

The City of Pasadena  
Government-wide Financial Statements  
Draft-Unaudited

December 14, 2009

**CITY OF PASADENA**  
**Statement of Net Assets**  
**June 30, 2009**

|  | <b>Primary Government</b>          |                                     |   |
|--|------------------------------------|-------------------------------------|---|
|  | <b>Governmental<br/>Activities</b> | <b>Business-type<br/>Activities</b> | <b>Total<br/>Primary<br/>Government</b> |
| <b>Assets</b>  |                                    |                                     |   |
| Cash and investments (note 2)  | \$ 248,992,916                     | 109,529,765                         | 358,522,681                             |
| Accounts receivable (note 3)   | 37,060,804                         | 48,981,770                          | 86,042,574                              |
| Less allowance for uncollectible amounts (note 3)                    | (1,376,077)                        | (8,396,230)                         | (9,772,307)                             |
| Notes receivable (note 4)  | 34,301,221                         | 70,020,000                          | 104,321,221                             |
| Internal balances (note 5)   | 143,062                            | (143,062)                           | -                                       |
| Inventories  | 213,983                            | 19,336,678                          | 19,550,661                              |
| Prepays and other assets   | 1,612,503                          | 35,915,014                          | 37,527,517                              |
| Internal advances (note 6)   | 6,616,552                          | (6,616,552)                         | -                                       |
| Advances to (from) component units (note 6)                          | 902,624                            | -                                   | 902,624                                 |
| Allowance for uncollectible long-term receivables<br>(notes 4 and 6) | (14,989,123)                       | -                                   | (14,989,123)                            |
| Restricted assets - cash and investments (note 2)                    | 266,867                            | 97,289,185                          | 97,556,052                              |
| Property held for resale   | 11,153,368                         | -                                   | 11,153,368                              |
| Capital assets (note 7):   |                                    |                                     |   |
| Land   | 55,467,474                         | 5,458,724                           | 60,926,198                              |
| Construction in progress   | 101,001,412                        | 69,530,435                          | 170,531,847                             |
| Other capital assets, net  | 312,023,335                        | 426,855,512                         | 738,878,847                             |
| Total assets   | <u>793,390,921</u>                 | <u>867,761,239</u>                  | <u>1,661,152,160</u>                    |
| <b>Liabilities</b>   |                                    |                                     |   |
| Accounts payable and accrued liabilities                             | 26,256,963                         | 17,830,864                          | 44,087,827                              |
| Deposits   | 2,195,117                          | 4,453,815                           | 6,648,932                               |
| Interest payable   | 3,671,545                          | -                                   | 3,671,545                               |
| Due to other governments   | 28,787                             | -                                   | 28,787                                  |
| Unearned revenue (note 8)  | 7,342,794                          | 2,055,196                           | 9,397,990                               |
| Advances from primary government (note 6)                            | -                                  | -                                   | -                                       |
| Noncurrent liabilities (notes 9 to 15):                              |                                    |                                     |   |
| Due within one year  | 39,709,379                         | 13,559,218                          | 53,268,597                              |
| Due in more than one year  | 324,412,988                        | 267,349,341                         | 591,762,329                             |
| Total liabilities  | <u>403,617,573</u>                 | <u>305,248,434</u>                  | <u>708,866,007</u>                      |
| <b>Net Assets</b>  |                                    |                                     |   |
| Invested in capital assets, net of related debt                      | 325,409,503                        | 257,831,017                         | 583,240,520                             |
| Restricted:  |                                    |                                     |   |
| Expendable:  |                                    |                                     |   |
| Culture and leisure  | 3,429,642                          | -                                   | 3,429,642                               |
| Capital projects   | -                                  | -                                   | -                                       |
| Community development  | 1,207,769                          | -                                   | 1,207,769                               |
| Contribution   | -                                  | 16,000,789                          | 16,000,789                              |
| Debt service   | 44,714,908                         | -                                   | 44,714,908                              |
| Low Moderate Housing   | 33,780,255                         | -                                   | 33,780,255                              |
| Stranded investments (note 18 and 25)                                | -                                  | 140,041,800                         | 140,041,800                             |
| Transportation   | 10,023,029                         | -                                   | 10,023,029                              |
| Other purposes   | -                                  | 2,294,396                           | 2,294,396                               |
| Nonexpendable:   | 1,204,841                          | -                                   | 1,204,841                               |
| Unrestricted   | (29,996,599)                       | 146,344,803                         | 116,348,204                             |
| Total net assets   | <u>\$ 389,773,348</u>              | <u>562,512,805</u>                  | <u>952,286,153</u>                      |

See accompanying notes to the basic financial statements.

| <b>Component Units</b> |                        |                      |                      |
|------------------------|------------------------|----------------------|----------------------|
| <b>Rose Bowl</b>       | <b>Pasadena Center</b> | <b>Total</b>         |                      |
| <b>Operating</b>       | <b>Operating</b>       |                      |                      |
| <b>Company</b>         | <b>Company</b>         | <b>2009</b>          | <b>2008</b>          |
| 9,953,801              | 2,339,878              | 370,816,360          | 331,194,935          |
| 1,155,098              | 851,746                | 88,049,418           | 100,072,645          |
| -                      | -                      | (9,772,307)          | (9,740,785)          |
| -                      | -                      | 104,321,221          | 30,689,759           |
| -                      | -                      | -                    | -                    |
| -                      | -                      | 19,550,661           | 20,353,302           |
| 376,348                | 616,402                | 38,520,267           | 27,688,146           |
| -                      | -                      | -                    | -                    |
| -                      | -                      | 902,624              | 966,624              |
| -                      | -                      | (14,989,123)         | (12,558,410)         |
| 2,952,249              | 22,890,069             | 123,398,370          | 304,373,553          |
| -                      | -                      | 11,153,368           | 12,844,456           |
| -                      | 2,423,473              | 63,349,671           | 63,134,278           |
| 2,367,624              | -                      | 172,899,471          | 251,436,291          |
| 48,001,894             | 162,548,180            | 949,428,921          | 778,140,946          |
| <u>64,807,014</u>      | <u>191,669,748</u>     | <u>1,917,628,922</u> | <u>1,898,595,740</u> |
| 2,065,926              | 1,245,667              | 47,399,420           | 66,913,665           |
| 108,800                | 537,510                | 7,295,242            | 7,529,625            |
| 582,501                | 417,277                | 4,671,323            | 1,808,701            |
| -                      | -                      | 28,787               | 235,728              |
| 1,439,237              | 966,602                | 11,803,829           | 9,387,143            |
| -                      | 902,624                | 902,624              | 966,624              |
| 1,845,808              | 415,000                | 55,529,405           | 49,643,338           |
| <u>31,752,075</u>      | <u>165,893,023</u>     | <u>789,407,427</u>   | <u>810,748,068</u>   |
| <u>37,794,347</u>      | <u>170,377,703</u>     | <u>917,038,057</u>   | <u>947,232,892</u>   |
| 19,871,578             | 12,619,887             | 615,731,985          | 607,510,029          |
| -                      | -                      | 3,429,642            | 3,209,541            |
| -                      | 1,762,982              | 1,762,982            | 1,563,658            |
| -                      | -                      | 1,207,769            | 1,265,297            |
| -                      | -                      | 16,000,789           | 14,258,422           |
| -                      | -                      | 44,714,908           | 30,110,796           |
| -                      | -                      | 33,780,255           | 30,043,988           |
| -                      | -                      | 140,041,800          | 136,587,277          |
| -                      | -                      | 10,023,029           | 8,137,062            |
| -                      | -                      | 2,294,396            | 3,088,949            |
| -                      | -                      | 1,204,841            | 1,062,130            |
| <u>7,141,089</u>       | <u>6,909,176</u>       | <u>130,398,469</u>   | <u>114,525,699</u>   |
| <u>27,012,667</u>      | <u>21,292,045</u>      | <u>1,000,590,865</u> | <u>951,362,848</u>   |

**CITY OF PASADENA**  
**Statement of Activities**  
**For the Fiscal Year Ended June 30, 2009**

| <u>Functions/Programs</u>         | <u>Expenses</u>       | <u>Program Revenues</u>     |   |   |
|-----------------------------------|-----------------------|-----------------------------|---|---|
|                                   |                       | <u>Charges for Services</u> | <u>Operating Grants and Contributions</u> | <u>Capital Grants and Contributions</u> |
| <b>Primary government:</b>        |                       |                             |   |   |
| <b>Governmental activities:</b>   |                       |                             |   |   |
| General government                | \$ 44,019,255         | 17,898,637                  | 287,973                                   | 3,354,928                               |
| Public safety                     | 103,179,805           | 15,503,719                  | 3,172,728                                 | -                                       |
| Transportation                    | 49,978,832            | 13,851,984                  | 4,411,798                                 | 10,037,632                              |
| Sanitation                        | 4,060,775             | 6,684,563                   | -   | -                                       |
| Health                            | 13,373,270            | 736,748                     | -   | -                                       |
| Culture and leisure               | 26,047,551            | 1,957,481                   | 2,175,225                                 | -                                       |
| Community development             | 42,698,152            | 9,244,363                   | 18,759,882                                | 4,720,031                               |
| Interest and other fiscal charges | 20,668,463            | -                           | -   | -                                       |
| Total governmental activities     | <u>304,026,103</u>    | <u>65,877,495</u>           | <u>28,807,606</u>                         | <u>18,112,591</u>                       |
| <b>Business-type activities:</b>  |                       |                             |   |   |
| Electric                          | 170,428,008           | 193,158,187                 | -   | 2,985,547                               |
| Water                             | 36,877,111            | 43,095,822                  | -   | 1,230,202                               |
| Refuse                            | 11,832,652            | 10,285,103                  | -   | -                                       |
| Parking                           | 12,775,056            | 13,123,598                  | -   | -                                       |
| Telecommunication                 | 456,840               | 595,165                     | -   | -                                       |
| Total business-type activities    | <u>232,369,667</u>    | <u>260,257,875</u>          | <u>-</u>                                  | <u>4,215,749</u>                        |
| Total primary government          | <u>\$ 536,395,770</u> | <u>326,135,370</u>          | <u>28,807,606</u>                         | <u>22,328,340</u>                       |
| <b>Component units</b>            |                       |                             |   |   |
| Rose Bowl Operating Company       | \$ 12,854,880         | 11,774,171                  | -   | 2,000,000                               |
| Pasadena Center Operating Company | 15,994,269            | 3,433,010                   | -   | 1,597,331                               |
| Total component units             | <u>\$ 28,849,149</u>  | <u>15,207,181</u>           | <u>-</u>                                  | <u>3,597,331</u>                        |

**General revenues:**

Taxes:

Property tax, levied for general purpose

Sales tax

Utility users' tax

Transient occupancy tax

Construction tax

Business license tax

Franchise tax

Other taxes

Other intergovernmental, unrestricted

Investment earnings

Net change in fair value of investments

Gain on sale of assets

Miscellaneous revenues

**Transfers**

Total general revenues and transfers

Change in net assets

**Net assets - beginning of year, as restated (note 28)**

**Net assets - end of year**

See accompanying notes to the basic financial statements.

**Net (Expenses) Revenues and  
Changes in Net Assets**

| <b>Primary Government</b>          |                                     |                               | <b>Component Units</b>                     |  |                      |                      |
|------------------------------------|-------------------------------------|-------------------------------|--|--|----------------------|----------------------|
| <b>Governmental<br/>Activities</b> | <b>Business-type<br/>Activities</b> | <b>Total</b>                  | <b>Rose Bowl<br/>Operating<br/>Company</b> | <b>Pasadena Center<br/>Operating<br/>Company</b> | <b>Total</b>         |                      |
|                                    |                                     | <b>Primary<br/>Government</b> |  |  | <b>2009</b>          | <b>2008</b>          |
| (22,477,717)                       | -                                   | (22,477,717)                  | -  | -  | (22,477,717)         | (22,193,937)         |
| (84,503,358)                       | -                                   | (84,503,358)                  | -  | -  | (84,503,358)         | (82,913,283)         |
| (21,677,418)                       | -                                   | (21,677,418)                  | -  | -  | (21,677,418)         | (24,435,471)         |
| 2,623,788                          | -                                   | 2,623,788                     | -  | -  | 2,623,788            | 2,394,071            |
| (12,636,522)                       | -                                   | (12,636,522)                  | -  | -  | (12,636,522)         | 714,318              |
| (21,914,845)                       | -                                   | (21,914,845)                  | -  | -  | (21,914,845)         | (21,353,616)         |
| (9,973,876)                        | -                                   | (9,973,876)                   | -  | -  | (9,973,876)          | (11,583,273)         |
| (20,668,463)                       | -                                   | (20,668,463)                  | -  | -  | (20,668,463)         | (15,345,023)         |
| <u>(191,228,411)</u>               | <u>-</u>                            | <u>(191,228,411)</u>          | <u>-</u>                                   | <u>-</u>   | <u>(191,228,411)</u> | <u>(174,716,214)</u> |
| -                                  | 25,715,726                          | 25,715,726                    | -  | -  | 25,715,726           | 25,010,853           |
| -                                  | 7,448,913                           | 7,448,913                     | -  | -  | 7,448,913            | 3,711,560            |
| -                                  | (1,547,549)                         | (1,547,549)                   | -  | -  | (1,547,549)          | (2,086,307)          |
| -                                  | 348,542                             | 348,542                       | -  | -  | 348,542              | 1,429,708            |
| -                                  | 138,325                             | 138,325                       | -  | -  | 138,325              | (42,049)             |
| <u>-</u>                           | <u>32,103,957</u>                   | <u>32,103,957</u>             | <u>-</u>                                   | <u>-</u>   | <u>32,103,957</u>    | <u>28,023,765</u>    |
| <u>(191,228,411)</u>               | <u>32,103,957</u>                   | <u>(159,124,454)</u>          | <u>-</u>                                   | <u>-</u>   | <u>(159,124,454)</u> | <u>(146,692,449)</u> |
| -                                  | -                                   | -                             | 919,291                                    | -  | 919,291              | (56,165)             |
| -                                  | -                                   | -                             | -  | (10,963,928)                                     | (10,963,928)         | (5,213,102)          |
| -                                  | -                                   | -                             | 919,291                                    | (10,963,928)                                     | (10,044,637)         | (5,269,267)          |
| 69,062,088                         | -                                   | 69,062,088                    | -  | -  | 69,062,088           | 63,448,585           |
| 32,912,733                         | -                                   | 32,912,733                    | -  | -  | 32,912,733           | 36,519,422           |
| 31,162,427                         | -                                   | 31,162,427                    | -  | -  | 31,162,427           | 29,639,754           |
| 7,382,354                          | 1,605,237                           | 8,987,591                     | -  | 4,559,501  | 13,547,092           | 16,284,985           |
| 2,366,386                          | -                                   | 2,366,386                     | -  | -  | 2,366,386            | 3,984,216            |
| 5,860,722                          | -                                   | 5,860,722                     | -  | -  | 5,860,722            | 5,604,340            |
| 2,401,933                          | 2,127,786                           | 4,529,719                     | -  | -  | 4,529,719            | 4,322,346            |
| 6,078,298                          | -                                   | 6,078,298                     | -  | 2,131,649  | 8,209,947            | 8,764,286            |
| 15,094,109                         | -                                   | 15,094,109                    | -  | -  | 15,094,109           | 15,338,029           |
| 8,618,605                          | 9,771,531                           | 18,390,136                    | 363,975                                    | 339,189  | 19,093,300           | 24,616,518           |
| 1,268,197                          | 1,096,797                           | 2,364,994                     | -  | -  | 2,364,994            | 4,692,102            |
| 664,706                            | (188,098)                           | 476,608                       | -  | -  | 476,608              | (2,686)              |
| 6,121,204                          | 2,970,263                           | 9,091,467                     | 426,190                                    | 199,323  | 9,716,980            | 8,736,509            |
| 15,040,350                         | (15,040,350)                        | -                             | -  | -  | -                    | -                    |
| <u>204,034,112</u>                 | <u>2,343,166</u>                    | <u>206,377,278</u>            | <u>790,165</u>                             | <u>7,229,662</u>                                 | <u>214,397,105</u>   | <u>221,948,406</u>   |
| 12,805,701                         | 34,447,123                          | 47,252,824                    | 1,709,456                                  | (3,734,266)                                      | 45,228,014           | 69,986,690           |
| 376,967,647                        | 528,065,682                         | 905,033,329                   | 25,303,211                                 | 25,026,311                                       | 955,362,851          | 881,376,158          |
| <u>\$ 389,773,348</u>              | <u>562,512,805</u>                  | <u>952,286,153</u>            | <u>27,012,667</u>                          | <u>21,292,045</u>                                | <u>1,000,590,865</u> | <u>951,362,848</u>   |

**CITY OF PASADENA**

**Balance Sheet**

**Governmental Funds**

**June 30, 2009**

|   | <u>General</u>       | <u>Pasadena<br/>Community<br/>Development<br/>Commission<br/>Debt Service</u> | <u>2003<br/>Certificates of<br/>Participation</u> | <u>2008 Series C<br/>Refunding COP<br/>Debt Service</u> |
|---|----------------------|---|---|---|
| <b><u>Assets</u></b>                              |                      |   |   |   |
| Cash and investments (note 2)                     | \$ 48,512,851        | 12,425,141  | 5,007,048   | 5,032   |
| Accounts receivable (note 3)                      | 17,135,513           | 852,093   | -   | -   |
| Less allowance for uncollectible amounts (note 3) | (1,346,986)          | -   | -   | -   |
| Notes receivable (note 4)                         | 398,403              | -   | -   | -   |
| Due from other funds (note 5)                     | 4,781,495            | -   | -   | -   |
| Prepays and other assets                          | 25,042               | -   | -   | -   |
| Advances to other funds (note 6)                  | 15,878,806           | -   | -   | -   |
| Advances to component units (note 6)              | 902,624              | -   | -   | -   |
| Allowance for uncollectible long-term receivables | (8,151,520)          | -   | -   | -   |
| Property held for resale                          | -                    | -   | -   | -   |
| <b>Total assets</b>                               | <b>\$ 78,136,228</b> | <b>13,277,234</b>   | <b>5,007,048</b>                                  | <b>5,032</b>  |
| <b><u>Liabilities and Fund Balances</u></b>       |                      |   |   |   |
| <b>Liabilities:</b>                               |                      |   |   |   |
| Accounts payable and accrued liabilities          | \$ 11,565,569        | 251,985   | -   | -   |
| Deposits  | 1,885,384            | -   | -   | -   |
| Due to other funds (note 5)                       | -                    | 687,837   | -   | -   |
| Due to other governments                          | 28,787               | -   | -   | -   |
| Deferred revenue (note 8)                         | 4,273,445            | -   | -   | -   |
| Advances from other funds (note 6)                | -                    | 34,896,497  | -   | -   |
| <b>Total liabilities</b>                          | <b>17,753,185</b>    | <b>35,836,319</b>   | <b>-</b>  | <b>-</b>  |
| <b>Fund balances:</b>                             |                      |   |   |   |
| <b>    Reserved for:</b>                          |                      |   |   |   |
| Encumbrances                                      | 2,928,222            | -   | -   | -   |
| Notes receivable                                  | 398,403              | -   | -   | -   |
| Prepays and other assets                          | 25,042               | -   | -   | -   |
| Advances to other funds                           | 8,629,910            | -   | -   | -   |
| Property held for resale                          | -                    | -   | -   | -   |
| Debt service                                      | -                    | -   | -   | -   |
| <b>    Unreserved, reported in (note 17):</b>     |                      |   |   |   |
| General fund                                      | 48,401,466           | -   | -   | -   |
| Special revenue funds                             | -                    | -   | -   | -   |
| Debt service funds                                | -                    | (22,559,085)  | 5,007,048   | 5,032   |
| Capital projects funds                            | -                    | -   | -   | -   |
| Permanent funds                                   | -                    | -   | -   | -   |
| <b>Total fund balances</b>                        | <b>60,383,043</b>    | <b>(22,559,085)</b>   | <b>5,007,048</b>                                  | <b>5,032</b>  |
| <b>Total liabilities and fund balances</b>        | <b>\$ 78,136,228</b> | <b>13,277,234</b>   | <b>5,007,048</b>                                  | <b>5,032</b>  |

See accompanying notes to the basic financial statements.

| Project<br>Management<br>Capital Project | Non-Major<br>Governmental<br>Funds | Totals             |                    |
|--|------------------------------------|--------------------|--------------------|
|  |                                    | 2009               | 2008               |
| -  | 158,940,991                        | 224,891,063        | 214,600,606        |
| 5,940,452                                | 6,887,703                          | 30,815,761         | 37,116,126         |
| -  | (29,091)                           | (1,376,077)        | (1,310,220)        |
| -  | 33,902,818                         | 34,301,221         | 30,689,759         |
| -  | 1,421,701                          | 6,203,196          | 7,833,084          |
| -  | -                                  | 25,042             | 553,261            |
| -  | 28,126,737                         | 44,005,543         | 43,574,063         |
| -  | -                                  | 902,624            | 966,624            |
| -  | (33,926,293)                       | (42,077,813)       | (40,696,867)       |
| -  | 7,438,977                          | 7,438,977          | 9,130,065          |
| <u>5,940,452</u>                         | <u>202,763,543</u>                 | <u>305,129,537</u> | <u>302,456,501</u> |
| 1,898,517                                | 4,142,134                          | 17,858,205         | 21,507,601         |
| -  | 309,733                            | 2,195,117          | 2,514,554          |
| 1,343,047                                | 3,581,723                          | 5,612,607          | 5,000,022          |
| -  | -                                  | 28,787             | 235,728            |
| 4,827,810                                | 3,047,007                          | 12,148,262         | 18,533,519         |
| -  | 5,291,590                          | 40,188,087         | 39,482,256         |
| <u>8,069,374</u>                         | <u>16,372,187</u>                  | <u>78,031,065</u>  | <u>87,273,680</u>  |
| -  | 8,808,781                          | 11,737,003         | 6,862,078          |
| -  | 33,902,818                         | 34,301,221         | 30,689,759         |
| -  | -                                  | 25,042             | 553,261            |
| -  | 8,232,924                          | 16,862,834         | 13,358,873         |
| -  | 7,438,977                          | 7,438,977          | 9,130,065          |
| -  | 53,853,247                         | 53,853,247         | 44,922,382         |
| -  | -                                  | 48,401,466         | 62,798,199         |
| -  | 48,859,373                         | 48,859,373         | 46,593,444         |
| -  | -                                  | (17,547,005)       | (23,378,954)       |
| (2,128,922)                              | 24,090,395                         | 21,961,473         | 22,591,584         |
| -  | 1,204,841                          | 1,204,841          | 1,062,130          |
| <u>(2,128,922)</u>                       | <u>186,391,356</u>                 | <u>227,098,472</u> | <u>215,182,821</u> |
| <u>5,940,452</u>                         | <u>202,763,543</u>                 | <u>305,129,537</u> | <u>302,456,501</u> |

**CITY OF PASADENA**  
**Reconciliation of the Balance Sheet of Governmental Funds**  
**to the Statement of Net Assets**  
**June 30, 2009**

|   |                  |                       |
|---|------------------|-----------------------|
| Fund balances of governmental funds   |                  | \$ 227,098,472        |
| Amounts reported for governmental activities in the statement of net assets are different because:  |                  |                       |
| Capital assets net of depreciation have not been included as financial resources in governmental fund activity.   |                  | 457,771,739           |
| Allowance for advances  |                  | 27,820,399            |
| Long term debt has not been included in governmental fund activity.   |                  |                       |
| Arbitrage Rebate Liability  | (250,132)        |                       |
| Notes payable   | (6,258,463)      |                       |
| Pension bonds   | (118,365,000)    |                       |
| Tax allocation bonds  | (7,656,689)      |                       |
| Revenue bonds   | (9,415,000)      |                       |
| Certificates of participation   | (124,732,976)    |                       |
| Capitalized lease obligations   | (11,272,314)     |                       |
| Net pension obligation  | (48,533,936)     |                       |
| Unamortized premium (discount)  | <u>1,565,221</u> |                       |
| Net adjustment  |                  | (324,919,289)         |
| Accrued interest payable for the current portion of interest due on long-term debt has not been reported in the governmental funds.   |                  | (3,671,545)           |
| Unearned revenue related to GASB 33 requirement, which consisted primarily of intergovernmental receivables not collected within the availability period.   |                  |                       |
| Revenues not available  |                  |                       |
| Project Management Capital Projects Fund  | 2,296,774        |                       |
| Non-Major Governmental Funds  | <u>2,508,694</u> |                       |
| Total revenues not available  |                  | 4,805,468             |
| Internal service funds are used by management to charge the costs of certain activities, such as equipment management and self-insurance, to individual funds. The net assets and liabilities of the internal service funds must be added to the statement of net assets. |                  | <u>868,104</u>        |
| Net assets of governmental activities   |                  | <u>\$ 389,773,348</u> |

See accompanying notes to the basic financial statements.



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**CITY OF PASADENA**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For the Fiscal Year Ended June 30, 2009**

|   | <b>General</b>       | <b>Pasadena<br/>Community<br/>Development<br/>Commission<br/>Debt Service</b> | <b>2003<br/>Certificates of<br/>Participation</b> | <b>2008 Series C<br/>Refunding COP<br/>Debt Service</b> |
|---|----------------------|---|---|---|
| <b>Revenues:</b>  |                      |   |   |   |
| Taxes   | \$ 119,771,602       | 24,231,930  | -   | -   |
| Licenses and permits  | 2,360,182            | -   | -   | -   |
| Intergovernmental revenues  | 13,745,985           | 558,000   | -   | -   |
| Charges for services  | 34,523,301           | -   | -   | -   |
| Fines and forfeits  | 8,844,377            | -   | -   | -   |
| Investment earnings   | 21,922,550           | 337,460   | 203,014   | 159,716   |
| Net change in fair value of investments   | 167,106              | 27,888  | -   | -   |
| Rental income   | 1,425,723            | -   | -   | -   |
| Miscellaneous revenues  | 2,394,249            | 244,525   | -   | -   |
| Contributions   | -                    | -   | -   | -   |
| Total revenues  | <u>205,155,075</u>   | <u>25,399,803</u>   | <u>203,014</u>                                    | <u>159,716</u>  |
| <b>Expenditures:</b>  |                      |   |   |   |
| Current:  |                      |   |   |   |
| General government  | 34,809,501           | -   | -   | 501,689   |
| Public safety   | 99,457,043           | -   | -   | -   |
| Transportation  | 26,337,739           | -   | -   | -   |
| Sanitation  | -                    | -   | -   | -   |
| Health  | -                    | -   | -   | -   |
| Culture and leisure   | 14,228,573           | -   | -   | -   |
| Community development   | 9,990,270            | 629,431   | -   | -   |
| Capital outlay  | -                    | -   | -   | -   |
| Debt service:   |                      |   |   |   |
| Principal retirement  | -                    | 1,996,876   | 72,295,000  | 2,500,000   |
| Interest  | -                    | 21,125,074  | 364,278   | 1,815,485   |
| Total expenditures  | <u>184,823,126</u>   | <u>23,751,381</u>   | <u>72,659,278</u>                                 | <u>4,817,174</u>  |
| Excess (deficiency) of revenues<br>over (under) expenditures                    | <u>20,331,949</u>    | <u>1,648,422</u>  | <u>(72,456,264)</u>                               | <u>(4,657,458)</u>                                      |
| <b>Other financing sources (uses):</b>  |                      |   |   |   |
| Issuance of long-term debt  | 331,944              | -   | -   | 72,057,398  |
| Other financing use-bond discount   | -                    | -   | -   | -   |
| Transfers in (note 21)  | 18,040,672           | 1,096,237   | 72,419,495  | 4,950,092   |
| Transfers out (note 21)   | (48,246,653)         | (1,924,790)   | (634,607)   | (72,345,000)  |
| Total other financing sources (uses)  | <u>(29,874,037)</u>  | <u>(828,553)</u>  | <u>71,784,888</u>                                 | <u>4,662,490</u>  |
| Change in fund balances   | (9,542,088)          | 819,869   | (671,376)   | 5,032   |
| <b>Fund balances (deficits) at beginning of year,<br/>as restated (note 28)</b> | <u>69,925,131</u>    | <u>(23,378,954)</u>   | <u>5,678,424</u>                                  | <u>-</u>  |
| <b>Fund balances (deficits) at end of year</b>                                  | <u>\$ 60,383,043</u> | <u>(22,559,085)</u>   | <u>5,007,048</u>                                  | <u>5,032</u>  |

See accompanying notes to the basic financial statements.

| Project<br>Management<br>Capital Project | Non-Major<br>Governmental<br>Funds | Totals               |                     |
|--|------------------------------------|----------------------|---------------------|
|  |                                    | 2009                 | 2008                |
| -  | 13,223,409                         | 157,226,941          | 156,373,447         |
| -  | 4,775,737                          | 7,135,919            | 8,645,584           |
| 7,661,424                                | 39,444,490                         | 61,409,899           | 57,531,306          |
| 6,153                                    | 8,253,545                          | 42,782,999           | 39,087,790          |
| -  | -                                  | 8,844,377            | 8,024,617           |
| -  | 4,765,994                          | 27,388,734           | 28,310,782          |
| -  | 839,123                            | 1,034,117            | 1,038,666           |
| -  | 3,851,461                          | 5,277,184            | 5,370,005           |
| 7  | 3,930,833                          | 6,569,614            | 7,893,964           |
| <u>3,154,731</u>                         | <u>4,857,081</u>                   | <u>8,011,812</u>     | <u>6,004,935</u>    |
| <u>10,822,315</u>                        | <u>83,941,673</u>                  | <u>325,681,596</u>   | <u>318,281,096</u>  |
| -  | 515,148                            | 35,826,338           | 35,123,617          |
| -  | 3,061,260                          | 102,518,303          | 96,211,330          |
| -  | 10,566,182                         | 36,903,921           | 36,716,663          |
| -  | 4,060,775                          | 4,060,775            | 3,189,090           |
| -  | 11,471,282                         | 11,471,282           | 12,123,825          |
| -  | 12,707,289                         | 26,935,862           | 26,821,451          |
| -  | 32,032,530                         | 42,652,231           | 39,681,887          |
| 29,951,656                               | 39,320                             | 29,990,976           | 34,998,501          |
| -  | 9,282,106                          | 86,073,982           | 41,971,912          |
| -  | 10,126,723                         | 33,431,560           | 34,164,709          |
| <u>29,951,656</u>                        | <u>93,862,615</u>                  | <u>409,865,230</u>   | <u>361,002,985</u>  |
| <u>(19,129,341)</u>                      | <u>(9,920,942)</u>                 | <u>(84,183,634)</u>  | <u>(42,721,889)</u> |
| -  | 7,642,601                          | 80,031,943           | 27,939,303          |
| -  | -                                  | -                    | 835,801             |
| 19,311,751                               | 42,917,132                         | 158,735,379          | 112,227,856         |
| <u>(1,030,299)</u>                       | <u>(18,486,688)</u>                | <u>(142,668,037)</u> | <u>(96,214,702)</u> |
| <u>18,281,452</u>                        | <u>32,073,045</u>                  | <u>96,099,285</u>    | <u>44,788,258</u>   |
| (847,889)                                | 22,152,103                         | 11,915,651           | 2,066,369           |
| <u>(1,281,033)</u>                       | <u>164,239,253</u>                 | <u>215,182,821</u>   | <u>213,116,452</u>  |
| <u>(2,128,922)</u>                       | <u>186,391,356</u>                 | <u>227,098,472</u>   | <u>215,182,821</u>  |

**CITY OF PASADENA**  
**Reconciliation of the Statement of Revenues,**  
**Expenditures, and Changes in Fund Balances of Governmental Funds**  
**to the Statement of Activities**  
**For the Fiscal Year Ended June 30, 2009**

Net change in fund balances - total governmental funds \$ 11,915,651

Amounts reported for governmental activities in the statement of activities differs from the amounts reported in the statement of activities because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

|                |             |
|----------------|-------------|
| Capital outlay | 43,911,609  |
| Depreciation   | (6,290,092) |

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net assets. (26,185,482)

Bond proceeds are reported as financing sources in governmental funds and thus contribute to the change in fund balance. In the statement of net assets, however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, repayment of principal is an expenditure in the governmental funds but reduces the liability in the statement of net assets.

Debt issued:

|                               |              |
|-------------------------------|--------------|
| Certificates of Participation | (71,450,000) |
| Notes Payable                 | (232,380)    |
| Capitalized lease obligations | (7,742,165)  |
| Bond discount                 | (607,398)    |

Repayments:

|  |                   |
|--|-------------------|
| Changes in net pension obligations     | (2,674,317)       |
| To bond, certificate, and note holders | <u>86,522,968</u> |

Net adjustment 3,816,708

Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the funds. (7,361,295)

Bond issuance costs, premiums, discounts, and similar items are recorded as expenditures in governmental funds when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net offset of the differences. 36,374

Interest payable related to debt services or long term liabilities. This is the net change in interest payable expense for the current period. (6,879,191)

Internal service funds are used by management to charge the costs of certain activities, such as computing and communication, building maintenance, fleet maintenance, benefits, equipment leasing, workers' compensation, general liability printing services and mail services, to individual funds. The net revenue (expenses) of certain activities of internal service funds is reported with governmental activities. (158,581)

Change in net assets of governmental activities \$ 12,805,701

See accompanying notes to the basic financial statements.

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**CITY OF PASADENA**  
**Statement of Net Assets**  
**Proprietary Funds**  
**June 30, 2009**

|  | <u>Light<br/>and Power</u> | <u>Water</u>        | <u>Old<br/>Pasadena<br/>Parking</u> | <u>Paseo<br/>Colorado<br/>Parking</u> |
|--|----------------------------|---------------------|-------------------------------------|---------------------------------------|
| <b>Assets</b>  |                            |                     |                                     |                                       |
| <b>Current assets:</b>                                     |                            |                     |                                     |                                       |
| Cash and investments (note 2)                              | \$ 95,223,517              | 3,539,469           | 2,941,673                           | -                                     |
| Accounts receivable (note 3)                               | 19,743,734                 | 6,060,284           | 814,261                             | 698,629                               |
| Less allowance for uncollectible amounts (note 3)          | (591,005)                  | (155,803)           | -                                   | -                                     |
| Notes receivable (note 4)                                  | 4,065,000                  | -                   | -                                   | -                                     |
| Due from other funds (note 5)                              | 4,000,000                  | -                   | -                                   | -                                     |
| Inventories  | 9,632,228                  | 9,704,450           | -                                   | -                                     |
| Prepays and other assets                                   | 914,653                    | 393,977             | 227,946                             | 233,756                               |
| <b>Total current assets</b>                                | <u>132,988,127</u>         | <u>19,542,377</u>   | <u>3,983,880</u>                    | <u>932,385</u>                        |
| <b>Noncurrent assets:</b>                                  |                            |                     |                                     |                                       |
| <b>Restricted assets - cash and investments:</b>           |                            |                     |                                     |                                       |
| To finance stranded investments (note 18)                  | 60,385,938                 | -                   | -                                   | -                                     |
| Other restricted cash and investments                      | 24,456,941                 | 4,807,888           | 2,900,578                           | 1,978,480                             |
| Advances to other funds (note 6)                           | -                          | -                   | -                                   | -                                     |
| Less allowance for long-term receivable (note 6)           | -                          | -                   | -                                   | -                                     |
| Accounts receivable from Independent System Operator (ISO) | 19,591,119                 | -                   | -                                   | -                                     |
| Less allowance for uncollectible amounts from ISO          | (7,606,563)                | -                   | -                                   | -                                     |
| Notes receivable (note 4)                                  | 65,955,000                 | -                   | -                                   | -                                     |
| Property held for resale                                   | -                          | -                   | -                                   | -                                     |
| Prepaid long term assets                                   | 31,065,301                 | 1,385,704           | 1,404,037                           | 289,640                               |
| Capital assets (note 7)                                    | 581,581,608                | 188,868,173         | 23,320,030                          | 30,811,369                            |
| Less accumulated depreciation                              | <u>(264,808,429)</u>       | <u>(58,310,926)</u> | <u>(7,885,242)</u>                  | <u>(4,635,019)</u>                    |
| Net property, plant and equipment                          | <u>316,773,179</u>         | <u>130,557,247</u>  | <u>15,434,788</u>                   | <u>26,176,350</u>                     |
| <b>Total noncurrent assets</b>                             | <u>510,620,915</u>         | <u>136,750,839</u>  | <u>19,739,403</u>                   | <u>28,444,470</u>                     |
| <b>Total assets</b>  | <u>643,609,042</u>         | <u>156,293,216</u>  | <u>23,723,283</u>                   | <u>29,376,855</u>                     |
| <b>Liabilities</b>   |                            |                     |                                     |                                       |
| <b>Current liabilities:</b>                                |                            |                     |                                     |                                       |
| Accounts payable and accrued liabilities                   | 9,222,515                  | 6,868,888           | 801,516                             | 259,180                               |
| Deposits   | 763,274                    | 184,706             | 311,332                             | 49,972                                |
| Insurance claims payable - current (note 22)               | -                          | -                   | -                                   | -                                     |
| OPEB liability - current (note 9 and 28)                   | -                          | -                   | -                                   | -                                     |
| Due to other funds (note 5)                                | -                          | 4,000,000           | -                                   | 143,062                               |
| Unearned revenue (note 8)                                  | 2,055,196                  | -                   | -                                   | -                                     |
| Compensated absences                                       | -                          | -                   | -                                   | -                                     |
| Notes payable - current (notes 9 and 10)                   | -                          | -                   | 124,885                             | -                                     |
| Revenue bonds - current (notes 9 and 13)                   | 7,510,000                  | 2,195,000           | -                                   | 500,000                               |
| Certificates of participation - current (notes 9 and 14)   | -                          | -                   | 1,363,299                           | -                                     |
| Capitalized lease obligations - current (notes 9 and 15)   | -                          | -                   | 135,525                             | -                                     |
| <b>Total current liabilities</b>                           | <u>19,550,985</u>          | <u>13,248,594</u>   | <u>2,736,557</u>                    | <u>952,214</u>                        |
| <b>Long-term liabilities:</b>                              |                            |                     |                                     |                                       |
| Insurance claims payable - long-term (note 22)             | -                          | -                   | -                                   | -                                     |
| OPEB liability - long-term (note 9 and 28)                 | -                          | -                   | -                                   | -                                     |
| Advances from other funds (note 6)                         | -                          | -                   | 2,436,545                           | 4,349,205                             |
| Notes payable - long-term (notes 9 and 10)                 | -                          | -                   | 1,552,911                           | -                                     |
| Revenue bonds - long-term (notes 9 and 13)                 | 158,325,000                | 57,145,000          | -                                   | 28,000,000                            |
| Certificates of participation - long-term (notes 9 and 14) | -                          | -                   | 14,435,016                          | -                                     |
| Capitalized lease obligations - long-term (notes 9 and 15) | -                          | -                   | 138,877                             | -                                     |
| Unamortized premium (discount)                             | 1,568,038                  | 419,132             | 202,884                             | (803,387)                             |
| <b>Total long-term liabilities</b>                         | <u>159,893,038</u>         | <u>57,564,132</u>   | <u>18,766,233</u>                   | <u>31,545,818</u>                     |
| <b>Total liabilities</b>                                   | <u>179,444,023</u>         | <u>70,812,726</u>   | <u>21,502,790</u>                   | <u>32,498,032</u>                     |
| <b>Net Assets</b>  |                            |                     |                                     |                                       |
| Invested in capital assets, net of related debt            | 173,818,740                | 75,606,003          | 381,969                             | 458,217                               |
| <b>Restricted:</b>   |                            |                     |                                     |                                       |
| Contribution   | 13,474,658                 | 2,526,131           | -                                   | -                                     |
| Stranded investments (note 18 and 25)                      | 140,041,800                | -                   | -                                   | -                                     |
| Other purposes   | 2,294,396                  | -                   | -                                   | -                                     |
| Unrestricted   | <u>134,535,425</u>         | <u>7,348,356</u>    | <u>1,838,524</u>                    | <u>(3,579,394)</u>                    |
| <b>Total net assets</b>                                    | <u>\$ 464,165,019</u>      | <u>85,480,490</u>   | <u>2,220,493</u>                    | <u>(3,121,177)</u>                    |

See accompanying notes to the basic financial statements.

| Non-Major<br>Enterprise<br>Funds | Total<br>Enterprise<br>Funds | Governmental<br>Activities-<br>Internal<br>Service<br>Funds | Totals               |                      |
|----------------------------------|------------------------------|---|----------------------|----------------------|
|                                  |                              |   | 2009                 | 2008                 |
|                                  |                              |   |                      |                      |
| 7,825,106                        | 109,529,765                  | 24,101,853  | 133,631,618          | 108,800,192          |
| 2,073,743                        | 29,390,651                   | 6,245,043   | 35,635,694           | 40,938,214           |
| (42,859)                         | (789,667)                    | -   | (789,667)            | (824,002)            |
| -                                | 4,065,000                    | -   | 4,065,000            | -                    |
| -                                | 4,000,000                    | -   | 4,000,000            | 4,800                |
| -                                | 19,336,678                   | 213,983   | 19,550,661           | 20,353,302           |
| -                                | 1,770,332                    | 223,461   | 1,993,793            | 3,475,034            |
| <u>9,855,990</u>                 | <u>167,302,759</u>           | <u>30,784,340</u>   | <u>198,087,099</u>   | <u>172,747,540</u>   |
| -                                | 60,385,938                   | -   | 60,385,938           | 136,587,277          |
| 2,759,360                        | 36,903,247                   | 266,867   | 37,170,114           | 78,303,342           |
| 4,376,705                        | 4,376,705                    | 4,163,096   | 8,539,801            | 4,318,534            |
| -                                | -                            | (731,709)   | (731,709)            | (650,409)            |
| -                                | 19,591,119                   | -   | 19,591,119           | 19,591,119           |
| -                                | (7,606,563)                  | -   | (7,606,563)          | (7,606,563)          |
| -                                | 65,955,000                   | -   | 65,955,000           | -                    |
| -                                | -                            | 3,714,391   | 3,714,391            | 3,714,391            |
| -                                | 34,144,682                   | -   | 34,144,682           | 22,704,189           |
| 25,972,932                       | 850,554,112                  | 29,022,932  | 879,577,044          | 833,222,539          |
| <u>(13,069,825)</u>              | <u>(348,709,441)</u>         | <u>(18,302,450)</u>   | <u>(367,011,891)</u> | <u>(351,427,325)</u> |
| <u>12,903,107</u>                | <u>501,844,671</u>           | <u>10,720,482</u>   | <u>512,565,153</u>   | <u>481,795,214</u>   |
| <u>20,039,172</u>                | <u>715,594,799</u>           | <u>18,133,127</u>   | <u>733,727,926</u>   | <u>738,757,094</u>   |
| <u>29,895,162</u>                | <u>882,897,558</u>           | <u>48,917,467</u>   | <u>931,815,025</u>   | <u>911,504,634</u>   |
| 678,765                          | 17,830,864                   | 8,398,758   | 26,229,622           | 31,243,796           |
| 3,144,531                        | 4,453,815                    | -   | 4,453,815            | 4,547,875            |
| -                                | -                            | 9,595,095   | 9,595,095            | 10,843,208           |
| -                                | -                            | -   | -                    | -                    |
| -                                | 4,143,062                    | 447,527   | 4,590,589            | 2,837,862            |
| -                                | 2,055,196                    | -   | 2,055,196            | 1,628,879            |
| -                                | -                            | 9,683,534   | 9,683,534            | 8,721,272            |
| -                                | 124,885                      | -   | 124,885              | 118,846              |
| -                                | 10,205,000                   | -   | 10,205,000           | 10,260,000           |
| 1,700,000                        | 3,063,299                    | -   | 3,063,299            | 2,732,554            |
| 30,509                           | 166,034                      | 605,891   | 771,925              | 1,007,352            |
| <u>5,553,805</u>                 | <u>42,042,155</u>            | <u>28,730,805</u>   | <u>70,772,960</u>    | <u>73,941,644</u>    |
| -                                | -                            | 14,392,641  | 14,392,641           | 16,264,812           |
| -                                | -                            | 4,304,912   | 4,304,912            | 2,142,822            |
| 4,207,507                        | 10,993,257                   | -   | 10,993,257           | 8,410,341            |
| -                                | 1,552,911                    | -   | 1,552,911            | 1,677,639            |
| -                                | 243,470,000                  | -   | 243,470,000          | 251,990,000          |
| 6,300,000                        | 20,735,016                   | -   | 20,735,016           | 23,798,315           |
| 143,394                          | 282,271                      | 621,005   | 903,276              | 1,942,634            |
| (77,524)                         | 1,309,143                    | -   | 1,309,143            | 2,244,061            |
| <u>10,573,377</u>                | <u>278,342,598</u>           | <u>19,318,558</u>   | <u>297,661,156</u>   | <u>308,470,624</u>   |
| <u>16,127,182</u>                | <u>320,384,753</u>           | <u>48,049,363</u>   | <u>368,434,116</u>   | <u>382,412,268</u>   |
| 7,566,088                        | 257,831,017                  | 9,760,453   | 267,591,470          | 268,033,296          |
| -                                | 16,000,789                   | -   | 16,000,789           | 14,258,422           |
| -                                | 140,041,800                  | -   | 140,041,800          | 136,587,277          |
| -                                | 2,294,396                    | -   | 2,294,396            | 3,088,949            |
| <u>6,201,892</u>                 | <u>146,344,803</u>           | <u>(8,892,349)</u>  | <u>137,452,454</u>   | <u>107,124,422</u>   |
| <u>13,767,980</u>                | <u>562,512,805</u>           | <u>868,104</u>  | <u>563,380,909</u>   | <u>529,092,366</u>   |

**CITY OF PASADENA**  
**Statement of Revenues, Expenses and Changes in Net Assets**  
**Proprietary Funds**  
**For the Fiscal Year Ended June 30, 2009**

|  | <u>Light<br/>and Power</u> | <u>Water</u>      | <u>Old<br/>Pasadena<br/>Parking</u> | <u>Paseo<br/>Colorado<br/>Parking</u> |
|--|----------------------------|-------------------|-------------------------------------|---------------------------------------|
| <b>Operating revenues:</b>                       |                            |                   |                                     |                                       |
| Charges for services:                            |                            |                   |                                     |                                       |
| Utilities  | \$ 193,158,187             | 43,095,822        | -                                   | -                                     |
| Plaza Las Fuentes parking                        | -                          | -                 | -                                   | -                                     |
| Refuse collection                                | -                          | -                 | -                                   | -                                     |
| Old Pasadena parking                             | -                          | -                 | 5,576,840                           | -                                     |
| Paseo Colorado parking                           | -                          | -                 | -                                   | 5,346,698                             |
| Telecommunication                                | -                          | -                 | -                                   | -                                     |
| Del Mar Goldline Parking Garage                  | -                          | -                 | -                                   | -                                     |
| Computing and communication services             | -                          | -                 | -                                   | -                                     |
| Building maintenance                             | -                          | -                 | -                                   | -                                     |
| Fleet maintenance                                | -                          | -                 | -                                   | -                                     |
| Employee benefits                                | -                          | -                 | -                                   | -                                     |
| Insurance  | -                          | -                 | -                                   | -                                     |
| Printing   | -                          | -                 | -                                   | -                                     |
| Mail   | -                          | -                 | -                                   | -                                     |
| Total operating revenues                         | <u>193,158,187</u>         | <u>43,095,822</u> | <u>5,576,840</u>                    | <u>5,346,698</u>                      |
| <b>Operating expenses:</b>                       |                            |                   |                                     |                                       |
| Utility production                               | 109,171,507                | 18,134,160        | -                                   | -                                     |
| Utility transmission and distribution            | 12,504,915                 | 5,421,095         | -                                   | -                                     |
| Utility commercial and general                   | 24,294,333                 | 6,615,150         | -                                   | -                                     |
| Plaza Las Fuentes parking                        | -                          | -                 | -                                   | -                                     |
| Refuse collection                                | -                          | -                 | -                                   | -                                     |
| Old Pasadena parking                             | -                          | -                 | 2,495,802                           | -                                     |
| Paseo Colorado parking                           | -                          | -                 | -                                   | 3,397,459                             |
| Telecommunications                               | -                          | -                 | -                                   | -                                     |
| Del Mar Goldline Parking Garage                  | -                          | -                 | -                                   | -                                     |
| Computing and communication services             | -                          | -                 | -                                   | -                                     |
| Building maintenance                             | -                          | -                 | -                                   | -                                     |
| Fleet maintenance                                | -                          | -                 | -                                   | -                                     |
| Depreciation                                     | 16,737,214                 | 3,853,919         | 583,632                             | 674,154                               |
| Benefits   | -                          | -                 | -                                   | -                                     |
| Insurance  | -                          | -                 | -                                   | -                                     |
| Printing   | -                          | -                 | -                                   | -                                     |
| Mail   | -                          | -                 | -                                   | -                                     |
| Total operating expenses                         | <u>162,707,969</u>         | <u>34,024,324</u> | <u>3,079,434</u>                    | <u>4,071,613</u>                      |
| Operating income (loss)                          | <u>30,450,218</u>          | <u>9,071,498</u>  | <u>2,497,406</u>                    | <u>1,275,085</u>                      |
| <b>Nonoperating revenues (expenses):</b>         |                            |                   |                                     |                                       |
| Taxes  | -                          | -                 | -                                   | -                                     |
| Intergovernmental revenues                       | -                          | -                 | -                                   | -                                     |
| Investment earnings                              | 8,406,273                  | 457,698           | 297,382                             | 101,605                               |
| Net change in fair value of investments          | 1,047,152                  | (1,212)           | 21,113                              | (368)                                 |
| Miscellaneous revenues                           | -                          | -                 | 59,713                              | -                                     |
| Interest expense                                 | (7,720,039)                | (2,852,787)       | (1,111,990)                         | (1,710,309)                           |
| Gain (loss) on disposal of assets                | (42,145)                   | (131,582)         | -                                   | -                                     |
| Other nonoperating revenues (expenses)           | 721,690                    | 2,281,637         | (200,708)                           | (217,471)                             |
| Total nonoperating revenues (expenses)           | <u>2,412,931</u>           | <u>(246,246)</u>  | <u>(934,490)</u>                    | <u>(1,826,543)</u>                    |
| Income (loss) before transfers and contributions | 32,863,149                 | 8,825,252         | 1,562,916                           | (551,458)                             |
| Capital contributions                            | 2,985,547                  | 1,230,202         | -                                   | -                                     |
| Transfers in (note 21)                           | 959,269                    | -                 | -                                   | -                                     |
| Transfers out (note 21)                          | (12,921,561)               | (2,871,958)       | -                                   | -                                     |
| Net income (loss)                                | 23,886,404                 | 7,183,496         | 1,562,916                           | (551,458)                             |
| <b>Net assets (deficit) at beginning of year</b> | <u>440,278,615</u>         | <u>78,296,994</u> | <u>657,577</u>                      | <u>(2,569,719)</u>                    |
| <b>Net assets (deficit) at end of year</b>       | <u>\$ 464,165,019</u>      | <u>85,480,490</u> | <u>2,220,493</u>                    | <u>(3,121,177)</u>                    |

See accompanying notes to the basic financial statements.



| Non-Major<br>Enterprise<br>Funds | Total<br>Enterprise<br>Funds | Governmental<br>Activities-  |   | Totals              |                     |
|----------------------------------|------------------------------|------------------------------|---|---------------------|---------------------|
|                                  |                              | Internal<br>Service<br>Funds |   | 2009                | 2008                |
|                                  |                              |                              |   |                     |                     |
| -                                | 236,254,009                  | -                            | - | 236,254,009         | 224,602,963         |
| 1,848,915                        | 1,848,915                    | -                            | - | 1,848,915           | 1,921,365           |
| 10,285,103                       | 10,285,103                   | -                            | - | 10,285,103          | 10,011,635          |
| -                                | 5,576,840                    | -                            | - | 5,576,840           | 6,003,138           |
| -                                | 5,346,698                    | -                            | - | 5,346,698           | 5,777,700           |
| 595,165                          | 595,165                      | -                            | - | 595,165             | 428,414             |
| 351,145                          | 351,145                      | -                            | - | 351,145             | 164,686             |
| -                                | -                            | 8,400,526                    | - | 8,400,526           | 8,613,905           |
| -                                | -                            | 8,490,638                    | - | 8,490,638           | 8,319,674           |
| -                                | -                            | 9,458,819                    | - | 9,458,819           | 9,901,098           |
| -                                | -                            | 30,545,078                   | - | 30,545,078          | 28,575,284          |
| -                                | -                            | 13,738,192                   | - | 13,738,192          | 11,967,587          |
| -                                | -                            | 1,122,800                    | - | 1,122,800           | 1,071,794           |
| -                                | -                            | 421,816                      | - | 421,816             | 420,288             |
| <u>13,080,328</u>                | <u>260,257,875</u>           | <u>72,177,869</u>            |   | <u>332,435,744</u>  | <u>317,779,531</u>  |
| -                                | 127,305,667                  | -                            | - | 127,305,667         | 130,034,866         |
| -                                | 17,926,010                   | -                            | - | 17,926,010          | 16,799,726          |
| -                                | 30,909,483                   | -                            | - | 30,909,483          | 23,860,885          |
| 1,685,731                        | 1,685,731                    | -                            | - | 1,685,731           | 1,717,685           |
| 11,191,618                       | 11,191,618                   | -                            | - | 11,191,618          | 11,140,297          |
| -                                | 2,495,802                    | -                            | - | 2,495,802           | 2,446,098           |
| -                                | 3,397,459                    | -                            | - | 3,397,459           | 3,290,355           |
| 456,840                          | 456,840                      | -                            | - | 456,840             | 470,463             |
| 485,248                          | 485,248                      | -                            | - | 485,248             | 201,370             |
| -                                | -                            | 8,437,894                    | - | 8,437,894           | 8,502,857           |
| -                                | -                            | 9,474,708                    | - | 9,474,708           | 8,817,319           |
| -                                | -                            | 7,494,851                    | - | 7,494,851           | 7,811,484           |
| 1,036,341                        | 22,885,260                   | 2,055,535                    | - | 24,940,795          | 23,375,783          |
| -                                | -                            | 34,806,225                   | - | 34,806,225          | 32,836,204          |
| -                                | -                            | 8,717,577                    | - | 8,717,577           | 14,634,615          |
| -                                | -                            | 1,106,241                    | - | 1,106,241           | 1,057,096           |
| -                                | -                            | 471,275                      | - | 471,275             | 471,144             |
| <u>14,855,778</u>                | <u>218,739,118</u>           | <u>72,564,306</u>            |   | <u>291,303,424</u>  | <u>287,468,247</u>  |
| <u>(1,775,450)</u>               | <u>41,518,757</u>            | <u>(386,437)</u>             |   | <u>41,132,320</u>   | <u>30,311,284</u>   |
| 3,733,023                        | 3,733,023                    | -                            | - | 3,733,023           | 4,097,902           |
| 181,354                          | 181,354                      | -                            | - | 181,354             | 157,241             |
| 508,573                          | 9,771,531                    | 923,204                      | - | 10,694,735          | 13,225,294          |
| 30,112                           | 1,096,797                    | 234,080                      | - | 1,330,877           | 3,653,436           |
| -                                | 59,713                       | -                            | - | 59,713              | 85,601              |
| (235,424)                        | (13,630,549)                 | (51,044)                     | - | (13,681,593)        | (12,828,276)        |
| (14,371)                         | (188,098)                    | (66,210)                     | - | (254,308)           | (128,675)           |
| 144,048                          | 2,729,196                    | 214,819                      | - | 2,944,015           | 2,976,461           |
| <u>4,347,315</u>                 | <u>3,752,967</u>             | <u>1,254,849</u>             |   | <u>5,007,816</u>    | <u>11,238,984</u>   |
| 2,571,865                        | 45,271,724                   | 868,412                      | - | 46,140,136          | 41,550,268          |
| -                                | 4,215,749                    | -                            | - | 4,215,749           | 3,232,710           |
| 85,000                           | 1,044,269                    | 1,062,353                    | - | 2,106,622           | 1,402,142           |
| <u>(291,100)</u>                 | <u>(16,084,619)</u>          | <u>(2,089,345)</u>           |   | <u>(18,173,964)</u> | <u>(17,415,296)</u> |
| 2,365,765                        | 34,447,123                   | (158,580)                    | - | 34,288,543          | 28,769,824          |
| <u>11,402,215</u>                | <u>528,065,682</u>           | <u>1,026,684</u>             |   | <u>529,092,366</u>  | <u>500,322,542</u>  |
| <u>13,767,980</u>                | <u>562,512,805</u>           | <u>868,104</u>               |   | <u>563,380,909</u>  | <u>529,092,366</u>  |

**CITY OF PASADENA**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**Year Ended June 30, 2009**

|  | <b>Light<br/>and Power</b> | <b>Water</b>        | <b>Old<br/>Pasadena<br/>Parking</b> |
|--|----------------------------|---------------------|-------------------------------------|
| <b>Cash flows from operating activities:</b>   |                            |                     |                                     |
| Cash received from customers   | \$ 198,118,855             | 43,198,878          | 5,256,778                           |
| Cash payments to suppliers for goods and services  | (123,990,796)              | (15,951,197)        | (2,219,905)                         |
| Cash payments to employees for services  | (33,988,661)               | (13,187,044)        | (36,431)                            |
| Cash payments to other funds for services  | (1,879,109)                | (1,213,428)         | (20,201)                            |
| Cash payments from other funds for services  | 172,934                    | -                   | -                                   |
| Other nonoperating revenues (expenses)   | <u>721,690</u>             | <u>2,281,637</u>    | <u>(140,995)</u>                    |
| Net cash provided by (used for) operating activities   | <u>39,154,913</u>          | <u>15,128,846</u>   | <u>2,839,246</u>                    |
| <b>Cash flows from noncapital financing activities:</b>  |                            |                     |                                     |
| Transfers from other funds   | 959,269                    | -                   | -                                   |
| Transfers to other funds   | (12,921,561)               | (2,871,958)         | -                                   |
| Cash received (paid) on loans from other funds   | -                          | 4,000,000           | -                                   |
| Cash received (paid) on loans to other funds   | (4,000,000)                | -                   | (350,000)                           |
| Taxes received   | -                          | -                   | -                                   |
| Intergovernmental revenues   | <u>-</u>                   | <u>-</u>            | <u>-</u>                            |
| Net cash provided by (used for) noncapital financing activities  | <u>(15,962,292)</u>        | <u>1,128,042</u>    | <u>(350,000)</u>                    |
| <b>Cash flows from capital and related financing activities:</b>                                       |                            |                     |                                     |
| Proceeds from long-term debt   | -                          | -                   | -                                   |
| Acquisition and construction of capital assets   | (35,889,810)               | (17,298,482)        | (200,303)                           |
| Proceeds from sale of capital assets   | -                          | -                   | -                                   |
| Cash received from developers  | 2,985,547                  | 1,230,202           | -                                   |
| Principal paid on debt   | (7,210,000)                | (2,095,000)         | (1,482,597)                         |
| Interest paid on debt  | <u>(7,908,038)</u>         | <u>(2,880,640)</u>  | <u>(1,111,990)</u>                  |
| Net cash used for capital and related financing activities   | <u>(48,022,301)</u>        | <u>(21,043,920)</u> | <u>(2,794,890)</u>                  |
| <b>Cash flows from investing activities:</b>   |                            |                     |                                     |
| Purchase of investments  | (64,666,040)               | -                   | -                                   |
| Proceeds from sale of investments  | 76,802,232                 | 2,878,249           | -                                   |
| Investment earnings  | 9,453,425                  | 456,486             | 329,956                             |
| Loans made to suppliers  | <u>(70,020,000)</u>        | <u>-</u>            | <u>-</u>                            |
| Net cash provided by investing activities  | <u>(48,430,383)</u>        | <u>3,334,735</u>    | <u>329,956</u>                      |
| Net increase (decrease) in cash and cash equivalents   | (73,260,063)               | (1,452,297)         | 24,312                              |
| <b>Cash and cash equivalents at beginning of year</b>  | <u>192,179,769</u>         | <u>5,119,973</u>    | <u>5,817,939</u>                    |
| <b>Cash and cash equivalents at end of year</b>  | <u>\$ 118,919,706</u>      | <u>3,667,676</u>    | <u>5,842,251</u>                    |
| <b>Reconciliation of cash and cash equivalents to amounts reported on the Statement of Net Assets:</b> |                            |                     |                                     |
| Cash and investments   | \$ 95,223,517              | 3,539,469           | 2,941,673                           |
| Stranded investments   | 60,385,938                 | -                   | -                                   |
| Other restricted cash and investments  | 24,456,941                 | 4,807,888           | 2,900,578                           |
| Less non-cash equivalents  | <u>(61,146,690)</u>        | <u>(4,679,681)</u>  | <u>-</u>                            |
| Cash and cash equivalents at end of year   | <u>\$ 118,919,706</u>      | <u>3,667,676</u>    | <u>5,842,251</u>                    |

| Paseo<br>Colorado<br>Parking | Non-Major<br>Enterprise<br>Funds | Total<br>Enterprise<br>Funds | Governmental                 | Totals              |                     |
|------------------------------|----------------------------------|------------------------------|------------------------------|---------------------|---------------------|
|                              |                                  |                              | Activities-                  | 2009                | 2008                |
|                              |                                  |                              | Internal<br>Service<br>Funds |                     |                     |
| 5,174,406                    | 13,044,764                       | 264,793,681                  | -                            | 264,793,681         | 246,920,939         |
| (3,990,763)                  | (6,881,175)                      | (153,033,836)                | (20,195,465)                 | (173,229,301)       | (167,082,824)       |
| (82,665)                     | (5,024,873)                      | (52,319,674)                 | (47,704,220)                 | (100,023,894)       | (85,068,011)        |
| (83,745)                     | (2,009,321)                      | (5,205,804)                  | (2,229,880)                  | (7,435,684)         | (6,886,429)         |
| -                            | -                                | 172,934                      | 72,126,363                   | 72,299,297          | 68,235,121          |
| (217,471)                    | 144,048                          | 2,788,909                    | 214,819                      | 3,003,728           | (652,330)           |
| <u>799,762</u>               | <u>(726,557)</u>                 | <u>57,196,210</u>            | <u>2,211,617</u>             | <u>59,407,827</u>   | <u>55,466,466</u>   |
| -                            | 85,000                           | 1,044,269                    | 1,062,353                    | 2,106,622           | 4,361,278           |
| -                            | (291,100)                        | (16,084,619)                 | (2,089,345)                  | (18,173,964)        | (17,415,296)        |
| 3,114,654                    | -                                | 7,114,654                    | -                            | 7,114,654           | (42,641)            |
| (2,359,933)                  | (4,508,243)                      | (11,218,176)                 | 536,294                      | (10,681,882)        | (354,800)           |
| -                            | 3,733,023                        | 3,733,023                    | -                            | 3,733,023           | 4,097,902           |
| -                            | 181,354                          | 181,354                      | -                            | 181,354             | 157,241             |
| <u>754,721</u>               | <u>(799,966)</u>                 | <u>(15,229,495)</u>          | <u>(490,698)</u>             | <u>(15,720,193)</u> | <u>(9,196,316)</u>  |
| 28,800,000                   | -                                | 28,800,000                   | 32,203                       | 28,832,203          | 58,555,000          |
| (54,543)                     | -                                | (53,443,138)                 | (2,553,856)                  | (55,996,994)        | (55,051,734)        |
| -                            | -                                | -                            | 31,952                       | 31,952              | 29,799              |
| -                            | -                                | 4,215,749                    | -                            | 4,215,749           | 3,232,710           |
| (28,201,363)                 | (1,529,369)                      | (40,518,329)                 | (1,014,902)                  | (41,533,231)        | (14,051,109)        |
| (1,710,309)                  | (235,424)                        | (13,846,401)                 | (51,044)                     | (13,897,445)        | (12,828,276)        |
| <u>(1,166,215)</u>           | <u>(1,764,793)</u>               | <u>(74,792,119)</u>          | <u>(3,555,647)</u>           | <u>(78,347,766)</u> | <u>(20,113,610)</u> |
| -                            | -                                | (64,666,040)                 | -                            | (64,666,040)        | (54,961,106)        |
| -                            | -                                | 79,680,481                   | -                            | 79,680,481          | 105,721,627         |
| 93,325                       | 577,924                          | 10,911,116                   | 1,265,875                    | 12,176,991          | 16,903,055          |
| -                            | -                                | (70,020,000)                 | -                            | (70,020,000)        | -                   |
| <u>93,325</u>                | <u>577,924</u>                   | <u>(44,094,443)</u>          | <u>1,265,875</u>             | <u>(42,828,568)</u> | <u>67,663,576</u>   |
| 481,593                      | (2,713,392)                      | (76,919,847)                 | (568,853)                    | (77,488,700)        | 93,820,116          |
| 1,496,887                    | 13,297,858                       | 217,912,426                  | 24,937,573                   | 242,849,999         | 149,029,883         |
| <u>1,978,480</u>             | <u>10,584,466</u>                | <u>140,992,579</u>           | <u>24,368,720</u>            | <u>165,361,299</u>  | <u>242,849,999</u>  |
| -                            | 7,825,106                        | 109,529,765                  | 24,101,853                   | 133,631,618         | 108,800,192         |
| -                            | -                                | 60,385,938                   | -                            | 60,385,938          | 136,587,277         |
| 1,978,480                    | 2,759,360                        | 36,903,247                   | 266,867                      | 37,170,114          | 78,303,342          |
| -                            | -                                | (65,826,371)                 | -                            | (65,826,371)        | (80,840,812)        |
| <u>1,978,480</u>             | <u>10,584,466</u>                | <u>140,992,579</u>           | <u>24,368,720</u>            | <u>165,361,299</u>  | <u>242,849,999</u>  |

(continued)

**CITY OF PASADENA**  
**Statement of Cash Flows (Continued)**  
**Proprietary Funds**  
**Year Ended June 30, 2009**

|   | <u>Light<br/>and Power</u> | <u>Water</u>      |
|---|----------------------------|-------------------|
| <b>Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:</b> |                            |                   |
| Operating income (loss)   | \$ 30,450,218              | <u>9,071,498</u>  |
| Adjustments to reconcile operating income (loss) to net   |                            |                   |
| Depreciation  | 16,737,214                 | 3,853,919         |
| Amortization of premium and discount  | -                          | -                 |
| Other non-operating revenues (expenses)   | 721,690                    | 2,281,637         |
| (Increase) decrease in accounts receivable  | 5,593,302                  | 110,457           |
| Increase (decrease) in allowance for uncollectible accounts   | (28,076)                   | (7,401)           |
| (Increase) decrease in due to other funds   | -                          | -                 |
| (Increase) decrease in inventories  | 1,803,454                  | (1,054,646)       |
| (Increase) decrease in prepaids and other assets  | (857,941)                  | (15,003)          |
| (Increase) decrease in prepaid long term assets   | (9,931,168)                | 92,176            |
| Increase (decrease) in accounts payable and accrued liabilities   | (5,553,108)                | 614,863           |
| Increase (decrease) in insurance claims payable   | -                          | -                 |
| Increase (decrease) in deferred charges   | 426,317                    | -                 |
| Increase (decrease) in compensated absences   | -                          | -                 |
| Increase (decrease) in deposits payable   | <u>(206,989)</u>           | <u>181,346</u>    |
| Total adjustments   | <u>8,704,695</u>           | <u>6,057,348</u>  |
| Net cash provided by (used for) operating activities  | \$ <u>39,154,913</u>       | <u>15,128,846</u> |
| <b>Non-cash investing, capital and financing related activity</b>   |                            |                   |
| Non-cash changes in fair value of investments   | \$ <u>1,099,198</u>        | <u>(6,162)</u>    |

See accompanying notes to the basic financial statements

| <u>Old<br/>Pasadena<br/>Parking</u> | <u>Paseo<br/>Colorado<br/>Parking</u> | <u>Non-Major<br/>Enterprise<br/>Funds</u> | <u>Total<br/>Enterprise<br/>Funds</u> | <u>Governmental<br/>Activities-<br/>Internal<br/>Service<br/>Funds</u> | <u>Totals</u>     |                   |
|-------------------------------------|---------------------------------------|---|---------------------------------------|--|-------------------|-------------------|
|                                     |                                       |   |                                       |  | <u>2009</u>       | <u>2008</u>       |
| <u>2,497,406</u>                    | <u>1,275,085</u>                      | <u>(1,775,450)</u>                        | <u>41,518,757</u>                     | <u>(386,437)</u>   | <u>41,132,320</u> | <u>30,311,284</u> |
| 583,632                             | 674,154                               | 1,036,341                                 | 22,885,260                            | 2,055,535  | 24,940,795        | 23,375,783        |
| (32,750)                            | (803,387)                             | 38,763                                    | (797,374)                             | -  | (797,374)         | 28,696            |
| (140,995)                           | (217,471)                             | 144,048                                   | 2,788,909                             | 214,819  | 3,003,728         | (652,326)         |
| (287,312)                           | (172,292)                             | (36,706)                                  | 5,207,449                             | (56,306)   | 5,151,143         | (3,278,390)       |
| -                                   | -                                     | 1,142                                     | (34,335)                              | -  | (34,335)          | 32,997            |
| -                                   | -                                     | -   | -                                     | (232,296)  | (232,296)         | 334,867           |
| -                                   | -                                     | -   | 748,808                               | 53,833   | 802,641           | (4,093,377)       |
| 1,626,635                           | 698,786                               | -   | 1,452,477                             | 120,940  | 1,573,417         | 556,453           |
| (1,404,037)                         | (289,640)                             | -   | (11,532,669)                          | -  | (11,532,669)      | (1,444,555)       |
| (7,908)                             | (362,285)                             | (64,891)                                  | (5,373,329)                           | 437,461  | (4,935,868)       | 3,790,287         |
| -                                   | -                                     | -   | -                                     | (3,120,284)  | (3,120,284)       | 2,869,736         |
| -                                   | -                                     | -   | 426,317                               | 2,162,090  | 2,588,407         | 2,657,705         |
| -                                   | -                                     | -   | -                                     | 962,262  | 962,262           | 862,924           |
| <u>4,575</u>                        | <u>(3,188)</u>                        | <u>(69,804)</u>                           | <u>(94,060)</u>                       | <u>-</u>   | <u>(94,060)</u>   | <u>114,382</u>    |
| <u>341,840</u>                      | <u>(475,323)</u>                      | <u>1,048,893</u>                          | <u>15,677,453</u>                     | <u>2,598,054</u>   | <u>18,275,507</u> | <u>25,155,182</u> |
| <u>2,839,246</u>                    | <u>799,762</u>                        | <u>(726,557)</u>                          | <u>57,196,210</u>                     | <u>2,211,617</u>   | <u>59,407,827</u> | <u>55,466,466</u> |
| <u>21,113</u>                       | <u>(368)</u>                          | <u>30,112</u>                             | <u>1,143,893</u>                      | <u>1,053,738</u>   | <u>2,197,631</u>  | <u>3,898,801</u>  |

**CITY OF PASADENA**  
**Statement of Net Assets**  
**Fiduciary Funds**  
**June 30, 2009**

|   | <u>Pension Trust<br/>Funds</u> | <u>Agency Funds</u> |
|---|--------------------------------|---------------------|
| <b>Assets</b>   |                                |                     |
| Cash and cash equivalents (note 2)                                      | \$ 156,389,530                 | 2,961,425           |
| Receivables:  |                                |                     |
| Accounts receivable   | -                              | 945,631             |
| Interest  | 231,541                        | -                   |
| Total receivables   | <u>231,541</u>                 | <u>945,631</u>      |
| Other assets  | -                              | 905                 |
| Investments, at fair value (note 2):                                    |                                |                     |
| Government and agencies   | 11,043,617                     | -                   |
| Corporate obligations   | 17,842,253                     | -                   |
| Real estate investment trust (REIT)                                     | 4,035,853                      | -                   |
| Corporate stocks  | 42,402,656                     | -                   |
| Total investments   | <u>75,324,379</u>              | <u>-</u>            |
| Total assets  | <u>231,945,450</u>             | <u>3,907,961</u>    |
| <b>Liabilities</b>  |                                |                     |
| Accounts payable and accrued liabilities                                | 46,810                         | 1,066,022           |
| Due to other governments  | -                              | 2,841,939           |
| Deferred revenue  | -                              | -                   |
| Total liabilities   | <u>46,810</u>                  | <u>3,907,961</u>    |
| <b>Net assets reserved in trust for<br/>employees' pension benefits</b> | <u>\$ 231,898,640</u>          | <u>-</u>            |

See accompanying notes to the basic financial statements.

**CITY OF PASADENA**  
**Statement of Changes in Net Assets**  
**Fiduciary Funds**  
**For the Fiscal Year Ended June 30, 2009**

|  | <u><b>Pension<br/>Trust Funds</b></u> |
|--|---------------------------------------|
| <b>Additions:</b>                                  |                                       |
| Contributions:                                     |                                       |
| Employer   | \$ 956,097                            |
| Plan members                                       | <u>14,692,855</u>                     |
| Total contributions                                | <u>15,648,952</u>                     |
|  |                                       |
| Net investment income:                             |                                       |
| Net change in fair value of investments            | (39,697,257)                          |
| Interest   | 2,052,803                             |
| Dividends  | <u>1,248,986</u>                      |
| Gross investment income (loss)                     | (36,395,468)                          |
| Less investment expenses                           | <u>(465,746)</u>                      |
| Net investment income (loss)                       | <u>(36,861,214)</u>                   |
| Total additions                                    | <u>(21,212,262)</u>                   |
|  |                                       |
| <b>Deductions:</b>                                 |                                       |
| Benefits paid to participants                      | 25,145,657                            |
| Administrative expenses                            | <u>210,829</u>                        |
| Total deductions                                   | <u>25,356,486</u>                     |
| Net increase (decrease)                            | (46,568,748)                          |
|  |                                       |
| <b>Net assets reserved in trust for employees'</b> |                                       |
| <b>pension benefits:</b>                           |                                       |
| <b>Beginning of year</b>                           | <u>278,467,388</u>                    |
| <b>End of year</b>                                 | <u>\$ 231,898,640</u>                 |

See accompanying notes to the basic financial statements.

**CITY OF PASADENA**  
**Discretely Presented Component Units**  
**Statement of Net Assets**  
**June 30, 2009**

|  | Rose Bowl            | Pasadena Center      | Totals             |                    |
|--|----------------------|----------------------|--------------------|--------------------|
|  | Operating<br>Company | Operating<br>Company | 2009               | 2008               |
| <b>Assets</b>  |                      |                      |                    |                    |
| Current assets:  |                      |                      |                    |                    |
| Cash and investments (note 2)                              | \$ 9,953,801         | 2,339,878            | 12,293,679         | 7,794,137          |
| Accounts receivable, net                                   | 1,155,098            | 851,746              | 2,006,844          | 2,427,186          |
| Due from other funds                                       | 317                  | -                    | 317                | 12,880             |
| Prepays and other assets                                   | 28,530               | 23,589               | 52,119             | 10,995             |
| Other receivable   | 55,397               | -                    | 55,397             | 55,397             |
| Total current assets                                       | <u>11,193,143</u>    | <u>3,215,213</u>     | <u>14,408,356</u>  | <u>10,300,595</u>  |
| Noncurrent assets:   |                      |                      |                    |                    |
| Restricted assets - cash and investments (note 2)          | 2,952,249            | 22,890,069           | 25,842,318         | 89,482,934         |
| Other receivable   | 64,631               | -                    | 64,631             | 120,028            |
| Unamortized bond issuance costs                            | 227,790              | 588,813              | 816,603            | 765,242            |
| Deposits   | -                    | 4,000                | 4,000              | 4,000              |
| Capital assets (note 7):                                   |                      |                      |                    |                    |
| Land   | -                    | 2,423,473            | 2,423,473          | 2,423,473          |
| Construction in progress                                   | 2,367,624            | -                    | 2,367,624          | 99,347,363         |
| Other capital assets, net                                  | 48,001,894           | 162,548,180          | 210,550,074        | 62,809,762         |
| Total noncurrent assets                                    | <u>53,614,188</u>    | <u>188,454,535</u>   | <u>242,068,723</u> | <u>254,952,802</u> |
| Total assets   | <u>64,807,331</u>    | <u>191,669,748</u>   | <u>256,477,079</u> | <u>265,253,397</u> |
| <b>Liabilities</b>   |                      |                      |                    |                    |
| Current liabilities:                                       |                      |                      |                    |                    |
| Accounts payable and accrued liabilities                   | 2,065,926            | 1,245,667            | 3,311,593          | 14,162,267         |
| Deposits   | 108,800              | 537,510              | 646,310            | 467,196            |
| Interest payable   | 582,501              | 417,277              | 999,778            | 47,880             |
| Due to other funds   | 317                  | -                    | 317                | 12,880             |
| Unearned revenue (note 8)                                  | 1,439,237            | 966,602              | 2,405,839          | 1,391,508          |
| Advances from primary government - current (note 6)        | -                    | 67,240               | 67,240             | 64,000             |
| Certificates of participation - current (notes 9 and 14)   | 50,808               | 415,000              | 465,808            | 48,817             |
| Revenue bonds-current (notes 9 and 13)                     | 1,795,000            | -                    | 1,795,000          | 1,720,000          |
| Total current liabilities                                  | <u>6,042,589</u>     | <u>3,649,296</u>     | <u>9,691,885</u>   | <u>17,914,548</u>  |
| Noncurrent liabilities:                                    |                      |                      |                    |                    |
| Compensated absences                                       | 147,694              | -                    | 147,694            | 147,597            |
| Advances from primary government - long-term (note 6)      | -                    | 835,384              | 835,384            | 902,624            |
| Certificates of participation - long-term (notes 9 and 14) | 52,903               | 166,288,407          | 166,341,310        | 163,087,778        |
| Revenue bonds-long-term (notes 9 and 13)                   | 31,790,000           | -                    | 31,790,000         | 33,585,000         |
| Unamortized premium (discount)                             | (238,522)            | (395,384)            | (633,906)          | (713,672)          |
| Total noncurrent liabilities                               | <u>31,752,075</u>    | <u>166,728,407</u>   | <u>198,480,482</u> | <u>197,009,327</u> |
| Total liabilities  | <u>37,794,664</u>    | <u>170,377,703</u>   | <u>208,172,367</u> | <u>214,923,875</u> |
| <b>Net Assets</b>  |                      |                      |                    |                    |
| Invested in capital assets, net of related debt            | 19,871,578           | 12,619,887           | 32,491,465         | 34,325,211         |
| Restricted for construction                                | -                    | 1,762,982            | 1,762,982          | 1,563,658          |
| Unrestricted   | 7,141,089            | 6,909,176            | 14,050,265         | 14,440,653         |
| Total net assets   | <u>\$ 27,012,667</u> | <u>21,292,045</u>    | <u>48,304,712</u>  | <u>50,329,522</u>  |

See accompanying notes to the basic financial statements.



**CITY OF PASADENA**  
**Discretely Presented Component Units**  
**Combining Statement of Revenues, Expenses and Changes in Net Assets**  
**For the Fiscal Year Ended June 30, 2009**

|   | <b>Rose Bowl</b>             | <b>Pasadena Center</b>       | <b>Totals</b>      |                    |
|---|------------------------------|------------------------------|--------------------|--------------------|
|   | <b>Operating<br/>Company</b> | <b>Operating<br/>Company</b> | <b>2009</b>        | <b>2008</b>        |
| <b>Operating revenues:</b>                |                              |                              |                    |                    |
| Charges for services:                     |                              |                              |                    |                    |
| Golf course                               | \$ 9,065,547                 | -                            | 9,065,547          | 8,762,911          |
| Rose Bowl                                 | 2,708,624                    | -                            | 2,708,624          | 2,849,362          |
| Pasadena Center Operating Company         | -                            | 3,433,010                    | 3,433,010          | 3,062,136          |
| Total operating revenues                  | <u>11,774,171</u>            | <u>3,433,010</u>             | <u>15,207,181</u>  | <u>14,674,409</u>  |
| <b>Operating expenses:</b>                |                              |                              |                    |                    |
| Golf course                               | 7,431,021                    | -                            | 7,431,021          | 7,110,097          |
| Rose Bowl                                 | 887,558                      | -                            | 887,558            | 892,331            |
| Pasadena Center Operating Company         | -                            | 8,081,624                    | 8,081,624          | 7,579,192          |
| Depreciation                              | 3,036,947                    | 2,358,176                    | 5,395,123          | 3,433,272          |
| Total operating expenses                  | <u>11,355,526</u>            | <u>10,439,800</u>            | <u>21,795,326</u>  | <u>19,014,892</u>  |
| Operating income                          | <u>418,645</u>               | <u>(7,006,790)</u>           | <u>(6,588,145)</u> | <u>(4,340,483)</u> |
| <b>Nonoperating revenues (expenses):</b>  |                              |                              |                    |                    |
| Transient occupancy taxes, net            | -                            | 4,559,501                    | 4,559,501          | 5,553,914          |
| Tourism business improvement district tax | -                            | 2,131,649                    | 2,131,649          | 2,542,671          |
| Contribution to City                      | -                            | (2,990,260)                  | (2,990,260)        | -                  |
| Investment earnings                       | 363,975                      | 339,189                      | 703,164            | 1,010,268          |
| Interest expense                          | (1,499,354)                  | (2,564,209)                  | (4,063,563)        | (1,313,784)        |
| Other nonoperating revenues (expenses)    | 426,190                      | 199,323                      | 625,513            | 404,264            |
| Total nonoperating revenues (expenses)    | <u>(709,189)</u>             | <u>1,675,193</u>             | <u>966,004</u>     | <u>8,197,333</u>   |
| Income (loss) before operating transfers  | <u>(290,544)</u>             | <u>(5,331,597)</u>           | <u>(5,622,141)</u> | <u>3,856,850</u>   |
| Capital contributions                     | 2,000,000                    | 1,597,331                    | 3,597,331          | 1,157,637          |
| Change in net assets                      | 1,709,456                    | (3,734,266)                  | (2,024,810)        | 5,014,487          |
| <b>Net assets at beginning of year</b>    | <u>25,303,211</u>            | <u>25,026,311</u>            | <u>50,329,522</u>  | <u>45,315,035</u>  |
| <b>Net assets at end of year</b>          | <u>\$ 27,012,667</u>         | <u>21,292,045</u>            | <u>48,304,712</u>  | <u>50,329,522</u>  |

See accompanying notes to the basic financial statements.