2,490)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(7,100)</u>	<u>(7,100)</u>	<u>(9,383)</u>	<u>(2,283)</u>
Other financing sources (uses):				
Transfers in	7,100	7,100	9,392	2,292
Total other financing sources (uses)	<u>7,100</u>	<u>7,100</u>	<u>9,392</u>	<u>2,292</u>
Net change to fund balance	-	-	9	9
Fund balance (deficit), beginning of year	<u>(9)</u>	<u>(9)</u>	<u>(9)</u>	<u>-</u>
Fund balance, end of year	<u>\$ (9)</u>	<u>\$ (9)</u>	<u>\$ -</u>	<u>\$ 9</u>



**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**Lighting District #1 Special Revenue Fund**  
**For the year ended June 30, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Property taxes	\$ 55,000	\$ 55,000	\$ 72,814	\$ 17,814
Investment income	-	-	3,013	3,013
Total revenues	<u>55,000</u>	<u>55,000</u>	<u>75,827</u>	<u>20,827</u>
<b>Expenditures:</b>				
Current:				
Public works	2,000	2,000	2,057	(57)
Total expenditures	<u>2,000</u>	<u>2,000</u>	<u>2,057</u>	<u>(57)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>53,000</u>	<u>53,000</u>	<u>73,770</u>	<u>20,770</u>
Net change to fund balance	53,000	53,000	73,770	20,770
Fund balance, beginning of year	<u>451,312</u>	<u>451,312</u>	<u>451,312</u>	<u>-</u>
Fund balance, end of year	<u>\$ 504,312</u>	<u>\$ 504,312</u>	<u>\$ 525,082</u>	<u>\$ 20,770</u>

**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**Lighting District Zone A Special Revenue Fund**  
**For the year ended June 30, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Property taxes	\$ 70,000	\$ 70,000	\$ 503	\$ (69,497)
Investment income	-	-	2,264	2,264
Total revenues	<u>70,000</u>	<u>70,000</u>	<u>2,767</u>	<u>(67,233)</u>
<b>Expenditures:</b>				
Current:				
Public works	22,000	22,000	12,724	9,276
Total expenditures	<u>22,000</u>	<u>22,000</u>	<u>12,724</u>	<u>9,276</u>
Excess (deficiency) of revenues over (under) expenditures	<u>48,000</u>	<u>48,000</u>	<u>(9,957)</u>	<u>(57,957)</u>
Net change to fund balance	48,000	48,000	(9,957)	(57,957)
Fund balance, beginning of year	<u>370,585</u>	<u>370,585</u>	<u>370,585</u>	<u>-</u>
Fund balance, end of year	<u>\$ 418,585</u>	<u>\$ 418,585</u>	<u>\$ 360,628</u>	<u>\$ (57,957)</u>

**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**Lighting District Zone B Special Revenue Fund**  
**For the year ended June 30, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Property taxes	\$ 70,000	\$ 70,000	\$ 1,287	\$ (68,713)
Investment income	-	-	2,488	2,488
Total revenues	<u>70,000</u>	<u>70,000</u>	<u>3,775</u>	<u>(66,225)</u>
<b>Expenditures:</b>				
Current:				
Public works	22,000	22,000	17,486	4,514
Total expenditures	<u>22,000</u>	<u>22,000</u>	<u>17,486</u>	<u>4,514</u>
Excess (deficiency) of revenues over (under) expenditures	<u>48,000</u>	<u>48,000</u>	<u>(13,711)</u>	<u>(61,711)</u>
Net change to fund balance	48,000	48,000	(13,711)	(61,711)
Fund balance, beginning of year	<u>409,491</u>	<u>409,491</u>	<u>409,491</u>	<u>-</u>
Fund balance, end of year	<u>\$ 457,491</u>	<u>\$ 457,491</u>	<u>\$ 395,780</u>	<u>\$ (61,711)</u>

**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**Parking Maintenance District Special Revenue Fund**  
**For the year ended June 30, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Property taxes	\$ 8,800	\$ 8,800	\$ 35	\$ (8,765)
Investment income	-	-	1	1
Total revenues	<u>8,800</u>	<u>8,800</u>	<u>36</u>	<u>(8,764)</u>
<b>Expenditures:</b>				
Current:				
Public works	23,100	23,100	24,326	(1,226)
Total expenditures	<u>23,100</u>	<u>23,100</u>	<u>24,326</u>	<u>(1,226)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(14,300)</u>	<u>(14,300)</u>	<u>(24,290)</u>	<u>(9,990)</u>
Other financing sources (uses):				
Transfers in	14,300	14,300	20,464	6,164
Total other financing sources (uses)	<u>14,300</u>	<u>14,300</u>	<u>20,464</u>	<u>6,164</u>
Net change to fund balance	-	-	(3,826)	(3,826)
Fund balance (deficit), beginning of year	<u>(461)</u>	<u>(461)</u>	<u>(461)</u>	<u>-</u>
Fund balance (deficit), end of year	<u>\$ (461)</u>	<u>\$ (461)</u>	<u>\$ (4,287)</u>	<u>\$ (3,826)</u>

**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**Sewer Assessment District Special Revenue Fund**  
**For the year ended June 30, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Property taxes	\$ 7,000	\$ 7,000	\$ 7,014	\$ 14
Investment income	-	-	160	160
Total revenues	<u>7,000</u>	<u>7,000</u>	<u>7,174</u>	<u>174</u>
<b>Expenditures:</b>				
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>7,000</u>	<u>7,000</u>	<u>7,174</u>	<u>174</u>
Net change to fund balance	7,000	7,000	7,174	174
Fund balance, beginning of year	<u>22,043</u>	<u>22,043</u>	<u>22,043</u>	<u>-</u>
Fund balance, end of year	<u>\$ 29,043</u>	<u>\$ 29,043</u>	<u>\$ 29,217</u>	<u>\$ 174</u>

**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**Sierra Madre CFD Special Revenue Fund**  
**For the year ended June 30, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Property taxes	\$ 6,500	\$ 6,500	\$ 6,844	\$ 344
Investment income	-	-	421	421
Total revenues	<u>6,500</u>	<u>6,500</u>	<u>7,265</u>	<u>765</u>
<b>Expenditures:</b>				
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>6,500</u>	<u>6,500</u>	<u>7,265</u>	<u>765</u>
Net change to fund balance	6,500	6,500	7,265	765
Fund balance, beginning of year	<u>64,211</u>	<u>64,211</u>	<u>64,211</u>	<u>-</u>
Fund balance, end of year	<u>\$ 70,711</u>	<u>\$ 70,711</u>	<u>\$ 71,476</u>	<u>\$ 765</u>

**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**Development Impact Fees Special Revenue Fund**  
**For the year ended June 30, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Licenses and permits	\$ -	\$ 295,000	\$ 359,515	\$ 64,515
Investment income	-	-	3,647	3,647
Total revenues	<u>-</u>	<u>295,000</u>	<u>363,162</u>	<u>68,162</u>
<b>Expenditures:</b>				
Current:				
Public works	12,100	104,580	-	104,580
Culture and recreation	-	-	331	(331)
Total expenditures	<u>12,100</u>	<u>104,580</u>	<u>331</u>	<u>104,249</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(12,100)</u>	<u>190,420</u>	<u>362,831</u>	<u>172,411</u>
Other financing sources (uses):				
Transfers in	7,100	7,100	-	(7,100)
Total other financing sources (uses)	<u>7,100</u>	<u>7,100</u>	<u>-</u>	<u>(7,100)</u>
Net change to fund balance	(5,000)	197,520	362,831	165,311
Fund balance, beginning of year	<u>242,492</u>	<u>242,492</u>	<u>242,492</u>	<u>-</u>
Fund balance, end of year	<u>\$ 237,492</u>	<u>\$ 440,012</u>	<u>\$ 605,323</u>	<u>\$ 165,311</u>

**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**Development Fees Art in Public Places Special Revenue Fund**  
**For the year ended June 30, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Investment income	\$ -	\$ -	\$ 203	\$ 203
Total revenues	<u>-</u>	<u>-</u>	<u>203</u>	<u>203</u>
<b>Expenditures:</b>				
Current:				
Public works	-	61,040	43,153	17,887
Total expenditures	<u>-</u>	<u>61,040</u>	<u>43,153</u>	<u>17,887</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(61,040)</u>	<u>(42,950)</u>	<u>18,090</u>
Net change to fund balance	-	(61,040)	(42,950)	18,090
Fund balance, beginning of year	<u>61,040</u>	<u>61,040</u>	<u>61,040</u>	<u>-</u>
Fund balance, end of year	<u>\$ 61,040</u>	<u>\$ -</u>	<u>\$ 18,090</u>	<u>\$ 18,090</u>



**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**Police Department Donations Special Revenue Fund**  
**For the year ended June 30, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Investment income	\$ -	\$ -	\$ 302	\$ 302
Miscellaneous	-	100,000	100,000	-
Total revenues	<u>-</u>	<u>100,000</u>	<u>100,302</u>	<u>302</u>
<b>Expenditures:</b>				
Current:				
Public safety	-	100,000	56,957	43,043
Total expenditures	<u>-</u>	<u>100,000</u>	<u>56,957</u>	<u>43,043</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>43,345</u>	<u>43,345</u>
Net change to fund balance	-	-	43,345	43,345
Fund balance, beginning of year	<u>6,390</u>	<u>6,390</u>	<u>6,390</u>	<u>-</u>
Fund balance, end of year	<u>\$ 6,390</u>	<u>\$ 6,390</u>	<u>\$ 49,735</u>	<u>\$ 43,345</u>

**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**Public Safety Augmentation Special Revenue Fund**  
**For the year ended June 30, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Intergovernmental	\$ 135,000	\$ 135,000	\$ 153,359	\$ 18,359
Investment income	-	-	360	360
Total revenues	<u>135,000</u>	<u>135,000</u>	<u>153,719</u>	<u>18,719</u>
<b>Expenditures:</b>				
Current:				
Public safety	<u>254,300</u>	<u>254,300</u>	<u>265,250</u>	<u>(10,950)</u>
Total expenditures	<u>254,300</u>	<u>254,300</u>	<u>265,250</u>	<u>(10,950)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(119,300)</u>	<u>(119,300)</u>	<u>(111,531)</u>	<u>7,769</u>
Net change to fund balance	(119,300)	(119,300)	(111,531)	7,769
Fund balance, beginning of year	<u>179,089</u>	<u>179,089</u>	<u>179,089</u>	<u>-</u>
Fund balance, end of year	<u>\$ 59,789</u>	<u>\$ 59,789</u>	<u>\$ 67,558</u>	<u>\$ 7,769</u>

**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**State COPS Grant Special Revenue Fund**  
**For the year ended June 30, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Intergovernmental	\$ 150,000	\$ 150,000	\$ 165,271	\$ 15,271
Total revenues	<u>150,000</u>	<u>150,000</u>	<u>165,271</u>	<u>15,271</u>
<b>Expenditures:</b>				
Current:				
Public safety	150,000	150,000	156,313	(6,313)
Total expenditures	<u>150,000</u>	<u>150,000</u>	<u>156,313</u>	<u>(6,313)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>8,958</u>	<u>8,958</u>
Net change to fund balance	-	-	8,958	8,958
Fund balance, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,958</u>	<u>\$ 8,958</u>

**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**Fire Department Donations Special Revenue Fund**  
**For the year ended June 30, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Investment income	\$ -	\$ -	\$ 259	\$ 259
Miscellaneous	-	100,000	102,975	2,975
Total revenues	<u>-</u>	<u>100,000</u>	<u>103,234</u>	<u>3,234</u>
<b>Expenditures:</b>				
Current:				
Public safety	-	100,000	63,490	36,510
Total expenditures	<u>-</u>	<u>100,000</u>	<u>63,490</u>	<u>36,510</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>39,744</u>	<u>39,744</u>
Net change to fund balance	-	-	39,744	39,744
Fund balance, beginning of year	<u>5,699</u>	<u>5,699</u>	<u>5,699</u>	<u>-</u>
Fund balance, end of year	<u>\$ 5,699</u>	<u>\$ 5,699</u>	<u>\$ 45,443</u>	<u>\$ 39,744</u>

**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**Community Arts Commission Special Revenue Fund**  
**For the year ended June 30, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Investment income	\$ -	\$ -	\$ 41	\$ 41
Total revenues	<u>-</u>	<u>-</u>	<u>41</u>	<u>41</u>
<b>Expenditures:</b>				
Current:				
Culture and recreation	3,000	3,000	-	3,000
Total expenditures	<u>3,000</u>	<u>3,000</u>	<u>-</u>	<u>3,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,000)</u>	<u>(3,000)</u>	<u>41</u>	<u>3,041</u>
Net change to fund balance	(3,000)	(3,000)	41	3,041
Fund balance, beginning of year	<u>6,554</u>	<u>6,554</u>	<u>6,554</u>	<u>-</u>
Fund balance, end of year	<u>\$ 3,554</u>	<u>\$ 3,554</u>	<u>\$ 6,595</u>	<u>\$ 3,041</u>

**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**Recreation Department Donations Special Revenue Fund**  
**For the year ended June 30, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Investment income	\$ -	\$ -	\$ 133	\$ 133
Total revenues	<u>-</u>	<u>-</u>	<u>133</u>	<u>133</u>
<b>Expenditures:</b>				
Current:				
General government	-	-	155	(155)
Culture and recreation	<u>10,000</u>	<u>10,000</u>	<u>6,284</u>	<u>3,716</u>
Total expenditures	<u>10,000</u>	<u>10,000</u>	<u>6,439</u>	<u>3,561</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(10,000)</u>	<u>(10,000)</u>	<u>(6,306)</u>	<u>3,694</u>
Net change to fund balance	(10,000)	(10,000)	(6,306)	3,694
Fund balance, beginning of year	<u>23,166</u>	<u>23,166</u>	<u>23,166</u>	<u>-</u>
Fund balance, end of year	<u>\$ 13,166</u>	<u>\$ 13,166</u>	<u>\$ 16,860</u>	<u>\$ 3,694</u>

**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**Local Transportation Prop A Special Revenue Fund**  
**For the year ended June 30, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Charges for services	\$ -	\$ -	\$ 986	\$ 986
Intergovernmental	218,424	218,424	273,137	54,713
Investment income	-	-	3,410	3,410
Total revenues	<u>218,424</u>	<u>218,424</u>	<u>277,533</u>	<u>59,109</u>
<b>Expenditures:</b>				
Current:				
Public works	<u>168,500</u>	<u>168,500</u>	<u>170,793</u>	<u>(2,293)</u>
Total expenditures	<u>168,500</u>	<u>168,500</u>	<u>170,793</u>	<u>(2,293)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>49,924</u>	<u>49,924</u>	<u>106,740</u>	<u>56,816</u>
Net change to fund balance	49,924	49,924	106,740	56,816
Fund balance, beginning of year	<u>473,956</u>	<u>473,956</u>	<u>473,956</u>	<u>-</u>
Fund balance, end of year	<u><u>\$ 523,880</u></u>	<u><u>\$ 523,880</u></u>	<u><u>\$ 580,696</u></u>	<u><u>\$ 56,816</u></u>

**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**Open Space Special Revenue Fund**  
**For the year ended June 30, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Investment income	\$ -	\$ -	\$ 431	\$ 431
Miscellaneous	49,578	49,578	49,579	1
Total revenues	<u>49,578</u>	<u>49,578</u>	<u>50,010</u>	<u>432</u>
<b>Expenditures:</b>				
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>49,578</u>	<u>49,578</u>	<u>50,010</u>	<u>432</u>
Net change to fund balance	49,578	49,578	50,010	432
Fund balance, beginning of year	<u>38,856</u>	<u>38,856</u>	<u>38,856</u>	<u>-</u>
Fund balance, end of year	<u>\$ 88,434</u>	<u>\$ 88,434</u>	<u>\$ 88,866</u>	<u>\$ 432</u>



**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**Senior Center Special Revenue Fund**  
**For the year ended June 30, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Investment income	\$ -	\$ -	\$ 1,254	\$ 1,254
Miscellaneous	17,900	17,900	78,530	60,630
Total revenues	<u>17,900</u>	<u>17,900</u>	<u>79,784</u>	<u>61,884</u>
<b>Expenditures:</b>				
Current:				
Culture and recreation	4,000	4,000	24,305	(20,305)
Total expenditures	<u>4,000</u>	<u>4,000</u>	<u>24,305</u>	<u>(20,305)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>13,900</u>	<u>13,900</u>	<u>55,479</u>	<u>41,579</u>
Net change to fund balance	13,900	13,900	55,479	41,579
Fund balance, beginning of year	<u>169,871</u>	<u>169,871</u>	<u>169,871</u>	<u>-</u>
Fund balance, end of year	<u>\$ 183,771</u>	<u>\$ 183,771</u>	<u>\$ 225,350</u>	<u>\$ 41,579</u>

**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**Local Transit Prop C Special Revenue Fund**  
**For the year ended June 30, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Intergovernmental	\$ 181,177	\$ 181,177	\$ 226,561	\$ 45,384
Investment income	-	-	1,002	1,002
Total revenues	<u>181,177</u>	<u>181,177</u>	<u>227,563</u>	<u>46,386</u>
<b>Expenditures:</b>				
Current:				
Public works	<u>213,347</u>	<u>201,347</u>	<u>197,214</u>	<u>4,133</u>
Total expenditures	<u>213,347</u>	<u>201,347</u>	<u>197,214</u>	<u>4,133</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(32,170)</u>	<u>(20,170)</u>	<u>30,349</u>	<u>50,519</u>
Net change to fund balance	(32,170)	(20,170)	30,349	50,519
Fund balance, beginning of year	<u>23,717</u>	<u>23,717</u>	<u>23,717</u>	<u>-</u>
Fund balance, end of year	<u>\$ (8,453)</u>	<u>\$ 3,547</u>	<u>\$ 54,066</u>	<u>\$ 50,519</u>

**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**Clear Air (AQMD) Special Revenue Fund**  
**For the year ended June 30, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Intergovernmental	\$ 14,000	\$ 14,000	\$ 13,470	\$ (530)
Investment income	-	-	302	302
Total revenues	<u>14,000</u>	<u>14,000</u>	<u>13,772</u>	<u>(228)</u>
<b>Expenditures:</b>				
Capital outlay	<u>45,000</u>	<u>45,000</u>	-	<u>45,000</u>
Total expenditures	<u>45,000</u>	<u>45,000</u>	-	<u>45,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(31,000)</u>	<u>(31,000)</u>	<u>13,772</u>	<u>44,772</u>
Net change to fund balance	(31,000)	(31,000)	13,772	44,772
Fund balance, beginning of year	<u>44,268</u>	<u>44,268</u>	<u>44,268</u>	<u>-</u>
Fund balance, end of year	<u>\$ 13,268</u>	<u>\$ 13,268</u>	<u>\$ 58,040</u>	<u>\$ 44,772</u>

**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**Environmental Special Revenue Fund**  
**For the year ended June 30, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Licenses and permits	\$ 85,000	\$ 85,000	\$ 100,677	\$ 15,677
Investment income	-	-	468	468
Total revenues	<u>85,000</u>	<u>85,000</u>	<u>101,145</u>	<u>16,145</u>
<b>Expenditures:</b>				
Current:				
Public works	<u>92,250</u>	<u>92,250</u>	<u>75,726</u>	<u>16,524</u>
Total expenditures	<u>92,250</u>	<u>92,250</u>	<u>75,726</u>	<u>16,524</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(7,250)</u>	<u>(7,250)</u>	<u>25,419</u>	<u>32,669</u>
Net change to fund balance	(7,250)	(7,250)	25,419	32,669
Fund balance, beginning of year	<u>67,820</u>	<u>67,820</u>	<u>67,820</u>	<u>-</u>
Fund balance, end of year	<u>\$ 60,570</u>	<u>\$ 60,570</u>	<u>\$ 93,239</u>	<u>\$ 32,669</u>

**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**Gas Tax Special Revenue Fund**  
**For the year ended June 30, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Intergovernmental	\$ 266,785	\$ 266,785	\$ 262,128	\$ (4,657)
Investment income	-	-	439	439
Total revenues	<u>266,785</u>	<u>266,785</u>	<u>262,567</u>	<u>(4,218)</u>
<b>Expenditures:</b>				
Current:				
Public works	<u>327,131</u>	<u>337,131</u>	<u>254,877</u>	<u>82,254</u>
Total expenditures	<u>327,131</u>	<u>337,131</u>	<u>254,877</u>	<u>82,254</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(60,346)</u>	<u>(70,346)</u>	<u>7,690</u>	<u>78,036</u>
Net change to fund balance	(60,346)	(70,346)	7,690	78,036
Fund balance, beginning of year	<u>75,727</u>	<u>75,727</u>	<u>75,727</u>	<u>-</u>
Fund balance, end of year	<u>\$ 15,381</u>	<u>\$ 5,381</u>	<u>\$ 83,417</u>	<u>\$ 78,036</u>

**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**Bikeway/Sidewalk TDA Special Revenue Fund**  
**For the year ended June 30, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Intergovernmental	\$ 7,934	\$ 7,934	\$ 36,764	\$ 28,830
Total revenues	<u>7,934</u>	<u>7,934</u>	<u>36,764</u>	<u>28,830</u>
<b>Expenditures:</b>				
Current:				
Public works	36,764	36,764	36,764	-
Total expenditures	<u>36,764</u>	<u>36,764</u>	<u>36,764</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(28,830)</u>	<u>(28,830)</u>	<u>-</u>	<u>28,830</u>
Net change to fund balance	(28,830)	(28,830)	-	28,830
Fund balance, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, end of year	<u>\$ (28,830)</u>	<u>\$ (28,830)</u>	<u>\$ -</u>	<u>\$ 28,830</u>

**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**Measure R Special Revenue Fund**  
**For the year ended June 30, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Intergovernmental	\$ 135,882	\$ 135,882	\$ 169,894	\$ 34,012
Investment income	-	-	767	767
Total revenues	<u>135,882</u>	<u>135,882</u>	<u>170,661</u>	<u>34,779</u>
<b>Expenditures:</b>				
Current:				
Public works	<u>306,500</u>	<u>293,300</u>	<u>172,925</u>	<u>120,375</u>
Total expenditures	<u>306,500</u>	<u>293,300</u>	<u>172,925</u>	<u>120,375</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(170,618)</u>	<u>(157,418)</u>	<u>(2,264)</u>	<u>155,154</u>
Net change to fund balance	(170,618)	(157,418)	(2,264)	155,154
Fund balance, beginning of year	<u>157,447</u>	<u>157,447</u>	<u>157,447</u>	<u>-</u>
Fund balance, end of year	<u>\$ (13,171)</u>	<u>\$ 29</u>	<u>\$ 155,183</u>	<u>\$ 155,154</u>

**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**Measure M Special Revenue Fund**  
**For the year ended June 30, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Intergovernmental	\$ 154,000	\$ 154,000	\$ 192,254	\$ 38,254
Investment income	-	-	642	642
Total revenues	<u>154,000</u>	<u>154,000</u>	<u>192,896</u>	<u>38,896</u>
<b>Expenditures:</b>				
Current:				
Public works	154,000	154,000	50,889	103,111
Total expenditures	<u>154,000</u>	<u>154,000</u>	<u>50,889</u>	<u>103,111</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>142,007</u>	<u>142,007</u>
Net change to fund balance	-	-	142,007	142,007
Fund balance, beginning of year	<u>667</u>	<u>667</u>	<u>667</u>	<u>-</u>
Fund balance, end of year	<u>\$ 667</u>	<u>\$ 667</u>	<u>\$ 142,674</u>	<u>\$ 142,007</u>



**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**Road Maintenance and Rehabilitation Special Revenue Fund**  
**For the year ended June 30, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Intergovernmental	\$ 209,719	\$ 209,719	\$ 221,265	\$ 11,546
Investment income	-	-	984	984
Total revenues	<u>209,719</u>	<u>209,719</u>	<u>222,249</u>	<u>12,530</u>
<b>Expenditures:</b>				
Current:				
Public works	570,600	553,300	552,696	604
Total expenditures	<u>570,600</u>	<u>553,300</u>	<u>552,696</u>	<u>604</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(360,881)</u>	<u>(343,581)</u>	<u>(330,447)</u>	<u>13,134</u>
Net change to fund balance	(360,881)	(343,581)	(330,447)	13,134
Fund balance, beginning of year	<u>343,656</u>	<u>343,656</u>	<u>343,656</u>	<u>-</u>
Fund balance, end of year	<u>\$ (17,225)</u>	<u>\$ 75</u>	<u>\$ 13,209</u>	<u>\$ 13,134</u>

**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**Library Gift and Memorial Special Revenue Fund**  
**For the year ended June 30, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Investment income	\$ -	\$ -	\$ 807	\$ 807
Miscellaneous	-	-	14,507	14,507
Total revenues	<u>-</u>	<u>-</u>	<u>15,314</u>	<u>15,314</u>
<b>Expenditures:</b>				
Current:				
Culture and recreation	55,000	55,000	1,903	53,097
Total expenditures	<u>55,000</u>	<u>55,000</u>	<u>1,903</u>	<u>53,097</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(55,000)</u>	<u>(55,000)</u>	<u>13,411</u>	<u>68,411</u>
Other financing sources (uses):				
Transfers in	-	-	25,000	25,000
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>25,000</u>	<u>25,000</u>
Net change to fund balance	(55,000)	(55,000)	38,411	93,411
Fund balance, beginning of year	<u>112,890</u>	<u>112,890</u>	<u>112,890</u>	<u>-</u>
Fund balance, end of year	<u>\$ 57,890</u>	<u>\$ 57,890</u>	<u>\$ 151,301</u>	<u>\$ 93,411</u>

**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**Friends of the Library Special Revenue Fund**  
**For the year ended June 30, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Intergovernmental	\$ -	\$ -	\$ 760	\$ 760
Miscellaneous	55,000	55,000	43,319	(11,681)
Total revenues	<u>55,000</u>	<u>55,000</u>	<u>44,079</u>	<u>(10,921)</u>
<b>Expenditures:</b>				
Current:				
Culture and recreation	55,000	55,000	44,079	10,921
Total expenditures	<u>55,000</u>	<u>55,000</u>	<u>44,079</u>	<u>10,921</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change to fund balance	-	-	-	-
Fund balance, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**Measure W Special Revenue Fund**  
**For the year ended June 30, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Intergovernmental	\$ 150,000	\$ 289,500	\$ 289,634	\$ 134
Total revenues	<u>150,000</u>	<u>289,500</u>	<u>289,634</u>	<u>134</u>
<b>Expenditures:</b>				
Current:				
Public works	187,220	85,000	77,854	7,146
Total expenditures	<u>187,220</u>	<u>85,000</u>	<u>77,854</u>	<u>7,146</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(37,220)</u>	<u>204,500</u>	<u>211,780</u>	<u>7,280</u>
Net change to fund balance	(37,220)	204,500	211,780	7,280
Fund balance (deficit), beginning of year	<u>(294,505)</u>	<u>(294,505)</u>	<u>(294,505)</u>	<u>-</u>
Fund balance (deficit), end of year	<u>\$ (331,725)</u>	<u>\$ (90,005)</u>	<u>\$ (82,725)</u>	<u>\$ 7,280</u>

**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**Capital Projects Fund**  
**For the year ended June 30, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Investment income	\$ -	\$ -	\$ 839	\$ 839
Total revenues	<u>-</u>	<u>-</u>	<u>839</u>	<u>839</u>
<b>Expenditures:</b>				
Current:				
Public works	360,000	360,000	359,965	35
Total expenditures	<u>360,000</u>	<u>360,000</u>	<u>359,965</u>	<u>35</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(360,000)</u>	<u>(360,000)</u>	<u>(359,126)</u>	<u>874</u>
Other financing sources (uses):				
Transfers in	160,000	160,000	160,000	-
Total other financing sources (uses)	<u>160,000</u>	<u>160,000</u>	<u>160,000</u>	<u>-</u>
Net change to fund balance	(200,000)	(200,000)	(199,126)	874
Fund balance, beginning of year	<u>388,572</u>	<u>388,572</u>	<u>388,572</u>	<u>-</u>
Fund balance, end of year	<u>\$ 188,572</u>	<u>\$ 188,572</u>	<u>\$ 189,446</u>	<u>\$ 874</u>

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**CITY OF SIERRA MADRE**  
**Combining Statement of Net Position**  
**Internal Service Funds**  
**June 30, 2022**

	Fleet	Facilities Management	Administration
<b>Assets:</b>			
Current assets:			
Cash and investments	\$ 510,640	\$ 891,192	\$ 801,696
Restricted cash and investments	-	-	-
Receivables:			
Accounts Receivable	-	-	-
Total current assets	<u>510,640</u>	<u>891,192</u>	<u>801,696</u>
Noncurrent assets:			
Capital assets:			
Non-depreciable assets	-	22,189	-
Depreciable, net	544,431	282,383	-
Right-to-use asset, net	-	-	-
Net OPEB asset	-	-	17,675
Net pension asset	-	-	92,160
Total noncurrent assets	<u>544,431</u>	<u>304,572</u>	<u>109,835</u>
Total assets	<u>1,055,071</u>	<u>1,195,764</u>	<u>911,531</u>
<b>Deferred Outflows of Resources:</b>			
OPEB related	-	-	7,376
Pension related	-	-	236,892
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>244,268</u>
<b>Liabilities:</b>			
Current liabilities:			
Accounts payable	10,343	56,641	12,018
Accrued payroll and related liabilities	5,266	31,271	19,837
Compensated absences - current	5,074	10,762	13,879
Lease liability - current	-	-	-
Total current liabilities	<u>20,683</u>	<u>98,674</u>	<u>45,734</u>
Noncurrent liabilities:			
Compensated absences	20,295	43,050	55,517
Lease liability	-	-	-
Total noncurrent liabilities	<u>20,295</u>	<u>43,050</u>	<u>55,517</u>
Total liabilities	<u>40,978</u>	<u>141,724</u>	<u>101,251</u>
<b>Deferred Inflows of Resources:</b>			
OPEB related	-	-	25,894
Pension related	-	-	130,591
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>156,485</u>
<b>Net Position:</b>			
Net investment in capital assets	544,431	304,572	-
Restricted - Section 115 trust	-	-	-
Unrestricted	469,662	749,468	898,063
Total net position	<u>\$ 1,014,093</u>	<u>\$ 1,054,040</u>	<u>\$ 898,063</u>

<u>Technology</u>	<u>Personnel and Risk Management</u>	<u>General Plan and Housing Update</u>	<u>Total Internal Service Funds</u>
\$ 777,742	\$ 1,199,673	\$ 72,926	\$ 4,253,869
-	18,678	-	18,678
8,011	2,687	-	10,698
<u>785,753</u>	<u>1,221,038</u>	<u>72,926</u>	<u>4,283,245</u>
-	-	-	22,189
81,934	-	-	908,748
10,474	-	-	10,474
-	-	-	17,675
-	-	-	92,160
<u>92,408</u>	<u>-</u>	<u>-</u>	<u>1,051,246</u>
<u>878,161</u>	<u>1,221,038</u>	<u>72,926</u>	<u>5,334,491</u>
-	-	-	7,376
<u>-</u>	<u>-</u>	<u>-</u>	<u>236,892</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>244,268</u>
81,154	33,845	2,263	196,264
10,284	(20,849)	-	45,809
5,862	3,786	-	39,363
5,951	-	-	5,951
<u>103,251</u>	<u>16,782</u>	<u>2,263</u>	<u>287,387</u>
23,448	15,144	-	157,454
4,488	-	-	4,488
<u>27,936</u>	<u>15,144</u>	<u>-</u>	<u>161,942</u>
<u>131,187</u>	<u>31,926</u>	<u>2,263</u>	<u>449,329</u>
-	-	-	25,894
<u>-</u>	<u>-</u>	<u>-</u>	<u>130,591</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>156,485</u>
81,969	-	-	930,972
-	18,678	-	18,678
665,005	1,170,434	70,663	4,023,295
<u>\$ 746,974</u>	<u>\$ 1,189,112</u>	<u>\$ 70,663</u>	<u>\$ 4,972,945</u>



**CITY OF SIERRA MADRE**  
**Combining Statement of Revenues, Expenses, and Changes in Net Position**  
**Internal Service Funds**  
**For the year ended June 30, 2022**

	Fleet	Facilities Management	Administration
<b>Operating revenues:</b>			
Charges for services	\$ 481,200	\$ 770,000	\$ 600,000
Licenses and permits	-	-	-
Miscellaneous	-	-	-
Total operating revenues	<u>481,200</u>	<u>770,000</u>	<u>600,000</u>
<b>Operating expenses:</b>			
Personnel services	149,893	257,298	248,767
Contractual services	66,839	108,264	80,224
Materials and supplies	77,835	49,866	61,014
Utilities	122,091	298,031	-
Maintenance and operation	-	54,740	6,692
Insurance, claims and charges	-	-	-
Depreciation	96,757	3,498	24,201
Amortization	-	-	-
Total operating expenses	<u>513,415</u>	<u>771,697</u>	<u>420,898</u>
Operating income (loss)	<u>(32,215)</u>	<u>(1,697)</u>	<u>179,102</u>
<b>Nonoperating revenues (expenses):</b>			
Investment income (loss)	(8,174)	(17,605)	(16,091)
Interest expense	-	-	-
Grant Revenue	-	2,254	-
Total nonoperating revenues (expenses)	<u>(8,174)</u>	<u>(15,351)</u>	<u>(16,091)</u>
Income (loss) before transfers and capital contributions	(40,389)	(17,048)	163,011
<b>Transfers:</b>			
Transfers out	-	(29,856)	-
Total transfers	<u>-</u>	<u>(29,856)</u>	<u>-</u>
Change in net position	(40,389)	(46,904)	163,011
Net position, beginning of year	<u>1,054,482</u>	<u>1,100,944</u>	<u>735,052</u>
Net position, end of year	<u>\$ 1,014,093</u>	<u>\$ 1,054,040</u>	<u>\$ 898,063</u>

<u>Technology</u>	<u>Personnel and Risk Management</u>	<u>General Plan and Housing Update</u>	<u>Total Internal Service Funds</u>
\$ 990,000	\$ 982,518	\$ -	\$ 3,823,718
31,186	-	-	31,186
-	30	-	30
<u>1,021,186</u>	<u>982,548</u>	<u>-</u>	<u>3,854,934</u>
334,502	687,601	-	1,678,061
249,187	75,950	21,631	602,095
97,634	30,420	-	316,769
181,813	-	-	601,935
146,528	-	-	207,960
-	771,745	-	771,745
23,033	-	-	147,489
5,901	-	-	5,901
<u>1,038,598</u>	<u>1,565,716</u>	<u>21,631</u>	<u>4,331,955</u>
<u>(17,412)</u>	<u>(583,168)</u>	<u>(21,631)</u>	<u>(477,021)</u>
(12,351)	(24,245)	(1,808)	(80,274)
(68)	-	-	(68)
-	-	-	2,254
<u>(12,419)</u>	<u>(24,245)</u>	<u>(1,808)</u>	<u>(78,088)</u>
(29,831)	(607,413)	(23,439)	(555,109)
-	-	-	(29,856)
-	-	-	(29,856)
(29,831)	(607,413)	(23,439)	(584,965)
776,805	1,796,525	94,102	5,557,910
<u>\$ 746,974</u>	<u>\$ 1,189,112</u>	<u>\$ 70,663</u>	<u>\$ 4,972,945</u>

**CITY OF SIERRA MADRE**  
**Combining Statement of Cash Flows**  
**Internal Service Funds**  
**For the year ended June 30, 2022**

	Fleet	Facilities Management	Administration	Technology
<b>Cash flows from operating activities:</b>				
Receipts from interfund services provided	\$ 481,200	\$ 770,000	\$ 600,000	\$ 1,021,498
Payments to suppliers	(259,367)	(526,214)	(139,013)	(629,027)
Payments to employees	(147,737)	(249,697)	(613,821)	(321,773)
Net cash provided (used) by operating activities	74,096	(5,911)	(152,834)	70,698
<b>Cash flows from non-capital financing activities:</b>				
Transfers to other funds	-	(29,856)	-	-
Operating grant revenue	-	2,254	-	-
Net cash provided (used) by non-capital financing activities	-	(27,602)	-	-
<b>Cash flows from capital and related financing activities:</b>				
Acquisition and construction of capital assets	-	(138,518)	-	-
Principal paid	-	-	-	(5,936)
Interest paid	-	-	-	(68)
Net cash provided (used) by capital and related financing activities	-	(138,518)	-	(6,004)
<b>Cash flows from investing activities:</b>				
Investment income	(8,174)	(17,605)	(16,091)	(12,351)
Net cash provided (used) by investing activities	(8,174)	(17,605)	(16,091)	(12,351)
Net increase (decrease) in cash and cash equivalents	65,922	(189,636)	(168,925)	52,343
<b>Cash and investments:</b>				
Beginning of year	444,718	1,080,828	970,621	725,399
End of year	<u>\$ 510,640</u>	<u>\$ 891,192</u>	<u>\$ 801,696</u>	<u>\$ 777,742</u>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>				
Operating income (loss)	\$ (32,215)	\$ (1,697)	\$ 179,102	\$ (17,412)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	96,757	3,498	24,201	23,033
Amortization	-	-	-	5,901
Changes in assets, liabilities and deferred amounts:				
(Increase) decrease in accounts receivable	-	-	-	312
(Increase) decrease in prepaid expenses	-	-	8,135	-
(Increase) decrease in net OPEB asset	-	-	(16,068)	-
(Increase) decrease in net pension asset	-	-	(92,160)	-
(Increase) decrease in deferred outflow of resources	-	-	28,653	-
Increase (decrease) in accounts payable	7,398	(15,313)	782	23,820
Increase (decrease) in accrued liabilities	1,677	543	2,524	3,678
Increase (decrease) in compensated absences	479	7,058	(3,505)	9,051
Increase (decrease) in deferred inflow of resources	-	-	(12,540)	-
Increase (decrease) in net pension liability	-	-	(271,958)	-
Total adjustments	106,311	(4,214)	(331,936)	65,795
Net cash provided (used) by operating activities	<u>\$ 74,096</u>	<u>\$ (5,911)</u>	<u>\$ (152,834)</u>	<u>\$ 48,383</u>

**CITY OF SIERRA MADRE**  
**Combining Statement of Cash Flows**  
**Internal Service Funds**  
**For the year ended June 30, 2022**

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<u>Personnel and Risk Management</u>	<u>General Plan and Housing Update</u>	<u>Total Internal Service Funds</u>
\$ 1,016,970	\$ -	\$ 3,889,668
(872,931)	(19,368)	(2,445,920)
<u>(681,547)</u>	<u>-</u>	<u>(2,014,575)</u>
<u>(537,508)</u>	<u>(19,368)</u>	<u>(570,827)</u>
-	-	(29,856)
<u>-</u>	<u>-</u>	<u>2,254</u>
-	-	(27,602)
<u>-</u>	<u>-</u>	<u>(27,602)</u>
-	-	(138,518)
-	-	(5,936)
<u>-</u>	<u>-</u>	<u>(68)</u>
-	-	(144,522)
<u>-</u>	<u>-</u>	<u>(144,522)</u>
(24,245)	(1,808)	(80,274)
<u>(24,245)</u>	<u>(1,808)</u>	<u>(80,274)</u>
(561,753)	(21,176)	(823,225)
<u>1,780,104</u>	<u>94,102</u>	<u>5,095,772</u>
<u>\$ 1,218,351</u>	<u>\$ 72,926</u>	<u>\$ 4,272,547</u>
\$ (583,168)	\$ (21,631)	\$ (477,021)
-	-	147,489
-	-	5,901
34,422	-	34,734
-	-	8,135
-	-	(16,068)
-	-	(92,160)
-	-	28,653
5,184	2,263	24,134
1,254	-	9,676
4,800	-	17,883
-	-	(12,540)
<u>-</u>	<u>-</u>	<u>(271,958)</u>
<u>45,660</u>	<u>2,263</u>	<u>(116,121)</u>
<u>\$ (537,508)</u>	<u>\$ (19,368)</u>	<u>\$ (593,142)</u>

# **City of Sierra Madre, California**

*Village of the Foothills*



**Statistical Section  
For the Year Ending  
June 30, 2022**

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This part of the City'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.

***Financial trend information:***

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

***Revenue capacity information:***

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

***Debt capacity information:***

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

***Demographic and economic information:***

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

***Operating information:***

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

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

<u>As of June 30,</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Governmental activities:				
Net investment in capital assets	\$ 184,344,066	\$ 183,026,172	\$ 181,862,536	\$ 181,328,167
Restricted	10,341,052	13,952,436	6,051,883	5,794,991
Unrestricted	555,794	204,442	764,679	1,731,997
Total governmental activities net position	<u>\$ 195,240,912</u>	<u>\$ 197,183,050</u>	<u>\$ 188,679,098</u>	<u>\$ 188,855,155</u>
Business-Type activities:				
Net investment in capital assets	\$ 15,804,079	\$ 15,963,941	\$ 16,668,550	\$ 16,824,482
Restricted	1,149,456	1,149,456	1,149,456	1,149,456
Unrestricted	3,894,603	4,053,155	1,994,086	1,313,820
Total business-type activities net position	<u>\$ 20,848,138</u>	<u>\$ 21,166,552</u>	<u>\$ 19,812,092</u>	<u>\$ 19,287,758</u>
Primary government:				
Net investment in capital assets	\$ 200,148,145	\$ 198,990,113	\$ 198,531,086	\$ 198,152,649
Restricted	11,490,508	15,101,892	7,201,339	6,944,447
Unrestricted	4,450,397	4,257,597	2,758,765	3,045,817
Total primary government net position	<u>\$ 216,089,050</u>	<u>\$ 218,349,602</u>	<u>\$ 208,491,190</u>	<u>\$ 208,142,913</u>

Source: City of Sierra Madre Finance Department

<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
\$ 180,505,323	\$ 181,067,634	\$ 180,934,074	\$ 180,629,535	\$ 181,760,515	\$ 185,318,754
5,119,384	4,926,003	4,861,587	5,887,957	6,302,207	7,237,002
<u>5,264,763</u>	<u>6,263,121</u>	<u>8,123,037</u>	<u>9,714,208</u>	<u>9,522,562</u>	<u>17,409,081</u>
<u>\$ 190,889,470</u>	<u>\$ 192,256,758</u>	<u>\$ 193,918,698</u>	<u>\$ 196,231,700</u>	<u>\$ 197,585,284</u>	<u>\$ 209,964,837</u>
\$ 16,892,266	\$ 17,975,946	\$ 19,580,635	\$ 21,201,025	\$ 23,167,195	\$ 22,881,196
1,149,456	-	-	-	54,000	47,615
<u>1,439,579</u>	<u>2,585,503</u>	<u>2,639,373</u>	<u>5,044,835</u>	<u>7,365,272</u>	<u>10,160,260</u>
<u>\$ 19,481,301</u>	<u>\$ 20,561,449</u>	<u>\$ 22,220,008</u>	<u>\$ 26,245,860</u>	<u>\$ 30,586,467</u>	<u>\$ 33,089,071</u>
\$ 197,397,589	\$ 199,043,580	\$ 200,514,709	\$ 201,830,560	\$ 204,927,710	\$ 208,199,950
6,268,840	4,926,003	4,861,587	5,887,957	6,356,207	7,284,617
<u>6,704,342</u>	<u>8,848,624</u>	<u>10,762,410</u>	<u>14,759,043</u>	<u>16,887,834</u>	<u>27,569,341</u>
<u>\$ 210,370,771</u>	<u>\$ 212,818,207</u>	<u>\$ 216,138,706</u>	<u>\$ 222,477,560</u>	<u>\$ 228,171,751</u>	<u>\$ 243,053,908</u>

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

<b>Fiscal year ended June 30,</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b>Expenses:</b>				
Governmental activities:				
General government	\$ 2,350,968	\$ 742,540	\$ 1,581,532	\$ 1,791,927
Public safety	5,240,506	5,525,072	5,500,997	5,754,806
Public works	1,311,100	1,499,333	2,255,560	1,401,974
Development	874,469	993,035	1,089,493	1,412,537
Culture and recreation	1,449,653	1,407,243	1,325,706	1,280,228
Interest on long-term debt	8,241	23,697	20,580	17,322
<b>Total governmental activities expenses</b>	<b>11,234,937</b>	<b>10,190,920</b>	<b>11,773,868</b>	<b>11,658,794</b>
Business-type activities:				
Water	3,980,084	3,542,092	4,626,949	4,388,290
Sewer	1,022,868	844,486	939,202	1,172,547
Recreation services	115,980	131,897	113,608	259,594
Special services	112,482	92,752	101,219	108,211
Film services	58,589	54,817	18,035	43,620
<b>Total business-type activities expenses</b>	<b>5,290,003</b>	<b>4,666,044</b>	<b>5,799,013</b>	<b>5,972,262</b>
<b>Total primary government expenses</b>	<b>\$ 16,524,940</b>	<b>\$ 14,856,964</b>	<b>\$ 17,572,881</b>	<b>\$ 17,631,056</b>
<b>Program revenues:</b>				
Governmental activities:				
Charges for services	\$ 2,512,450	\$ 3,525,563	\$ 2,374,090	\$ 2,350,878
Operating grants and contributions	992,239	1,237,489	1,071,981	1,022,280
Capital grants and contributions	-	-	-	-
<b>Total governmental activities program revenues</b>	<b>3,504,689</b>	<b>4,763,052</b>	<b>3,446,071</b>	<b>3,373,158</b>
Business-type activities:				
Charges for services	4,525,723	4,978,343	5,497,755	5,606,012
Capital grants and contributions	316,930	258,882	242,500	46,234
<b>Total business-type activities program revenues</b>	<b>4,842,653</b>	<b>5,237,225</b>	<b>5,740,255</b>	<b>5,652,246</b>
<b>Total primary government program revenues</b>	<b>\$ 8,347,342</b>	<b>\$ 10,000,277</b>	<b>\$ 9,186,326</b>	<b>\$ 9,025,404</b>
<b>Net revenue/(expense):</b>				
Governmental activities	\$ (7,730,248)	\$ (5,427,868)	\$ (8,327,797)	\$ (8,285,636)
Business-type activities	(447,350)	571,181	(58,758)	(320,016)
<b>Total primary government net revenue/(expense)</b>	<b>\$ (8,177,598)</b>	<b>\$ (4,856,687)</b>	<b>\$ (8,386,555)</b>	<b>\$ (8,605,652)</b>

Source: City of Sierra Madre Finance Department

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$	1,710,653	\$ 1,334,388	\$ 3,416,581	\$ 5,111,963	\$ 4,322,627	\$ 1,464,496
	5,115,933	5,394,253	5,688,672	5,473,096	6,445,253	2,377,264
	1,961,343	2,196,985	1,883,420	2,260,036	2,464,339	2,131,163
	1,129,817	1,557,850	1,089,342	990,443	1,025,108	517,557
	1,078,262	1,388,943	1,457,670	1,065,948	1,114,768	373,800
	13,909	10,336	7,610	3,097	-	68
	<u>11,009,917</u>	<u>11,882,755</u>	<u>13,543,295</u>	<u>14,904,584</u>	<u>15,372,095</u>	<u>6,864,348</u>
	4,763,179	4,432,899	4,083,465	3,670,810	4,734,967	4,275,124
	1,371,492	1,029,623	629,988	582,658	1,110,982	945,302
	22,697	4,150	-	-	-	-
	125,547	171,228	-	-	-	-
	50,618	77,923	-	-	-	-
	<u>6,333,533</u>	<u>5,715,823</u>	<u>4,713,453</u>	<u>4,253,468</u>	<u>5,845,949</u>	<u>5,220,426</u>
\$	<u>17,343,450</u>	<u>17,598,578</u>	<u>18,256,748</u>	<u>19,158,052</u>	<u>21,218,044</u>	<u>12,084,774</u>
\$	2,377,056	\$ 2,305,382	\$ 2,602,516	\$ 2,406,865	\$ 2,429,844	\$ 3,116,788
	1,368,859	1,426,015	1,705,187	2,534,045	2,279,930	3,108,323
	-	-	-	-	114,657	45,343
	<u>3,745,915</u>	<u>3,731,397</u>	<u>4,307,703</u>	<u>4,940,910</u>	<u>4,824,431</u>	<u>6,270,454</u>
	6,337,602	6,719,044	6,675,962	8,160,577	10,058,070	7,800,525
	62,166	-	-	-	-	-
	<u>6,399,768</u>	<u>6,719,044</u>	<u>6,675,962</u>	<u>8,160,577</u>	<u>10,058,070</u>	<u>7,800,525</u>
\$	<u>10,145,683</u>	<u>10,450,441</u>	<u>10,983,665</u>	<u>13,101,487</u>	<u>14,882,501</u>	<u>14,070,979</u>
\$	(7,264,002)	\$ (8,151,358)	\$ (9,235,592)	\$ (9,963,674)	\$ (10,547,664)	\$ (593,894)
	66,235	1,003,221	1,962,509	3,907,109	4,212,121	2,580,099
\$	<u>(7,197,767)</u>	<u>(7,148,137)</u>	<u>(7,273,083)</u>	<u>(6,056,565)</u>	<u>(6,335,543)</u>	<u>1,986,205</u>

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

<b>Fiscal year ended June 30,</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
Governmental activities:					
Taxes	\$ 7,739,306	\$ 8,217,065	\$ 8,435,031	\$ 8,487,077	\$ 9,332,367
Investment income (loss)	21,761	11,671	11,875	38,125	85,587
Miscellaneous	-	-	-	-	-
Capital contributions	15,209	-	-	-	-
Loss on disposal of property	-	(854,341)	-	-	-
Transfers	(47,372)	(4,389)	(54,018)	(63,509)	(118,957)
<b>Total governmental activities</b>	<b>7,728,904</b>	<b>7,370,006</b>	<b>8,392,888</b>	<b>8,461,693</b>	<b>9,298,997</b>
Business-type activities:					
Investment income (loss)	-	6,826	6,425	11,201	7,691
Miscellaneous	-	-	-	-	-
Transfers	47,372	4,389	54,018	63,509	118,957
<b>Total business-type activities</b>	<b>47,372</b>	<b>11,215</b>	<b>60,443</b>	<b>74,710</b>	<b>126,648</b>
<b>Total primary government</b>	<b>\$ 7,776,276</b>	<b>\$ 7,381,221</b>	<b>\$ 8,453,331</b>	<b>\$ 8,536,403</b>	<b>\$ 9,425,645</b>
Change in net position:					
Governmental activities	\$ (1,344)	\$ 1,942,138	\$ 65,091	\$ 176,057	\$ 2,034,995
Business-type activities	(399,978)	582,396	1,685	(245,306)	192,883
<b>Total primary government</b>	<b>\$ (401,322)</b>	<b>\$ 2,524,534</b>	<b>\$ 66,776</b>	<b>\$ (69,249)</b>	<b>\$ 2,227,878</b>

Source: City of Sierra Madre Finance Department

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$	9,512,791	\$ 9,981,892	\$ 10,635,408	\$ 11,881,819	\$ 12,880,340
	87,400	373,205	393,927	(9,580)	(302,973)
	673,942	148,141	1,258,038	29,009	93,943
	-	-	-	-	-
	-	-	-	-	-
	(103,147)	394,294	(10,697)	-	(20,724)
	<u>10,170,986</u>	<u>10,897,532</u>	<u>12,276,676</u>	<u>11,901,248</u>	<u>12,650,586</u>
	32,935	90,344	108,046	48,731	(184,925)
	-	-	-	79,755	86,706
	103,147	(394,294)	10,697	-	20,724
	<u>136,082</u>	<u>(303,950)</u>	<u>118,743</u>	<u>128,486</u>	<u>(77,495)</u>
\$	<u>10,307,068</u>	<u>\$ 10,593,582</u>	<u>\$ 12,395,419</u>	<u>\$ 12,029,734</u>	<u>\$ 12,573,091</u>
\$	2,019,628	\$ 1,661,940	\$ 2,313,002	\$ 1,353,584	\$ 12,056,692
	<u>1,139,303</u>	<u>1,658,559</u>	<u>4,025,852</u>	<u>4,340,607</u>	<u>2,502,604</u>
\$	<u>3,158,931</u>	<u>\$ 3,320,499</u>	<u>\$ 6,338,854</u>	<u>\$ 5,694,191</u>	<u>\$ 14,559,296</u>

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

As of June 30,	2013	2014	2015	2016
General fund:				
Nonspendable	\$ -	\$ 2,547	\$ 19,535	\$ -
Restricted	-	-	-	-
Committed	635,000	1,255,290	1,280,500	-
Assigned	4,400,416	4,635,021	5,133,278	4,720,472
Unassigned	900,121	553,476	1,021,355	1,938,003
Total General Fund	\$ 5,935,537	\$ 6,446,334	\$ 7,454,668	\$ 6,658,475
All other governmental funds:				
Restricted	1,682,998	1,682,998	4,113,442	4,406,441
Committed	1,658,115	2,199,679	661,036	1,457,095
Assigned	981,304	1,237,371	-	-
Unassigned	(344,327)	(348,734)	(256,676)	(206,006)
Total all other governmental funds	\$ 3,978,090	\$ 4,771,314	\$ 4,517,802	\$ 5,657,530
Total all governmental funds	\$ 9,913,627	\$ 11,217,648	\$ 11,972,470	\$ 12,316,005

Source: City of Sierra Madre Finance Department

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$ -	\$ -	\$ 2,365	\$ -	\$ 1,565	\$ -
-	15,802	32,727	32,639	455,167	404,690
-	-	-	-	-	-
-	-	-	-	-	-
<u>7,428,117</u>	<u>8,736,391</u>	<u>6,915,213</u>	<u>7,557,690</u>	<u>9,236,030</u>	<u>9,603,886</u>
<u>\$ 7,428,117</u>	<u>\$ 8,752,193</u>	<u>\$ 6,950,305</u>	<u>\$ 7,590,329</u>	<u>\$ 9,692,762</u>	<u>\$ 10,008,576</u>
5,119,384	4,856,087	4,828,860	5,855,318	5,826,040	6,813,634
1,391,394	903,576	870,091	936,179	401,910	13,338
-	-	-	-	-	-
<u>(155,931)</u>	<u>(117,280)</u>	<u>(60,595)</u>	<u>(32,283)</u>	<u>(308,679)</u>	<u>(223,946)</u>
<u>\$ 6,354,847</u>	<u>\$ 5,642,383</u>	<u>\$ 5,638,356</u>	<u>\$ 6,759,214</u>	<u>\$ 5,919,271</u>	<u>\$ 6,603,026</u>
<u>\$ 13,782,964</u>	<u>\$ 14,394,576</u>	<u>\$ 12,588,661</u>	<u>\$ 14,349,543</u>	<u>\$ 15,612,033</u>	<u>\$ 16,611,602</u>



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

<b>Fiscal year ended June 30,</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b>Revenues:</b>				
Property Taxes	\$ 3,902,682	\$ 4,391,262	\$ 5,264,471	\$ 5,677,308
Other Taxes	3,724,541	3,707,633	3,170,560	2,809,769
Charges for services	897,281	820,236	871,237	881,477
Intergovernmental	1,065,088	1,248,338	1,073,897	1,022,280
Licenses and permits	1,131,957	2,431,117	1,018,971	837,657
Fines and forfeitures	328,707	240,188	223,072	190,999
Investment Income (loss)	-	6,636	5,397	25,726
Miscellaneous	163,313	169,853	260,810	440,745
<b>Total revenues</b>	<b>11,213,569</b>	<b>13,015,263</b>	<b>11,888,415</b>	<b>11,885,961</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General government	1,921,278	1,871,441	1,672,935	1,970,283
Public safety	5,074,457	5,382,934	5,382,396	5,725,286
Public works	794,165	1,844,412	1,670,830	1,004,326
Development	842,273	940,335	1,019,712	1,485,372
Culture and recreation	1,284,435	1,244,718	1,162,983	1,228,487
<b>Debt service:</b>				
Principal	63,385	66,321	69,391	72,604
Interest	27,656	24,721	21,651	18,442
Capital outlay	31,790	14,833	-	-
<b>Total expenditures</b>	<b>10,039,439</b>	<b>11,389,715</b>	<b>10,999,898</b>	<b>11,504,800</b>
Excess (deficiency) of revenues over (under) expenditures	<b>1,174,130</b>	<b>1,625,548</b>	<b>888,517</b>	<b>381,161</b>
<b>Other financing sources (uses):</b>				
Transfers in	1,376,732	881,171	941,521	2,348,798
Transfers out	(1,377,649)	(1,288,508)	(989,406)	(2,386,421)
<b>Total other financing sources (uses)</b>	<b>(917)</b>	<b>(407,337)</b>	<b>(47,885)</b>	<b>(37,623)</b>
Extraordinary gain (loss)	-	-	-	-
<b>Net change in fund balances</b>	<b>1,173,213</b>	<b>1,218,211</b>	<b>840,632</b>	<b>343,538</b>
<b>Fund balances, beginning of year, as restated</b>	<b>8,740,414</b>	<b>9,913,627</b>	<b>11,131,838</b>	<b>11,972,467</b>
<b>Fund balances, end of year</b>	<b>\$ 9,913,627</b>	<b>\$ 11,131,838</b>	<b>\$ 11,972,470</b>	<b>\$ 12,316,005</b>
Debt Service as a Percentage of Non-Capital Expenditures	1%	1%	1%	1%

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

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

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

Source: City of Sierra Madre Finance Department

	2017	2018	2019	2020	2021	2022
\$	6,075,078	\$ 6,426,261	\$ 6,830,051	\$ 7,161,511	\$ 7,666,122	\$ 7,967,081
	3,257,288	3,228,635	3,302,646	3,644,793	4,393,543	4,913,188
	690,417	733,929	974,741	824,891	647,586	935,827
	1,176,272	1,228,646	1,536,011	1,745,392	2,154,464	2,645,384
	1,222,728	1,227,077	1,231,070	1,245,264	1,464,992	1,962,943
	167,318	118,324	140,395	82,903	70,616	116,820
	63,194	84,912	306,329	320,460	(7,938)	(208,415)
	489,181	933,142	327,781	2,040,124	358,630	513,708
	<u>13,141,476</u>	<u>13,980,926</u>	<u>14,649,024</u>	<u>17,065,338</u>	<u>16,748,015</u>	<u>18,846,536</u>
	2,391,482	2,609,677	3,662,657	5,561,126	3,832,934	3,136,367
	5,375,953	5,200,197	8,165,504	5,717,940	6,741,180	6,567,384
	1,247,133	2,806,374	2,173,523	2,003,010	2,635,535	5,877,947
	1,355,877	1,437,228	1,272,696	983,998	1,115,698	1,449,245
	1,115,425	1,141,498	1,496,982	950,110	1,178,635	1,034,689
	75,964	79,484	83,163	87,016	-	-
	15,082	11,563	7,879	4,026	-	-
	-	-	-	-	-	-
	<u>11,576,916</u>	<u>13,286,021</u>	<u>16,862,404</u>	<u>15,307,226</u>	<u>15,503,982</u>	<u>18,065,632</u>
	1,564,560	694,905	(2,213,380)	1,758,112	1,244,033	780,904
	246,913	37,851	468,564	169,858	1,022,186	214,856
	(343,835)	(121,145)	(61,099)	(167,088)	(1,003,729)	(205,724)
	<u>(96,922)</u>	<u>(83,294)</u>	<u>407,465</u>	<u>2,770</u>	<u>18,457</u>	<u>9,132</u>
	-	-	-	-	-	-
	1,467,638	611,611	(1,805,915)	1,760,882	1,262,490	790,036
	<u>12,315,326</u>	<u>13,782,965</u>	<u>14,394,576</u>	<u>12,588,661</u>	<u>14,349,543</u>	<u>15,821,566</u>
\$	<u>13,782,964</u>	<u>\$ 14,394,576</u>	<u>\$ 12,588,661</u>	<u>\$ 14,349,543</u>	<u>\$ 15,612,033</u>	<u>\$ 16,611,602</u>
	1%	1%	1%	1%	0%	0%

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

Category	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Residential	\$ 1,569,368,492	\$ 1,657,387,265	\$ 1,750,546,835	\$ 1,849,086,339
Commercial	50,519,744	52,244,923	53,659,841	57,179,257
Industrial	7,653,776	7,806,831	7,842,250	11,350,279
Govt. Owned	542,759	163,456	164,198	167,478
Institutional	3,943,818	4,105,294	6,618,344	6,423,627
Irrigated	-	-	-	-
Recreational	1,647,693	1,680,645	1,688,272	1,722,001
Vacant	44,480,022	44,785,823	46,880,985	44,273,558
SBE Nonunitary	-	-	-	-
Cross Reference	1,573,286	1,604,751	1,792,372	1,968,133
Unsecured	6,711,328	6,183,887	6,657,788	7,011,648
Total assessed value	<u>\$ 1,686,440,918</u>	<u>\$ 1,775,962,875</u>	<u>\$ 1,875,850,885</u>	<u>\$ 1,979,182,320</u>
Tax-Exempt Property	<u>(3,605,034)</u>	<u>(3,605,138)</u>	<u>(3,605,138)</u>	<u>(3,605,138)</u>
Total taxable assessed value	<u>\$ 1,682,835,884</u>	<u>\$ 1,772,357,737</u>	<u>\$ 1,872,245,747</u>	<u>\$ 1,975,577,182</u>
Total direct rate	0.2821	0.2228	0.2231	0.2234

Data Source: HDL Coren & Cone

<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
\$ 1,958,752,239	\$ 2,064,755,283	\$ 2,175,830,705	\$ 2,301,373,113	\$ 2,416,520,193	\$ 2,507,761,801
60,520,506	62,360,811	66,807,200	70,441,465	73,200,604	77,989,769
11,523,349	11,904,983	11,759,635	11,994,809	12,234,680	10,113,154
170,032	173,432	599,145	202,511	-	443,851
17,021,358	18,196,153	17,707,802	23,338,541	18,446,279	18,651,347
-	-	-	-	-	-
1,748,259	1,783,221	1,818,882	1,855,256	1,892,357	1,911,959
46,173,712	42,633,298	30,933,973	33,461,991	33,273,291	32,959,817
-	-	-	-	-	-
1,998,146	2,038,108	1,851,661	1,888,694	2,204,912	3,468,476
6,843,871	6,959,470	7,981,925	7,608,348	7,433,068	11,647,489
<u>\$ 2,104,751,472</u>	<u>\$ 2,210,804,759</u>	<u>\$ 2,315,290,928</u>	<u>\$ 2,452,164,728</u>	<u>\$ 2,565,205,384</u>	<u>\$ 2,664,947,663</u>
<u>(3,605,138)</u>	<u>(3,569,824)</u>	<u>(3,569,824)</u>	<u>(3,569,824)</u>	<u>(3,569,824)</u>	<u>(3,569,824)</u>
<u>\$ 2,101,146,334</u>	<u>\$ 2,207,234,935</u>	<u>\$ 2,311,721,104</u>	<u>\$ 2,448,594,904</u>	<u>\$ 2,561,635,560</u>	<u>\$ 2,661,377,839</u>
0.2243	0.2237	0.2236	0.2236	0.2043	0.2228

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

Agency	2013	2014	2015	2016
Basic Levy	1.00000	1.00000	1.00000	1.00000
Arcadia Unified	0.07670	0.07550	0.07653	0.07507
County Detention Facilities 1987 Debt	0.00000	0.00000	0.00000	0.00000
La County Flood Control	0.00000	0.00000	0.00000	0.00000
Metropolitan Water District	0.01800	0.01800	0.01800	0.01800
Pasadena Community College Dist	0.02056	0.01899	0.01032	0.00872
Pasadena Unified School Dist	0.11403	0.10351	0.10601	0.11168
Sierra Madre Lighting	0.30902	0.30902	0.30902	0.30902
<b>Total Direct &amp; Overlapping Tax Rates</b>	<b>1.53831</b>	<b>1.52502</b>	<b>1.51988</b>	<b>1.52249</b>
City's Share of 1% Levy Per Prop 13	0.21911	0.21911	0.21911	0.21911
Voter Approved City Debt Rate	-	-	-	-
Redevelopment Rate	-	-	-	-
<b>Total Direct Rate</b>	<b>0.28214</b>	<b>0.22284</b>	<b>0.22310</b>	<b>0.22338</b>

Data Source: HDL Coren & Cone

2017	2018	2019	2020	2021	2022
1.00000	1.00000	1.00000	1.00000	1.00000	1.00000
0.07788	0.07551	0.05365	0.05433	0.04784	0.04774
0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
0.02300	0.03000	0.03000	0.03000	0.03000	0.03000
0.00885	0.00819	0.00767	0.00721	0.00554	0.00899
0.10673	0.10547	0.09491	0.04531	0.02294	0.05361
0.30902	0.30902	0.30902	0.30902	0.30902	0.16848
<b>1.52548</b>	<b>1.52819</b>	<b>1.49526</b>	<b>1.44587</b>	<b>1.41534</b>	<b>1.30882</b>
0.21911	0.21911	0.21911	0.21911	0.21911	0.21911
-	-	-	-	-	-
-	-	-	-	-	-
0.22428	0.22367	0.22363	0.22363	0.22401	0.22284

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

Taxpayer	2013			2022		
	Taxable Assesed Value	% of Net Assesed Value	Rank	Taxable Assesed Value	% of Net Assesed Value	Rank
CETT Madre Limited	\$12,031,651	0.72%	1	\$13,744,799	0.52%	3
One Carter LLC	\$10,970,150	0.65%	2			
Ginkgo Stonehouse II LLC	\$8,683,817	0.52%	3	\$4,281,721	0.16%	10
City of Sierra Madre	\$6,819,930	0.41%	4			
Barbera Family LP	\$4,913,131	0.29%	5			
William L Sullivan Trust	\$4,267,748	0.25%	6			
Fresh and Easy Neighborhood Market	\$4,200,000	0.25%	7			
MB Equity LLC	\$3,996,651	0.24%	8	\$23,724,322	0.89%	1
William and Marie Sullivan Trust	\$3,665,198	0.22%	9			
Time Warner NY Cable LLC	\$3,364,849	0.08%	10			
Kensington SM GP LLC				\$19,436,393	0.85%	2
Stanley A Sirott Trust				\$9,431,368	0.36%	4
Neil A Lavick and Marie D Clause				\$8,328,856	0.31%	5
Michael G and Rene C Hoffman Trust				\$6,939,033	0.26%	6
William L. Sullivan Cotrustee				\$5,518,253	0.21%	7
Avalanche Lake Realty				\$5,224,655	0.20%	8
Montecito Development Group LLC				\$4,635,912	0.17%	9
Top Ten Total	<u>\$62,913,125</u>	<u>3.73%</u>		<u>\$101,265,312</u>	<u>3.80%</u>	
City Total	<u>\$1,686,440,918</u>			<u>\$2,664,947,663</u>		

Data Source: HDL Coren & Cone

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

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections of Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2013	\$ 3,623,212.57	\$ 3,369,908.53	93.01%	\$ 253,304.04	\$ 3,369,908.53	93.01%
2014	3,873,970.53	3,669,464.08	94.72%	204,506.45	3,669,464.08	94.72%
2015	3,929,776.21	3,837,082.58	97.64%	92,693.63	3,837,082.58	97.64%
2016	4,229,810.14	4,129,506.26	97.63%	100,303.88	4,129,506.26	97.63%
2017	4,492,592.16	4,314,137.59	96.03%	178,454.57	4,314,137.59	96.03%
2018	4,772,165.30	4,553,847.52	95.43%	218,317.78	4,553,847.52	95.43%
2019	4,977,521.00	4,854,870.94	97.54%	122,650.06	4,854,870.94	97.54%
2020	5,454,161.24	5,262,884.00	96.49%	120,330.00	5,333,831.24	97.79%
2021	5,710,131.08	5,582,408.75	97.76%	157,211.20	5,552,919.88	97.25%
2022	5,920,942.25	6,271,281.22	105.92%	344,332.71	5,576,609.54	94.18%

Data Source: HDL Coren & Cone



**CITY OF SIERRA MADRE**  
**Total Direct and Overlapping Debt**  
**As of June 30, 2022**

		<u>Gross Bonded Debt Balance</u>	<u>Percent Applicable to City</u>	<u>Net Bonded Debt</u>
<b>Total Direct Debt</b>				\$ -
<b>Overlapping Debt</b>				
812.55	PASADENA CCD DS 2014 REF SERIES A	\$ 9,280,000	2.609	242,156
812.56	PASADENA CCD DS 2016 REF SERIES A	27,435,000	2.609	715,899
812.57	PASADENA CCD DS 2020 REF	21,950,000	2.609	572,771
817.58	ARCADIA UNIFIED DS 2017 REF	190,110,000	0.364	691,851
817.59	ARCADIA UNIFIED DS 2006 SERIES C 2020	28,995,000	0.364	105,519
817.60	ARCADIA UNIFIED DS 2020 REF	28,920,000	0.364	105,246
909.61	PASADENA USD DS 2008 SERIES 2016	96,070,000	5.313	5,104,303
909.62	PASADENA USD DS 2016 REF BONDS SERIES A	3,725,000	5.313	197,913
909.63	PASADENA USD DS 2016 REF BONDS SERIES B	78,470,000	5.313	4,169,196
909.64	PASADENA USD DS 2019 REF BONDS	91,325,000	5.313	4,852,196
909.65	PASADENA USD DS 2020 SERIES A	20,000,000	5.313	1,062,622
909.66	PASADENA USD DS 2020 SERIES B	40,000,000	5.313	2,125,243
<b>Total Overlapping Debt</b>				<u>19,944,915</u>
<b>Total Direct and Overlapping Debt</b>				<u>\$ 19,944,915</u>

2020/21 Assessed Valuation: \$2,339,008,232 After Deducting \$226,197,152 Incremental Value.

Debt To Assessed Valuation Ratios:

Direct Debt	0.00%
Overlapping Debt	0.75%
Total Debt	0.75%

Data Source: HDL Coren & Cone

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

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Governmental Activities

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Fiscal Year Ended June 30,	Master Lease	General Obligation Bonds	Tax Increment Bonds <sup>(1)</sup>	Total
2013	\$ 616,191	\$ -	\$ -	\$ 616,191
2014	539,654	-	-	539,654
2015	459,574	-	-	459,574
2016	375,785	-	-	375,785
2017	288,119	-	-	288,119
2018	196,393	-	-	196,393
2019	100,420	-	-	100,420
2020	-	-	-	-
2021	-	-	-	-
2022	-	-	-	-

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

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

Source: City of Sierra Madre Finance Department

Population and Personal Income data: HDL Coren & Cone, California State Department of Finance

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Business-type Activities

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Master Lease	Revenue Parity Bonds	Loans	Total	Total Primary Government	Percentage of Personal Income	Per Capita
\$ 297,353	\$ 9,385,000	\$ 1,165,500	\$ 10,847,853	\$ 11,464,044	2.16%	1,033.36
260,419	8,995,000	1,019,812	10,275,231	10,814,885	1.98%	974.49
221,775	8,590,000	874,126	9,685,901	10,145,475	1.88%	921.23
181,341	8,165,000	728,438	9,074,779	9,450,564	1.65%	858.36
139,036	7,715,000	582,751	8,436,787	8,724,906	1.52%	794.18
94,771	-	6,940,756	7,035,527	7,231,920	1.19%	649.48
48,457	-	6,372,601	6,421,058	6,521,478	1.00%	602.95
-	-	5,900,868	5,900,868	5,900,868	0.89%	553.81
-	-	5,416,637	5,416,637	5,416,637	0.81%	508.37
-	-	7,158,098	7,158,098	7,158,098	0.96%	658.82

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

Business-type Activities - Water Fund						
Fiscal Year Ended June 30,	Operating Revenues	Operation and Maintenance Costs	Net Revenues	Debt Service		
				Principal	Interest	Coverage
<i>Sierra Madre Water Revenue Refunding Bonds, Series 1998A</i>						
<i>Sierra Madre Water Revenue Parity Bonds, Series 2003</i>						
2013	* \$ 3,558,161	\$ 2,084,614	\$ 1,473,547	\$ 370,000	\$ 480,345	1.33
2014	* 3,834,017	1,606,098	2,227,919	390,000	461,345	1.73
2015	* 4,373,849	2,574,322	1,799,527	405,000	441,470	2.62
2016	4,498,726	2,348,112	2,150,614	425,000	420,720	2.13
2017	5,249,123	2,567,912	2,681,211	450,000	398,845	2.54
2018	5,521,322	2,319,129	3,202,193	258,284	186,735	3.16
<i>City of Sierra Madre Installment Purchase Agreement**</i>						
2019	5,611,440	2,364,338	3,247,102	422,467	257,981	4.77
2020	6,954,132	1,905,193	5,048,939	326,046	243,699	8.86
2021	8,934,480	2,824,490	6,109,990	338,543	231,875	10.71
2022	6,655,722	4,059,012	2,596,710	350,161	216,112	4.59

\* The City recalculated coverage for the Revenue Bonds based on rate covenant definitions per official statements for FY 2013-2014.

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

Funding was provided by Holman Capital Corporation and the City's Reserve Funds totaling \$6,761,976. The proceeds were sufficient to defease the Revenue Bonds on November 1, 2017, thereby satisfying and terminating the City's obligations under the prior installment sales agreements and indentures. Funding took place on October 31, 2017.

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

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

Source: City of Sierra Madre Finance Department

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

Fiscal Year Ended June 30,	Governmental Activities			
	Tax Increment <sup>(1)</sup>	Debt Service		Coverage
		Principal	Interest	
2013 <sup>(2)</sup>	\$ 555,072	\$ 270,000	\$ 120,187	1.42
2014 <sup>(3)</sup>	505,387	300,000	106,188	1.24
2015 <sup>(3)</sup>	738,195	300,000	94,000	1.87
2016 <sup>(3)</sup>	528,157	315,000	78,625	1.34
2017 <sup>(3)</sup>	567,950	330,000	62,500	1.45
2018 <sup>(3)</sup>	581,097	345,000	45,625	1.49
2019 <sup>(3)</sup>	190,991	360,000	28,000	0.49
2020 <sup>(3)</sup>	215,315	380,000	19,000	0.54
2021 <sup>(3)</sup>	-	-	-	-
2022 <sup>(3)</sup>	-	-	-	-

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

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

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

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

Source: City of Sierra Madre Finance Department

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

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Calendar Year	Population	Personal Income (In Thousands)	Per Capita Personal Income	Unemployment Rate	Median Age	% of Pop 25+ with High School Degree	% of Pop 25+ with Bachelor's Degree
2012	11,023	\$568,214	\$51,548	2.8%	48.2	96.5%	57.4%
2013	11,094	531,369	47,897	2.3%	48.0	96.4%	57.1%
2014	11,098	545,034	49,111	5.5%	47.3	96.8%	59.1%
2015	11,013	541,092	49,132	4.5%	45.8	97.5%	61.5%
2016	11,010	573,499	52,088	3.5%	46.2	98.4%	63.7%
2017	10,986	575,612	52,395	2.7%	45.0	99.2%	65.1%
2018	11,135	608,795	54,674	3.7%	46.6	99.3%	63.3%
2019	10,816	655,093	60,567	4.5%	47.6	98.7%	62.4%
2020	10,655	664,995	62,411	14.6%	49.0	98.4%	60.8%
2021	10,865	745,581	68,622	6.7%	47.5	98.5%	62.9%

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

**CITY OF SIERRA MADRE**  
**Top 25 Sales Tax Producers**  
**For Fiscal Year Ended June 30, 2022**

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<b>Business Name</b>	<b>Business Category</b>
Bottle Shop	Convenience Stores/Liquor
Buccaneer Lounge	Casual Dining
Casa Del Rey	Casual Dining
Corfu Restaurant	Casual Dining
Flowers By Nobee	Florist Shops
Four Seasons Tea Room	Casual Dining
Frontier Hardware Co	Building Materials
Happy's Liquor	Convenience Stores/Liquor
K Petrol	Service Stations
Leonora Moss	Florist Shops
Lucky Baldwins Delirium Café	Casual Dining
Nano Café	Casual Dining
Ohmonah	Family Apparel
Only Place in Town	Casual Dining
Roe Japanese Fusion	Casual Dining
Savor the Flavor LLC	Art/Gift/Novelty Stores
Sierra Filtration Services	Specialty Stores
Sierra Fusion	Casual Dining
Sierra Madre Pizza Co	Quick-Service Restaurants
Sierra Madre Service Station Inc	Service Stations
South Coast Fire Equipment	Trailers/Auto Parts
Tacos Ensenada Dom	Quick-Service Restaurants
Village Pizzeria	Fast-Casual Restaurants
Wistaria Restaurant & Bar	Casual Dining
Yui	Casual Dining

Data Source: HDL Coren & Cone

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

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	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
General Government	7	7	11	11	11	13	12	15	11	16
Public Safety										
Police										
Officers	16	17	17	17	17	17	15	11	17	16
Civilians	4	4	7	6	6	7	7	11	5	6
Fire	15.4	15.2	16	18	19	19	20	16	16	17
Public Works	19	17.5	18	18	19	18	16	16	18	19
Development	3	3.5	4	5	5	5	5	4	4	5
Library and Recreation	15.7	15.8	13	12	13	14	12	13	12	9
<b>Total</b>	<b>80.1</b>	<b>80</b>	<b>86</b>	<b>87</b>	<b>90</b>	<b>93</b>	<b>87</b>	<b>86</b>	<b>83</b>	<b>88</b>

*Source: City of Sierra Madre Finance Department*



**CITY OF SIERRA MADRE**  
**Operating Indicators by Function**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Police</b>										
Number of:										
Physical Arrests	399	345	327	214	248	223	231	210	178	218
Parking Violations	3,266	2,976	2,764	1,797	2,596	1,705	1,127	225	1,161	1,243
Traffic Violations	1,435	1,967	571	727	837	1,210	1,216	1,051	912	824
<b>Fire</b>										
Number of:										
Calls Answered	947	863	970	1,036	1,107	1,102	1,097	1,197	1,088	1,230
Inspections	1,943	2,000	1,739	1,678	2,084	1,687	1,905	1,935	2,012	1,825
<b>Public Works</b>										
Number of:										
Water Mains Repaired	30	25	58	550	388	395	374	303	403	391
Water service leaks repaired	19	8	7	19	30	46	62	78	76	77
Street resurfacing/repair (SF)	0	69,000	284,790	-	142,500	454,000	705,270	180,000	136,600	130,000
Sidewalk Repairs (SF)	12,000	4,096	4,605	3,000	4,700	9,500	3,250	6,500	2,000	4,400
Trees planted	8	63	-	-	12	16	31	15	15	16
Trees pruned	537	514	37	24	38	43	16	15	47	55
Trees removed	20	30	62	75	75	68	44	50	15	26
Sewer cleaned/inspected (LF)	102,720	143,711	167,168	186,176	146,000	120,817	98,000	80,000	148,316	50,000
Sewer Manhole inspected (each)	171	104	676	620	433	473	380	211	380	210
Sewer lines inspected (LF)	200	330	1,064	1,000	2,045	-	-	-	1,000	-
Meters replaced	138	129	168	-	172	507	643	605	106	160
Valves exercised	299	406	284	267	3	-	60	605	600	564
Pot holes repaired	100	188	380	575	657	727	622	-	-	423
Water Mains Replaced (LF)	n/a	n/a	2,870	1,750	1,200	2,000	5,800	7,095	6,000	5,300
<b>Recreation and Community Services</b>										
Number of participants:										
Recreation classes	2,510	1,730	731	371	271	217	n/a	n/a	n/a	n/a
Aquatic <sup>(1)</sup>	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Summer pool memberships	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Annual Events <sup>(2)</sup>										
Movie Series	1,100	1,050	1,400	1,500	1,700	1,850	1,900	2,200	1,000	1,500
Concert Series	3,600	4,550	4,835	4,400	4,600	4,800	5,600	5,800	n/a	6,000
Summer Fun in the Park	274	320	293	305	265	261	285	291	150	204
Huck Finn (campsites)	40	60	63	63	50	36	48	n/a	-	n/a
Mt. Wilson Trail Race	328	350	325	346	337	332	350	n/a	300	349
Window Painting	89	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Halloween Happenings	112	n/a	150	157	107	115	126	130	200	250
Excursions	n/a	n/a	n/a	511	477	464	569	262	-	25

Data Source: Various City of Sierra Madre Departments

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

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

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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2021
Library										
Number of:										
Registered borrowers	13,044	11,366	10,530	11,429	11,574	11,098	14,162	10,175	8,787	8,212
Circulation	86,829	79,673	85,779	113,272	97,829	114,432	115,572	97,870	84,675	103,616
Reference	5,663	5,795	6,548	6,493	5,237	5,066	4,868	4,686	4,837	4,626
Book volumes held	51,681	54,663	56,891	47,746	41,680	39,164	40,126	39,949	41,212	43,249
User's of E-Resources	13,844	14,173	14,798	17,678	16,612	14,141	17,809	13,954	11,637	32,958
Media	5,512	5,993	6,307	18,238	6,084	5,904	5,892	5,545	5,707	5,708
Periodicals	109	95	98	61	95	82	73	71	72	67
Municipal Utilities										
Number of:										
Number of Customers										
Commercial	112	70	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Multi-Unit	353	212	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
City	63	40	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Residential	3,280	3,424	3,550	3,489	3,565	3,501	3,654	3,624	3,600	3,568
Non-Residential	n/a	n/a	204	195	210	193	163	248	190	215
Water Consumption in Units (000's)	1,232	1325	821	667	925	765	741	860	1,179	847
Administrative Services										
Number of:										
Number of Customers										
Online Bill Pay (average)	131	156	211	246	288	333	421	435	965	1,371
Business Licenses Issued	1,360	2,358	1,374	1,276	1,438	1,665	1,584	2,767	1,323	1,347
Development Services										
Number of:										
Accessory Dwelling Unit Permit	n/a	n/a	n/a	n/a	n/a	1	10	24	20	25
Conditional Use Permit	5	5	37	5	6	7	-	-	1	6
Minor Conditional Use Permit	5	10	7	2	5	5	4	1	2	7
Design Review								11	13	14
Variance	1	-	1	1	-	-	1	-	-	1
Minor Variance	3	1	1	2	2	-	3	-	-	-
Municipal Code Text Amendment	3	1	6	5	7	-	5	-	7	8
Building Permit	278	249	231	230	274	281	258	320	260	351
Electrical Permit	165	208	159	174	206	223	223	203	215	194
Mechanical Permit	110	130	129	100	128	135	140	117	109	122
Plumbing Permit	161	166	215	194	204	230	191	141	136	130
Sewer Permit	25	26	3	14	23	2	7	3	6	8

Data Source: Various City of Sierra Madre Departments

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

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

		Fiscal Year Ended June 30,		
		2013	2014	2015
Roadways	Pavement AC (Governmental Funds)	\$ 12,858,351	\$ 12,041,539	\$ 11,331,409
Street Appurtenances	Bridges (Governmental Funds)	51,878	44,961	38,044
Parks	Park Structures (Governmental Funds)	149,072	141,224	133,376
		162,738	155,976	155,976
	Trees (Governmental Funds)	1,206,214	1,206,214	1,206,214
Wastewater	Manholes (Sewer)	756,163	728,666	701,169
	Sewer Pipelines (Sewer)	2,680,768	2,583,285	2,993,188
Domestic Water Network	Spreading Basins (Water)	1,126,865	1,094,105	1,061,345
	Pump Stations (Water)	1,486,605	1,432,546	1,378,488
	Meters (Water)	-	-	-
	Pipelines (Water)	3,511,413	3,587,725	3,731,255
	Pressure Reducing Stations (Water)	300,389	284,152	267,915
	Fire Hydrants (Water)	175,159	165,149	155,140
	Wells (Water)	703,777	663,561	623,345
	Reservoirs (Water)	13,788,524	13,584,901	13,381,279
Buildings	All			
	Buildings (Water Fund)	143,726	135,513	127,300
	Buildings (Sewer Fund)	143,726	135,513	127,300
	Buildings (Governmental Funds)	6,373,114	6,147,154	5,733,392
	Buildings (Governmental-ISF Facilities)			
Land	All			
	Land (Water Fund)	1,483,250	1,483,250	1,483,250
	Land (Governmental Funds)	162,275,946	162,275,946	162,275,946
General Equipment	All			
	Vehicle & Equipment (Water Fund)	10,360	24,555	30,890
	Vehicle & Equipment (Sewer Fund)	341,205	336,248	292,587
	Vehicle & Equipment (Governmental Funds)	686,766	641,723	541,302
	Vehicle & Equipment (Governmental-ISF fleet)	784,751	704,962	591,833
	Software (Governmental-ISF Administration)	411,425	363,022	314,619
<b>Total</b>		<b>\$ 211,612,185</b>	<b>\$ 209,961,890</b>	<b>\$ 208,676,562</b>

Data Source: Various City of Sierra Madre Departments

Fiscal Year Ended June 30,						
2016	2017	2018	2019	2020	2021	2022
\$ 10,731,909	\$ 9,854,028	\$ 9,549,273	\$ 10,482,847	\$ 11,776,829	\$ 12,434,068	\$ 13,061,359
29,591	21,137	12,682	4,227	-	-	-
267,258	392,374	371,422	350,470	329,873	1,335,386	1,289,681
-	-	-	-	-	-	-
1,206,214	1,206,214	1,206,214	1,206,214	1,206,214	1,206,214	1,206,214
672,551	643,932	615,313	586,693	558,074	529,455	500,836
2,576,706	2,469,342	2,361,979	2,254,616	2,147,252	2,039,889	1,932,526
1,025,528	989,710	953,893	918,075	889,342	928,331	904,256
1,322,223	1,265,958	1,209,694	1,153,429	1,097,164	1,040,899	984,634
-	-	-	-	-	-	-
4,141,639	4,143,901	4,352,079	5,620,212	5,421,687	5,150,194	7,161,285
250,630	233,345	216,061	198,776	181,491	164,206	146,921
144,440	133,741	123,042	112,343	101,643	90,944	80,245
580,356	537,366	494,377	451,387	408,398	783,648	744,588
13,174,440	12,967,602	12,760,764	12,553,926	12,347,088	12,140,250	11,933,412
118,766	110,328	101,799	93,316	84,833	76,349	67,866
118,813	110,284	101,840	93,353	84,866	76,380	67,893
5,642,913	5,409,185	5,175,456	5,127,521	5,033,771	4,922,200	4,784,529
		61,379	60,152	58,924	87,673	202,175
1,483,250	1,483,250	1,483,250	1,483,250	1,483,250	1,483,250	1,483,250
162,275,946	162,275,946	162,275,946	162,275,946	162,275,946	162,275,946	162,275,946
59,040	71,118	62,638	54,158	882,988	846,597	810,207
230,880	169,174	107,464	45,756	13,039	448,910	504,459
501,492	387,136	555,906	1,089,507	1,051,061	1,625,563	1,680,739
654,076	821,597	745,502	-	-	-	-
394,552	333,326	272,087	210,851	149,613	112,223	72,806
<b>\$ 207,603,213</b>	<b>\$ 206,029,994</b>	<b>\$ 205,170,057</b>	<b>\$ 206,427,024</b>	<b>\$ 207,583,346</b>	<b>\$ 209,798,576</b>	<b>\$ 211,895,827</b>