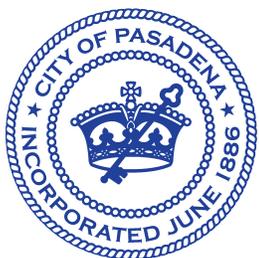


PASADENA

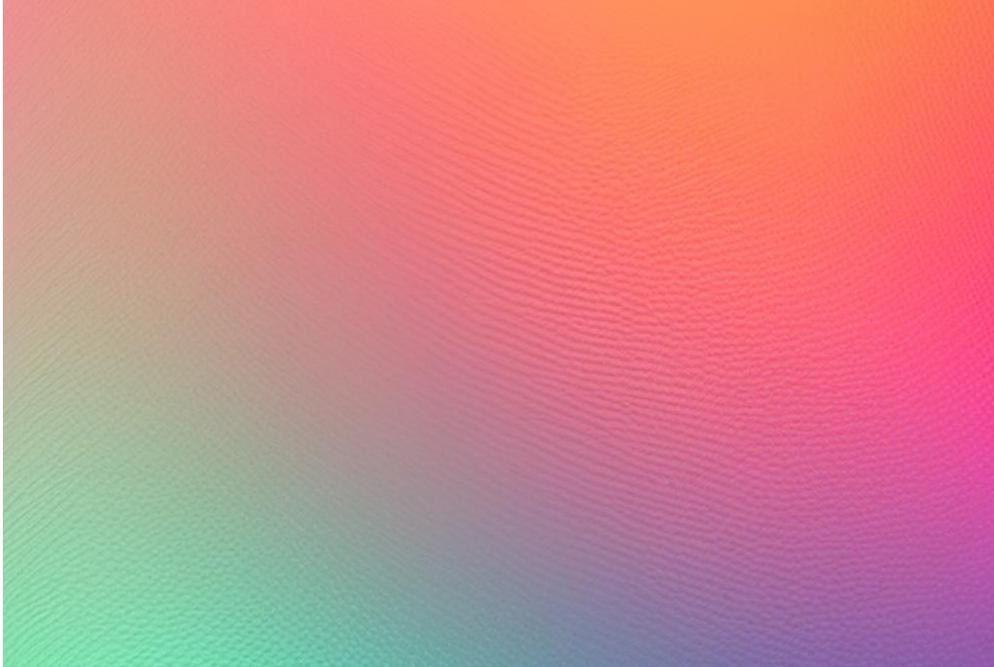
C A L I F O R N I A



ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
JUNE 30, 2025

(This page intentionally left blank)



PASADENA

CALIFORNIA • WWW.CITYOFPASADENA.NET



ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
JUNE 30, 2025

(This page intentionally left blank)

CITY OF PASADENA, CALIFORNIA



ANNUAL COMPREHENSIVE FINANCIAL REPORT

Year Ended June 30, 2025



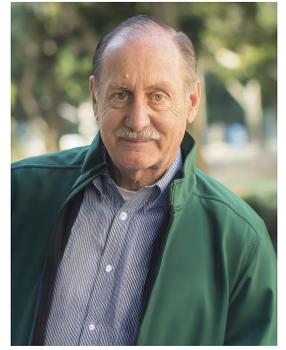
Victor M. Gordo
Mayor



Jessica C. Rivas
Vice Mayor
District 5



Tyron Hampton
Councilmember
District 1



Rick Cole
Councilmember
District 2



Justin Jones
Councilmember
District 3



Gene Masuda
Councilmember
District 4



Steve Madison
Councilmember
District 6



Jason Lyon
Councilmember
District 7

MIGUEL MÁRQUEZ, CITY MANAGER
MATTHEW E. HAWKESWORTH, ACTING ASSISTANT CITY MANAGER/
DIRECTOR OF FINANCE

PREPARED BY THE DEPARTMENT OF FINANCE, CITY OF PASADENA

(This page intentionally left blank)

INTRODUCTORY SECTION

Letter of Transmittalvii
 Principal City Officialsxiv
 Organizational Chartxv
 GFOA Certificate of Achievement for Excellence in Financial Reporting.....xvi

FINANCIAL SECTION

Independent Auditors’ Reportxix
 Management’s Discussion and Analysis (Required Supplementary Information) 1

Basic Financial Statements

Government-wide Financial Statements
 Statement of Net Position 18
 Statement of Activities 21

Fund Financial Statements
 Governmental Fund Financial Statements
 Balance Sheet 22
 Reconciliation of the Balance Sheet of Governmental Funds
 to the Statement of Net Position 23
 Statement of Revenues, Expenditures and Changes in Fund Balances 24
 Reconciliation of the Statement of Revenues, Expenditures and
 Changes in Fund Balances of Governmental Funds to the
 Statement of Activities..... 25

 Proprietary Fund Financial Statements
 Statement of Net Position..... 26
 Statement of Revenues, Expenses and Changes in Net Position..... 27
 Statement of Cash Flows..... 28

 Fiduciary Fund Financial Statements
 Statement of Net Position..... 30
 Statement of Changes in Net Position 31

Notes to the Basic Financial Statements..... 35

FINANCIAL SECTION (Continued)

Required Supplementary Information

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

- General Fund..... 126
- Housing Successor Fund – Special Revenue Fund 128

Notes to Required Supplementary Information..... 129

Schedule of Changes in Net Pension Liability and Related Ratios – Miscellaneous Plan..... 130

Schedule of Plan Contributions – Miscellaneous Plan..... 132

Schedule of Changes in Net Pension Liability and Related Ratios – Safety Plan..... 134

Schedule of Plan Contributions – Safety Plan 136

Schedule of Changes in Net Pension Liability and Related Ratios – Fire and Police Retirement System 138

Schedule of Plan Contributions – Fire and Police Retirement System..... 140

Schedule of Fire and Police Retirement System Plan Investment Return..... 141

Schedule of Changes in the Net OPEB Liability and Related Ratios..... 142

Schedule of OPEB Plan Contributions..... 143

Supplementary Information

Nonmajor Governmental Funds

- Combining Balance Sheet 146
- Combining Statement of Revenues, Expenditures and Changes in Fund Balances 147

Special Revenue Funds

- Combining Balance Sheet 152
- Combining Statement of Revenues, Expenditures and Changes in Fund Balances..... 154

Budgetary Comparison Schedules

Special Revenue Funds

- Public Safety Fund..... 156
- Health Fund 157
- Building Services Fund 158
- Sewer Construction and Maintenance Fund..... 159
- Underground Utilities Fund..... 160
- Transportation Fund 161
- Library Services Fund 162
- Parking Fund 163
- Air Quality Improvement Fund 164
- Housing and Community Development Fund 165
- Rent Stabilization Fund..... 166
- Donated Funds..... 167



FINANCIAL SECTION (Continued)

Capital Projects Funds

- Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
 - Project Management Fund – Capital Projects Fund 170
- Combining Balance Sheet 173
- Combining Statement of Revenues, Expenditures and Changes in Fund Balances 173

Permanent Funds

- Combining Balance Sheet 178
- Combining Statement of Revenues, Expenditures and Changes in Fund Balances 178

Nonmajor Enterprise Funds

- Combining Statement of Net Position..... 184
- Combining Statement of Revenues, Expenses and Changes in Net Position 185
- Combining Statement of Cash Flows 186

Internal Service Funds

- Combining Statement of Net Position..... 192
- Combining Statement of Revenues, Expenses and Changes in Net Position 194
- Combining Statement of Cash Flows 196

Fiduciary Funds

- Combining Statement of Net Position – Pension (and Other Employee Benefit) Trust Funds 204
- Combining Statement of Changes in Net Position – Pension (and Other Employee Benefit) Trust Funds 205
- Combining Statement of Net Position – Custodial Funds 207
- Combining Statement of Changes in Net Position– Custodial Funds..... 207

Combined Successor Agency Funds

- Combining Statement of Net Position – Private-Purpose Trust Funds..... 212
- Combining Statement of Changes in Net Position – Private-Purpose Trust Funds 214

Discretely Presented Component Units

- Combining Statement of Net Position..... 220
- Combining Statement of Revenues, Expenses and Changes in Net Position..... 221

Rose Bowl Operating Company

- Combining Statement of Net Position..... 222
- Combining Statement of Revenues, Expenses and Changes in Net Position 223

STATISTICAL SECTION

Financial Trends

- Net Position by Component 228
- Changes in Net Position..... 230
- Fund Balances of Governmental Funds..... 234
- Changes in Fund Balances of Governmental Funds..... 236

STATISTICAL SECTION (Continued)

Revenue Capacity

- Assessed Value and Actual Value of Taxable Property 239
- Direct and Overlapping Property Tax Rates 240
- Principal Property Taxpayers 242
- Property Tax Levies and Collections 243
- Taxable Sales by Category..... 244
- Electricity Sold by Type of Customer 246
- Electricity Rates 248
- Electricity Customers 249

Debt Capacity

- Ratios of Outstanding Debt by Type 250
- Ratios of General Bonded Debt Outstanding 254
- Direct and Overlapping Debt... 257
- Legal Debt Margin Information 258
- Pledged Revenue Coverage – Governmental Activity Debt 260
- Pledged Revenue Coverage – Business-type Activity Debt 261

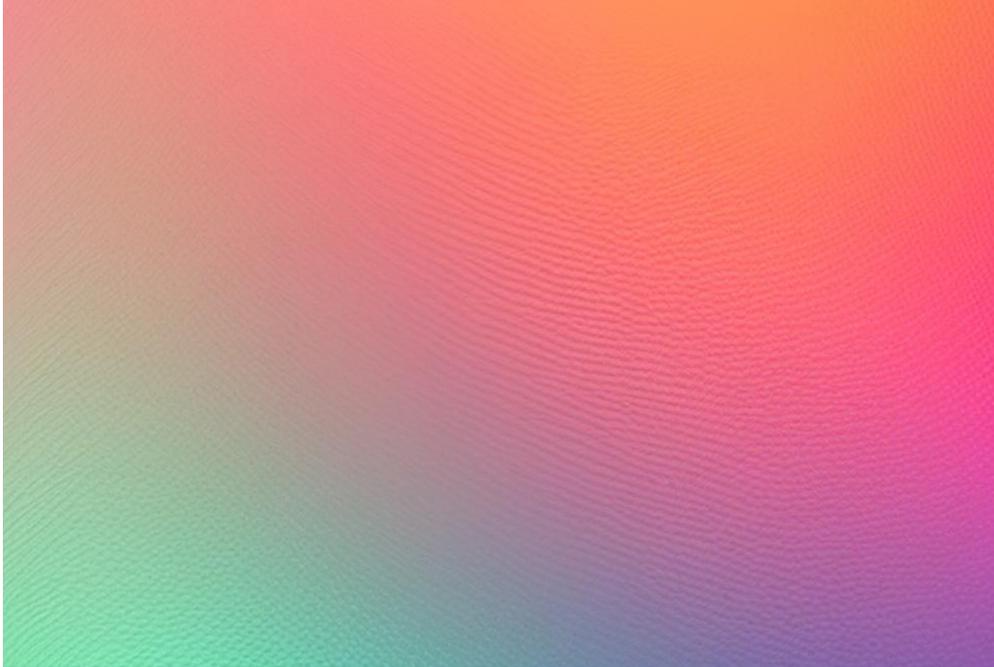
Demographic and Economic Information

- Demographic Statistics 262
- Principal Employers 263

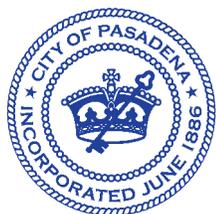
Operating Information

- Full-time and Part-time City Employees by Function 264
- Operating Indicators by Function 266
- Capital Asset Statistics by Function 268





INTRODUCTORY SECTION



ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
JUNE 30, 2025

(This page intentionally left blank)



DEPARTMENT OF FINANCE

December 23, 2025

To the Honorable Mayor, Members of the City Council
and the Citizens of the City of Pasadena, California:

The Annual Comprehensive Financial Report (ACFR) of the City of Pasadena, California (City) for the fiscal year ended June 30, 2025 (fiscal year 2025) is hereby submitted in compliance with Section 907.5 of the City Charter. Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive internal control framework it established for this purpose. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable assurance, rather than absolute assurance, that the financial statements are free of any material misstatement.

This report was prepared in accordance with Generally Accepted Accounting Principles (GAAP) as set forth in the pronouncements of the Governmental Accounting Standards Board (GASB). GASB has the primary responsibility for determining accounting and financial reporting standards for state and local government entities. It is believed that the data, as presented, is accurate in all material respects and presented in a manner designed to fairly set forth the financial position and results of operations of the City and its component units, as measured by the financial activity of the various funds. The financial statements include all disclosures necessary to enable the reader to gain the maximum understanding of the City's financial affairs and evaluate its financial condition.

The City Charter requires an audit of the financial statements of all accounts of the City by an independent certified public accountant. This year's audit was undertaken by LSL, LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Pasadena for the year ended fiscal year 2025 fairly state the City's financial position. The independent audit involved examining evidence, on a test basis, that supports the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded based upon the audit, that there was a reasonable basis for rendering an unmodified opinion on the City of Pasadena's financial statements for fiscal year 2025 and that these financial statements are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report. Under the current auditor contract, the City required the auditor to include sampling from every fund.

The independent audit of the financial statements of the City was part of a broader, federally mandated *Single Audit* designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report, not only on the fair presentation of the financial statements, but also on internal controls and compliance with legal requirements, with emphasis on those involving the administration of federal awards. The auditor's report on internal controls and compliance will be available in the City's separately issued Single Audit Report.

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

GOVERNMENTAL STRUCTURE

The City was incorporated in 1886 and became a Charter City in 1901. The City operates under the powers granted by the City Charter, which dictates the responsibilities of the City Council and the City Manager. There are seven City Council members who are nominated and elected by district for overlapping, four-year terms. In addition, there is a Citywide elected Mayor who also serves a four-year term.

The City Council is responsible for, among other things, setting policies, passing ordinances, adopting the budget, appointing committees, and hiring the City's Manager, City Attorney/City Prosecutor, and the City Clerk. The City Manager is responsible for carrying out policies and ordinances of the City Council, appointing the heads of the City's departments, preparing and managing the budget, and overseeing the day-to-day operations of the City.

The City covers an area of 23 square miles in the northwestern portion of the San Gabriel Valley and has a 2024 population of 140,631, according to the California State Department of Finance. The City is bounded on the west by the cities of Los Angeles, Glendale, and La Cañada Flintridge; on the south by South Pasadena and San Marino; on the east by Arcadia and Sierra Madre; and on the north by the unincorporated community of Altadena.

REPORTING ENTITY AND ITS SERVICES

This report includes all funds of the City, as well as all its component units. Component units are legally separate entities for which the City is financially accountable. Blended component units, although legally separate entities, are, in substance, part of the City's operations and are included in this ACFR as part of the City. Accordingly, the Pasadena Public Financing Authority, Pasadena Parking Authority, the Pasadena Civic Improvement Corporation, and the Pasadena Fire and Police Retirement System are reported as part of the City. The Successor Agency to the Pasadena Community Development Commission is shown as a Private-Purpose Trust Fund reported in the Fiduciary Funds Section. Discretely presented component units are reported in a separate column in the combined financial statements to emphasize that they are legally separate from the City and to differentiate their financial position, results of operations, and cash flows from those of the City. The Rose Bowl Operating Company, the Pasadena Center Operating Company, and the Pasadena Community Access Corporation are discretely presented component units. Separate financial statements are also available for all three discretely presented component units. The City is a party to, and designated administrator for, two Joint Powers Authorities, the Foothill Air Support Team and the Foothill Workforce Development Board. These entities are accounted for in the City books, ACFR, and audited as part of the City's audit.

The City provides a full range of municipal services including public safety (police and fire), street construction and maintenance, refuse collection, water, power, sewer collection utilities, libraries, parks and recreation, planning and zoning, code enforcement, public health, affordable housing, career services and job training, and general administrative and support services.

BUDGETARY CONTROLS

The City adopts a comprehensive budget detailed by department and fund prior to the beginning of each fiscal year, July 1. An appropriated annual budget is legally adopted for the General Fund and Special Revenue Funds. From the effective date of the budget, funds become appropriated to the departments and component units for the objects and purposes identified. At any public meeting after the adoption of the budget, the City Council may amend or supplement the budget by a motion adopted by the affirmative vote of at least five-members of the City Council. The accounts of the City are maintained by line-item detail or object of expenditure. The legal level of budgetary control (the level at which management may not reassign resources or overspend appropriations) is at the departmental level within each fund. Revenues are estimated annually and monitored on an ongoing basis to ensure there are adequate resources to cover expenditures.

FACTORS AFFECTING FINANCIAL CONDITION

The information presented in the financial statements, is perhaps best understood when considered from the broader perspective of the current environment in which the City of Pasadena operates. It is important to consider various shifts in the global economy including rising interest rates and inflationary pressures.

THE CURRENT ECONOMIC CLIMATE

The national and global economies continue to struggle with persistent inflationary pressures, reaching levels not seen in decades. Since January, market volatility has increased, largely due to a series of Executive Orders on tariffs and trade issued by the President. Despite the Federal Reserve's efforts to ease monetary conditions by lowering the federal funds rate by 100 basis points over the fiscal year, from 5.5% to 4.5%, inflation hasn't improved much compared to last year. To address continued economic uncertainty, the Fed made two more rate cuts in September and October, bringing the rate down to 4.0%. The Federal Reserve's inflation target remains at 2.0%, but current inflation levels continue to exceed this goal.

The Federal Reserve maintains a cautious approach to interest rates, aiming to stabilize inflation while avoiding significant impact on economic activity.

Despite Pasadena's strong and diverse revenue and tax base, which continues to be a vital asset to the General Fund and the City's overall economic stability, the City faced a significant challenge with the Eaton Fire in January 2025. In response to the fire and subsequent recovery efforts, the General Fund incurred \$12 million in expenditures by the end of the fiscal year. The total estimated cost of the Eaton Fire, including recovery related expenses, is approximately \$51 million. The City is actively pursuing reimbursement through FEMA, CalOES, insurance claims, and other available funding sources.

Ongoing discussions about changes and restrictions to federal funding could result in cuts to programs essential to Pasadena. Reduced funding may strain city programs, while delays in recovery efforts risk worsening affordability issues and further increasing displacement.

LOOKING FORWARD

City of Pasadena has a diverse economy that is not over-reliant on one industry or tax base. A solid mix of automotive dealers, general and consumer goods businesses, restaurants, and hotels provide a relatively steady tax base. The City's financial position remains stable; however, it is facing growing fiscal pressures. The City's forecast shows a slowing of growth year-over-year in revenues, while inflationary costs strain resources. The City continues to evaluate expenditures with an emphasis on cost containment and alignment with projected revenues. Throughout the year, department's identify areas where cost escalation can be moderated through adjustments, efficiencies, or refinements while maintaining core services. In addition, staff regularly reviews and considers opportunities for revenue enhancements and cost mitigation, including fee and permit adjustments, improved cost recovery, and other methods that help offset rising service delivery costs, such as organic waste collection, which is essential to avoid diverting limited resources from other critical and underfunded priorities such as police, fire, libraries, and parks.

In addition, the City's response and recovery efforts following the Eaton Fire have introduced new challenges. These include supporting affected residents, meeting recovery-related regulatory requirements, addressing increased demand for housing, and investing in initiatives that strengthen the City's emergency preparedness and long-term resilience.

General Fund Five-Year Forecast

General Fund Five-Year Forecast

	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
	Final	Revised Budget	Adopted	Forecast	Forecast	Forecast	Forecast
Beginning Amount Available for Appropriations	18,086,075	16,215,712	4,342,571	4,465,569	937,512	(2,626,306)	(10,069,734)
Revenues							
Tax Revenues	262,958,941	265,657,100	274,625,007	283,775,540	294,851,749	305,997,986	317,615,437
Other Revenues	66,399,883	58,630,086	57,570,513	58,953,162	60,387,510	61,858,374	63,366,702
Contributions/Svs. From Other Funds	20,140,438	30,272,305	30,640,438	34,601,061	37,043,365	39,617,879	42,325,266
Total Revenues	349,499,262	354,559,491	362,835,958	377,329,764	392,282,624	407,474,239	423,307,405
Expenses							
Personnel	206,097,494	216,135,006	232,560,605	245,060,643	257,507,592	272,885,406	285,480,463
Debt Service	11,619,669	12,318,397	12,323,128	12,317,139	11,290,184	11,288,643	11,287,860
Contributions To Other Funds	25,269,239	14,350,877	15,180,375	15,483,983	15,793,662	16,109,535	16,431,726
Other Expenses	112,156,731	107,425,486	104,852,317	107,996,056	111,255,004	114,634,082	118,138,441
Total Expenses	355,143,133	350,229,766	364,916,425	380,857,820	395,846,442	414,917,666	431,338,490
Operating Income/(Loss)	(5,643,871)	4,329,725	(2,080,467)	(3,528,057)	(3,563,818)	(7,443,427)	(8,031,085)
One-time reserve funding			2,203,465				
Total Income/(Loss)			122,998				
Ending Amount Available for Appropriations	12,442,204	20,545,437	4,465,569	937,512	(2,626,306)	(10,069,733)	(18,100,819)
Contributions to Capital Projects	(341,750)	(6,071,000)	-	-	-	-	-
Reserve for Capital & Other Funds	10,247,300	(10,131,867)	-	-	-	-	-
Reduction/(Contribution) to Policy Reserve	(6,132,042)	-	-	-	-	-	-
Net Income/(Loss) with Reserve Contribution	16,215,712	4,342,570	4,465,569	937,512	(2,626,306)	(10,069,733)	(18,100,819)

FISCAL YEAR 2025 ACCOMPLISHMENTS

While it is critically important that the City maintain strong fiscal health and address its multiple infrastructure-related issues, it must also take time to acknowledge positive improvements. Examples of fiscal year 2025 accomplishments include:

- Adoption of a balanced budget for the thirteenth consecutive year, maintained an IRS Section 115 trust for future pension obligations and other post-employment benefits, and maintained the City's AAA issuer credit rating with Standard & Poor's and AA+ with Fitch rating agency, consistent with the City Council's goal to maintain fiscal responsibility and stability;
- Received \$32.2M in local sales tax revenue from Measure I and provided \$10.7M (Measure J) to the Pasadena Unified School District to protect and strengthen our public schools;
- To minimize the certain impact of the Eaton Fire on City revenues, worked in conjunction with Federal, State and local agencies and organizations to support people in need, maintain public health and safety, and implement strategies to assist those displaced by the Fire;
- Continued working towards developing the former Kaiser Permanente property at Lake and Villa in order to provide needed health, mental health services, and affordable housing for our community;
- Made significant progress on crucial Pasadena Water and Power's (PWP) infrastructure projects while advancing sustainability goals;
- Made substantial progress on affordable housing projects to address the widespread housing crisis;

- With the approval of Measure PL, authorizing \$195 million in bonds, the City will continue advancing the Central Library’s assessment, mitigation plan, and seismic retrofit, to ensure public safety, without disruption of library services to the community;
- The City continues its legacy land use planning for approximately 50 acres of reclaimed land at the core of the community following the relinquishment of the State Route 710 northern stub. Concurrently, development of a comprehensive vision for the 710 Stub area is underway, guided by input from the City Council appointed Reconnecting Communities 710 Advisory Group, the 710 City Council Ad Hoc Committee, the 710 Executive Committee, and other specialized committees to ensure a collaborative and transparent process;
- To keep residents informed about Pasadena’s progress toward citywide environmental and sustainability goals, the City of Pasadena launched a new Sustainability website in May 2025 (cityofpasadena.net/sustainability), which serves as a central hub for all environmental and sustainability programs and initiatives across city departments;
- Monitored State and Federal legislation on matters impacting or potentially impacting Pasadena and when necessary, took appropriate action supporting or opposing legislation;
- Served over 6,040 individuals, including job seekers or unemployed workers, via the One Stop Career Centers, provided a total of 46,136 services to individuals seeking workforce services, created 278 internal job referrals, 4,804 external job referrals, and 1,028 services provided to employers;
- Launched the Rental Registry database to collect residential rental property information for over 27,000 covered rental units;
- Received the City’s first zero-emission battery electric bus (BEB) for the Pasadena Transit fleet;
- Expanded the Shop Local Pasadena holiday campaign, supporting 25 small businesses across the City in acting as welcome stations for small business Saturday shoppers. In partnership with Public Affairs, the campaign featured 10 videos spotlighting local businesses and generated over 345,000 views. The campaign evolved into a year-round initiative aligned with heritage months, producing a total of 40 videos to date. The Shop Local series has surpassed one million views and engaged more than 71,000 users across social platforms;
- Launched the City of Pasadena’s Deep Tech Campaign that visually represents Pasadena’s deep tech landscape to reinforce its value as a business destination and support business attraction, investment, and site selection efforts. Ads were deployed throughout Southern California including hotels, gyms, billboards, malls, airports, and train stations. Targeted media ads delivered 3.2 million impressions. The campaign also includes a new marketing brochure for business attraction efforts, conferences, and events;
- With the \$1.5M of Congressional Directed Spending funds secured by Congresswoman Chu, completed the pilot round of the Dine Out Pasadena program. Fourteen businesses received new and upgraded structures;
- Ongoing efforts and coordination of the Pasadena Outreach Response Team (PORT)’s street-based initiative focused on engaging individuals experiencing chronic homelessness, severe mental illness, substance use disorders, physical disabilities, and complex health conditions. This collaborative model continues to build trust with vulnerable populations, improve access to housing and health services, aims to achieve reductions in emergency service utilization, and long-term housing stability;
- Continued pursuit of both major and minor Public Works improvements to preserve and expand the City’s infrastructure and resources;

- Enhanced Citywide mobility and accessibility by maintaining critical infrastructure, upgrading curb ramps with ADA-compliant features, overseeing the design of traffic and bike-friendly improvements, and ensuring City facilities meet ADA standards through compliant doors and signage;
- Continued implementation of multi-year Enterprise Resource Planning system project that delivers real-time information to City management, integrates financial transactions, provides enhanced internal controls, and improves audit functions;
- Earned American Public Power Association’s prestigious Reliable Public Power Provider (“RP3”) “Diamond” designation for providing the highest degree of reliable and safe electric services, the RP3 designation recognizes public power utilities that demonstrate proficiency in four key disciplines: reliability, safety, workforce development, and system improvement;
- Demonstrated ongoing support to PWP’s commitment to invest in renewable energy and sustainable water resources in an operationally and fiscally responsible manner, approved Power Purchase Agreements for the purchase of renewable energy and capacity, and supported rate actions to recover the water and electric systems’ increased operating and capital costs; and
- Launched the Clean Energy Tracker on PWP’s website to highlight progress toward key clean energy goals and milestones, reinforcing PWP’s commitment to achieving 100% carbon-free electricity by 2030.

The noted accomplishments listed above are just a sample of the hundreds of fiscal year 2025 accomplishments, which are listed by department in the fiscal year 2026 Adopted Operating Budget.

CONCLUSION

Under the leadership of the Mayor and City Council and through prudent financial management, the City of Pasadena has successfully navigated recent challenges, including the Eaton Fire. The City has continued to thrive, demonstrating resilience and responsiveness in times of crisis. The fiscal year 2025 ACFR reflects Pasadena’s ongoing commitment to delivering exemplary municipal services that honor the City’s history, culture, and unique character.

Respectfully submitted,



Matthew E. Hawkesworth
Assistant City Manager



Karin Schnaider
Director of Finance

(This page intentionally left blank)



CITY OF PASADENA

City Officials

CITY COUNCIL

Mayor	Victor M. Gordo
Vice Mayor (District 5)	Jessica C. Rivas
Councilmember (District 1)	Tyron Hampton
Councilmember (District 2)	Rick Cole
Councilmember (District 3)	Justin Jones
Councilmember (District 4)	Gene Masuda
Councilmember (District 6)	Steve Madison
Councilmember (District 7)	Jason Lyon

APPOINTED OFFICIALS

City Manager	Miguel Márquez
City Attorney/City Prosecutor	Michele Beal Bagneris
City Clerk	Mark Jomsky

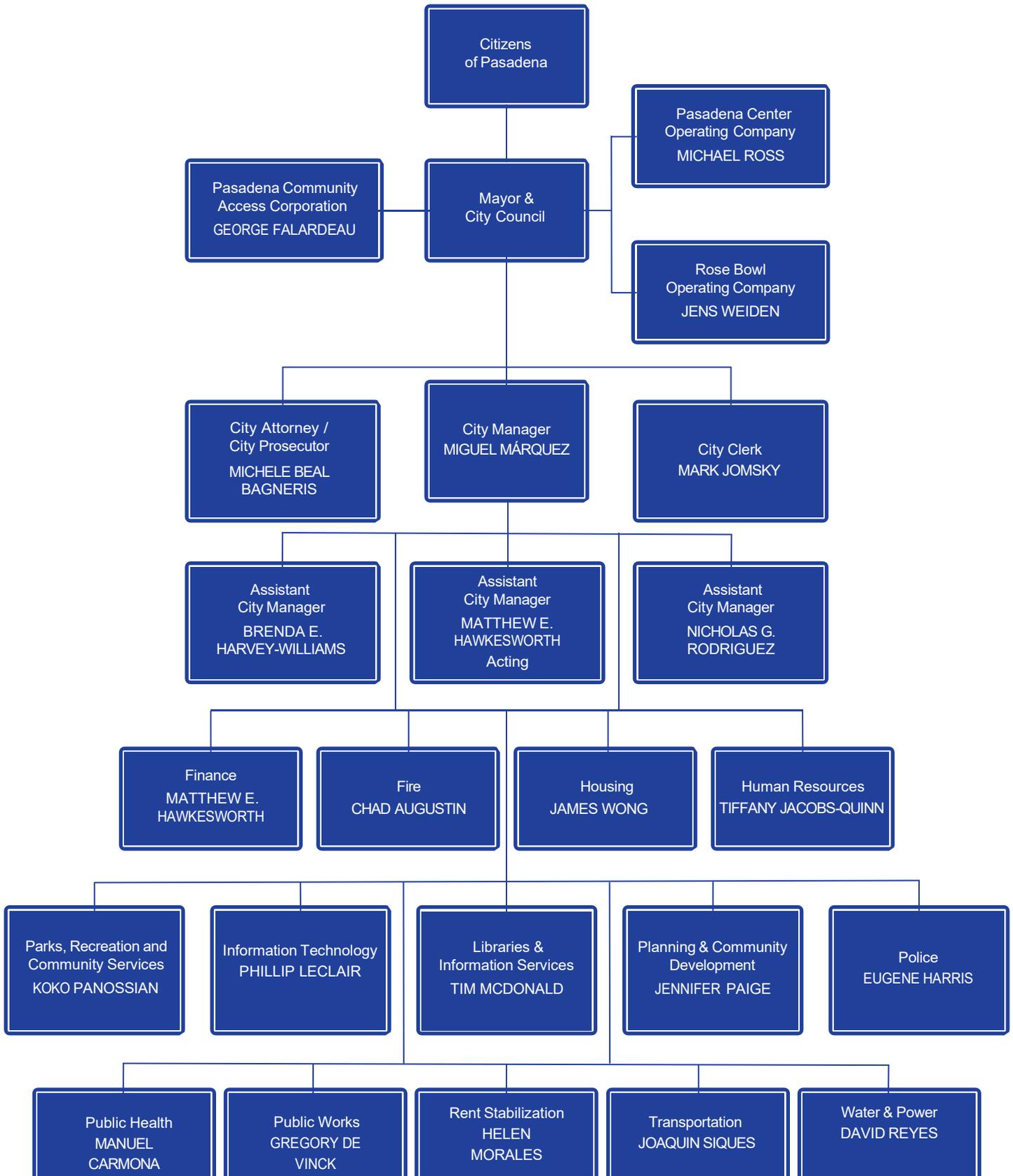
EXECUTIVE LEADERSHIP TEAM

Assistant City Manager	Nicholas G. Rodriguez
Assistant City Manager	Brenda E. Harvey-Williams
Acting Assistant City Manager/ Director of Finance	Matthew E. Hawkesworth
Director of Housing	James Wong
Director of Human Resources	Tiffany Jacobs-Quinn
Director of Parks, Recreation & Community Services	Koko Panossian
Director of Libraries & Information Services	Tim McDonald
Chief Information Officer	Phillip Leclair
Director of Planning and Community Development	Jennifer Paige
Chief of Police	Eugene Harris
Director of Public Health	Manuel Carmona
Director of Public Works	Gregory De Vinck
Director of Transportation	Joaquin Siques
General Manager of Water and Power	David Reyes
Public Information Officer	Lisa Derderian
Fire Chief	Chad Augustin
Director of Rent Stabilization	Helen Morales

OPERATING COMPANY EXECUTIVES

Chief Executive Officer, Pasadena Center Operating Company	Michael Ross
General Manager, Rose Bowl Operating Company	Jens Weiden
Executive Director/Chief Executive Officer, Pasadena Community Access Corporation	George Falardeau

**CITY OF PASADENA
ORGANIZATION CHART
June 30, 2025**





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Pasadena
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Morill

Executive Director/CEO



FINANCIAL SECTION



ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
JUNE 30, 2025

(This page intentionally left blank)





INDEPENDENT AUDITORS' REPORT

To the Honorable Members of the City Council
City of Pasadena, California

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Pasadena, California, (hereafter, the City) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City as of June 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter

Change in Accounting Principle

As described in Note 1 to the financial statements, in 2025, the City adopted new accounting guidance, GASB Statement No. 101, *Compensated Absences*. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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



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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and required pension and other post-employment benefits schedules as listed on the table of contents be presented to supplement the basic financial statements.





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

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying combining and individual fund financial statements and schedules (supplementary information) are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 23, 2025, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.

LSL, LLP

Irvine, California
December 23 2025

(This page intentionally left blank)



MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)

As management of the City of Pasadena (City or primary government), we offer this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2025 (fiscal year 2025). We encourage readers to consider the information presented here in conjunction with additional information that has been furnished in the letter of transmittal, which can be found on pages vii-xii of this report.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide Financial Statements

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

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

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

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, transportation, utility, sanitation, health, culture and leisure, and community development. The business-type activities of the City include electric, water, refuse, parking, and telecommunication operations.

The basic government-wide financial statements can be found on pages 18-21 of this report.

Fund Financial Statements

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

Governmental Funds

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds *Balance Sheet* and the governmental funds *Statement of Revenues, Expenditures, and Changes in Fund Balances* provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains 31 individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, the Housing Successor Fund, the General Debt Service Fund, and the Project Management Capital Projects Fund, all four of which are considered to be major funds. Data from the other 27 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The City adopts an annual appropriated budget for its General Fund and Special Revenue Funds on a basis generally consistent with Generally Accepted Accounting Principles (GAAP). Budgetary comparison statements have been provided for the General Fund and Special Revenue Funds to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 22-25 of this report.

Proprietary Funds

Proprietary funds are utilized when a state of local government charges customers to recover its costs of providing services. The City maintains two different types of proprietary funds: *enterprise funds* and *internal service funds*. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. Proprietary funds statements are prepared using the economic resources measurement focus and accrual basis of accounting. In addition to a *Statement of Net Position* and a *Statement of Revenues, Expenses and Changes in Fund Bet Position*, proprietary funds are also required to report a *Statement of Cash Flows*.

The City uses enterprise funds to account for its electric, water, refuse, parking, and telecommunication operations. *Internal service* funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its computing and communication, building maintenance, fleet maintenance, fleet replacement, benefits, workers' compensation, general liability, and 311 call center services. Because each of these services predominantly benefits governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Light and Power, Water, and Off-Street Parking Funds, each of which are considered to be major funds of the City. Conversely, each of the internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of *combining statements* elsewhere in this report. Data from the other two proprietary funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor proprietary funds (Refuse and Telecommunications) is provided in the form of *combining statements* elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 26-29 of this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefits of parties outside the government. The City's fiduciary funds are divided into three separate fund types: the *Pension and Other Employee Benefit Trust Funds*, the *Custodial Funds*, and the *Private-Purpose Trust Funds*. Fiduciary funds are *not* reflected in the government-wide financial statements, because the resources of those funds are *not* available to support the City's own programs.

The *Pension and Other Employee Benefit Trust Funds* are used to report resources held in trust for retirees and beneficiaries covered by the Fire & Police Retirement System Fund, the City's Deferred Compensation Plan, and the City's Defined Contribution Plan. The *Custodial Funds* account for resources held by the City in a purely custodial capacity. Lastly, the *Private-Purpose Trust Fund* activities of the Successor Agency to the Pasadena Community Development Commission are reported with the City's fiduciary funds. Individual fund data for each of these fiduciary funds is provided in the form of *combining statements* elsewhere in this report. These funds use the accrual basis of accounting and economic measurement focus.

The basic fiduciary fund financial statements can be found on pages 30-31 of this report.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 35-124 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* (RSI) concerning budgetary practices and budget-to-actual comparisons for the General Fund and the major special revenue funds. Additional RSI includes pension and Other Postemployment Benefits (OPEB) information on net pension and OPEB liabilities and plan contributions. RSI can be found on pages 126-143 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds and internal service funds presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 146-215 of this report. Combining statements of the discretely presented component units can be found on pages 220-223 of this report.

Statistical Section

The statistical section complements the financial statements and notes, offering a broader perspective on the City's financial health and economic conditions. This section provides additional historical and demographic information of a wide variety of statistical data, such as multi-year trend data on financial and operational performance, economic indicators, population statistics, and other relevant information. The statistical section can be found on pages 227-269 of this report.

FINANCIAL HIGHLIGHTS

New Significant Accounting Standards Implemented

In fiscal year 2025, the City adopted two new statements of financial accounting standards issued by the Government Accounting Standards Board (GASB), Statement No. 101, *Compensated Absences* and GASB Statement No. 102, *Certain Risk Disclosures*.

The primary objective of GASB 101 is to update the recognition and measurement guidance for employee paid time off, aligning it under a unified recognition model to provide consistent and comparable information to financial statement users. More information on the City's compensated absences summary of significant accounting policies can be found under Note 1 on pages 48-49 of this report.

The primary objective of GASB 102 is to provide users of government financial statements with essential information about risks from certain concentrations and constraints that could affect a government's ability to meet its obligations or provide services.

**City of Pasadena's Net Position
(in millions)**

	Governmental				Business-type				Total			
	Activities				Activities				Primary Government			
	2025	2024	\$ Change	% Change	2025	2024	\$ Change	% Change	2025	2024	\$ Change	% Change
Capital assets:												
Not being depreciated/amortized, net	\$ 176.3	\$ 183.3	\$ (7.0)	-3.8%	\$ 124.9	\$ 98.0	\$ 26.9	27.5%	\$ 301.2	\$ 281.3	\$ 19.9	7.1%
Being depreciated/amortized, net	430.4	391.9	38.5	9.8%	753.0	739.8	13.2	1.8%	1,183.4	1,131.6	51.7	4.6%
Current and other assets	629.7	402.0	227.7	56.6%	644.6	572.4	72.2	12.6%	1,274.3	974.4	299.9	30.8%
Total assets	1,236	977	259.2	26.5%	1,522	1,410	112.3	8.0%	2,759	2,387	371.5	15.6%
Deferred outflows of resources	146.0	191.0	(45.0)	-23.5%	25.2	33.9	(8.7)	-25.6%	171.2	224.8	(53.6)	-23.9%
Current liabilities	168.8	112.8	56.1	49.7%	73.7	63.4	10.3	16.2%	242.6	176.2	66.3	37.6%
Long-term debt*	383.9	181.0	202.9	112.1%	310.8	276.5	34.2	12.4%	694.7	457.5	237.1	51.8%
Net pension liability	457.8	496.8	(39.0)	-7.9%	91.8	97.8	(6.1)	-6.2%	549.6	594.6	(45.0)	-7.6%
Other noncurrent liabilities	91.2	91.6	(0.4)	-0.4%	16.7	11.4	5.2	45.5%	107.8	103.0	4.9	4.8%
Total liabilities	1,102	882	163.5	18.5%	493	449	33.3	7.4%	1,595	1,331	197.0	14.8%
Deferred inflows of resources	34.5	24.5	10.0	40.8%	11.5	9.0	2.6	29.0%	46.1	33.5	12.6	37.6%
Net Position:												
Net investment in capital assets	329.9	517.2	(187.3)	-36.2%	541.2	545.2	(4.0)	-0.7%	871.2	1,062.4	(191.2)	-18.0%
Restricted	298.5	87.6	210.9	240.8%	104.3	98.9	5.4	5.5%	402.8	186.5	216.3	116.0%
Unrestricted	(382.2)	(343.2)	(39.0)	11.4%	397.7	341.7	56.0	16.4%	15.4	(1.5)	16.9	-1126.7%
Total net position	\$ 246.1	\$ 261.6	\$ (15.4)	-5.9%	\$ 1,043.2	\$ 985.8	\$ 57.4	5.8%	\$ 1,289.4	\$ 1,247.4	\$ 42.0	3.4%

* For both current and noncurrent portions

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows exceeded liabilities and deferred inflows by \$1,289.4 million at the close of the most recent fiscal year.

The largest portion of the City's net position, \$871.2 million, reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), net of accumulated depreciation/amortization and less any related outstanding debts used to acquire those assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position, \$402.8 million or 31.2% of the total net position, represents resources subject to externally imposed limitations for specific purposes. The remaining balance, \$15.4 million or 1.2% of the total net position, is for unrestricted uses in accordance with finance-related legal requirements.

During fiscal year 2025, the City's overall net position increased by \$42 million, where approximately \$15.4 million relates to the decrease in governmental activities, and \$57.4 million to the increase in the City's business-type activities. The decrease in the governmental activities reflects an increase in revenues against a higher increase in expenditures. The increase in business-type activities reflects is the continuance of strong trend in increased revenues over total expenditures.

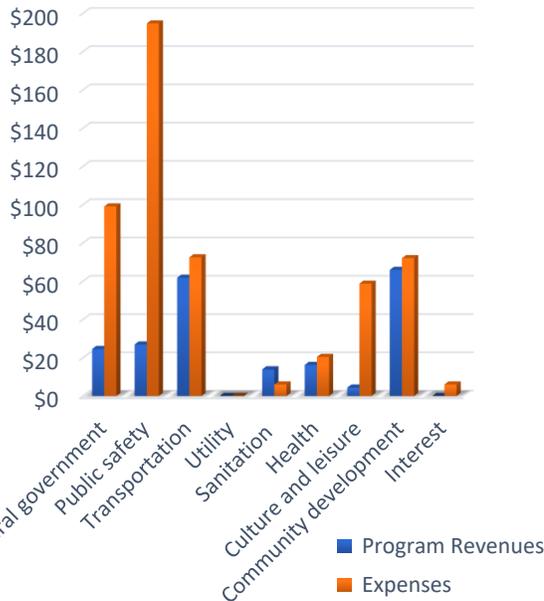
Governmental Activities

The City's governmental activities showed a relatively stable financial position in fiscal year 2025, with a decrease in net position by \$15.4 million or 5.9%. However, the beginning net position was restated by \$27 million to apply the cumulative effect of the adoption of GASB Statement No. 101, *Compensated Absences*, which was necessary to recognize the change in accounting principle. In addition, the beginning net position was restated by \$2.7 million as a correction of an error.

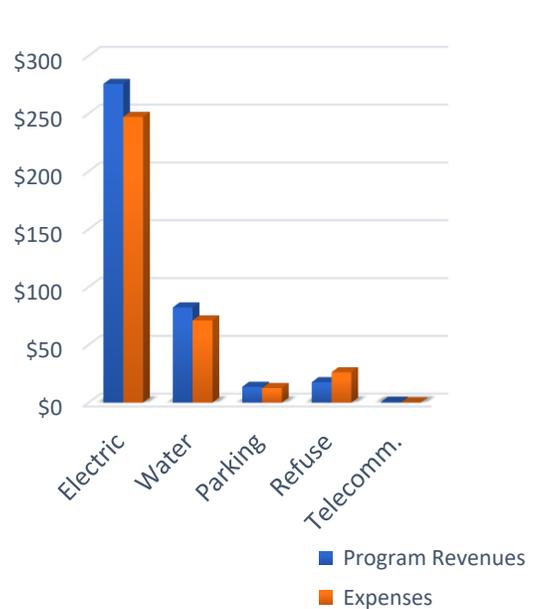
City of Pasadena's Changes in Net Position (in millions)

	Governmental Activities				Business-type Activities				Total Primary Government			
	2025	2024	\$ Change	% Change	2025	2024	\$ Change	% Change	2025	2024	\$ Change	% Change
Revenues:												
Program Revenues:												
Charges for services	\$ 100.3	\$ 88.8	\$ 11.5	12.9%	\$ 380.4	\$ 377.9	\$ 2.5	0.7%	\$ 480.7	\$ 466.7	\$ 13.9	3.0%
Operating grants and contributions	90.6	77.5	13.1	16.9%	2.1	2.1	-	0.0%	92.7	79.6	13.1	16.5%
Capital grants and contributions	22.9	20.9	2.0	9.5%	7.6	5.2	2.4	45.8%	30.5	26.1	4.4	16.7%
General revenues:												
Taxes:												
Property taxes	90.5	87.3	3.2	3.7%	-	-	-	-	90.5	87.3	3.2	3.7%
Sales taxes	80.5	81.3	(0.9)	-1.1%	-	-	-	-	80.5	81.3	(0.9)	-1.1%
Utility users tax	33.1	32.0	1.1	3.3%	-	-	-	-	33.1	32.0	1.1	3.3%
Transient occupancy tax	20.6	18.5	2.1	11.6%	-	-	-	-	20.6	18.5	2.1	11.6%
Street light and traffic signal tax	9.0	9.3	(0.3)	-3.3%	-	-	-	-	9.0	9.3	(0.3)	-3.3%
Business license tax	7.9	8.0	(0.1)	-1.1%	-	-	-	-	7.9	8.0	(0.1)	-1.1%
Other taxes	17.2	15.6	1.6	10.4%	9.2	7.5	1.7	23.4%	26.4	23.0	3.4	14.6%
Other revenues	44.8	42.2	2.6	6.1%	29.0	24.0	5.1	21.1%	73.8	66.2	7.6	11.5%
Miscellaneous revenues	8.2	6.6	1.6	24.5%	6.5	2.9	3.6	125.4%	14.6	9.5	5.2	54.3%
Total revenues	525.5	487.9	37.5	7.7%	434.8	419.6	15.3	3.6%	960.3	907.5	52.8	5.8%
Expenses:												
General government	101.6	82.0	19.5	23.8%	-	-	-	-	-	82.0	(82.0)	-100.0%
Public safety	197.2	179.8	17.4	9.7%	-	-	-	-	-	179.8	(179.8)	-100.0%
Transportation	73.1	58.8	14.3	24.3%	-	-	-	-	-	58.8	(58.8)	-100.0%
Culture and leisure	59.1	55.2	3.9	7.1%	-	-	-	-	-	55.2	(55.2)	-100.0%
Community development	72.4	64.9	7.5	11.5%	-	-	-	-	-	64.9	(64.9)	-100.0%
Interest	6.1	6.2	(0.2)	-2.9%	-	-	-	-	6.1	6.2	(0.2)	-2.9%
Electric	-	-	-	-	247.2	215.1	32.1	14.9%	247.2	215.1	32.1	14.9%
Water	-	-	-	-	71.1	62.8	8.4	13.3%	71.1	62.8	8.4	13.3%
Other expenses	26.7	27.5	(0.7)	-2.6%	39.1	37.9	1.3	3.3%	65.9	65.3	0.5	0.8%
Total expenses	536.3	474.5	61.8	13.0%	357.4	315.7	41.7	13.2%	893.7	790.2	103.5	13.1%
Increase (decrease) in net position, before transfers	(10.8)	13.5	(24.2)	-180.1%	77.4	103.8	(26.4)	-25.4%	66.6	117.3	(50.7)	-43.2%
Transfers	19.6	14.7	4.9	33.1%	(19.6)	(14.7)	(4.9)	33.1%	-	-	-	-
Increase (decrease) in net position	8.8	28.2	(19.4)	-68.7%	57.8	89.1	(31.3)	-35.1%	66.6	117.3	(50.7)	-43.2%
Net position, beginning of year, as previously reported	261.6	233.4	28.2	12.1%	985.8	893.8	92.0	10.3%	1,247.4	1,127.1	120.2	10.7%
Restatement for a change in accounting principle	(27.0)	0	(27.0)	-	(0.4)	-	(0.4)	-	(27.4)	-	(27.4)	-
Restatement for correction of an error	2.7	0	2.7	12313.6%	-	2.9	(2.9)	-100.0%	2.7	2.9	(0.2)	-6.0%
Net position, beginning of year, as restated	237.3	233.4	3.9	1.7%	985.4	896.7	88.7	9.9%	1,222.7	1,130.0	92.7	8.2%
Net position, ending	\$ 246.1	\$ 261.6	\$ (15.4)	-5.9%	\$ 1,043.2	\$ 985.8	\$ 57.4	5.8%	\$ 1,289.4	\$ 1,247.4	\$ 42.0	3.4%

FY 2025 Program Revenues and Expenses - Governmental Activities (in millions)



FY 2025 Program Revenues and Expenses - Business-type Activities (in millions)



GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)**Governmental Activities (Continued)**

The revenue components of governmental activities increased by \$37.5 million or 7.7% from prior year revenues, with the majority of the increase from charges for services, operating grants and contributions, property taxes, and transient occupancy tax revenue sources. These sources accounted for 57.5% of revenues.

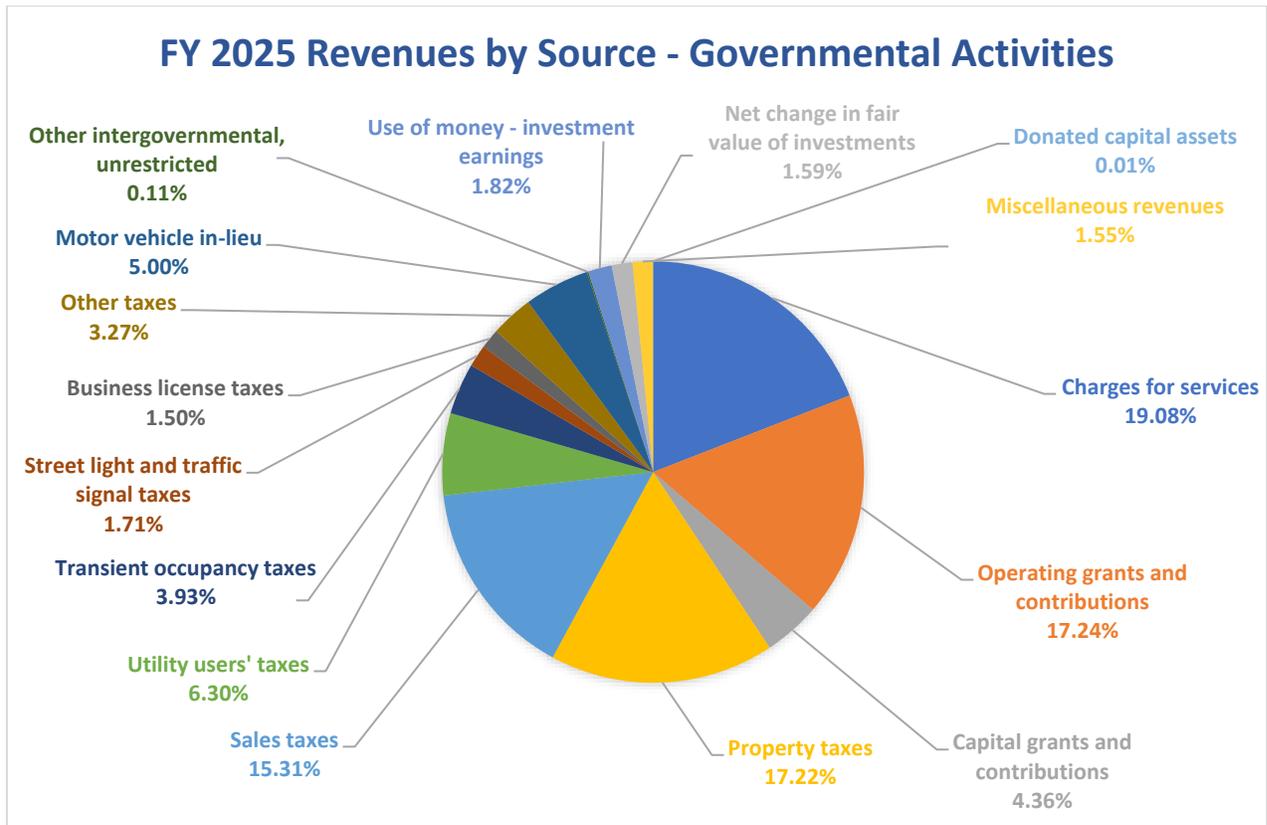
The following categories illustrate the changes:

- Charges for services increased by \$11.5 million or 12.9%, primarily due to the following categories: \$1.8 million in planning and building related fees, \$0.5 million in public works fees, \$2.2 million in Fire cost recovery for reimbursement from the State for personnel and apparatuses for various fire incidents, \$4.9 million in rental housing fee due to new fee for the Rent Stabilization Department, and \$3.8 million in sewer charges due to a residential rate increase. There was a decrease of \$4.2 million in Emergency Medical Services (EMS) cost recovery, primarily because the Department of Health Care Services reimbursement received last fiscal year was not available in the current fiscal year. The prior year reimbursement related to earlier participation in the Ground Emergency Medical Transportation Quality Assurance Fee (GEMT QAF) program, which the city no longer participates in. This decline was partially offset by \$1.9 million increase in emergency ambulance fees revenue, driven largely by the City's transition to the Public Provider-Ground Emergency Transportation (PP-GEMT) program.
- Operating grants and contributions increased by \$13.1 million or 16.9%, primarily due to \$3.7 million from FEMA for COVID-19 pandemic reimbursements, and \$3.9 million increase from HUD for the rental assistance and supportive housing programs. Another contributing factor for an increase this year is due to a \$3.4 million housing grant from the State of California and \$3.2 million from Burbank-Glendale-Pasadena Regional Housing Trust.
- Capital grants and contributions increased by \$2 million or 9.5%, primarily due to reimbursement-based funding and contributions received for Transportation from Los Angeles County Metro Transit Authority, Proposition A, and Measure A. The growth in capital grant revenue aligned with the corresponding rise in capital expenditures.
- Property tax increased by \$3.2 million or 3.7%, due to rising appreciation of property value in Pasadena. New developments and improvements contributed to the increase in valuation.
- Sales tax decreased by \$0.9 million or 1.1%, due to slower consumer spending. A contributing factor is due to inflation pressures and consumers cutting back on discretionary spending. Declines were seen in grocery and convenience stores, fuel-service stations, and autos-transportation sales, while there was an increase in apparel, specialty stores, electronic/appliance stores, and home furnishings.
- Utility users tax increased by \$1.1 million or 3.3%, primarily due to utility providers raising their rates due to inflation. New housing and commercial developments also contributed to the overall increase. There was a decline in traditional landline and cable usage of \$1 million, but this was offset by an increase of \$1 million due to higher volume of residential water usage.
- Transient occupancy tax increased by \$2.1 million or 11.6%, due to higher hospitality activity, mainly due to events at the Rose Bowl and the housing of displaced residents as a result of the windstorm and wildfire that occurred in January 2025 (Eaton Fire). Another contributing factor is an improvement in short-term rental compliance, which captured a higher volume of rentals
- Other taxes increased by \$1.6 million or 10.4%, primarily in motor vehicle in lieu tax due to State adjustments in vehicle license fee revenue, construction tax due to new development and improvements, and real property transfer tax based on higher assessed property value.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Governmental Activities (Continued)

- Other revenue increased by \$2.6 million or 6.1%, primarily in investment earnings due to more favorable investment performance during the current fiscal year.
- Miscellaneous revenue increased by \$1.6 million or 24.6%, mainly due to the sale of the Avon property in the amount of \$2.1 million, \$1 million insurance proceeds from the Eaton Fire, and \$1.6 million in loan repayment for the Concord property. A decrease of \$3.3 million in claim settlement due to a payment received in the prior year for excess liability coverage was offset with other miscellaneous revenue increases.



GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)**Governmental Activities (Continued)**

The expense components of governmental activities grew by \$61.8 million or 13%. The most significant increases are primarily due to increased labor costs as a result of new labor memorandums of understanding for fiscal year 2025, \$12.6 million in additional labor and materials costs as a result of the Eaton Fire response and recovery, additional \$6.8 million in litigation claims at a probable loss to the City, and additional \$3 million for the expansion of the relatively new Rent Stabilization Department. The changes in expenses were general government increased by \$19.5 million, public safety increased by \$17.4 million, transportation increased by \$14.3 million, culture and leisure increased by \$3.9 million, and community development increased by \$7.5 million. The other categories have a net decrease of \$0.9 million.

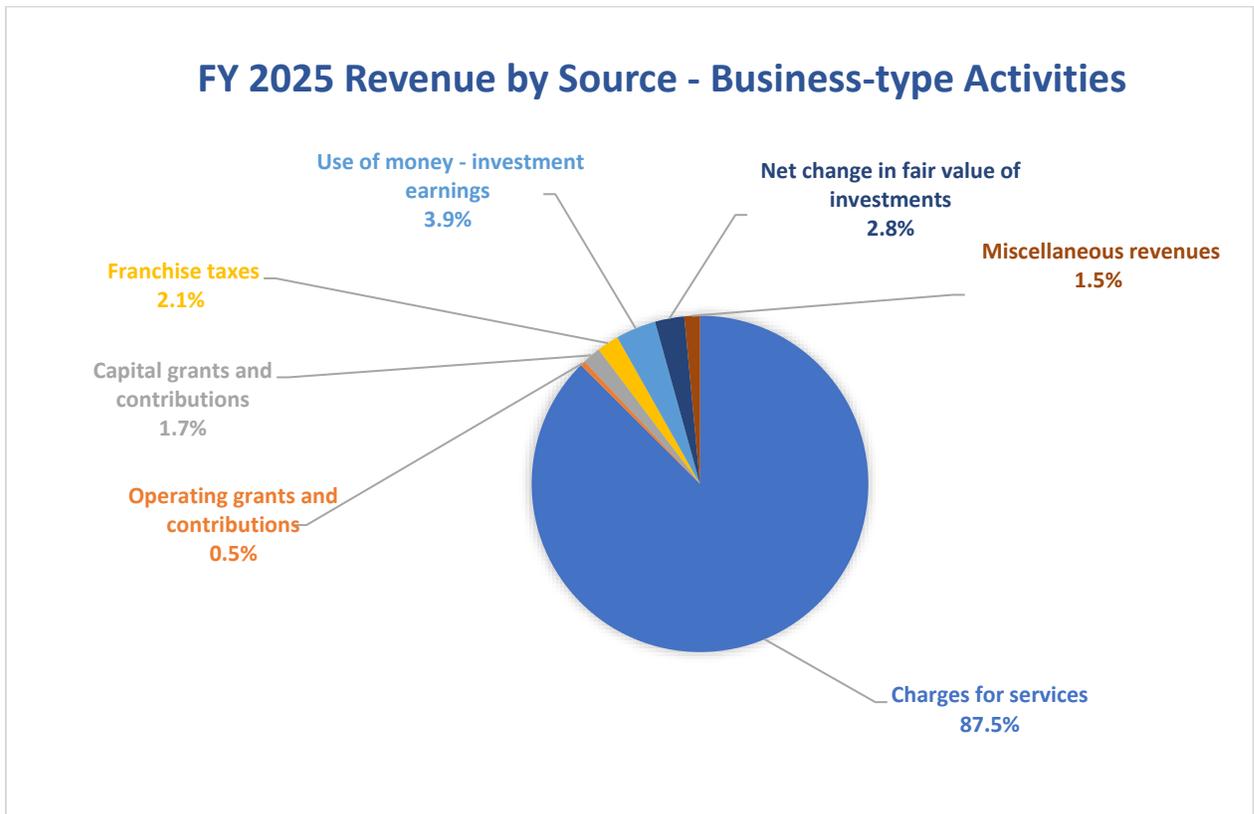
- General government expense increased primarily due to the increase of \$16.8 million in personnel, \$3.1 million in services and supplies, and decrease \$3 million in operating expense.
- Public safety expense increased mainly due to increases of \$10.4 million in personnel costs, \$2.8 million in internal services charge expense, and \$0.9 million in services and supplies and others.
- Transportation expense increased mainly due to increases of \$7.6 million in capital project activity, \$1.6 million in personnel costs, and \$3 million in services and supplies.
- Culture and leisure expense increased mainly due to increases of \$1.1 million in personnel costs and \$1.1 million in services and supplies.
- Community development expense increased primarily due to the \$2.9 million increase in personnel costs and \$8.8 million increase in services and supplies. \$3 million of this cumulative increase is due to the expansion and full-year staffing and operations in fiscal year 2025 of the relatively newly established Rent Stabilization Department.
- Other expense decreased mainly due to decreases of \$1.2 million in personnel and \$0.1 million in services and supplies. These increases were offset by other expense decreases.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Business-type Activities

Business-type activities increased the City’s net position by \$57.4 million. Key elements of this year’s increase are as follows:

- Net income of the Light and Power, Water, Off-Street Parking, and nonmajor enterprise funds (Refuse and Telecommunications) were \$37.7 million, \$18.1 million, \$0.4 million, and \$1.6 million, respectively.
- Electric charges for services decreased by \$12.7 million or 4.7% from the prior fiscal year, driven by a \$7.4 million decrease in utility wholesale sales and a \$5.4 million decrease in retail sales. Electric expenses increased by \$32.1 million or 13.0% from the prior year due to the increase in fuel and energy costs and customer and commercial expenses.
- Water charges for services increased by \$11.2 million or 13.9% over the prior year mainly due to the increase in water sales. Water expenses increased by \$8.4 million or 11.8% from the prior year primarily due to higher water purchases driven by increased usage, as well as higher administrative and general costs associated with the increased in water sales.
- Off-Street Parking charges for services increased by \$0.3 million or 1.9%, primarily due to a slight increase in monthly parking permit revenue. Operating expenses increased \$20 thousand or 0.2%, primarily due to an increase in other contract services and amortization expense.
- Nonmajor enterprise Refuse fund charges for services increased by \$3.6 million or 28.4% from the prior fiscal year due to an increase in refuse collection fees during the fiscal year, with further scheduled increases. Operating expenses increased by \$1.2 million or 4.9%, primarily due to an increase in internal service charges.



FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

Since the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements, the focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

City of Pasadena's Governmental Funds
Summary Statement of Revenues, Expenditures and
Changes in Fund Balances
(in millions)

	2025	2024	\$ Change	% Change
Revenues:				
Taxes	\$ 258.7	\$ 251.9	\$ 6.8	2.7%
Licenses and permits	22.4	16.1	6.2	38.7%
Intergovernmental	126.8	121.0	5.8	4.8%
Charges for services	69.5	59.9	9.6	16.1%
Fines and forfeitures	5.5	6.3	(0.9)	-13.9%
Investment earnings	8.8	7.2	1.7	23.1%
Net change in fair value of investments	7.9	8.6	(0.6)	-7.4%
Lease revenues	0.4	4.9	(4.5)	-90.9%
Interest income from leases	0.0	0.0	(0.0)	-50.0%
Miscellaneous revenues	11.5	7.7	3.8	49.4%
Contributions	2.7	1.6	1.1	70.3%
Total revenues	<u>514.2</u>	<u>485.2</u>	<u>29.0</u>	<u>6.0%</u>
Expenditures:				
Current:				
General government	90.6	72.7	18.0	24.8%
Public safety	187.5	174.8	12.7	7.3%
Transportation	53.8	45.4	8.3	18.3%
Utility	0.0	0.0	0.0	3.4%
Sanitation	6.0	6.4	(0.4)	-6.4%
Health	19.9	20.7	(0.8)	-3.7%
Culture and leisure	56.1	53.1	3.0	5.6%
Community development	70.4	58.5	11.9	20.4%
Capital outlay	54.5	66.7	(12.3)	-18.4%
Debt service:				
Principal	7.0	6.0	0.9	15.8%
Interest	5.8	6.0	(0.2)	-3.3%
Lease payments	1.2	1.4	(0.2)	-12.2%
Subscription payments	2.2	1.6	0.6	35.2%
Interest on leases and subscriptions	0.2	0.1	0.0	29.5%
Total expenditures	<u>555.0</u>	<u>513.4</u>	<u>41.7</u>	<u>8.1%</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(40.8)</u>	<u>(28.2)</u>	<u>(12.6)</u>	<u>44.9%</u>
Other Financing Sources (Uses):				
Issuance of debt	210.2	-	210.2	-
Proceeds from sale of capital assets	2.1	-	2.1	-
Issuance of financed purchase arrangements	0.0	0.0	(0.0)	-78.7%
Insurance recovery	1.0	-	1.0	-
Transfers in	89.1	80.8	8.2	10.2%
Transfers out	(69.0)	(65.7)	(3.3)	5.1%
Leases issued	0.8	0.1	0.7	810.0%
Subscriptions issued	1.6	2.2	(0.6)	-26.2%
Total other financing sources (uses)	<u>235.9</u>	<u>17.5</u>	<u>218.4</u>	<u>1249.0%</u>
Net change in fund balances	195.0	(10.7)	205.7	-1923.8%
Fund balances, beginning of year	320.1	330.8	(10.7)	-3.2%
Fund balances, ending	<u>\$ 515.2</u>	<u>\$ 320.1</u>	<u>\$ 195.0</u>	<u>60.9%</u>

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS (Continued)

Governmental Funds report the difference between their assets and liabilities as fund balance, which is divided into *nonspendable, restricted, committed, assigned, and unassigned* portions. City Council may commit a portion of the *fund balance* by formal action, per the current policy of increasing the commitment up to 20% of the General Fund annual appropriations. The 20% is comprised of a 15% General Fund Emergency Contingency and a 5% General Fund Operating Reserve. On October 27, 2025, the City Council committed the full 15% (\$51.3 million) to the Emergency Contingency Reserve and up to 5% (\$17.1 million) to the Operating Reserve.

At the end of fiscal year 2025, the City's governmental funds reported combined ending fund balances of \$515.2 million, an increase of \$195 million from the prior year. The *nonspendable fund balance* of \$9 million represents assets generated by prepayments, permanent trust fund balances and receivables in funds, net of allowances. The *restricted fund balance* of \$295.6 million represents resources that are subject to externally enforceable legal restrictions, such as the restrictions on the use of debt proceeds, special revenue funding, and capital improvement contracts. The *committed fund balance* of \$170.9 million represents the use of resources constrained by limitations the City imposes upon itself through decisions made by the City Council. The *assigned fund balance* of \$21.3 million designates the portion of fund balance that reflects the City's intended use of resources. The *unassigned fund balance* of \$18.3 million represents the residual amount after the nonspendable, restricted, committed, and assigned balances have been identified of total fund balance.

Total expenditures increased by \$41.7 million or 8.1%. These expenditure categories increased: general government by \$18 million, public safety by \$12.7 million, community development by \$11.9 million, transportation by \$8.3 million, and culture and leisure by \$3 million. These expenditure categories decreased: capital outlay decreased by \$12.3 million, health by \$0.8 million, and sanitation by \$0.4 million. The other categories have a net increase of \$1.2 million. Due to the implementation of GASB 87 and 96, lease and subscription payments, as well as the corresponding interest expenditures are presented under debt service. Prior to fiscal year 2022, these expenditures were presented within the governmental funds' function.

- General government expenditures increased mainly due to the \$11 million increase in City's contribution to the Pasadena Fire and Police Retirement System based on the agreement between the City and the retirement system, \$1 million contribution to the CalPERS, \$1.9 million in contract services, \$1.2 million equipment rental expense related to the cost of operating emergency shelter during the 2025 Eaton Fire, \$1.7 million in personnel costs, \$0.7 million in general liability, and \$0.5 million in debt issuance.
- Public safety expenditures increased due to a \$2.8 million increase of internal service fund allocation (equipment maintenance and equipment replacement) and overall increase in personnel and benefit costs.
- Community development expenditures increase is due to a \$3.3 million short-term construction loan to affordable housing developer, \$3.5 million in affordable housing project costs, and a \$3.5 million increase in Federal funding of affordable housing and other personnel costs.
- Transportation expenditures increased primarily due to \$1.3 million in additional bus route services funded by the Los Angeles County Metropolitan Transportation Authority, along with a \$3 million increase in debris removal costs. Personnel expenses also rose by \$2 million as a result of the Eaton Fire. In addition, a \$0.7 million Proposition A Fund exchange with City of San Marino contributed to the overall increase, which was further driven by higher spending on other contractual services and supplies.
- Culture and leisure expenditures increased due to \$1.3 million in higher personnel costs, a \$1 million increase in other contractual services (of which \$0.7 million was directly related to shelter services provided during the Eaton Fire), and a \$0.7 million increase in internal services cost allocations.
- In fiscal year 2025, capital outlay decreased by \$12.3 million, primarily due to a one-time \$14 million land purchase in fiscal year 2024. Street expenditures also declined by \$8 million as major projects, including the Citywide ADA Sidewalk Program, Lake Avenue Pedestrian Access, and Cordova Complete Street Maintenance, were completed in fiscal year 2024. Offsetting these decreases, the City invested approximately \$9 million in fiscal year 2025 to purchase 15 fixed-route transit vehicles and 3 Dial-A-Ride vehicles to support and enhance public transit services.

City of Pasadena's General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
(in millions)

	2025	2024	\$ Change	% Change
Revenues:				
Taxes	\$ 246.9	\$ 240.2	\$ 6.7	2.8%
Licenses and permits	4.8	3.8	1.0	26.5%
Intergovernmental	30.6	31.8	(1.2)	-3.7%
Charges for services	46.9	47.9	(1.0)	-2.1%
Fines and forfeitures	5.5	6.3	(0.9)	-13.9%
Investment earnings	3.5	3.0	0.5	16.0%
Net change in fair value of investments	2.9	3.5	(0.6)	-16.4%
Lease revenues	0.2	1.0	(0.8)	-81.5%
Miscellaneous revenues	4.5	3.4	1.1	32.3%
Total revenues	<u>345.7</u>	<u>340.9</u>	<u>4.8</u>	<u>1.4%</u>
Expenditures:				
Current:				
General government	90.1	72.7	17.5	24.0%
Public safety	185.8	171.7	14.1	8.2%
Transportation	30.3	25.5	4.8	19.0%
Culture and leisure	39.6	37.1	2.5	6.6%
Community development	12.0	11.2	0.9	7.6%
Capital outlay	4.8	14.8	(10.0)	-67.5%
Debt service:				
Lease payments	0.9	1.0	(0.0)	-5.0%
Subscription payments	1.5	1.3	0.2	16.0%
Interest - leases and subscriptions	0.1	0.1	0.0	20.8%
Total expenditures	<u>365.2</u>	<u>335.2</u>	<u>30.0</u>	<u>8.9%</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(19.5)</u>	<u>5.7</u>	<u>(25.2)</u>	<u>-442.7%</u>
Other financing sources (uses):				
Proceeds from sale of capital assets	2.1	-	2.1	n/a
Insurance recoveries	1.0	-	1.0	n/a
Transfers in	30.3	20.1	10.1	50.3%
Transfers out	(37.0)	(33.9)	(3.2)	9.3%
Leases issued	0.1	0.1	0.0	53.7%
Subscriptions issued	0.7	2.2	(1.5)	-66.7%
Total other financing sources (uses)	<u>(2.8)</u>	<u>(11.4)</u>	<u>8.7</u>	<u>-75.7%</u>
Net change in fund balances	<u>(22.3)</u>	<u>(5.8)</u>	<u>(16.5)</u>	<u>287.2%</u>
Fund balances, beginning	<u>158.9</u>	<u>164.6</u>	<u>(5.8)</u>	<u>-3.5%</u>
Fund balances, ending	<u>\$ 136.6</u>	<u>\$ 158.9</u>	<u>\$ (22.3)</u>	<u>-14.0%</u>

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS (Continued)

Governmental Funds (Continued)

General Fund

The General Fund is the chief operating fund of the City. At the end of fiscal year 2025, the *unassigned fund balance* of the General Fund was \$25.1 million, while the total fund balance decreased to \$136.6 million, as compared to \$158.9 million in the prior year. General Fund's total fund balance therefore decreased by \$22.3 million or 14%, during fiscal year 2025. As a measurement of the General Fund's liquidity, it is useful to compare both unassigned fund balance and total fund balance to total General Fund expenditures. Unassigned fund balance represents 6.88% of total General Fund expenditures, and total fund balance represents 37.4% of total General Fund expenditures.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS (Continued)**Governmental Funds (Continued)****General Fund (Continued)**

General Fund total revenues increased by \$4.8 million or 1.4% mainly due to factors below:

- Taxes increased by \$6.7 million or 2.8%. Property tax revenue rose by \$3.1 million, driven by the 2% annual increase in assessed property values allowed under Proposition 13, along with additional gains from property sales and reassessments. The utility users tax increased by \$1 million, reflecting recent water rate adjustments. The Transient Occupancy Tax grew by \$2 million, as hotels operated at full capacity during the Eaton wildfire emergency when many residents were temporarily displaced. Construction tax increased by \$1.4 million due to a major healthcare construction project currently underway.
- Licenses and permits increased by \$1 million or 26.5%, mainly due to the same major healthcare construction.
- Miscellaneous revenue increased by \$1.1 million or 32.3%, primarily due to the accrued interest payment received from the Concord Senior Housing developer.
- Intergovernmental revenues decreased by \$1.2 million or 3.7%, primarily due to no funding received this fiscal year from the California Department of Water Resources and direct Federal grants, which resulted in a net decrease of \$4.5 million. The California Department of Water Resources funding in the prior year was a one-time grant related to the COVID-19 pandemic, spanning over two years to assist customers' utility bills. There was an increase of \$2.1 million from FEMA in relation to COVID-19 funding and \$1.1 million increase in Motor Vehicle in Lieu. Other intergovernmental revenues had slight increases.
- Charges for services decreased by \$1 million or 2.1%, primarily due to a reduction in Police Department security charges, as overall requests for police security services declined.

General Fund total expenditures increased by \$30 million or 8.9% primarily due to:

- General government expenditures increased by \$17.5 million or 24.0%, as detailed in the Governmental Funds section above.
- Public safety increased by \$14.1 million or 8.2%, primarily due to increase of internal service fund allocation (equipment maintenance and equipment replacement) and overall increase in personnel and benefit costs.
- Transportation expenditures increased by \$4.8 million or 19.0%, primarily due to one-time \$3 million increases in debris removal costs and \$2 million in personnel expenditures related to the Eaton Fire.
- Culture and leisure increased by \$2.5 million or 6.6%, and is attributable to the factors outlined in the preceding Governmental Funds section.
- Community development increased by \$0.9 million or 7.6%, due to increased expenditures in personnel and consulting services.
- Capital outlay decreased by \$10 million or 67.5%, and is attributable to the factors outlined in the preceding Governmental Funds section.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS (Continued)**Governmental Funds (Continued)****Housing Successor Fund**

The Housing Successor Fund has a fund balance of \$1.7 million, which is an increase of \$1 million or 133.3% from the prior year. Total revenue increased by \$0.1 million mainly from loan repayments, and total expenditures decreased by \$0.4 million, primarily due to the Bridge Housing affordable housing project. For more information on Housing Successor notes receivable, refer to Note 4 on page 60 of this report.

Project Management Fund

The Project Management Fund reported a deficit fund balance of \$7.5 million as of June 30, 2025, compared to a deficit of \$1.4 million in the prior year. The \$6.1 million increase in the deficit is primarily due to the recognition of \$6.8 million in unavailable revenue. Of this amount, \$5 million was billed to the Los Angeles County Metropolitan Transportation Authority, \$1.5 million to Los Angeles County Parks, and \$0.3 million in miscellaneous transportation grants.

These amounts represent grant reimbursements that were billed but not collected within the availability period for reimbursement-type grants (i.e., 90 days after fiscal year-end). While these funds are owed to the City and are expected to be collected, they were not recognized as available revenue in the current fiscal year due to timing.

Proprietary Funds

The City's proprietary funds provide the same type of information found in the Government-wide Financial Statements, but in more detail.

Unrestricted net position of the Light and Power Fund at the end of the year amounted to \$340.7 million and those for the Water, Off-Street Parking Fund, and nonmajor enterprise funds (Refuse and Telecommunications) amounted to \$47.9 million, \$4.4 million, and \$4.6 million, respectively.

The total income before transfers and contributions for each fund was \$47.3 million, \$19.1 million, \$1.5 million, and \$2.2 million, respectively.

Light and Power operating revenues decreased by \$12.8 million from prior year, primarily due to the decrease of \$7.4 million in utility wholesales and \$5.4 million in retail sales. Total operating expenses increased by \$29.6 million to \$237.6 million due to the increase in fuel and energy costs.

Water Fund operating revenues increased \$11.2 million from prior year, primarily due to the increase in water sales. Operating expenses increased by \$8.6 million or 14.3% primarily due to an increase of \$3.7 million in water purchased cost, \$2.1 administrative and general expenses and \$1.3 million customer and commercial expenses.

Off-Street Parking operating revenues increased by \$0.3 million or 1.9%, primarily due to an increase in monthly parking permit revenues. Operating expenses increased by \$0.3 million or 3.0% primarily due to an increase in other contract services and amortization expense.

Implementation of GASB 68 has resulted in showing a *Net Pension Liability* in the proprietary funds. At June 30, 2025, the Net Pension Liability is \$61 million, \$21.5 million, \$1.1 million, and \$8.1 million for Light and Power, Water, Off-Street Parking, and nonmajor enterprise funds, respectively.

Implementation of GASB 75 has resulted in showing a *Net OPEB Liability* in the proprietary funds. At June 30, 2025, the Net OPEB Liability is \$8.6 million, \$4.2 million, \$0.06 million, and \$2.2 million for Light and Power, Water, Off-Street Parking, and nonmajor enterprise funds, respectively.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

As of June 30, 2025, the City of Pasadena’s investment in capital assets for its governmental and business-type activities totaled \$1,484.7 million, net of accumulated depreciation and amortization. This represents an increase of \$71.7 million, or approximately 5.1%, compared to the prior year. This investment includes land, buildings and improvements, machinery and equipment, infrastructure, construction-in-progress, right-to-use lease assets (GASB 87), right-to-use subscription assets (GASB 96), and other intangible assets. Infrastructure assets are typically immovable and include roads, bridges, drainage systems, and similar assets. The net increase included a \$31.5 million increase in governmental activities and a \$40.2 million increase in business-type activities.

**City of Pasadena’s Capital Assets
(Net of Depreciation/Amortization, in millions)**

	Governmental Activities		Business-type Activities		Total Primary Government	
	2025	2024	2025	2024	2025	2024
Land and land rights	\$ 104.8	\$ 104.0	\$ 19.5	\$ 17.3	\$ 124.3	\$ 121.4
Construction in progress	71.5	79.3	105.4	80.6	177.0	159.9
Buildings and improvements	148.4	143.7	78.1	68.5	226.5	212.2
Lease asset - buildings	2.8	2.0	11.3	6.4	14.1	8.4
Machinery and equipment	50.4	36.7	659.2	661.5	709.6	698.2
Lease asset - equipment	0.1	0.6	-	0.1	0.1	0.7
Subscription assets	8.5	6.8	4.4	3.3	12.9	10.1
Infrastructure	220.2	202.1	-	-	220.2	202.1
Total	<u>\$ 606.7</u>	<u>\$ 575.2</u>	<u>\$ 877.9</u>	<u>\$ 837.7</u>	<u>\$ 1,484.7</u>	<u>\$ 1,413.0</u>

Major capital asset activity during fiscal year 2025 included the following.

- Pasadena Water & Power (PWP) completed approximately \$22.4 million in capital projects that advance the City’s long-term water and electric reliability goals. The most significant water project was the Parke Groundwater Well, which replaced the 104-year-old Garfield Well. The \$10 million project involved drilling a new 820-foot-deep well, installing a submersible pump, and constructing new mechanical and electrical systems in Villa Parke. The well can supply water for nearly 2,800 households annually and supports long-term water sustainability and resiliency.

On the electric side, PWP completed over \$7.4 million in system upgrades, including replacement of a critical transformer at Substation T7254 and junction and underground cable upgrades in the Evergreen area. These improvements enhance system reliability, reduce outage risk, and support the City’s undergrounding initiative.

For more information on PWP-related initiatives and goals, the PWP Annual Report is another resource for a financial overview of accomplishments, investments, infrastructure upgrades and services for residential and commercial customers. The PWP Annual Report can be accessed at <https://pwp.cityofpasadena.net/annualreports/>.

- The Department of Transportation invested in clean and accessible transit by acquiring 15 fixed-route transit vehicles totaling approximately \$8.5 million and 3 Dial-A-Ride vehicles totaling approximately \$0.4 million. These purchases support the City’s Zero-Emission Bus Rollout Plan and improve service reliability, particularly in high-demand areas such as Northwest Pasadena.
- The Pasadena Fire Department strengthened its emergency response capabilities with the acquisition of 2 Seagrave Capitol Cab fire engines totaling \$2.7 million. These units replaced aging reserve apparatus and support the department’s fleet modernization efforts.
- The Pasadena Police Department completed the implementation of a Cellular Site Simulator (CSS) system at a cost of \$1.2 million. This advanced investigative tool enhances the department’s ability to locate mobile devices and supports critical public safety operations.

CAPITAL ASSETS AND DEBT ADMINISTRATION (Continued)**Capital Assets (Continued)**

- The City also transferred a parcel of land at 2825 E. Walnut Street, valued at \$2.1 million, from the General Fund to PWP. Though not a legal title transfer, this accounting transaction reflects PWP's operational control of the site, which is planned for future development of a water well, treatment plant, and EV charging infrastructure.
- Donated capital assets valued at approximately \$71 thousand were added to the City's inventory, including a forklift and a used vehicle. These assets were recorded at fair value and contributed to operational capacity without additional capital outlay.
- The City continues to advance a broad range of capital improvement projects supporting infrastructure, mobility, and community amenities. These include street construction and maintenance, parking facilities, traffic control systems, and park enhancements.
- In fiscal year 2025, approximately \$32 million was invested in governmental capital projects. As of June 30, 2025, CIP balances totaled \$71.5 million for governmental activities and \$105.4 million for business-type activities.

Additional information on the City's capital assets can be found in Note 6 on pages 61-64 of this report.

CAPITAL ASSETS AND DEBT ADMINISTRATION (Continued)

Long-Term Debt

During fiscal year 2025, the City issued \$195 million in general obligation bonds (Series 2025) to fund the Central Library Renovation Project to address the seismic safety concerns for the historic library. The City also issued \$98.2 million in Electric Revenue Refunding Bonds (Series 2024A) to refinance existing debt for PWP. At year-end, the City has several debt issues outstanding, including \$310.3 million of revenue bonds, \$210.1 million of general obligation bonds, \$124.9 million of taxable pension bonds, \$43.2 million of certificates of participation, \$2.5 million of loans payable, and \$3.7 million of notes payable. Long-term debt increased by a net amount of \$237.2 million as a result of the additions of the electric revenue and general obligation bonds. The City was assigned an AAA issuer rating by Standard and Poor’s and an AA+ rating by Fitch Ratings.

**City of Pasadena’s Outstanding Long-Term Obligations
(in millions)**

	Governmental Activities		Business-type Activities		Total Primary Government	
	2025	2024	2025	2024	2025	2024
Long-term debt:						
Notes payable	\$ 3.7	\$ 4.0	\$ -	\$ -	\$ 3.7	\$ 4.0
Bonds payable	335.0	128.1	310.3	275.6	645.3	403.7
Certificates of participation	43.2	45.8	-	-	43.2	45.8
Loan payable	2.0	3.0	0.5	1.0	2.5	4.0
Total long-term debt	383.9	181.0	310.8	276.5	694.7	457.5
Other long-term obligations:						
Lease liability	3.2	2.7	11.9	6.7	15.0	9.4
Subscription liability	7.0	5.3	3.7	3.0	10.7	8.3
Total other long-term obligations	10.2	7.9	15.6	9.7	25.7	17.8
Total long-term obligations	\$ 394.1	\$ 189.0	\$ 326.3	\$ 286.3	\$ 720.4	\$ 475.2

Additional information on the City’s long-term debt can be found in Note 10 on pages 73-84 of this report.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the City’s finances for all those with an interest in the government’s finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the office of the Director of Finance, 100 North Garfield Avenue, Room S348, Pasadena, California, 91101.

Statement of Net Position

June 30, 2025

	Primary Government			Discretely Presented Component Units
	Governmental Activities	Business-type Activities	Total Primary Government	
Assets:				
Current assets:				
Cash and investments	\$ 310,292	\$ 481,013	\$ 791,305	\$ 77,938
Accounts receivable, net	72,342	53,425	125,767	15,208
Lease receivable	178	401	579	6,267
Notes receivable, net	3,024	-	3,024	-
Prepays and other assets	1,662	834	2,496	257
Due from component units	1,603	55	1,658	-
Due from City	-	-	-	343
Advances to component units	2,282	-	2,282	-
Inventories	574	44,867	45,441	348
Deposits	-	-	-	17
Property held for resale	1,434	-	1,434	9,041
Total current assets	393,391	580,595	973,986	109,419
Noncurrent assets:				
Restricted - cash and investments	236,328	56,463	292,791	337
Due from City	-	-	-	387
Lease receivable	-	599	599	-
Long-term prepaid and other assets	-	6,918	6,918	-
Capital assets:				
Not being depreciated/amortized	176,310	124,901	301,211	5,734
Being depreciated/amortized, net	430,381	752,999	1,183,380	243,976
Total capital assets	606,691	877,900	1,484,591	249,710
Total noncurrent assets	843,019	941,880	1,784,899	250,434
Total assets	1,236,410	1,522,475	2,758,885	359,853
Deferred Outflows of Resources:				
Accumulated decrease in fair value of hedging derivatives	-	-	-	4,042
Debt refunding related	17,832	642	18,474	16,786
Pension related	122,608	23,080	145,688	1,405
OPEB related	5,585	1,459	7,044	-
Total deferred outflows of resources	146,025	25,181	171,206	22,233

(Continued)

The accompanying notes are an integral part of these financial statements.

Statement of Net Position (Continued)
June 30, 2025

	Primary Government			Discretely Presented Component Units
	Governmental Activities	Business-type Activities	Total Primary Government	
Liabilities:				
Current liabilities				
Accounts payable and other accrued liabilities	63,799	43,282	107,081	23,374
Due to primary government	-	-	-	2,486
Due to other governments	5	-	5	-
Deposits	5,474	7,122	12,596	2,365
Advances	-	-	-	100
Unearned revenue	14,118	8,871	22,989	16,361
Compensated absences	34,349	481	34,830	352
Insurance claims payable	27,844	-	27,844	-
Long-term debt due within one year	18,690	10,642	29,332	16,726
Lease liability	1,194	2,197	3,391	257
Subscription liability	3,372	1,115	4,487	151
Total current liabilities	168,845	73,710	242,555	62,172
Noncurrent liabilities:				
Compensated absences	10,151	-	10,151	222
Insurance claims payable	36,527	-	36,527	-
Long-term debt	365,240	300,116	665,356	306,249
Lease liability	1,984	9,667	11,651	116
Subscription liability	3,645	2,590	6,235	125
Derivative instrument liability	-	-	-	4,042
Long-term advances from primary government	-	-	-	200
Net pension liability	457,815	91,772	549,587	3,791
Net OPEB liability	57,555	15,043	72,598	-
Total noncurrent liabilities	932,917	419,188	1,352,105	314,745
Total liabilities	1,101,762	492,898	1,594,660	376,917
Deferred Inflows of Resources:				
Debt refunding related	-	4,008	4,008	2,756
Service concession agreement	-	-	-	5
Lease related	167	972	1,139	6,268
Pension related	10,779	400	11,179	23
OPEB related	23,587	6,165	29,752	-
Total deferred inflows of resources	34,533	11,545	46,078	9,052
Net Position (Deficit):				
Net investment in capital assets	329,925	541,248	871,173	(13,759)
Restricted:				
Nonexpendable	1,434	-	1,434	-
Expendable:				
Community development	12,324	-	12,324	-
Public safety	6,360	-	6,360	-
Capital projects	1,417	-	1,417	-
Debt service	210,635	56,463	267,098	429
Transportation	36,785	-	36,785	-
Contribution to General Fund	-	28,500	28,500	-
Culture and literacy	4,873	-	4,873	-
Other purposes	9,934	19,345	29,279	2,362
Air quality improvement	414	-	414	-
Trust and loans	14,275	-	14,275	-
Unrestricted	(382,236)	397,657	15,421	7,085
Total net position (deficit)	\$ 246,140	\$ 1,043,213	\$ 1,289,353	\$ (3,883)

The accompanying notes are an integral part of these financial statements.

(This page intentionally left blank)



Statement of Activities
For the Fiscal Year Ended June 30, 2025

Functions/Programs	Expenses	Net (Expenses) Revenues and Changes in Net Position						
		Program Revenues			Primary Government			Discretely Presented Component Units
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total Primary Government	
Primary Government:								
Governmental Activities:								
General government	\$ 101,571	\$ 19,612	\$ 4,922	\$ -	\$ (77,037)	\$ -	\$ (77,037)	\$ -
Public safety	197,231	21,881	5,046	-	(170,304)	-	(170,304)	-
Transportation	73,125	19,978	21,425	20,426	(11,296)	-	(11,296)	-
Utility	30	-	-	-	(30)	-	(30)	-
Sanitation	6,071	12,360	-	1,558	7,847	-	7,847	-
Health	20,647	2,925	13,326	-	(4,396)	-	(4,396)	-
Culture and leisure	59,139	2,044	1,440	907	(54,748)	-	(54,748)	-
Community development	72,404	21,487	44,443	-	(6,474)	-	(6,474)	-
Interest	6,052	-	-	-	(6,052)	-	(6,052)	-
Total governmental activities	536,270	100,287	90,602	22,891	(322,490)	-	(322,490)	-
Business-type Activities:								
Electric	247,153	269,363	-	6,373	-	28,583	28,582	-
Water	71,135	80,694	449	1,220	-	11,228	11,229	-
Refuse	26,259	16,373	1,269	-	-	(8,617)	(8,617)	-
Parking	12,671	13,302	363	-	-	994	994	-
Telecommunications	198	658	43	-	-	503	503	-
Total business-type activities	357,416	380,390	2,124	7,593	-	32,691	32,691	-
Total primary government	893,686	480,677	92,726	30,484	(322,490)	32,691	(289,799)	-
Discretely Presented Component Units	\$ 103,830	\$ 80,520	\$ -	\$ 43				(23,267)
General revenues:								
Taxes:								
Property					90,486	-	90,486	-
Sales					80,465	-	80,465	-
Utility users					33,094	-	33,094	-
Transient occupancy					20,648	-	20,648	12,348
Street light and traffic signal					8,963	-	8,963	-
Construction					4,976	-	4,976	-
Business license					7,883	-	7,883	-
Franchise					2,606	9,204	11,810	-
Other					9,600	-	9,600	4,700
Grants and contributions, unrestricted					598	-	598	123
Motor vehicle in-lieu, unrestricted					26,256	-	26,256	-
Use of money - investment earnings					9,541	16,798	26,339	5,093
Use of property - interest income					3	11	14	4
Net change in fair value of investments					8,360	12,235	20,595	-
Miscellaneous revenues					8,156	6,484	14,640	6,267
Donated capital assets					74	-	74	-
Total general revenues					311,709	44,732	356,441	28,535
Transfers					19,603	(19,603)	-	-
Total general revenues and transfers					331,312	25,129	356,441	28,535
Change in net position					8,822	57,820	66,642	5,268
Net position (deficit), beginning, as previously reported					261,572	985,780	1,247,352	(8,928)
Restatement for a change in accounting principle					(26,985)	(387)	(27,372)	(223)
Restatement for correction of an error					2,731	-	2,731	-
Net position (deficit), beginning, as restated					237,318	985,393	1,222,711	(9,151)
Net position (deficit), ending					\$ 246,140	\$ 1,043,213	\$ 1,289,353	\$ (3,883)

The accompanying notes are an integral part of these financial statements.

**Balance Sheet
Governmental Funds
June 30, 2025**

	<u>Special Revenue</u>		<u>Capital Projects</u>		<u>Debt Service</u>		<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
	<u>General</u>	<u>Housing Successor</u>	<u>Project Management</u>	<u>General Debt Service</u>				
Assets:								
Cash and investments	\$ 66,983	\$ 1,667	\$ 1,109	\$ -	\$ 173,075	\$ 242,834		
Accounts receivable, net	40,349	8	11,755	-	19,126	71,238		
Lease receivable	-	-	-	-	178	178		
Notes receivable	7,868	27,031	-	-	72,613	107,512		
Allowance for uncollectible notes receivable	(4,845)	(27,031)	-	-	(72,613)	(104,489)		
Due from other funds	36,226	-	-	-	-	36,226		
Due from component units	1,599	-	-	-	-	1,599		
Advances to component unit	2,282	-	-	-	-	2,282		
Prepays and other assets	610	-	-	-	260	870		
Restricted assets:								
Cash and investments	14,274	-	-	-	3,776	18,050		
Cash with fiscal agent	-	-	-	210,635	7,644	218,279		
Property held for resale	-	-	-	-	1,434	1,434		
Total assets	<u>\$ 165,346</u>	<u>\$ 1,675</u>	<u>\$ 12,864</u>	<u>\$ 210,635</u>	<u>\$ 205,493</u>	<u>\$ 596,013</u>		
Liabilities:								
Accounts payable and accrued liabilities	\$ 19,421	\$ 2	\$ 10,715	\$ -	\$ 8,458	\$ 38,596		
Deposits	3,948	-	-	-	1,527	5,475		
Due to other funds	-	-	-	-	8,645	8,645		
Due to other governments	5	-	-	-	-	5		
Unearned revenue	2,716	-	2,878	-	8,523	14,117		
Total liabilities	<u>26,090</u>	<u>2</u>	<u>13,593</u>	<u>-</u>	<u>27,153</u>	<u>66,838</u>		
Deferred Inflows of Resources:								
Unavailable revenues	2,654	-	6,795	-	4,380	13,829		
Lease related	-	-	-	-	167	167		
Total deferred inflows of resources	<u>2,654</u>	<u>-</u>	<u>6,795</u>	<u>-</u>	<u>4,547</u>	<u>13,996</u>		
Fund Balances:								
Nonspendable	5,915	-	-	-	1,694	7,609		
Restricted	14,274	1,673	-	210,635	70,436	297,018		
Committed	69,941	-	-	-	108,529	178,470		
Assigned	21,331	-	-	-	-	21,331		
Unassigned	25,141	-	(7,524)	-	(6,866)	10,751		
Total fund balances	<u>136,602</u>	<u>1,673</u>	<u>(7,524)</u>	<u>210,635</u>	<u>173,793</u>	<u>515,179</u>		
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 165,346</u>	<u>\$ 1,675</u>	<u>\$ 12,864</u>	<u>\$ 210,635</u>	<u>\$ 205,493</u>	<u>\$ 596,013</u>		

The accompanying notes are an integral part of these financial statements.

**Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
June 30, 2025**

Amounts reported for governmental activities in the statement of net position are different because:

Total fund balances - governmental funds	\$	515,179
Capital assets used in governmental activities are not current financial resources and are therefore not reported in the governmental funds.		
Capital assets	928,079	
Accumulated depreciation	(358,695)	
Lease assets	5,664	
Subscription assets	9,546	
Accumulated amortization	(8,165)	
Capital assets, net	576,429	576,429
Differences between expected and actual experiences, assumption changes and net differences between projected and actual earnings and contributions subsequent to the measurement date for the postretirement benefits (pension and OPEB) are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position.		
Deferred outflows - pension related	91,334	
Deferred outflows - OPEB related	5,031	
Deferred inflows - pension related	(10,400)	
Deferred inflows - OPEB related	(21,246)	
Total deferred outflows and inflows related to postemployment benefits	64,719	64,719
Unavailable revenues are not available to pay for current period expenditures and, therefore, are deferred in the funds.		
		13,829
The substance of an advanced refunding is reported as deferring the difference and amortizing it over future periods.		
		17,832
Long-term liabilities and deferred inflows of resources are not due, payable, or available in the current period, and therefore, are not reported in the funds.		
Notes payable	(3,687)	
General obligation bonds payable	(195,000)	
Pension bonds payable	(124,905)	
Certificates of participation	(39,840)	
Loan payable	(2,024)	
Financed purchase arrangements	(37)	
Compensated absences	(1,591)	
Lease liability	(2,660)	
Subscription liability	(3,900)	
Accrued interest payable on long-term debt, leases, and SBITA	(1,555)	
Net OPEB liability	(51,841)	
Net pension liability	(345,326)	
Total long-term liabilities	(772,366)	(772,366)
Governmental funds report the effect of premiums, discounts, and refundings and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.		
Premium on certificates of participation refunding	(3,312)	
Premium on general obligation bonds	(15,126)	
Total premiums and deferred items	(18,438)	(18,438)
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 assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the internal service funds are included in governmental activities in the statement of net position.		
		(151,044)
Net position of governmental activities	\$	246,140

The accompanying notes are an integral part of these financial statements.

**Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2025**

	Special Revenue		Capital Projects	Debt Service		Nonmajor Governmental Funds	Total Governmental Funds
	General	Housing Successor	Project Management	General Debt Service			
Revenues:							
Taxes	\$ 246,913	\$ -	\$ -	\$ -	\$ 11,806	\$ 258,719	
Licenses and permits	4,792	-	488	-	17,074	22,354	
Intergovernmental	30,620	-	12,994	-	83,187	126,801	
Charges for services	46,850	4	76	-	22,599	69,529	
Fines and forfeitures	5,455	-	-	-	-	5,455	
Investment earnings	3,471	122	-	6	5,217	8,816	
Net change in fair value of investments	2,898	-	-	959	4,067	7,924	
Lease revenues	189	-	-	-	258	447	
Interest income from leases	-	-	-	-	2	2	
Miscellaneous revenues	4,481	184	28	-	6,825	11,518	
Contributions	28	-	476	-	2,146	2,650	
Total revenues	345,697	310	14,062	965	153,181	514,215	
Expenditures:							
Current:							
General government	90,103	-	-	541	4	90,648	
Public safety	185,803	-	-	-	1,697	187,500	
Transportation	30,292	-	1,808	-	21,654	53,754	
Utility	-	-	-	-	30	30	
Sanitation	-	-	-	-	5,993	5,993	
Health	-	-	-	-	19,907	19,907	
Culture and leisure	39,575	-	-	-	16,512	56,087	
Community development	12,011	187	-	-	58,180	70,378	
Capital outlay	4,793	-	46,424	-	3,235	54,452	
Debt service:							
Principal	20	-	-	4,215	2,720	6,955	
Interest	4	-	-	3,834	1,989	5,827	
Lease payments	927	-	1	-	260	1,188	
Subscription payments	1,536	-	72	-	543	2,151	
Interest on leases and subscriptions	128	-	4	-	39	171	
Total expenditures	365,192	187	48,309	8,590	132,763	555,041	
Excess (deficiency) of revenues over (under) expenditures	(19,495)	123	(34,247)	(7,625)	20,418	(40,826)	
Other Financing Sources (Uses):							
Issuance of debt	-	-	-	210,212	-	210,212	
Proceeds from sale of capital assets	2,120	-	-	-	-	2,120	
Issuance of financed purchase arrangements	10	-	-	-	-	10	
Insurance recoveries	1,029	-	-	-	-	1,029	
Transfers in	30,272	833	29,845	8,043	20,062	89,055	
Transfers out	(37,046)	-	(1,730)	-	(30,221)	(68,997)	
Leases issued	103	-	-	-	716	819	
Subscriptions issued	730	-	-	-	886	1,616	
Total other financing sources (uses)	(2,782)	833	28,115	218,255	(8,557)	235,864	
Net change in fund balances	(22,277)	956	(6,132)	210,630	11,861	195,038	
Fund balances, beginning of year	158,879	717	(1,392)	5	161,932	320,141	
Fund balances, ending	\$ 136,602	\$ 1,673	\$ (7,524)	\$ 210,635	\$ 173,793	\$ 515,179	

The accompanying notes are an integral part of these financial statements.

**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, 2025**

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds	\$	195,038
<p>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/amortization expense. This is the amount by which capital outlays exceeded depreciation/amortization expense in the current period.</p>		
Capital outlay	\$ 44,886	
Depreciation/amortization expense	<u>(21,710)</u>	23,176
<p>The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position.</p>		
		(26)
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.</p>		
		6,609
<p>Bond and other debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond and other debt principal is an expenditure in the governmental funds, but repayment reduces long-term liabilities in the statement of net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.</p>		
Issuance of general obligation bonds	(195,000)	
Issuance of financed purchase arrangement	(10)	
Leases issued	(819)	
Subscriptions issued	(1,616)	
Premium on general obligation bonds	(15,212)	
Principal paid on notes	318	
Principal paid on pension bonds	3,210	
Principal paid on certificates of participation	2,420	
Principal paid on loan	987	
Principal paid on financed purchase arrangement	<u>20</u>	(205,702)
<p>Bond deferred charges and similar items are recorded as expenditures in governmental funds when debt is first issued, whereas these payments are deferred and amortized in the statement of activities. This amount is the net offset of the difference.</p>		
		(1,113)
<p>Internal service funds are used by management to charge the costs of certain activities, such as computing and communication, building maintenance, fleet maintenance, fleet replacement, benefits, workers' compensation, general liability, and 311 call center, to individual funds. The net revenue (expense) of certain activities of internal service funds is reported with governmental activities.</p>		
		(1,170)
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.</p>		
Accrued interest on long-term debt, leases, and SBITA	21	
Amortization of bond premiums and discounts and deferred amounts of refunding	335	
Compensated absences	(219)	
Net change in deferred (inflows) and outflows of resources - pension related	(7,512)	
Net change in deferred (inflows) and outflows of resources - OPEB related	<u>(615)</u>	(7,990)
Change in net position of governmental activities	\$	<u>8,822</u>

The accompanying notes are an integral part of these financial statements.

**Statement of Net Position
Proprietary Funds
June 30, 2025**

	Light and Power	Water	Off-Street Parking	Nonmajor Enterprise Funds	Total Enterprise Funds	Governmental Activities - Internal Service Funds
Assets:						
Current assets:						
Cash and investments	\$ 404,374	\$ 49,388	\$ 6,256	\$ 20,995	\$ 481,013	\$ 67,458
Accounts receivable, net	34,546	14,057	995	3,827	53,425	1,103
Due from component units	-	-	-	55	55	4
Inventories	29,778	15,089	-	-	44,867	574
Lease receivable	-	18	327	56	401	-
Prepays and other assets	111	504	219	-	834	791
Total current assets	468,809	79,056	7,797	24,933	580,595	69,930
Noncurrent restricted assets:						
Cash and investments	49,850	22	-	-	49,872	-
Cash with fiscal agent	-	4,663	1,928	-	6,591	-
Total noncurrent restricted assets	49,850	4,685	1,928	-	56,463	-
Other noncurrent assets:						
Deposit with Independent System Operator (ISO)	1,246	-	-	-	1,246	-
Prepaid long-term assets	5,672	-	-	-	5,672	-
Lease receivable	-	63	306	230	599	-
Capital assets, net of accumulated depreciation/amortization	564,657	268,150	36,075	9,018	877,900	30,262
Total other noncurrent assets	571,575	268,213	36,381	9,248	885,417	30,262
Total noncurrent assets	621,425	272,898	38,309	9,248	941,880	30,262
Total assets	1,090,234	351,954	46,106	34,181	1,522,475	100,192
Deferred Outflows of Resources:						
Bond refunding related	642	-	-	-	642	-
Pension related	14,529	6,026	324	2,201	23,080	31,273
OPEB related	829	411	6	213	1,459	553
Total deferred outflows of resources	16,000	6,437	330	2,414	25,181	31,826
Liabilities:						
Current liabilities:						
Accounts payable and accrued liabilities	28,186	8,506	1,629	4,961	43,282	23,647
Deposits	1,097	129	209	5,687	7,122	-
Insurance claims payable	-	-	-	-	-	27,844
Due to other funds	-	-	-	-	-	27,581
Unearned revenue	4,827	2,658	351	1,035	8,871	-
Compensated absences	381	78	1	21	481	34,349
Revenue bonds	6,215	2,925	1,000	-	10,140	-
Loan payable	-	-	502	-	502	-
Lease liability	1,498	694	3	2	2,197	173
Subscription liability	929	168	-	18	1,115	1,413
Total current liabilities	43,133	15,158	3,695	11,724	73,710	115,007
Noncurrent liabilities:						
Insurance claims payable	-	-	-	-	-	36,526
Compensated absences	-	-	-	-	-	8,560
Net pension liability	61,003	21,521	1,147	8,101	91,772	112,488
Net OPEB liability	8,596	4,187	65	2,195	15,043	5,713
Revenue bonds	217,732	65,784	16,600	-	300,116	-
Loan payable	-	-	-	-	-	-
Lease liability	6,172	3,491	-	4	9,667	345
Subscription liability	2,274	296	-	20	2,590	1,704
Total noncurrent liabilities	295,777	95,279	17,812	10,320	419,188	165,336
Total liabilities	338,910	110,437	21,507	22,044	492,898	280,343
Deferred Inflows of Resources:						
Bond refunding related	2,826	1,182	-	-	4,008	-
Lease related	-	94	599	279	972	-
Pension related	252	104	6	38	400	379
OPEB related	3,514	1,725	26	900	6,165	2,340
Total deferred inflows of resources	6,592	3,105	631	1,217	11,545	2,719
Net Position:						
Net investment in capital assets	322,368	192,235	17,969	8,675	541,247	24,737
Restricted:						
Debt service	49,850	4,685	1,928	-	56,463	-
Contribution/reimbursement to General Fund	28,500	-	-	-	28,500	-
Other purposes	19,345	-	-	-	19,345	-
Unrestricted	340,669	47,929	4,401	4,659	397,658	(175,781)
Total net position (deficit)	\$ 760,732	\$ 244,849	\$ 24,298	\$ 13,334	\$ 1,043,213	\$ (151,044)

The accompanying notes are an integral part of these financial statements.

Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2025

	Light and Power	Water	Off-Street Parking	Nonmajor Enterprise Funds	Total Enterprise Funds	Governmental Activities - Internal Service Funds
Operating Revenues:						
Utilities	\$ 268,793	\$ 80,694	\$ -	\$ -	\$ 349,487	\$ -
Off-street parking	-	-	13,301	-	13,301	-
Refuse collection	-	-	-	16,365	16,365	-
Telecommunication	-	-	-	658	658	-
Computing and communication services	-	-	-	-	-	23,475
Building maintenance	-	-	-	-	-	17,471
Fleet maintenance	-	-	-	-	-	19,627
Employee benefits	-	-	-	-	-	46,800
Insurance	-	-	-	-	-	36,521
311 Call Center	-	-	-	-	-	1,159
Total operating revenues	268,793	80,694	13,301	17,023	379,811	145,053
Operating Expenses:						
Utility production	117,479	32,801	-	-	150,280	-
Utility transmission and distribution	48,067	9,139	-	-	57,206	-
Utility commercial and general	35,585	16,135	-	-	51,720	-
Off-street parking	-	-	9,824	-	9,824	-
Refuse collection	-	-	-	25,442	25,442	-
Telecommunications	-	-	-	4	4	-
Computing and communication services	-	-	-	-	-	22,441
Building maintenance	-	-	-	-	-	17,030
Fleet maintenance	-	-	-	-	-	12,726
Benefits	-	-	-	-	-	55,882
Insurance	-	-	-	-	-	33,764
311 Call Center	-	-	-	-	-	819
Depreciation/amortization	36,494	10,757	1,848	1,002	50,101	4,470
Total operating expenses	237,625	68,832	11,672	26,448	344,577	147,132
Operating income (loss)	31,168	11,862	1,629	(9,425)	35,234	(2,079)
Nonoperating Revenues (Expenses):						
Taxes	-	-	-	9,204	9,204	-
Intergovernmental	-	267	-	228	495	-
Investment earnings	14,063	1,702	384	650	16,799	729
Net change in fair value of investments	10,261	1,393	127	455	12,236	436
Miscellaneous revenues	-	-	-	-	-	-
Gain (loss) on disposal of capital assets	(85)	(186)	-	-	(271)	(125)
Noncompliance forfeitures	-	-	-	1,044	1,044	-
Lease revenues	-	19	363	42	424	285
Interest income from leases	-	2	7	1	10	1
Interest expense	(9,241)	(2,052)	(998)	-	(12,291)	(73)
Interest expense on leases and subscriptions	(203)	(65)	-	(1)	(269)	113
Other nonoperating revenues	1,304	6,146	31	-	7,481	-
Total nonoperating revenues (expenses)	16,099	7,226	(86)	11,623	34,862	1,366
Income (loss) before transfers and contributions	47,267	19,088	1,543	2,198	70,096	(713)
Capital contributions	6,373	953	-	-	7,326	-
Transfers in	12,157	-	-	350	12,507	2,069
Transfers out	(28,132)	(1,894)	(1,179)	(904)	(32,109)	(2,526)
Change in net position	37,665	18,147	364	1,644	57,820	(1,170)
Net position (deficit), beginning, as previously reported	721,320	228,809	23,935	11,716	985,780	(124,261)
Restatement for a change in accounting principle	(285)	(75)	(1)	(26)	(387)	(25,613)
Restatement for correction of an error	2,032	(2,032)	-	-	-	-
Net position (deficit), beginning of year, as restated	723,067	226,702	23,934	11,690	985,393	(149,874)
Net position (deficit), ending	\$ 760,732	\$ 244,849	\$ 24,298	\$ 13,334	\$ 1,043,213	\$ (151,044)

The accompanying notes are an integral part of these financial statements.

**Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2025**

	Light and Power	Water	Off-Street Parking	Nonmajor Enterprise Funds	Total Enterprise Funds	Governmental Activities - Internal Service Funds
Cash Flows from Operating Activities:						
Cash received from customers	\$ 270,907	\$ 77,605	\$ 13,644	\$ 15,533	\$ 377,689	\$ 150,619
Cash payments to suppliers for goods and services	(160,985)	(41,860)	(8,623)	(9,600)	(221,068)	(40,528)
Cash payments to employees for services	(43,236)	(18,546)	(1,217)	(12,515)	(75,514)	(82,986)
Miscellaneous revenue	1,304	6,146	-	-	7,450	109
Net cash provided by (used for) operating activities	67,990	23,345	3,804	(6,582)	88,557	27,214
Cash Flows from Noncapital Financing Activities:						
Cash transfers in	12,157	-	-	350	12,507	2,069
Cash transfers out	(28,132)	(1,894)	(1,180)	(904)	(32,110)	(2,526)
Taxes received	-	-	-	9,204	9,204	-
Intergovernmental revenues	-	267	-	228	495	-
Nonoperating miscellaneous revenues	-	-	39	1,044	1,083	115
Net cash provided by (used for) noncapital financing activities	(15,975)	(1,627)	(1,141)	9,922	(8,821)	(342)
Cash Flows from Capital and Related Financing Activities:						
Acquisition and construction of capital assets	(52,643)	(24,453)	(9)	(3,731)	(80,836)	(12,868)
Issuance of debt	98,230	-	-	-	98,230	-
Underwriter discount	(149)	-	-	-	(149)	-
Proceeds from sale of capital assets	10	5	-	-	15	-
Proceeds from lease activities	-	19	-	44	63	-
Payments on leases and subscriptions	(2,494)	(833)	-	(20)	(3,347)	(164)
Capital contributions	3,487	1,495	-	-	4,982	-
Bond premiums received from bond refunding	14,365	-	-	-	14,365	-
Cost of issuance of bonds	(251)	-	-	-	(251)	-
Principal paid on debt	(69,160)	(2,860)	(1,489)	-	(73,509)	-
Interest paid on debt	(8,468)	(2,857)	(998)	(1)	(12,324)	(41)
Net cash used for capital and related financing activities	(17,073)	(29,484)	(2,496)	(3,708)	(52,761)	(13,073)
Cash Flows from Investing Activities:						
Proceeds from sale of investments	11,101	-	-	-	11,101	-
Purchase of investments	-	(171)	-	-	(171)	-
Investment earnings	12,552	1,492	384	650	15,078	729
Net change in fair value of investments	10,262	1,392	127	455	12,236	436
Net cash provided by (used for) investing activities	33,915	2,713	511	1,105	38,244	1,165
Net increase (decrease) in cash and cash equivalents	68,857	(5,053)	678	737	65,219	14,964
Cash and cash equivalents, beginning of year, as previously reported	348,365	57,540	7,506	20,258	433,669	52,494
Restatement for correction of an error	2,032	(2,032)	-	-	-	-
Cash and cash equivalents, ending	\$ 419,254	\$ 50,455	\$ 8,184	\$ 20,995	\$ 498,888	\$ 67,458
Reconciliation of cash and cash equivalents to amounts reported on the Statement of Net Position:						
Cash and investments	\$ 404,374	\$ 49,388	\$ 6,256	\$ 20,995	\$ 481,013	\$ 67,458
Restricted:						
Cash and investments	49,850	22	-	-	49,872	-
Cash with fiscal agent	-	4,663	1,928	-	6,591	-
Less non-cash equivalents	(34,970)	(3,618)	-	-	(38,588)	-
Cash and cash equivalents, ending	\$ 419,254	\$ 50,455	\$ 8,184	\$ 20,995	\$ 498,888	\$ 67,458

The accompanying notes are an integral part of these financial statements.

Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2025

	Light and Power	Water	Off-Street Parking	Nonmajor Enterprise Funds	Total Enterprise Funds	Governmental Activities - Internal Service Funds
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:						
Operating income (loss)	\$ 31,168	\$ 11,862	\$ 1,628	\$ (9,425)	\$ 35,233	\$ (2,079)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:						
Depreciation and amortization	36,494	10,757	1,848	1,002	50,101	4,470
Miscellaneous and other revenue (loss)	1,304	6,146	-	-	7,450	-
(Increase) decrease in accounts receivable	1,312	(3,003)	(369)	(1,135)	(3,195)	2,716
Increase (decrease) in allowance for uncollectible accounts	(162)	(85)	-	-	(247)	-
(Increase) decrease in lease receivable	-	-	364	(286)	78	308
Increase (decrease) in due to other funds	-	-	-	(46)	(46)	201
(Increase) decrease in due from component units	-	-	-	-	-	697
(Increase) decrease in inventories	(9,216)	(3,992)	-	-	(13,208)	(170)
(Increase) decrease in prepaids and other assets	583	(6)	(18)	-	559	257
Increase (decrease) in accounts payable and accrued liabilities	5,160	1,208	(13)	3,748	10,103	3,668
Increase (decrease) in unearned revenue	-	-	349	(265)	84	-
Increase (decrease) in insurance claims payable	-	-	-	-	-	8,000
Increase (decrease) in compensated absences	96	3	-	(4)	95	3,513
Increase (decrease) in deposits payable	163	(21)	-	(472)	(330)	-
Increase (decrease) in deferred inflows	(35)	83	(15)	24	57	(479)
(Increase) decrease in deferred outflows	5,908	1,495	195	1,022	8,620	9,793
Increase (decrease) in lease and subscription liability	-	-	-	243	243	2,568
Increase (decrease) in net OPEB liability	(492)	(241)	(7)	(243)	(983)	(309)
Increase (decrease) in net pension liability	(4,293)	(861)	(159)	(745)	(6,058)	(5,940)
Total adjustments	<u>36,822</u>	<u>11,483</u>	<u>2,175</u>	<u>2,843</u>	<u>53,323</u>	<u>29,293</u>
Net cash provided by (used for) operating activities	<u>\$ 67,990</u>	<u>\$ 23,345</u>	<u>\$ 3,803</u>	<u>\$ (6,582)</u>	<u>\$ 88,556</u>	<u>\$ 27,214</u>
Non-cash Operating Activity						
Increase in compensated absences due to GASB 101 implementation	96	3	1	26	126	25,613
Non-cash Capital and Financing Activities						
Loss on disposition of capital assets	88	203	-	-	291	-
Amortization of deferred charges	(38)	(149)	-	-	(187)	-
Amortization of premiums (discounts)	1,206	644	-	-	1,850	-
Capital contributions	2,885	(542)	-	-	2,343	-
Leases issued	4,287	2,309	12	-	6,608	537
Subscriptions issued	467	212	-	24	703	3,466

The accompanying notes are an integral part of these financial statements.

Statement of Net Position
Fiduciary Funds
June 30, 2025

	Pension (and Other Employee Benefit) Trust Funds	Custodial Funds	Private-Purpose Trust Funds
Assets:			
Current assets:			
Cash and cash equivalents	\$ 2,249	\$ 496	\$ 283
Cash with fiscal agent	-	-	2,722
Short-term investments	2,091	-	-
Accounts receivable	-	471	-
Receivables for security transactions	682	-	-
Interest receivable	233	-	-
Notes receivable	-	-	515
Allowance for uncollectible notes receivable	-	-	(515)
Total current assets	<u>5,255</u>	<u>967</u>	<u>3,005</u>
Investments, at fair value:			
Government and agencies	21,376	-	-
Mutual funds	428,658	-	-
Corporate obligations	9,022	-	-
Partnerships/joint ventures	5,231	-	-
Real estate	8,681	-	-
Alternatives - hedge fund	7,267	-	-
Corporate stocks	44,345	-	-
Total investments	<u>524,580</u>	<u>-</u>	<u>-</u>
Total assets	<u>529,835</u>	<u>967</u>	<u>3,005</u>
Liabilities:			
Accounts payable and accrued liabilities	74	193	-
Due to other governments	-	579	35
Due to bondholders	-	856	-
Compensated absences	1	2	-
Pending purchases	4,423	-	-
Total liabilities	<u>4,498</u>	<u>1,630</u>	<u>35</u>
Net Position (Deficit):			
Restricted for other employee benefits	418,262	-	-
Restricted for pensions	107,075	-	-
Restricted for library equipment	-	329	-
Restricted for other purposes	-	(992)	2,970
Total net position (deficit)	<u>\$ 525,337</u>	<u>\$ (663)</u>	<u>\$ 2,970</u>

The accompanying notes are an integral part of these financial statements.

**Statement of Changes in Net Position
Fiduciary Funds
For the Fiscal Year Ended June 30, 2025**

	Pension (and Other Employee Benefit) Trust Funds	Custodial Funds	Private Purpose Trust Funds
Additions:			
Contributions:			
Plan members	\$ 17,561	\$ -	\$ -
Property taxes	-	-	6,380
Intergovernmental	-	2,618	-
Program revenue	-	-	-
Assessment revenue	-	110	-
Amounts collected for distribution	11,071	-	-
Gain/(loss) on disposition of property	-	-	2,491
Miscellaneous revenues	-	-	42
Total contributions	<u>28,632</u>	<u>2,728</u>	<u>8,913</u>
Net investment income:			
Investment earnings	15,443	14	-
Net change in fair value of investments	36,587	6	-
Gross investment income	<u>52,030</u>	<u>20</u>	<u>-</u>
Less investment expenses	(491)	-	-
Total net investment income	<u>51,539</u>	<u>20</u>	<u>-</u>
Total additions	<u>80,171</u>	<u>2,748</u>	<u>8,913</u>
Deductions:			
Benefits paid to participants	40,610	-	-
Contributions to City	-	28	-
Program expense	-	3,117	-
Interest expense	-	51	-
Statutory passthrough expenses	-	-	5,369
Administrative expenses	638	3	-
County administrative expenses	-	-	1,011
Total deductions	<u>41,248</u>	<u>3,199</u>	<u>6,380</u>
Transfers:			
Transfers in	-	-	12,899
Transfers out	-	-	(12,899)
Total transfers	<u>-</u>	<u>-</u>	<u>-</u>
Change in net position	<u>38,923</u>	<u>(451)</u>	<u>2,533</u>
Net position (deficit), beginning, as previously reported	486,325	(372)	437
Restatement for a change in reporting entity	91	-	-
Restatement for a change in accounting principle	(2)	(8)	-
Restatement for correction of an error	-	168	-
Net position (deficit), beginning, as restated	<u>486,414</u>	<u>(212)</u>	<u>437</u>
Net position (deficit), ending	<u>\$ 525,337</u>	<u>\$ (663)</u>	<u>\$ 2,970</u>

The accompanying notes are an integral part of these financial statements.

(This page intentionally left blank)

NOTES TO THE BASIC FINANCIAL STATEMENTS



ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
JUNE 30, 2025

(This page intentionally left blank)

Note Index

(1) Summary of Significant Accounting Policies 36

(A) Reporting Entity 36

(B) Basis of Accounting and Measurement Focus 41

(C) Major Funds, Internal Service Funds and Fiduciary Fund Types 44

(D) Cash Equivalents 45

(E) Cash and Investments 46

(F) Inventories 46

(G) Advances to Other Funds 46

(H) Prepaids 46

(I) Restricted Cash and Investments 47

(J) Property Held for Resale 47

(K) Capital Assets 47

(L) Leases 48

(M) Subscription-Based Information Technology Agreements (SBITA) 48

(N) Insurance Claims Payable 48

(O) Compensated Absences 48

(P) Net Pension Liability 50

(Q) Other Postemployment Benefits (OPEB) 50

(R) Bond Premiums / Discounts / Issuance Costs 50

(S) Deferred Outflows and Inflows of Resources 50

(T) Fund Balance 51

(U) Property Taxes 52

(V) Use of Estimates 52

(W) Interfund Activities 52

(X) Endowments 53

(Y) New and Future Accounting Pronouncements 53

(2) Cash and Investments 54

(3) Accounts Receivable 59

(4) Notes Receivable – Primary Government 60

(5) Due to and from Other Funds 60

(6) Capital Assets 61

(7) Leases 65

(8) Subscription-Based Information Technology Arrangements 69

(9) Deferred Inflows and Outflows 71

(10) Long-Term Debt 73

(11) Derivative Instruments 85

(12) Fund Balance 88

(13) Net Position - Reserve for Working Capital 89

(14) Accumulated Fund Deficits 90

(15) Excess of Expenditures over Appropriations 93

(16) Pledged Revenue 95

(17) Transfers 96

(18) Self-insurance 98

(19) Deferred Compensation Plan 101

(20) Pension Plans 102

(21) Other Postemployment Benefits (OPEB) 114

(22) Commitments and Contingencies 119

(23) Restatement of Beginning Net Position or Fund Balances 120

(24) Tax Abatements 122

(25) Subsequent Events 124

(1) Summary of Significant Accounting Policies

The basic financial statements of the City of Pasadena, California (City) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies of the City are described below. All amounts, unless otherwise indicated, are expressed in thousands of dollars; and some of the totals may not foot or cross foot due to rounding.

(A) Reporting Entity

The City was incorporated on June 19, 1886, as a Charter City, which operates under a Council-City Manager form of government. The City is a municipal corporation governed by an elected mayor and seven (7) council members.

As required by GAAP, these financial statements present the City and its component units, entities for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of that organization's governing body, and the City is able to impose its will on that organization or there is a potential for that organization to provide specific financial benefits to or impose specific financial burdens on the City. The City is also considered to be financially accountable if that organization is fiscally dependent (i.e., it is unable to adopt its budget, levy taxes, set rates or charges, or issue bonded debt without approval from the City). In certain cases, other organizations are included as component units if the nature and significance of their relationship with the City is such that their exclusion would cause the City's financial statements to be misleading or incomplete.

The two methods of reporting component unit data in the basic financial statements are blended and discrete presentation. Blending is limited exclusively to when the board of the component unit is substantively the same as that of the City or if the component unit serves the City exclusively, or almost exclusively.

Blended component units, although legally separate entities, are in substance part of the City's operations; data from these units are combined with data of the City. Component units that do not meet the criteria for blending are included within financial statements as discrete presentations. Discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize they are legally separate from the government. Similar to the City, each blended and discretely presented component unit has a June 30th year-end.

Jointly governed organizations provide goods or services to the citizenry of two or more governments, but do not have an ongoing financial interest or responsibility by the participating governments.

Blended Component Units

Pasadena Parking Authority (The Authority)

The Authority was created by Resolution No. 1399, dated June 6, 1972, pursuant to the provisions of the Parking Law of 1949 (California Streets and Highways Code, Sections §32651 and §32661.1). The City Council constitutes the governing board of the Authority pursuant to the aforementioned resolution. The primary purpose of the Authority is to establish parking facilities for motor vehicles within the City, to furnish motor vehicle parking spaces, and to care for such vehicles within any parking facility or space owned, controlled or operated by the Authority. The City has operational responsibility for the Authority. The Authority is reported as an enterprise fund and does not release a separate financial report.

(1) Summary of Significant Accounting Policies (Continued)**(A) Reporting Entity (Continued)****Blended Component Units (Continued)***Pasadena Civic Improvement Corporation (PCIC)*

PCIC was created on August 9, 1985, pursuant to the Non-profit Public Benefit Corporation Law of the State of California (Title 1, Division 2, Part 2 of the California Corporations Code). At the request of the City, PCIC was organized for the specific and primary purpose of providing financial assistance to the City by acquiring or constructing property and appurtenances for and on behalf of the City. This is accomplished through the issuance of such financing instruments as certificates of participation. The PCIC is a non-profit organization with three directors: Chief Executive Officer, Secretary/Financial Officer, and Assistant Executive Officer/Assistant Secretary. PCIC's financial data and transactions are blended with the debt service and capital projects funds. The PCIC does not release a separate financial report.

Pasadena Housing Authority (Housing Authority)

Formerly known as the Local Housing Authority, the Pasadena Housing Authority administers the City's federally funded housing programs under contract with the United States Department of Housing and Urban Development (HUD). The Housing Authority's purpose is to help provide safe and sanitary housing accommodations for citizens with low income. It is governed by the City Council and the City has operational responsibility for the Authority. The Housing Authority's financial data and transactions are blended as a special revenue fund. The Housing Authority does not release a separate financial report.

Pasadena Public Financing Authority (PPFA)

The Pasadena Public Financing Authority was created through the joint exercise of powers agreement between the City and the Pasadena Community Development Commission (PCDC) dated April 24, 2000. The purpose of creating the PPFA is to accomplish the purposes of the law and the Bond Pooling Act, including the financing of public capital improvements and the purchase of certain local obligations issued or incurred by the City, PCDC, or other public agencies or the sale of such local obligations or the issuance of bonds of the PPFA secured in whole or in part by such local obligations, or by any other designated source of revenues, all permitted by the law or the Bond Pooling Act. The Bond Pooling Act authorizes and empowers the PPFA to, among other things, (1) issue bonds and to expend or loan the proceeds thereof to the City or PCDC, (2) finance the acquisition and/or construction of public capital improvements and to sell or lease such improvements to the City or PCDC, and (3) purchase bonds issued by the City or PCDC, all for the purpose of financing public capital improvements, working capital, liability and other insurance needs, or certain other projects whenever there are significant public benefits, as determined by the City or PCDC. PCDC ceased operations as an entity on January 31, 2012, and the City became the successor agency to the PCDC to perform all of PCDC's continuing obligations. PPFA's financial data and transactions are blended with the debt service and capital projects funds. The PPFA does not release a separate financial report.

(1) Summary of Significant Accounting Policies (Continued)**(A) Reporting Entity (Continued)****Blended Component Units (Continued)***Pasadena Fire and Police Retirement System (FPRS)*

FPRS was originally established by the City Charter in 1919. The system was closed on June 30, 1977 but continues to pay out benefits to retirees and their beneficiaries. FPRS covers all sworn fire and police personnel who were employed by the City prior to July 1, 1977, except those who elected to transfer to the California Public Employees' Retirement System (CalPERS) when the system closed. FPRS is managed by a five-member Retirement Board. Three of the members are appointed by the City Council. The other two members represent firefighter and police officials and are each appointed by their respective members. The accompanying financial statements include FPRS under the pension (and other employee benefit) trust fund. Additional information related to FPRS is included in the detailed notes on Pension Plans.

Successor Agency to PCDC (Successor Agency)

The Successor Agency to PCDC was created to serve, in a fiduciary capacity, as custodian for the assets and to wind down the affairs of the former Pasadena Community Development Commission (PCDC). The Successor Agency operates under the auspices of a legislatively formed oversight board who has authority over its financial affairs and supervises its operations and timely dissolution. Its assets are held in trust for the benefit of the taxing entities within the former PCDC boundaries and as such are not available for City use. The accompanying financial statements include the Successor Agency under the statutorily required private-purpose trust fund in the fiduciary funds section.

Pasadena Rental Housing Board (PRHB)

The Pasadena Rental Housing Board (PRHB) was established as part of the adoption of a voter-initiated City Charter Amendment (Measure H), which was approved by Pasadena voters at the November 2022 General Municipal Election. Codified as City Charter Article XVIII, Section 1811 of the Charter establishes the PRHB, its composition, duties, authority, and oversight of the Pasadena Fair and Equitable Housing Charter Amendment. In November 2023, City Council voted to turn PRHB into the Rent Stabilization Department. The PRHB's financial data and transactions are blended as a special revenue fund. Additional information is available at <https://www.cityofpasadena.net/commissions/pasadena-rental-housing-board>.

Discretely Presented Component Units

The following organizations are considered to be discretely presented component units of the City:

Rose Bowl Operating Company (RBOC)

RBOC was incorporated on January 18, 1994, as a legally separate entity with the primary purpose of returning economic and civic value to the City by managing a world class stadium and a professional quality golf course complex in a residential open-space environment. RBOC is governed by a thirteen-member board. Eleven members are appointed by the City Council, while the University of California, Los Angeles (UCLA) and the Tournament of Roses appoint one each.

RBOC operations are discretely presented in the accompanying financial statements since neither of the two criteria for blended component units, as described above, have been met. RBOC's budget is reviewed and approved by the City Council. Separate component unit financial statements of RBOC are issued and available upon request from the RBOC Administration Office at 1001 Rose Bowl Drive, Pasadena, California 91103. RBOC's financials were audited in accordance with *Government Auditing Standards*. Additional information is available at <https://www.rosebowlstadium.com>.

(1) Summary of Significant Accounting Policies (Continued)**(A) Reporting Entity (Continued)****Discretely Presented Component Units (Continued)****Pasadena Center Operating Company (PCOC)**

PCOC was established on September 19, 1973, as a legally separate entity with the primary purpose of managing and operating the Pasadena Center, a civic facility designed for conferences, exhibitions, trade shows, assemblies, cultural, educational, and recreational programs, and for the use, benefit, and enjoyment of the public. PCOC was also established to supervise the activities of the Pasadena Convention and Visitors Bureau. PCOC is governed by a fourteen-member board who are appointed by the City Council. The City provides a significant portion of the operating support of PCOC through allocation of the Transient Occupancy Tax collected by the City. Separate component unit financial statements of PCOC are issued and available upon request from Pasadena Center Operating Company, 300 E. Green Street, Pasadena, CA 91101. PCOC's financials were audited in accordance with *Government Auditing Standards*. Additional information is available at <https://www.visitpasadena.com/>.

Pasadena Community Access Corporation Board (PCAC)

PCAC was created by the City Council in July 1983 and established on December 9, 1983, by Articles of Incorporation. The PCAC's primary purpose is to provide a means for individuals or groups to use cable telecommunications to communicate and share information. The PCAC board consists of eleven members. Seven are appointed from each Council district, one each by the Mayor and City Manager, two members, including one representing Pasadena City College (PCC) and another one representing Pasadena Unified School District (PUSD) with residency required except for the PCC and PUSD representative. The City can impose its will on PCAC through its ability to appoint a majority of its board members. PCAC's budget is reviewed and approved by the City Council. The City provides support through the 1% Public, Education, and Government (PEG) allocation. Separate component unit financial statements of PCAC are issued and available upon request from Pasadena Community Access Corporation, 150 South Los Robles Avenue, Pasadena, CA 91101. PCAC's financials were audited in accordance with *Government Auditing Standards*. Additional information is available at <https://www.pasadenamedia.org>.

Jointly Governed Organizations

The following organizations are considered to be jointly governed organizations of the City:

Hollywood Burbank Airport

The Hollywood Burbank Airport (formerly marketed as Bob Hope Airport) is under the governance of the Burbank-Glendale-Pasadena Airport Authority (Airport Authority). The Airport Authority is a separate agency created in 1977 under a joint powers agreement (JPA) between the three cities for the sole purpose of owning and operating the Bob Hope Airport. Three commissioners from each city, appointed by each city's respective city council, make up the nine members of the Airport Authority. There is no ongoing financial interest or responsibility by the participating governments. Additional information is available at www.hollywoodburbankairport.com.

(1) Summary of Significant Accounting Policies (Continued)**(A) Reporting Entity (Continued)****Jointly Governed Organizations (Continued)**County of Los Angeles (County)

Under a Joint Powers Agreement dated November 22, 1966, both the City and the County participated in the construction of a parking structure at 199 North Garfield Avenue, Pasadena, California. In 1985, the County exercised an option to purchase the structure from the Retirement Board of the Los Angeles County Employees' Retirement Association, at which time the City became tenant in common, holding a 30% share of the facility.

Foothill Air Support Team (FAST)

On July 31, 2000, the cities of Monrovia, Arcadia, Azusa, Covina, West Covina, and Pasadena formed a Joint Powers Agreement (JPA) for police helicopter services known as the FAST. Currently, the cities of Alhambra, Arcadia, Covina, Glendora, Monrovia, Pasadena, Pomona, San Marino, Sierra Madre, and South Pasadena are parties to the JPA. This arrangement provides police helicopter support to a number of neighboring cities on an hourly cost reimbursement basis. The City of Pasadena operates a fleet of police helicopters which it has made available for a limited set number of weekend hours and then on an on-call basis. Cities are billed for their actual utilization. FAST does not own or operate helicopters, has not issued debt, and cannot levy taxes. The City bears the burden of purchasing, operating, maintaining, and providing helicopter support. It does so under the City's General Fund.

Rose Bowl Aquatics Center (RBAC)

On December 11, 1987, the City and the RBAC entered into an Operating and License Agreement for RBAC to build and operate swimming facilities owned by the City in the designated area of Brookside Park. The most recent Operating and License Agreement has a 15-year term with 3 five-year extensions and was executed on June 3, 2008. The City leases the property to the RBAC for \$1 per year and provides various financial and operational supports to the community aquatics facility. In return RBAC operates as a year-round community aquatics facility, is responsible for capital improvements and repairs, and provides scholarship assistance and community services. The City Council and Mayor appoint 5 of the 21 members of the RBAC Board of Directors. Additional information is available at <https://rosebowlaquatics.org>.

Foothill Workforce Development Board (FWDB)

Developed 1998, the City Council approved a JPA among the cities of Arcadia, Duarte, Monrovia, Sierra Madre, South Pasadena, and Pasadena. The JPA created the Foothill Employment and Training Consortium (FETC) which the City of Pasadena is the fiscal agent and has the authority to receive and administer workforce development funds. FETC formed the Foothill Workforce Development Board (FWDB) to take the lead in developing the implementation plan for workforce development services for job seekers and businesses. The mission is to support economic growth in the San Gabriel Valley by investing in skill development and job training to ensure that businesses have qualified workforce talent and job seekers have career opportunities. The FWDB's Americas Job Center of California is located at 1207 East Green Street in Pasadena and is funded through the Workforce Innovation and Opportunity Act (WIOA). Additional information is available at <https://fwdbworks.org>.

(1) Summary of Significant Accounting Policies (Continued)**(A) Reporting Entity (Continued)****Jointly Governed Organizations (Continued)**Arroyo Verduqo Communities Joint Powers Authority (AVCJPA)

The City is a party to, and administrator for, the AVCJPA. This separate entity is a vehicle for the six-member agencies: cities of Burbank, Glendale, La Cañada Flintridge, Pasadena, South Pasadena, and County of Los Angeles 5th District (La Crescenta-Montrose) to coordinate regional and cooperative planning, primarily in transportation and determine how to prioritize regional transportation projects and the allocation of Measure M funds. The JPA is financially accountable to the member agencies and is governed by a Board of Directors. The JPA issues its own audited financial statements. Additional information is available at <https://avcjpa.org>.

(B) Basis of Accounting and Measurement Focus

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

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

Government-wide Financial Statements

Government-wide financial statements display information about the reporting government as a whole, except for its fiduciary activities. These statements include separate columns for the governmental and business-type activities of the primary government (including its blended component units), as well as its discretely presented component units. Eliminations have been made in the statement of activities so that certain allocated expenses are recorded only once (by function to which they were allocated). However, general governmental expenses have not been allocated as indirect expenses to the various functions of the City.

Government-wide financial statements are presented using the *economic resources measurement focus* and the *accrual basis of accounting*. Under the economic resources measurement focus, all economic resources, and obligations of the reporting government (both current and long-term) are reported in the government-wide financial statements. *Basis of accounting* refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Under the accrual basis of accounting, revenues, expenses, gains, losses, assets, and liabilities are recognized in accordance with various GASB Statements.

Program revenues include: (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function; and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Program revenues are netted with program expenses in the statement of activities to present the net cost of each program. Taxes and other items not included among program revenues are reported instead as *general revenues*.

(1) Summary of Significant Accounting Policies (Continued)

(B) Basis of Accounting and Measurement Focus (Continued)

Government-wide Financial Statements (Continued)

Amounts paid to acquire capital assets are capitalized as assets in the government-wide financial statements, rather than reported as expenditures. Proceeds of long-term debt are recorded as a liability in the government-wide financial statements, rather than as another financing source. Amounts paid to reduce long-term indebtedness of the City are reported as a reduction of the related liability, rather than as expenditures.

Fund Financial Statements

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

Fund financial statements for the City are governmental, proprietary, and fiduciary funds and they are presented after the government-wide financial statements. These statements display information about major funds individually and nonmajor funds in the aggregate for governmental and enterprise funds. Fiduciary statements include financial information for fiduciary funds and similar component units. Fiduciary funds of the City primarily represent assets held by the City in a custodial capacity for other individuals or organizations.

Governmental Funds

In the fund financial statements, governmental funds are presented using the *modified-accrual basis of accounting*. Their revenues are recognized when they become *measurable* and *available* as net current assets. *Measurable* means that the amounts can be estimated or otherwise determined. *Available* means that the amounts were collected during the reporting period or soon enough thereafter to be available to finance the expenditures accrued for the reporting period. The City uses the following revenue availability periods:

- Reimbursement-type grants 90 days
- All other governmental fund revenues 60 days

The City accrues the following revenue types: taxes, licenses, fines and forfeits, and miscellaneous revenues.

Revenue recognition is subject to the *measurable* and *availability* criteria for the governmental funds in the fund financial statements. *Exchange transactions* are recognized as revenues in the period in which they are earned (i.e., the related goods or services are provided). *Locally imposed derived tax revenues* are recognized as revenues in the period in which the underlying exchange transaction on which they are based takes place. *Imposed non-exchange transactions* are recognized as revenues in the period for which they were imposed. If the period of use is not specified, they are recognized as revenues when an enforceable legal claim to the revenues arises or when they are received, whichever occurs first.



(1) Summary of Significant Accounting Policies (Continued)**(B) Basis of Accounting and Measurement Focus (Continued)**Governmental Funds (Continued)

In the fund financial statements, governmental funds are presented using the current financial resources measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. The reported fund balance (net current assets) is a measure of “available spendable resources.” Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of “available spendable resources” during a period.

Noncurrent portions of long-term receivables due to governmental funds are reported on their balance sheets despite their spending measurement focus. Special reporting treatments are used to indicate that they should not be considered “available spendable resources,” since they do not represent net current assets. Recognition of governmental fund type revenues represented by noncurrent receivables are deferred until they become current receivables. Noncurrent portions of other long-term receivables are reflected in nonspendable fund balance.

Because of their spending measurement focus, expenditure recognition for governmental fund types excludes amounts represented by noncurrent liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities.

Amounts expended to acquire capital assets are recorded as *expenditures* in the year that resources were expended, rather than as fund assets. The proceeds of long-term debt are recorded as *other financing source* rather than as a fund liability. Amounts paid to reduce long-term indebtedness are reported as fund expenditures.

Proprietary Funds

The City’s enterprise and internal service funds are proprietary funds. In the fund financial statements, proprietary funds are presented using the *accrual basis of accounting*. Revenues are recognized when they are earned, and expenses are recognized when the related goods or services are delivered. In the fund financial statements, proprietary funds are presented using the *economic resources measurement focus*. This means that all assets and all liabilities (whether current or noncurrent) associated with their activity are included on their balance sheets. Proprietary funds type operating statements present increases (revenues) and decreases (expenses) in total net position.

Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of the Light and Power Fund, Water Fund, Off-Street Parking Facilities Fund, and the City’s internal service funds are charges to customers for sales and services. Operating expenses for the enterprise and internal service funds include the cost of sales and services, administrative expenses, and depreciation/amortization on capital assets. All revenue and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Amounts paid to acquire capital assets are capitalized as assets in the proprietary fund financial statements, rather than reported as expense. Proceeds of long-term debt are recorded as a liability in the proprietary fund financial statements. Amounts paid to reduce long-term liability of the proprietary funds are reported as a reduction of the related liability.

(1) Summary of Significant Accounting Policies (Continued)

(B) Basis of Accounting and Measurement Focus (Continued)

Proprietary Funds (Continued)

When both restricted and unrestricted resources are combined in a fund, expenses are paid first from restricted resources, and then from unrestricted resources.

Fiduciary Funds

The City's fiduciary funds include employee benefit trust funds, custodial funds, and private-purpose trust funds. Employee benefit trust funds account for resources required to be held in trust for the members and beneficiaries of benefit and contribution plans. The City has four custodial funds: (1) Lake/Washington Special Assessment District fund accounts for maintenance costs of the parking lot located at Lake Avenue and Washing Boulevard, (2) Library Equipment Replacement fund accounts for the library automated control system operated under joint agreement with the City of Glendale, (3) Workforce Innovation and Opportunity Act (WIOA) fund accounts for the administration of Workforce Innovation and Opportunity Act activities under the direction of the Foothill Workforce Development Board, and (4) Open Space Assessment District fund accounts for the receipt and disbursement of debt service activity related to the acquisition and improvement of the Annandale Canyon Estates and adjacent property to be established as open space. Private-purpose trust funds account for receipt of incremental property tax and payment of enforceable obligations (debts) of the former redevelopment agency.

In the fund financial statements, fiduciary funds are presented using the *accrual basis of accounting*. Revenues are recognized when they are earned, and expenses are recognized when the related goods or services are delivered. In the fund financial statements, fiduciary funds are presented using the *economic resources measurement focus*. This means that all assets and all liabilities (whether current or noncurrent) associated with their activity are included on their balance sheets. Fiduciary funds operating statements present increases (revenues) and decreases (expenses) in total net position.

Pension funds report net position restricted for pensions and changes in net position due to contributions, investment income, and benefit payments. Custodial funds report additions and deductions related to program revenues, assessment collections, and other pass-through transactions. Private-private purpose trust funds report additions and deductions related to tax collections, debt service payments, and other pass-through transactions.

Fiduciary funds are excluded from the government-wide financial statements because the resources they manage are not available to support the government's own programs. By their nature, the net position of fiduciary funds is restricted, as these funds are held in a trustee or agency capacity for others.

(C) Major Funds, Internal Service Funds and Fiduciary Fund Types

The City reports the following major governmental funds:

General Fund – The primary fund of the City; accounts for all general revenues of the City not specifically levied or collected for other City funds and for expenditures related to the rendering of general services by the City.

Housing Successor Fund – Accounts for the use of property tax increment legally restricted for increasing or improving housing for low- and moderate-income households effective February 1, 2012.

(1) Summary of Significant Accounting Policies (Continued)**(C) Major Funds, Internal Service Funds and Fiduciary Fund Types (Continued)**

Project Management Capital Projects Fund – Accounts for all capital improvement projects, except for those involving the utilities, and special assessment districts, where revenues are received from grants by other governments, private parties, and through transfers from other City funds.

General Debt Service Fund – Accounts for the payment of interest and principal of the pension bonds and other city-wide obligations.

The City reports the following major proprietary funds:

Light and Power Fund – Accounts for the operations of the City's electric utility; a self-supporting activity that renders services on a user-charge basis to residents and businesses as prescribed by the City Charter.

Water Fund – Accounts for the operations of the City's water utility; a self-supporting activity that renders services on a user-charge basis to residents and businesses as prescribed by the City Charter.

Off-Street Parking Fund – In fiscal year ended 2014, the City combined all the parking funds into the Off-Street Parking Fund. This fund accounts for the operation of the parking facilities throughout the City.

The City reports the following internal service funds:

Computing and communication services, building maintenance, fleet replacement, fleet repair and maintenance, employee benefits, workers' compensation, general liability, and the 311-call center provide services to other departments or agencies of the City.

The City reports the following fiduciary fund types:

Pension (and Other Employee Benefit) Trust Funds – The funds account for transactions of the Pasadena Fire and Police Retirement System (FPRS) and the City's Deferred Compensation Plan.

Custodial Funds – These funds account for resources held by the City in a purely custodial capacity. Custodial funds typically involve only the receipt, temporary investment, and remittance of fiduciary resources to individuals, private organizations, or other governments. The custodial funds account for monies received from agencies and financial activities for: (1) Lake/Washington Special Assessment District, (2) Library Equipment Replacement, (3) Workforce Innovation and Opportunity Act (WIOA), (4) Open Space Assessment District.

Private-Purpose Trust Funds – These funds account for monies held on behalf of others in a fiduciary capacity, typically pursuant to a formal trust agreement. The City uses a private purpose trust fund to account for the receipt of incremental property tax and payment of enforceable obligations (debts) of the former redevelopment agency that were approved on the Recognized Obligation Payment Schedule (ROPS) by the California Department of Finance until all enforceable obligations of the prior redevelopment agency have been paid in full and all assets have been liquidated.

(D) Cash Equivalents

For purposes of the statement of cash flows, cash equivalents are defined as short-term, highly liquid investments that are both readily convertible to known amounts of cash or so near their maturity that they present insignificant risk of changes in value because of changes in interest rates. Cash equivalents also represent the proprietary funds' share in the City's cash and investment pool. Cash equivalents have an original maturity date of three months or less from the date of purchase.

(1) Summary of Significant Accounting Policies (Continued)**(E) Cash and Investments**

Investments are reported in the accompanying financial statements at fair value based on quoted market prices, except for certain certificates of deposits, money market investments that mature within one year of acquisition and investment contracts that are reported at cost because they are not transferable, they have terms that are not affected by changes in market interest rates, and provided that the fair value of those investments is not significantly affected by the impairment of the credit standing of the issuer or by other factors.

Both realized and unrealized changes in fair value that occur during a fiscal year are recognized and recorded as *net changes in fair value of investments*. *Investment earnings* include net changes in fair value of investments, interest earnings, and all other investment income.

The City pools cash and investments of all funds, except for certain fund specific City held portfolios, deferred compensation assets, and assets held by fiscal agents. Each fund's share in this pool is displayed in the accompanying financial statements as cash and investments.

Investment income earned by the pooled investments is allocated to the various funds based on each fund's average cash and investment balance, except for investment earnings associated with the following funds not legally required to receive pooled investment earnings that have been assigned to and recorded as revenue in the General Fund, as provided by the legal provisions of the California Government Code Section §53647: Health, Housing and Community Development, Project Management, Workers' Compensation, General Liability, Employment and Training, South Lake Business Improvement District and Old Pasadena Business Improvement District.

The City enters into interest rate swap agreements to modify rates on outstanding debts. Other than the net interest expenditures resulting from these agreements, no amounts are recorded in the financial statements.

(F) Inventories

There are three types of inventories: held for consumption in operations, those that are capitalized, and those held for resale. For the Water and Light and Power Fund (enterprise funds), inventories held for consumption are valued at the lower of weighted average cost, while inventories held for resale are reported at the lower of cost or fair value.

Inventories held by the Fleet Maintenance internal service fund are carried at average cost. Inventory items are accounted for as an expenditure or expense when consumed or sold.

(G) Advances to Other Funds

Long-term interfund advances are recorded as a receivable and as nonspendable fund balance by the General Fund since they do not reflect current appropriable reserves.

(H) Prepaids

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid assets. The City utilizes the allocation method to record its prepaids. The prepaid assets recorded in the governmental funds do not reflect current appropriable resources and, thus, an equivalent portion of fund balance is nonspendable.

(1) Summary of Significant Accounting Policies (Continued)

(I) Restricted Cash and Investments

The City considers all cash and investments from bond proceeds in proprietary funds as restricted. The City is legally mandated under bond indentures to use these resources only for the purposes specified. Also included as restricted cash and investments are amounts accumulated in the Light and Power Fund for the purpose of meeting future contractual commitments, including the Stranded Investment Reserve (SIR) Utilization Plan (discussed further in the detailed notes), deferred compensation, and all cash and investments belonging to employee benefit trust and custodial funds held by trustees.

(J) Property Held for Resale

Property held for resale represents land, structures, and their related improvements that were acquired for resale. This includes the properties acquired in accordance with the objective of the former Pasadena Community Development Commission (PCDC) project area.

On December 29, 2011, the California Supreme Court upheld Assembly Bill 1X 26 that provides for the dissolution of all redevelopment agencies in California. The bill provides that upon dissolution of a redevelopment agency, either the City or another unit of local government will agree to serve as the “successor agency” to hold the assets until they are distributed to other units of state and local government. The City Council elected to become the Successor Agency on January 30, 2012.

(K) Capital Assets

Capital assets, including infrastructure, greater than \$10 are capitalized and recorded at cost or at the estimated fair value of the assets at the time of acquisition where complete historical records have not been maintained. Contributed capital assets, works of art, and capital assets received in service concession agreements are reported at acquisition value. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Capital assets include public domain (infrastructure) general assets consisting of certain improvements including roads, streets, sidewalks, medians, sewer systems and storm drains.

Capital assets are depreciated or amortized using the straight-line method over the following estimated useful lives:

Light and Power Fund		Water Fund	
Production plant	20 to 40 years	Source of supply	20 to 50 years
Transmission plant	25 to 40 years	Pumping plant	10 to 50 years
Distribution plant	20 to 40 years	Treatment plant	10 to 20 years
General plant	10 to 40 years	Transmission and distribution plant	10 to 80 years
Equipment	4 to 10 years	General plant	6 to 50 years
Lease assets	Shorter of the useful life of the underlying asset or the lease term	Equipment	4 to 10 years
		Lease assets	Shorter of the useful life of the underlying asset or the lease term
Subscription assets	Shorter of the useful life of the underlying asset or the subscription term	Subscription assets	Shorter of the useful life of the underlying asset or the subscription term
All Other Funds			
Buildings and improvements	20 to 50 years		
Machinery and equipment	2 to 20 years		
Infrastructure	8 to 200 years		
Lease assets	Shorter of the useful life of the underlying asset or the lease term		
Subscription assets	Shorter of the useful life of the underlying asset or the subscription term		

(1) Summary of Significant Accounting Policies (Continued)**(L) Leases**

Leases are financings of the right to use an underlying asset. In accordance with GASB Statement No. 87, *Leases*, parties to a lease agreement, the lessee and lessor, are required to recognize a lease liability and an intangible right-to-use lease asset (a capital asset hereinafter referred to as the lease asset), and a lease receivable and deferred inflow of resources, respectively. A general description of the leasing arrangements, the aggregated amounts of resource inflows and outflows recognized from lease contracts, including those not included in the measurement of the lease liability and receivable, and the disclosure of the long-term effect of lease arrangements on a government's resources are further discussed in the detailed notes.

(M) Subscription-Based Information Technology Agreements (SBITA)

In accordance with GASB Statement No. 96, *Subscription-Based Information Technology Agreements (SBITA)*, a government should recognize a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability. A government should recognize the subscription liability at the commencement of the subscription term, which is when the subscription asset is placed into service. The subscription liability should be initially measured at the present value of subscription payments expected to be made during the subscription term. Future subscription payments should be discounted using the interest rate the SBITA vendor charges the government, which may be implicit, or the government's incremental borrowing rate if the interest rate is not readily determinable. A government should recognize amortization of the discount on the subscription liability as an outflow of resources (for example, interest expense) in subsequent financial reporting periods.

(N) Insurance Claims Payable

Insurance claims payable are claims and judgments recognized when it is probable that a liability has been incurred and the amount of loss can be reasonably estimated, net of insurance coverage. Such claims, including an estimate for claims incurred but not reported at year end, are recorded as liabilities in the workers' compensation and general liability internal service funds. The City records a liability for material litigation, judgments, and claims on a case-by-case basis when it is probable a material liability has been incurred on or before June 30, and the probable amount of loss can be reasonably estimated. Detailed notes discuss excess liability insurance covers claims greater than the self-insurance thresholds.

(O) Compensated Absences

In accordance with Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*, implemented in fiscal year 2025, the City recognizes a liability for compensated absences for leave that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled (for example, paid in cash to the employee) during or upon separation from employment. Based on the criteria listed, five types of leave qualify for liability recognition for compensated absences: vacation, floating holiday, management time-off, compensatory time-off, and sick leave. These five types of benefits, including the related Medicare tax, are classified as compensated absences.

The City applies a probability-based measurement approach to estimate the liability for compensated absences. For vacation, floating holiday, management time-off, and compensatory time-off, the full accrued balance is recognized as a liability, as these types of leave are used or ultimately paid out upon separation from employment. For sick leave, which is less likely to be fully utilized or paid, a liability for the estimated value of sick leave that will be used by employees as time off is included in the liability for compensated absences. The City applies a usage factor based on a three-year historical average of sick leave earned versus used. This approach ensures that only the portion of sick leave expected to result in a future outflow of resources is reported.

(1) Summary of Significant Accounting Policies (Continued)**(O) Compensated Absences (Continued)**

The liability for compensated absences is reported as incurred in the government-wide and propriety fund financial statements. Liabilities for compensated absences are accrued at fiscal year-end and reported in the appropriate funds based on the nature of the leave:

- Vacation, sick leave, and floating holiday are accrued in the Benefits internal service fund.
- Management time-off and compensatory time-off are accrued in the respective departmental funds.

This methodology aligns with GASB 101's objective to improve consistency and comparability in the recognition and measurement of compensated absences across governmental entities.

Vacation Leave

The City accounts for vacation leave in the Benefits internal service fund. The total outstanding vacation obligation is accrued at fiscal year-end and included under compensated absences in the Benefits internal service fund.

Eligible employees accumulate 8 to 22 days of vacation each year, depending on the employee's bargaining unit and length of service, but may not carry over from one year to the next more than the equivalent of two to three (depends on Memorandum of Understanding or Salary Resolution) year's vacation without prior approval of the respective department head and/or City Manager.

Floating Holiday

Floating holiday is accrued when a City-designated holiday falls on an employee's regularly scheduled day off. Between 1 to 3 days are also provided annually (depends on Memorandum of Understanding or Salary Resolution). These obligations are accounted for in the Benefits internal service fund and included in the year-end compensated absences accrual.

Management Time-Off

Management time-off is accounted for in the respective departmental funds. Eligible management employees receive five days of management time-off annually and may be granted between 5 to 10 additional days with department head or City Manager approval (depends on Memorandum of Understanding or Salary Resolution). The related liability is accrued at fiscal year-end and reported under Compensated Absences in the applicable departmental funds.

Compensatory Time-Off

Compensatory time-off is also recorded in departmental funds. It is accrued when employees elect to bank overtime hours worked instead of receiving immediate cash compensation. The liability for unused compensatory time is accrued at year-end and included in compensated absences in the applicable departmental funds.

Sick Leave

Sick leave is accounted for in the Benefits internal service fund. The City recognizes a liability for sick leave when it is probable that the leave will result in a future outflow of resources. To estimate this liability, the City applies a usage-based approach: each employee's accrued sick leave balance is multiplied by a usage factor derived from a three-year average of sick leave hours used divided by hours earned. This methodology ensures that only the portion of sick leave likely to be utilized or compensated is reported as a liability, consistent with GASB 101 guidance.

(1) Summary of Significant Accounting Policies (Continued)**(P) Net Pension Liability**

Pension is a retirement plan the City provides to retired employees. Pension liabilities are primarily liquidated by the General Fund, Light and Power Fund, and Water Fund. For purposes of measuring the net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position have been determined on the same basis as they are reported by the CalPERS Financial Office and are in accordance with the implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. Investments are reported at fair value. CalPERS audited financial statements are publicly available reports that can be obtained at CalPERS' website, www.calpers.ca.gov, under Forms and Publications.

(Q) Other Postemployment Benefits (OPEB)

OPEB are benefits (other than pensions) the City provides to retired employees. OPEB liabilities are primarily liquidated by the General Fund, Light and Power Fund, and Water Fund. For purpose of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the City's OPEB plan, and additions to/deductions from the OPEB Plan's fiduciary net position have been determined by an independent actuary and are in accordance with the implementation of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

(R) Bond Premiums / Discounts / Issuance Costs

For governmental-wide and proprietary funds financial statements, issuance costs are recognized during the current period. Any bond premiums and discounts are capitalized and amortized over the life of the bonds. Bond proceeds, premiums and discounts are reported as other financing sources in the governmental fund financial statements.

(S) Deferred Outflows and Inflows of Resources

Pursuant to GASB Statements No. 63 and 65, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position and Items Previously Reported as Assets and Liabilities*, respectively, the City recognizes deferred outflows and inflows of resources. A deferred outflow of resources is defined as a consumption of net assets by the government that is applicable to a future reporting period. A deferred inflow of resources is defined as an acquisition of net assets by the government that is applicable to a future reporting period. The City has four items that qualify for reporting in this category: deferred amounts for bond refunding, pensions, OPEB, and leases.

(1) Summary of Significant Accounting Policies (Continued)**(T) Fund Balance**

In the fund financial statements, governmental fund balance is made up of the following components:

Nonspendable fund balance is the portion of fund balance that cannot be spent due to form. Examples include inventories, prepaid amounts, long-term loans, notes receivable, and property held for resale, unless the proceeds are restricted, committed or assigned. Also, amounts that must be maintained intact legally or contractually, such as the principal of a permanent fund are reported within the nonspendable category.

- Restricted fund balance is the portion of fund balance that is subject to externally enforceable limitations by law, enabling legislation or limitations imposed by creditors or grantors.
- Committed fund balance is the portion of fund balance that is subject to self-imposed constraints due to City Council resolutions, as they have the highest level of decision-making authority.
- Assigned fund balance is the portion of fund balance that is constrained by the City's intent to utilize fund balance for a specific purpose. The authority to assign fund balance has been delegated by the City Council to the Finance Director through the Fund Balance Policy.

Unassigned fund balance is the residual classification for the General Fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund. The General Fund should be the only fund that reports a positive unassigned fund balance amount. In a governmental fund other than the General Fund, expenditures incurred for a specific purpose might exceed the amounts in the fund that are restricted, committed, and assigned to that purpose and a negative residual balance for that purpose may result.

The accounting policies of the City consider restricted fund balance to have been spent first when expenditures are incurred for purposes for which both the restricted and unrestricted fund balance is available. Similarly, when expenditures are incurred for purposes for which amounts in any of the unrestricted classifications of fund balance could be used, the City considers committed amounts to be reduced first, followed by assigned and then unassigned amounts.

In June 2017, the City Council directed staff to revise the Fund Balance Policy to split the General Fund Emergency Contingency into two components of committed fund balance: the General Fund Emergency Contingency Reserve and a General Fund Operating Reserve. The goal of a 20 percent General Fund reserve as committed fund balance continues but is split 15 percent to the Emergency Contingency Reserve and 5 percent to the Operating Reserve. These percentages continue to be calculated using that year's General Fund budgeted appropriations. It is intended that these committed fund balances would not be reduced below a 20 percent level without the direction of Council or upon a declared local emergency.

(1) Summary of Significant Accounting Policies (Continued)

(U) Property Taxes

The assessment, levy and collection of property taxes are the responsibility of the County of Los Angeles. The City records property taxes as revenue when received from the County, except at year-end, when property taxes received within 60 days are accrued as revenue.

Property taxes are assessed and collected each fiscal year according to the following property tax calendar:

Lien	January 1
Levy	July 1 to June 30
Due	November 1 - 1st installment February 1 - 2nd installment
Collection	December 10 - 1st installment April 10 - 2nd installment

Property taxes on the secured roll are due in two installments: on November 1 and February 1 of the fiscal year. If unpaid, such taxes become delinquent on December 10 and April 10, respectively, and a 10% penalty attaches to any delinquent payment. Such delinquent property may thereafter be redeemed by payment of the delinquent taxes and the delinquent penalty, plus a redemption penalty of 1% per month to the time of redemption. If taxes are unpaid for a period of five years or more, the property is then subject to sale by the County Tax Collector.

Property taxes on the unsecured roll are due as of the January 1 lien date and become delinquent, if unpaid, on August 31. A 10% penalty attaches to delinquent taxes on property of the unsecured roll, and an additional penalty of 1% per month begins to accrue. Collection of delinquent unsecured taxes is the responsibility of the County of Los Angeles using the several means legally available.

(V) Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditures. The City has made certain estimates and assumptions relating to the revenues due and expenditures incurred through fiscal year-end, collectability of its receivables, the valuation of property held for resale, the useful lives of the capital assets, the ultimate outcome of claims and judgments, and the valuation of pension and other postemployment benefit plan liabilities and related deferred outflows and inflows of resources. Actual results may differ from those estimates and assumptions.

(W) Interfund Activities

Certain eliminations have been made as prescribed by GASB Statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*, regarding interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total government column. In the statement of activities, internal services funds transactions have been eliminated. However, transactions between governmental and business-type activities have not been eliminated.



(1) Summary of Significant Accounting Policies (Continued)

(X) Endowments

The City has been the recipient of endowments that are recorded in permanent funds. The endowments are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the City’s programs or specific restrictions that were placed on the endowment when the donation to the City was made.

(Y) New and Future Accounting Pronouncements

The following Government Accounting Standards Board (GASB) pronouncement was effective for the fiscal year ended June 30, 2025:

GASB Statement No. 101, Compensated Absences

The unified recognition and measurement model in this Statement will result in a liability for compensated absences that more appropriately reflects when a government incurs an obligation. In addition, the model can be applied consistently to any type of compensated absence and will eliminate potential comparability issues between governments that offer different types of leave. The model also will result in a more robust estimate of the amount of compensated absences that a government will pay or settle, which will enhance the relevance and reliability of information about the liability for compensated absences.

GASB Statement No. 102, Certain Risk Disclosures

This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued.

If a government determines that those criteria for disclosure have been met for a concentration or constraint, it should disclose information in notes to financial statements in sufficient detail to enable users of financial statements to understand the nature of the circumstances disclosed and the government’s vulnerability to the risk of a substantial impact. The disclosure should include descriptions of the following:

- The concentration or constraint,
- Each event associated with the concentration or constraint that could cause a substantial impact if the event had occurred or had begun to occur prior to the issuance of the financial statements,
- Actions taken by the government prior to the issuance of the financial statements to mitigate the risk.

GASB has issued the following pronouncements that may affect future financial position, results of operations, cash flows, or financial presentation of the City upon implementation. Management has not yet evaluated the effect of implementation of these standards:

GASB Statement		
No.	GASB Accounting Standard	Effective Date
103	Financial Reporting Model Improvements	2026
104	Disclosure of Certain Capital Assets	2026

(2) Cash and Investments

Primary Government (excluding the FPRS Employee Benefit Trust Fund’s Short-term investments and Investments, at fair value):

Cash and investments as of June 30, 2025, are classified in the accompanying financial statements as follows:

Statement of net position:	
Cash and investments	\$ 791,305
Restricted cash and investments	292,791
Fiduciary funds:	
Cash and cash equivalents	421,290
Total cash and investments	<u>\$ 1,505,386</u>

Cash and investments as of June 30, 2025 consist of the following:

Cash on hand	\$ 61
Deposits with financial institutions	252
Investments	1,505,073
Total cash and investments	<u>\$ 1,505,386</u>

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

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

Investment Types Authorized by State Law	Authorized by Investment Policy	* Maximum Maturity	* Maximum Percentage of Portfolio	* Maximum Investment in One Issuer
Local Agency Bonds	Yes	5 years	None	None
US Treasury Obligations	Yes	5 years	None	None
US Agency Securities	Yes	5 years	None	None
Banker’s Acceptance	Yes	180 days	40%	30%
Commercial Paper	Yes	270 days	15%	10%
Negotiable Certificates of Deposit	Yes	5 years	30%	None
Repurchase Agreement	Yes	1 year	None	None
Reverse Repurchase Agreements	Yes	92 days	20% of base value	None
Time Deposits	Yes	N/A	25%	None
Medium Term Notes	Yes	5 years	30%	5%
Mutual Funds	Yes	N/A	20%	10%
Money Market Mutual Funds	Yes	N/A	20%	10%
Mortgage Pass-Through Securities	Yes	5 years	20%	None
Corporate Bonds	Yes	5 years	20%	10%
County Pooled Investment Fund	Yes	N/A	None	None
Local Agency Investment Fund (LAIF)	Yes	N/A	None	None
JPA Pools (other investment pools)	Yes	N/A	None	None
Registered State Warrants	Yes	N/A	None	None

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

(2) Cash and Investments (Continued)**Investments Authorized by Debt Agreements**

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

Authorized Investment Type	Maximum Maturity
US Treasury Obligations	None
US Agency Securities	None
Banker's Acceptance	360 days
Commercial Paper	270 days
Money Market Mutual Funds	N/A
Investment Contracts	20-30 years
Pre-refunded Municipal Bonds	None
Repurchase Agreements	1 year
Local Agency Investment Fund (LAIF)	N/A
General Obligation Bonds	None

Disclosures Relating to Interest Rate Risk

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

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

Investment Type	Total	Remaining Maturity (in Months)			
		12 Months or Less	13 to 24 Months	25 to 60 Months	More than 60 Months
Corporate Bonds	\$ 98,603	\$ 30,970	\$ 20,156	\$ 47,477	\$ -
Supnationals	31,724	4,440	-	27,284	-
Federal Agency Securities	451,127	146,884	11,262	276,020	16,961
Municipal Bonds	66,509	10,921	11,144	41,777	2,667
California Asset Management Program	120,273	120,273	-	-	-
Money Market Funds	3,287	3,287	-	-	-
Commercial Paper Disc	7,290	7,290	-	-	-
State Investment Pool	1,401	1,401	-	-	-
US Treasury	67,498	48,677	18,821	-	-
Held by Bond Trustee:					
Federal Agency Securities	42,718	2,347	3,199	30,025	7,147
Money Market Funds	4,239	4,239	-	-	-
US Treasury	177,868	32,905	30,026	114,937	-
Held by Pension Section 115 Trustee:					
Mutual Fund	14,274	14,274	-	-	-
Deferred Compensation Plan:					
Mutual Funds	418,262	418,262	-	-	-
Total	\$ 1,505,073	\$ 846,170	\$ 94,608	\$ 537,520	\$ 26,775

(2) Cash and Investments (Continued)

Disclosures Relating to Credit Risk

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

Investment Type		Minimum Legal Rating	Rating as of Year-End			Not Rated	Exempt
			AAA	Aa	A		
Corporate Bonds	\$ 98,603	A	\$ 12,825	\$ 9,969	\$ 75,809	\$ -	\$ -
Supernationals	31,724	A	31,724	-	-	-	-
Federal Agency Securities	451,127	N/A	-	-	-	-	451,127
Municipal Bond	66,509	N/A	2,936	63,573	-	-	-
California Asset Management Program	120,273	N/A	-	-	-	120,273	-
Money Market Funds	3,287	N/A	-	-	-	3,287	-
Commercial Paper Disc	7,290	AA	-	-	7,290	-	-
State Investment Pool	1,401	N/A	-	-	-	1,401	-
US Treasury	67,498	N/A	-	-	-	-	67,498
Held by Bond Trustee:							
Federal Agency Securities	42,718	A	-	-	-	-	42,718
Money Market Funds	4,239	A	4,239	-	-	-	-
US Treasury	177,868						177,868
Held by Pension Section 115 Trustee:							
Mutual Fund	14,274	N/A	-	14,274	-	-	-
Deferred Compensation Plan:							
Mutual Fund	418,262	N/A	-	418,262	-	-	-
Total	\$ 1,505,073		\$ 51,724	\$ 506,078	\$ 83,099	\$ 124,961	\$ 739,211

Concentration of Credit Risk

The investment policy of the City contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. Investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total City investments are as follows:

Issuer	Investment Type	Reported Amount
Federal Home Loan Bank	Federal Agency Securities	\$ 199,676
U.S. Treasury Notes	U.S. Treasury	170,212
Federal Farm Credit Bank	Federal Agency Securities	135,611
Federal Home Loan Mortgage Bank	Federal Agency Securities	88,198
U.S. Treasury	U.S. Treasury	49,440
Federal National Mortgage Association	Federal Agency Securities	40,440

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The fair value of the pledged securities in the collateral pool must equal at least 110% of the

(2) Cash and Investments (Continued)**Disclosures Relating to Credit Risk (Continued)**

total amount deposited by the public agencies. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

The City has no uncollateralized cash at June 30, 2025. As of June 30, 2025, the City's deposits with financial institutions in excess of federal depository insurance limits were \$59,900 held in accounts collateralized in accordance with California law described above.

For investments identified herein as held by bond trustee, the bond trustee selects the investment under the terms of the applicable trust agreement, acquires the investment, and holds the investment on behalf of the reporting government.

California Asset Management Program CAMP

CAMP is a program created through a joint powers agency as a pooled short-term portfolio and cash management vehicle for California public agencies under California Government Code Section 53601(p). CAMP is governed by a seven-member Board of Trustees comprised of finance directors and treasurers of California public agencies. The total amount invested by all public agencies in CAMP was \$22.2 billion as of June 30, 2025. Of the amount invested in CAMP, 36.2% were invested in medium-term and short-term notes and asset-backed securities at June 30, 2025. The average maturity of CAMP investments was 28 days to 52 days as of such dates.

Investment in State Investment Pool

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

Fair Value Hierarchy

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

The City is a participant in the California Asset Management Program (CAMP). CAMP is an investment pool offered by the California Asset Management Trust (the Trust). The Trust is a joint powers authority and public agency created by the Declaration of Trust and establish under the provisions of the California Joint Exercise of Powers Act (California Government Code Sections 6500 et seq., or the "ACT") for the purpose of exercising the common power of its Participants to invest certain proceeds of debt issues and surplus funds. CAMP's investments are limited to investments permitted by subdivisions (a) to (n), inclusive, of Section 53601 of the California Government Code. The City reports its investments in CAMP at the fair value amounts provided by CAMP, which is the same as the value of the pool share in accordance with GASP 79 requirements. On June 30, 2025, the CAMP pool had an average maturity of 26 days and it exempt from the fair value hierarchy.

(2) Cash and Investments (Continued)

The City has the following recurring fair value measurements as of June 30, 2025:

Measure by Fair Value	Not Subject to Fair Value Hierarchy	Level	
		2	Total
Corporate Bonds	\$ -	\$ 98,603	\$ 98,603
Supernationals	-	31,724	31,724
Federal Agency Securities	-	451,127	451,127
Municipal Bond	-	66,509	66,509
California Asset Management Program	120,273	-	120,273
Money Market Funds	3,287	-	3,287
Commercial Paper Disc	-	7,290	7,290
State Investment Pool	1,401	-	1,401
US Treasury	-	67,498	67,498
Held by Bond Trustee:			
Federal Agency Securities	-	42,718	42,718
Money Market Funds	4,239	-	4,239
US Treasury	-	177,868	177,868
Held by Pension Section 115 Trustee:			
Mutual Fund	-	14,274	14,274
Deferred Compensation Plan:			
Mutual Fund	-	418,262	418,262
Total	\$ 129,200	\$ 1,375,873	\$ 1,505,073

(Balance of page intentionally left blank)



(3) Accounts Receivable

As of June 30, 2025, accounts receivable is categorized as follows:

	<u>General</u>	<u>Housing Successor</u>	<u>Capital Project Management</u>	<u>Nonmajor Governmental Funds</u>	<u>Internal Service Fund</u>	<u>Total</u>
Governmental Activities:						
Accounts receivable	\$ 5,122	\$ -	\$ 11,711	\$ 11,335	\$ 155	\$ 28,323
Accrued revenue						
receivable	28,842	-	44	5,436	801	35,124
Interest receivable	1,069	8	-	1,490	147	2,714
Paramedics receivable	7,433	-	-	-	-	7,433
Utility receivable	1,850	-	-	992	-	2,842
	<u>44,316</u>	<u>8</u>	<u>11,755</u>	<u>19,253</u>	<u>1,103</u>	<u>76,436</u>
Less: allowance for uncollectible amounts	<u>(3,967)</u>	<u>-</u>	<u>-</u>	<u>(127)</u>	<u>-</u>	<u>(4,094)</u>
Total	<u>\$ 40,349</u>	<u>\$ 8</u>	<u>\$ 11,755</u>	<u>\$ 19,126</u>	<u>\$ 1,103</u>	<u>\$ 72,342</u>
		<u>Light and Power</u>	<u>Water</u>	<u>Off-Street Parking</u>	<u>Nonmajor Enterprise Funds</u>	<u>Total</u>
Business-type Activities:						
Accounts receivable		\$ 37	\$ 179	\$ 435	\$ 21	\$ 672
Accrued revenue						
receivable		19,057	9,128	487	2,470	31,142
Interest receivable		2,929	552	73	180	3,735
Utility receivable		14,505	4,759	-	1,404	20,668
		<u>36,528</u>	<u>14,618</u>	<u>995</u>	<u>4,075</u>	<u>56,217</u>
Less: allowance for uncollectible amounts		<u>(1,982)</u>	<u>(561)</u>	<u>-</u>	<u>(248)</u>	<u>(2,792)</u>
Total		<u>\$ 34,546</u>	<u>\$ 14,057</u>	<u>\$ 995</u>	<u>\$ 3,827</u>	<u>\$ 53,425</u>

(4) Notes Receivable – Primary Government

The notes receivable in the governmental activities amounted to \$107,512 at June 30, 2025. Due to the uncertainty of their collectability at June 30, 2025, the City has recorded an allowance for uncollectible long-term receivables of \$104,488, resulting in a net balance of \$3,024.

Housing and Community Development loans were \$72,613 which arose from the sale of land to project developers and other agencies, and the provision of loan assistance under the City’s affordable housing programs, subject to approved redevelopment plans.

Housing Successor loans were \$27,031 consisting of loans that the former redevelopment agency made to assist the development of affordable rental housing projects and the purchase of homes by homebuyers. These loans are secured by trust deeds and were funded with redevelopment low-moderate income housing set-aside funds. These notes have various terms, including maturities ranging from 5 to 45 years and interest rates ranging from 1.5% to 11%.

The remaining balance notes receivable balance, \$7,868, is related to the sale of the Concord property located at 275 Cordova Steet for which collection efforts are underway in the next 50 years.

(5) Due to and from Other Funds

Current interfund receivable and payable balances at June 30, 2025 are as follows:

<u>Due to Other Funds</u>	<u>Due from Other Funds</u>
	General Fund
Nonmajor Governmental Funds	\$ 8,645
Internal Service Funds	27,581
Total	<u>\$ 36,226</u>

The above balances are due to short-term payables between funds and negative cash balances at the end of the fiscal year.



(6) Capital Assets**Primary Government**

Capital asset activity for the year ended June 30, 2025 is as follows:

Governmental Activities:	Balance at June 30, 2024	Adjustments*	Additions	Deletions	Transfers	Balance at June 30, 2025
Capital assets, not being depreciated/amortized:						
Land*	\$ 104,022	\$ 2,337	\$ 551	\$ (2,120)	\$ -	\$ 104,790
Construction in progress*	79,314	279	29,385	(390)	(37,068)	71,520
Total capital assets, not being depreciated/amortized	<u>183,336</u>	<u>2,616</u>	<u>29,936</u>	<u>(2,510)</u>	<u>(37,068)</u>	<u>176,310</u>
Capital assets being depreciated/amortized:						
Leased buildings	4,454	-	1,648	(712)	20	5,410
Leased equipment	1,478	-	127	(802)	-	803
Subscription assets*	11,529	108	5,320	(1,959)	-	14,998
Buildings and improvements*	308,331	117	143	(36)	10,051	318,606
Machinery and equipment	100,067	-	20,579	(6,283)	1,658	116,021
Infrastructure	342,924	-	-	-	25,359	368,283
Total capital assets, being depreciated/amortized	<u>768,783</u>	<u>225</u>	<u>27,817</u>	<u>(9,792)</u>	<u>37,088</u>	<u>824,121</u>
Less accumulated depreciation/amortization:						
Leased buildings	(2,504)	-	(1,123)	679	15	(2,933)
Leased equipment	(878)	-	(324)	801	-	(401)
Subscription assets*	(4,708)	(32)	(3,739)	1,959	-	(6,520)
Buildings and improvements	(164,665)	-	(5,530)	22	-	(170,173)
Machinery and equipment	(63,333)	-	(8,169)	5,910	-	(65,592)
Infrastructure	(140,825)	-	(7,296)	-	-	(148,121)
Total accumulated depreciation/amortization	<u>(376,913)</u>	<u>(32)</u>	<u>(26,181)</u>	<u>9,371</u>	<u>15</u>	<u>(393,740)</u>
Total capital assets, being depreciated/amortized, net	<u>391,870</u>	<u>193</u>	<u>1,636</u>	<u>(421)</u>	<u>37,103</u>	<u>430,381</u>
Governmental activities capital assets, net	<u>\$ 575,206</u>	<u>\$ 2,809</u>	<u>\$ 31,572</u>	<u>\$ (2,931)</u>	<u>\$ 35</u>	<u>\$ 606,691</u>

*The prior year adjustments reflect the addition of previously omitted housing properties and a restatement of a right-to-use subscription asset.

The transfer is from business-type activities due to an existing lease building's allocation change.

(6) Capital Assets (Continued)

Primary Government (Continued)

During the year, governmental activities received proceeds of \$380 from the disposal of capital assets and incurred a net loss on disposal of \$53.

The City reports the donated capital assets. These are recorded at estimated fair value at the time of donation. In fiscal year 2025, the City received \$71 in donated assets, including one forklift and one used vehicle, which were added to the capital asset records under governmental activities.

Depreciation/amortization expense was charged in the following functions and activities in the statement of activities:

Community development	\$ 643
Culture and leisure	1,953
General government	8,846
Health	198
Public safety	3,509
Transportation	<u>11,031</u>
Total	<u>\$ 26,180</u>

Depreciation and amortization of capital assets held by the City’s internal service funds are charged to the various functions based on their usage of the assets.



(6) Capital Assets (Continued)**Primary Government (Continued)**

	Balance at June 30, 2024	Adjustments	Additions	Deletions	Transfers	Balance at June 30, 2025
Business-type Activities:						
Capital assets not being depreciated/amortized:						
Land and rights	\$ 17,341	\$ -	\$ 2,120	\$ -	\$ -	\$ 19,461
Construction in progress	80,629	-	78,120	-	(53,309)	105,440
Total capital assets, not being depreciated/amortized	<u>97,970</u>	<u>-</u>	<u>80,240</u>	<u>-</u>	<u>(53,309)</u>	<u>124,901</u>
Capital assets being depreciated/amortized:						
Leased buildings	10,595	-	6,614	(2)	(20)	17,187
Leased equipment	42	-	-	(32)	-	10
Subscription assets*	5,026	2,955	704	(458)	-	8,227
Buildings and improvements	141,184	-	1,511	(88)	12,029	154,636
Machinery and equipment	1,339,641	-	1,563	(57,337)	41,280	1,325,147
Total capital assets, being depreciated/amortized	<u>1,496,488</u>	<u>2,955</u>	<u>10,392</u>	<u>(57,917)</u>	<u>53,289</u>	<u>1,505,207</u>
Less accumulated depreciation/amortization:						
Leased buildings	(4,149)	-	(1,727)	29	(15)	(5,862)
Leased equipment	(30)	-	(6)	31	-	(5)
Subscription assets	(1,728)	-	(1,304)	302	(1,092)	(3,822)
Buildings and improvements	(72,654)	-	(3,955)	37	-	(76,572)
Machinery and equipment	(678,163)	-	(43,111)	55,327	-	(665,947)
Total accumulated depreciation/amortization	<u>(756,724)</u>	<u>-</u>	<u>(50,103)</u>	<u>55,726</u>	<u>(1,107)</u>	<u>(752,208)</u>
Total capital assets, being depreciated/amortized, net	<u>739,764</u>	<u>2,955</u>	<u>(39,711)</u>	<u>(2,191)</u>	<u>52,182</u>	<u>752,999</u>
Business Type Activities capital assets, net	<u>\$ 837,734</u>	<u>\$ 2,955</u>	<u>\$ 40,529</u>	<u>\$ (2,191)</u>	<u>\$ (1,127)</u>	<u>\$ 877,900</u>

* The beginning balance has been adjusted to reflect a restatement of prior-period Power right-to-use subscription asset. The transfer is to governmental activities due to an existing lease building's allocation change.

(6) Capital Assets (Continued)

Primary Government (Continued)

During the year, business-type activities received proceeds of \$21 from the disposal of capital assets and incurred a loss on disposal of \$292.

Depreciation/amortization expense was charged in the following functions in the statement of activities:

Electric	\$	36,494
Water		10,757
Refuse		808
Parking		1,848
Telecommunication		<u>194</u>
Total	\$	<u>50,101</u>

Fiduciary Funds – Private-Purpose Trust Fund

Fiduciary Funds	<u>Balance at June 30, 2024</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at June 30, 2025</u>
Capital assets not depreciated:				
Land	\$ 104	\$ -	\$ (104)	-
Total cost of nondepreciable assets	<u>104</u>	<u>-</u>	<u>(104)</u>	<u>-</u>
Capital assets, net	<u>\$ 104</u>	<u>\$ -</u>	<u>\$ (104)</u>	<u>\$ -</u>



(7) Leases

A lease is defined as a contractual agreement that conveys control of the right to use another entity’s nonfinancial asset, for a minimum contractual period of greater than one year, in an exchange-like transaction.

City as Lessor

The City is a lessor of land and building nonfinancial assets. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date.

The following are key estimates and judgments how the City determines the discount rate on the expected lease receipts to present value, lease term, and lease receipts:

- The City uses its estimated incremental borrowing rate as the discount rate for leases
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

As lessor, the City has 15 applicable leases that qualify for reporting as of June 30, 2025. During the fiscal year, the City entered into one new lease agreement. The lease terms range from 36 to 120 months for the intangible right-to-use land, land improvements, buildings, and infrastructure. Most of these leases include periodic adjustments to the lease amounts at determined intervals. The fixed annualized lease payments range from \$1 to \$513, respectively, with the incremental borrowing rate ranging from 0.28% to 2.9%. For the year ended June 30, 2025, the City received an immaterial amount of variable and other payments from these lease arrangements.

The City monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Changes in lease receivable for the year ended June 30, 2025 are as follows:

	<u>Balance at June 30, 2024</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at June 30, 2025</u>
Governmental Activities:				
Lease receivable	\$ 960	\$ -	\$ (782)	\$ 178
Deferred inflow of resources	899	-	(732)	167
Business-type Activities:				
Lease receivable	1,095	285	(380)	1,000
Deferred inflow of resources	1,111	285	(424)	972

(7) Leases (Continued)

City as Lessor (Continued)

During the year ended June 30, 2025, the City recognized the lease revenues and interest revenues as follows:

	Governmental Activities	Business-type Activities
Amortization of deferred inflow of resources	\$ 732	\$ 424
Lease interest revenues	3	10

City as Lessee

The City is a lessee of nonfinancial assets such as land, buildings, and equipment. The City recognizes a lease liability and intangible right-to-use lease assets in the government-wide financial statements. The City recognizes lease liabilities with an initial, individual value of \$10 or more.

At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life, which is the shorter of the lease asset’s useful life for the lease term.

The following are key estimates and judgements on how the City determines its discount rate on the expected lease payments to present value, lease term, and lease payments:

- The City uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payment and purchase option price that the City is reasonably certain to exercise.

As lessee, the City has 34 applicable leases that qualify for reporting as of June 30, 2025. During the fiscal year, the City entered into 10 new lease agreements. The lease terms range from 33 to 100 months for the intangible right-to-use buildings and equipment. Most of these leases include periodic adjustments to the lease amounts at determined intervals. The fixed annualized lease payments range from \$0 to \$877 with the incremental borrowing rate ranging from 0.2% to 3.31%. For the year ended June 30, 2025 the City paid an immaterial amount of variable and other payments from these lease arrangements.

The City monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with capital assets (see Note 6).



(7) Leases (Continued)**City as Lessee (Continued)**

Changes in lease assets and lease liability for the year ended June 30, 2025 are as follows:

	Balance at June 30, 2024	Adjustments (1)	Additions	Deletions	Transfers (2)	Balance at June 30, 2025
Governmental Activities:						
Lease assets						
Buildings	\$ 4,454	\$ -	\$ 1,648	\$ (712)	\$ 20	\$ 5,410
Equipment	1,478	-	127	(802)	-	803
Total lease assets	5,932	-	1,775	(1,514)	20	6,213
Accumulated amortization	(3,382)	-	(1,447)	1,480	15	(3,334)
Total lease assets, net	<u>\$ 2,550</u>	<u>\$ -</u>	<u>\$ 328</u>	<u>\$ (34)</u>	<u>\$ 35</u>	<u>\$ 2,879</u>
Lease liability	<u>\$ 2,716</u>	<u>\$ 423</u>	<u>\$ 1,356</u>	<u>\$ (1,317)</u>	<u>\$ -</u>	<u>\$ 3,178</u>
Business-type Activities:						
Lease assets						
Buildings	\$ 10,595	\$ -	\$ 6,614	\$ (2)	\$ (20)	\$ 17,187
Equipment	42	-	-	(32)	-	10
Total lease assets	10,637	-	6,614	(34)	(20)	17,197
Accumulated amortization	(4,179)	-	(1,733)	60	(15)	(5,867)
Total lease assets, net	<u>\$ 6,458</u>	<u>\$ -</u>	<u>\$ 4,881</u>	<u>\$ 26</u>	<u>\$ (35)</u>	<u>\$ 11,330</u>
Lease liability	<u>\$ 6,725</u>	<u>\$ -</u>	<u>\$ 6,608</u>	<u>\$ (1,469)</u>	<u>\$ -</u>	<u>\$ 11,864</u>

(1) The adjustments pertain to additions to existing leases that were extended or had allocation changes.

(2) The transfers are between governmental and business-type activities due to a lease building's allocation change.

During the year ended June 30, 2025, the City recognized lease amortization expenses and interest expenses as follows:

	Governmental Activities	Business-type Activities
Amortization of lease assets	\$ 1,447	\$ 1,733
Other lease (non-GASB 87) expenses	987	489
Total lease expenses	<u>\$ 2,434</u>	<u>\$ 2,222</u>
Lease interest expenses	\$ 58	\$ 113
Other lease (non-GASB 87) interest expenses	46	23
Total lease interest expenses	<u>\$ 104</u>	<u>\$ 136</u>

(7) Leases (Continued)

City as Lessee (Continued)

As of June 30, 2025, the City had minimum principal and interest payment requirements for its leasing activities with a remaining term in excess of one year, as follows:

Lease Payable Principal and Interest Requirements to Maturity

Fiscal Year	Governmental Activities		
	Principal	Interest	Total Payments
2026	\$ 1,194	\$ 48	\$ 1,242
2027	1,048	26	1,074
2028	699	8	707
2029	232	1	233
2030	5	-	5
Total	<u>\$ 3,178</u>	<u>\$ 83</u>	<u>\$ 3,261</u>

Fiscal Year	Business-type Activities		
	Principal	Interest	Total Payments
2026	\$ 2,197	\$ 232	\$ 2,429
2027	2,848	181	3,029
2028	2,573	126	2,699
2029	2,368	75	2,443
2030	1,878	24	1,902
Total	<u>\$ 11,864</u>	<u>\$ 638</u>	<u>\$ 12,502</u>



(8) Subscription-Based Information Technology Arrangements

A Subscription-Based Information Technology Arrangement (SBITA) is defined as a contract that conveys control of the right to use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of greater than one year in an exchange or exchange-like transaction.

The City recognizes a SBITA liability and an intangible right-to-use asset in the government-wide financial statements. The City recognizes SBITA liabilities with an initial, individual value of \$10 or more.

Key estimate and judgements related to SBITA include how the City determines (1) the discount rate it uses to discount the expected SBITA payments to present value, (2) SBITA term, and (3) SBITA payments.

- The City uses its estimated incremental borrowing rate as the discount rate for SBITA.
- The SBITA term includes the noncancellable period and periods covered by an option to extend if it is reasonably certain that the government or SBITA vendor will exercise that option.

The City monitors changes in circumstances that would require a remeasurement of its SBITA and will remeasure the SBITA asset and liability if certain changes occur that are expected to significantly affect the amount of the SBITA liability.

SBITA assets are reported with the other capital assets and SBITA liabilities are reported with long-term debt on the statement of net position.

On June 30, 2025, the City has seventy-two (72) qualifying SBITAs under GASB 96.

- The SBITAs include a range of options to extend the SBITA term for a period of one to eight years with the final extension period ending June 30, 2030.
- The City is required to make annual principal and interest payments that range from \$5 to \$1,032. The City is utilizing a range of incremental borrowing rates between 0.0%-4.0%
- The total combined value of the subscription liability is \$10,722 and the total combined value of the short-term subscription liability is \$4,487.
- The combined value of the right-to-use asset, as of June 30, 2025 is \$23,225 with accumulated amortization of \$10,341.

(8) Subscription-Based Information Technology Arrangements (Continued)

The right-to-use SBITA asset and SBITA liability for the year ended June 30, 2025, are as follows:

	Balance at June 30, 2024	Additions	Deletions	Balance at June 30, 2025
Governmental Activities				
Subscription assets	\$ 11,529	\$ 5,428	\$ (1,959)	\$ 14,998
Accumulated amortization	(4,708)	(3,771)	1,959	(6,520)
Total subscription assets, net	<u>\$ 6,821</u>	<u>\$ 1,657</u>	<u>\$ -</u>	<u>\$ 8,478</u>
Subscription liability	<u>\$ 5,309</u>	<u>\$ 5,385</u>	<u>\$ (3,676)</u>	<u>\$ 7,017</u>
Business-type Activities				
Subscription assets	\$ 5,026	\$ 3,659	\$ (458)	\$ 8,227
Accumulated amortization	(1,728)	(2,396)	302	(3,822)
Total subscription assets, net	<u>\$ 3,299</u>	<u>\$ 1,263</u>	<u>\$ (156)</u>	<u>\$ 4,406</u>
Subscription liability	<u>\$ 3,002</u>	<u>\$ 2,566</u>	<u>\$ (1,863)</u>	<u>\$ 3,705</u>

SBITA principal and interest payments to maturity are as follows:

Fiscal Year	Governmental Activities		
	Principal	Interest	Total Payments
2026	\$ 3,356	\$ 182	\$ 3,538
2027	2,647	95	2,742
2028	768	24	792
2029	203	5	208
2030	43	1	44
Total	<u>\$ 7,017</u>	<u>\$ 307</u>	<u>\$ 7,324</u>

Fiscal Year	Business-type Activities		
	Principal	Interest	Total Payments
2026	\$ 1,046	\$ 98	\$ 1,144
2027	1,121	68	1,189
2028	899	38	937
2029	602	14	616
2030	37	1	38
Total	<u>\$ 3,705</u>	<u>\$ 219</u>	<u>\$ 3,924</u>

(9) Deferred Inflows and Outflows

Primary Government

Deferred outflows on the government-wide statement of net position consists of the following at June 30, 2025:

Governmental Activities	Balance at		Decrease	Balance at	
	June 30, 2024	Increase		June 30, 2025	
2015A Refunding COP Deferred Charges	\$ 3,351	\$ -	\$ (246)	\$ 3,104	
2020A Refunding POB Deferred Charges	10,729	-	(515)	10,214	
2020B Refunding POB Deferred Charges	4,865	-	(352)	4,514	
GASB68 Contribution Subsequent to Measurement Date	63,143	63,893	(63,143)	63,893	
GASB68 Net Difference on Pension Plan Investments	61,249	22,975	(61,249)	22,975	
GASB68 Change of Assumptions	23,661	10,160	(23,661)	10,160	
GASB68 Difference in Experience	14,237	25,580	(14,237)	25,580	
GASB75 Net Difference on Pension Plan Investments	53	-	(53)	-	
GASB75 Change of Assumptions	6,125	-	(956)	5,169	
GASB75 Difference in Experience	486	-	(70)	416	
FPRS Net Difference on Pension Plan Investments	3,082	-	(3,082)	-	
	<u>\$ 190,981</u>	<u>\$ 122,608</u>	<u>\$ (167,564)</u>	<u>\$ 146,025</u>	

Business-type Activities	Balance at		Decrease	Balance at	
	June 30, 2024	Increase		June 30, 2025	
2008 Electric Bonds Deferred Charges	\$ 695	\$ -	\$ (53)	\$ 642	
GASB68 Contribution Subsequent to Measurement Date	12,917	13,603	(12,917)	13,603	
GASB68 Net Difference on Pension Plan Investments	13,010	4,071	(13,010)	4,071	
GASB68 Change of Assumptions	4,067	2,257	(4,067)	2,257	
GASB68 Difference in Experience	1,444	3,149	(1,444)	3,149	
GASB75 Net Difference on Pension Plan Investments	13	-	(13)	-	
GASB75 Change of Assumptions	1,584	-	(233)	1,351	
GASB75 Difference in Experience	126	-	(18)	108	
	<u>\$ 33,856</u>	<u>\$ 23,080</u>	<u>\$ (31,755)</u>	<u>\$ 25,181</u>	

(9) Deferred Inflows and Outflows (Continued)

Primary Government (Continued)

Deferred inflows on the government-wide statement of net position consists of the following at June 30, 2025:

Governmental Activities

	Balance at June 30, 2024	Increase	Decrease	Balance at June 30, 2025
GASB68 Change of Assumptions	\$ -	\$ -	\$ -	\$ -
GASB68 Difference in Experience	4,230	1,289	(4,230)	1,289
GASB75 Change of Assumptions	15,048	3,731	-	18,779
GASB75 Difference in Experience	4,329	455	-	4,784
GASB75 Net Difference on Pension Plan Investments	-	24	-	24
GASB87 Lease Related	899	-	(732)	167
FPRS Net Difference in Experience	-	9,490	-	9,490
	<u>\$ 24,506</u>	<u>\$ 14,989</u>	<u>\$ (4,962)</u>	<u>\$ 34,533</u>

Business-type Activities

	Balance at June 30, 2024	Increase	Decrease	Balance at June 30, 2025
2019 Electric Bonds Deferred Gain	\$ 17	\$ -	\$ (17)	\$ -
2021 Water Bonds Deferred Gain	1,331	-	(149)	1,182
2013A Electric Bonds Deferred Gain	-	2,932	(106)	2,826
GASB68 Difference in Experience	1,498	400	(1,498)	400
GASB75 Change of Assumptions	3,891	1,018	-	4,909
GASB75 Difference in Experience	1,119	131	-	1,250
GASB75 Net Difference on Pension Plan Investments	-	6	-	6
GASB87 Lease Related	1,111	243	(382)	972
	<u>\$ 8,967</u>	<u>\$ 4,730</u>	<u>\$ (2,152)</u>	<u>\$ 11,545</u>

In accordance with revenue recognition requirements, the following revenues have been deferred on the governmental fund statements, because the related cash was not available at year-end. The breakdown by fund is as follows:

Fund Name	Amount
General	\$ 2,654
Project Management	6,795
Public Safety	213
Health	1,400
Sewer Construction and Maintenance	38
Transportation	364
Parking	1
Air Quality Improvement	48
Housing and Community Development	2,153
Rent Stabilization	163
Total unavailable revenues	<u>\$ 13,829</u>

(10) Long-Term Debt

Primary Government

Changes in long-term debt and other liabilities for the year ended June 30, 2025 are as follows:

	Balance at			Due in		
	June 30, 2024	Additions	Reductions	June 30, 2025	One Year	More Than One Year
Governmental Activities:						
Notes payable:						
Notes from Direct Borrowings						
(Rose Bowl)	\$ 405	\$ -	\$ (18)	\$ 387	\$ 18	\$ 369
Section 108	3,600	-	(300)	3,300	300	3,000
Total Notes Payable	4,005	-	(318)	3,687	318	3,369
General Obligation Bond						
2025 Taxable General Obligation Bonds	-	195,000	-	195,000	11,500	183,500
Bond Premium 2025 General Obligation Bonds	-	15,212	(86)	15,125	-	15,125
Total General Obligation Bonds	-	210,212	(86)	210,125	11,500	198,625
Pension bonds:						
2015 Taxable Pension Obligation Bonds	2,160	-	(2,160)	-	-	-
Bond Premiums/(Discount)	(14)	-	14	-	-	-
2020 Taxable Pension Obligation Bonds	125,955	-	(1,050)	124,905	3,305	121,600
Total Pension Bonds	128,101	-	(3,196)	124,905	3,305	121,600
Certificates of participation:						
2015 COP Series A Refunding 2008 COP	42,260	-	(2,420)	39,840	2,545	37,295
Bond Premiums/(Discount)	3,575	-	(263)	3,312	-	3,312
Total Certificates of Participation	45,835	-	(2,683)	43,152	2,545	40,607
Loan payable	3,011	-	(987)	2,024	1,003	1,021
Subscription liability	5,309	5,385	(3,676)	7,017	3,372	3,645
Lease liability	2,716	1,779	(1,317)	3,178	1,194	1,984
Financed Purchase Arrangements	47	10	(20)	37	19	18
Total governmental activities long-term liabilities	\$ 189,023	\$ 217,386	\$ (12,283)	\$ 394,125	\$ 23,256	\$ 370,869

	Balance at			Due in		
	June 30, 2024	Additions	Reductions	June 30, 2025	One Year	More Than One Year
Business-type Activities:						
Revenue bonds:						
2013A Electric Revenue Refunding Bonds	\$ 63,430	\$ -	\$ (63,430)	\$ -	\$ -	\$ -
2016A Electric Revenue Refunding Bonds	99,240	-	(3,485)	95,755	3,665	92,090
2017A Water Revenue Refunding Bonds	10,705	-	(670)	10,035	705	9,330
2019A Electric Revenue Refunding Bonds	2,245	-	(2,245)	-	-	-
2020A Water Revenue Refunding Bonds	26,415	-	(1,045)	25,370	1,080	24,290
2021A Water Revenue Refunding Bonds	20,025	-	(1,145)	18,880	1,140	17,740
2024A Electric Revenue Refunding Bonds	-	98,230	-	98,230	2,550	95,680
Total Water and Power	222,060	98,230	(72,020)	248,270	9,140	239,130
2008 Paseo Colorado Taxable Revenue Bonds	18,600	-	(1,000)	17,600	1,000	16,600
Bond Premiums/(Discounts)	34,892	14,211	(4,718)	44,385	-	44,385
Total revenue bonds	275,552	112,441	(77,738)	310,255	10,140	300,116
Loan payable	992	-	(489)	502	502	-
Subscription liability	3,002	2,566	(1,863)	3,705	1,115	2,590
Lease liability	6,725	6,608	(1,469)	11,864	2,197	9,667
Total business-type activities long-term liabilities	\$ 286,271	\$ 121,615	\$ (81,559)	\$ 326,327	\$ 13,954	\$ 312,373

(10) Long-Term Debt (Continued)

Discretely Presented Component Units

Changes in discretely presented component units' long-term debt and other liabilities for the year ended June 30, 2025 are as follows:

Discretely Presented Component Units:	Balance at 6/30/2024 *	Additions Including Accretion	Reductions	Balance at June 30, 2025	Due Within One Year	Due in More Than One Year
Certificates of participation:						
2008 Refunding COP Series 2008A (Conference Center Project)	\$ 127,945	\$ -	\$ (7,480)	\$ 120,465	\$ 8,260	\$ 112,205
Total Certificates of Participation	127,945	-	(7,480)	120,465	8,260	112,205
Revenue Bonds:						
2010A Revenue Bonds-Tax Exempt	28,363	1,929	-	30,292	-	30,292
2010B Revenue Bonds-Taxable Build America Bonds	106,660	-	(106,660)	-	-	-
2010D Revenue Bonds-Taxable Recovery	7,400	-	-	7,400	-	7,400
2016A Revenue Bonds-Partial Refunding 2010A Bonds	13,320	-	(4,705)	8,615	5,130	3,485
2016A Bond Premium (Discount)	1,513	-	(550)	963	-	963
2018A Revenue Bonds-Refunding / Tax Exempt Fixed Rate	30,585	-	-	30,585	-	30,585
2018B Revenue Bonds-Taxable	4,720	-	(915)	3,805	1,165	2,640
2018AB Bond Premium/(Discount)	3,487	-	(178)	3,309	-	3,309
2024 Rose Bowl Lease Revenue Refunding Bonds (Tax-Exempt) - Serial Bond	-	62,807	(545)	62,262	1,550	60,712
2024 Rose Bowl Lease Revenue Refunding Bonds (Tax-Exempt) CAB Bond	-	41,397	-	41,397	-	41,397
2024 Bond Premium/(Discount)	-	9,868	(422)	9,446	-	9,446
Total Revenue Bonds (Rose Bowl Renovation)	196,048	116,001	(113,975)	198,074	7,845	190,229
Loan payable (PCOC)	2,500	-	(218)	2,282	225	2,057
Subscription liability*	1,756	76	(1,557)	275	125	150
Lease liability*	437	263	(265)	435	163	272
Total discretely presented component units long-term liabilities	<u>\$ 328,686</u>	<u>\$ 116,340</u>	<u>\$ (123,495)</u>	<u>\$ 321,531</u>	<u>\$ 16,618</u>	<u>\$ 304,913</u>

* The beginning balance has been restated to reflect the addition of PCOC and PCAC, which was previously omitted.

(10) Long-Term Debt (Continued)

Governmental Activities:

	Issue Date	Purpose	Original Amount	Coupon Interest Rate	Final Principal Payment Date	Outstanding at June 30, 2025
Detail of Long-Term Debt						
Governmental Activities:						
Notes payable						
Notes Payable-RBOC	1/15/2013	a	576	2.10%	1/7/2043	\$ 387
Notes Payable-Section 108	10/29/2015	c	6,000	variable	8/1/2035	3,300
Total Notes Payable						<u>\$ 3,687</u>
General Obligation Bond						
2025 Taxable General Obligation Bonds	4/29/2025	m	195,000	5.00%	9/1/2054	\$ 195,000
Bond Premium 2025 General Obligation Bonds	4/29/2025	m	15,212	5.00%	8/1/2035	15,125
Total General Obligation Bonds						<u>\$ 210,125</u>
Pension bonds:						
2020 Taxable Pension Obligation Bonds	2/26/2020	b	131,805	1.60% to 3.10%	5/1/2045	\$ 124,905
Total Pension Bonds						<u>\$ 124,905</u>
Certificates of Participation:						
2015 COP Series A Refunding 2008 COP Bond Premium (Discount)	12/2/2015	d	55,350	3.00% to 5.00%	2/1/2038	\$ 39,840
Total Certificates of Participation						<u>\$ 3,312</u> <u>\$ 43,152</u>
Loan Payable:						
2020 Equipment Lease-Radio Equipment	1/15/2020	e	6,800	1.66%	1/15/2027	\$ 2,024
Total Loan Payable						<u>\$ 2,024</u>
Financed Purchase Arrangements:						
2024 EV Purchases	5/2/2024	l	47	variable	9/30/2026	\$ 37
Total Financed Purchase Arrangements						<u>\$ 37</u>

Business-type Activities:

	Issue Date	Purpose	Original Amount	Coupon Interest Rate	Final Principal Payment Date	Outstanding at June 30, 2025
Detail of Long-Term Debt						
Business-type Activities:						
Revenue bonds:						
2008 Paseo Colorado Taxable Revenue Bonds	9/17/2008	f	28,800	variable	6/1/2038	\$ 17,600
2016A Electric Revenue Refunding Bonds	11/7/2016	i	119,440	4.00% to 5.00%	6/1/2046	95,755
2017A Water Revenue Refunding Bonds	3/13/2017	j	15,395	5.00%	6/1/2036	10,035
2020A Water Revenue Refunding Bonds	12/1/2020	g	30,130	5.00%	6/1/2050	25,370
2021A Water Revenue Refunding Bonds	12/1/2021	h	22,480	5.00%	6/1/2051	18,880
2024A Electric Revenue Refunding Bonds	7/30/2024	k	98,230	5.00%	6/1/2055	98,230
Bond Premium (Discount)						44,385
Total Revenue Bonds						<u>\$ 310,255</u>
Loan Payable:						
2019 Equipment Lease-Parking System	4/1/2019	e	3,252,694	2.67%	4/1/2026	\$ 502
Total Loan Payable						<u>\$ 502</u>

(10) Long-Term Debt (Continued)

Component Unit Activities:

	Issue Date	Purpose	Original Amount	Coupon Interest Rate	Final Principal Payment Date	Outstanding at June 30, 2025
Detail of Long-Term Debt						
Discretely Presented Component Units						
Certificates of Participation						
2008 Refunding COP, Series 2008A (Conference Center Project)	4/15/2008	CC1	134,720	variable	2/1/2035	120,465
Total Certificates of Participation (PCOC)						<u>\$ 120,465</u>
Revenue Bonds						
2010A Revenue Bonds-Tax Exempt Capital Appreciation	11/18/2010	RB1	11,588	6.43% to 6.52%	3/1/2033	30,292
2010D Revenue Bonds-Taxable Recovery Zone Economic Development	11/18/2010	RB1	7,400	7.150%	3/1/2043	7,400
2016A Revenue Bonds-Partial Refunding 2010A Bonds	10/5/2016	RB3	21,865	5.00%	4/1/2027	8,615
2016A Bond Premium (Discount)						963
2018A Revenue Bonds-(Refunding 2013A Tax Exempt)	12/6/2018	RB2	30,585	5.00%	12/1/2042	30,585
2018B Revenue Bonds-(Refunding 2013B Taxable)	12/6/2018	RB2	12,515	2.60% to 3.58%	12/1/2027	3,805
2018 AB Bond Premium (Discount)						3,309
2024 Lease Revenue Refunding Serial Bond (Refunding 2010B Tax Exempt)	11/20/2024	RB3	61,665	5.00%	6/1/2040	62,262
2024 Lease Revenue Refunding CAB Bond (Refunding 2010B Tax Exempt)	11/20/2024	RB3	41,397	5.00%	6/1/2048	41,397
2024 Bond Premium (Discount)						9,446
Total Revenue Bonds (RBOC)						<u>\$ 198,074</u>
Loan Payable:						
Civic Auditorium Capital Improvement	6/5/2024	CC2	2,500	3.00%	6/5/2034	\$ 2,282
Total Loan Payable						<u>\$ 2,282</u>

Purpose of Debt:

a	Refund 2006 Revenue Bonds
b	Fire and Police Retirement
c	Section 108 Note for Robinson Park Improvements
d	Partially refund 2008 Certificates of Participation City Hall
e	Equipment Purchases, assets purchased collateralized debt
f	Refund 2000 Paseo Bonds
g	Refund 2010A Water Revenue Bonds
h	Refund 2011A Water Revenue Bonds and Capital Improvements to Water System
i	Refund 2008 Electric Bonds, repay Line of Credits and Capital Improvement to the Electric System
j	Refund 2007 Water Bonds
k	Refund 2013A Electric Bonds
l	Leased vehicles purchases
m	Central Library Project
CC1	Refund 2006B Certificates of Participation
CC2	Civic Auditorium Project
RB1	Rose Bowl Stadium Renovation
RB2	Refund 2013 Rose Bowl Revenue Bonds
RB3	Partial refund 2010 Rose Bowl Revenue Bonds

(10) Long-Term Debt (Continued)

The annual requirements to amortize as of June 30, 2025, are as follows:

Governmental Activities:

Year Ending June 30	Notes Payable		General Obligation Bonds		Pension Bonds		Certificates of Participation	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2026	\$ 318	\$ 108	\$ 11,500	\$ 9,750	\$ 3,305	\$ 3,686	\$ 2,545	\$ 1,754
2027	318	100	5,000	9,175	3,370	3,620	2,670	1,627
2028	319	91	3,350	8,925	3,445	3,548	2,800	1,494
2029	319	81	3,515	8,758	3,525	3,471	2,940	1,354
2030	319	72	3,690	8,582	3,600	3,390	3,090	1,207
2031-2035	1,604	205	21,415	39,949	23,260	15,440	13,870	3,938
2036-2040	415	20	27,330	34,033	32,075	11,901	11,925	966
2041-2045	75	3	34,880	26,502	52,325	5,189	-	-
2046-2050	-	-	44,510	16,846	-	-	-	-
2051-2054	-	-	39,810	4,999	-	-	-	-
Bond Premium (Discount)	-	-	15,125	-	-	-	3,312	-
Total Payment	\$ 3,687	\$ 680	\$ 210,125	\$ 167,519	\$ 124,905	\$ 50,245	\$ 43,152	\$ 12,340

Year Ending June 30	Loan Payable		Finance Purchase Arrangements	
	Principal	Interest	Principal	Interest
2026	\$ 1,003	\$ 29	\$ 19	\$ -
2027	1,021	13	18	-
Total Payment	\$ 2,024	\$ 42	\$ 37	\$ -

Business-type Activities:

Year Ending June 30	Revenue Bonds		Loan Payable	
	Principal	Interest	Principal	Interest
2026	\$ 10,140	\$ 12,168	\$ 502	\$ 10
2027	10,525	11,705	-	-
2028	11,025	11,223	-	-
2029	11,535	10,720	-	-
2030	12,000	10,197	-	-
2031-2035	67,080	42,285	-	-
2036-2040	61,985	26,909	-	-
2041-2045	47,090	13,843	-	-
2046-2050	21,140	5,806	-	-
2051-2055	13,350	1,674	-	-
Bond Premium (Discount)	44,385	-	-	-
Total Payment	\$ 310,255	\$ 146,530	\$ 502	\$ 10

(10) Long-Term Debt (Continued)

New Debt Issuance

2025 Taxable General Obligation Bonds

On April 29, 2025, the city issued the General Obligation Bonds (Central Library Project), Series 2025 in the amount of \$195,000 at a premium to provide funds for various improvements to the City’s central library building, including an earthquake retrofit. The General Obligation Bond bears an interest rate of 5.0% and will be payable on March 1 and September 1 of each year, commencing on September 1, 2025 with bond terms maturing through the year 2054. The initial issuance premium on the Series 2025 Bond is reported as an addition to long-term debt and is amortized using the straight-line amortization method over the life of the bonds.

Proceeds of bonds issued	\$ 195,000
Premium	15,212
Available Amounts from Fiscal Agent	320
Cost of Issuance	(320)
Underwriter's Discount	(218)
Net Proceeds	<u>\$ 209,993</u>

2024A Electric Revenue Refunding Bonds

On July 30, 2024, the City issued the Electric Revenue/Refunding Bonds, Series 2024A (2024A Revenue Bonds) in the amount of \$98,230 to refund the 2013A Electric Revenue Bonds, finance the costs of acquisition and construction of certain capital improvements to the Electric System, make an additional deposit to the Parity Reserve Fund and pay the costs of issuance of the 2024A Revenue Bonds. The rate of interest is 5.0% payable semi-annually on February 1 and August 1 of each year, commencing February 1, 2025. Principal is payable in annual installments ranging from \$1,600 to \$5,965 commencing August 1, 2025, and ending August 1, 2054. The realized debt service savings of \$10.06 million and a present value savings of \$7.40 million. The true interest cost of the financing was 3.63%.

Disclosure Related to Long-Term Debt under GASB 88

The City’s outstanding notes from direct borrowings related to government activities of \$387 is payable to Rose Bowl Operating Company, resulting from the refunding of revenue bonds activities in 2013 and does not have any special provision.

The City’s outstanding Notes Payable – Section 108 relating to government activities are payable from the annual allocation of Community Development Block Grant Funds (CDBG).

In regard to the 2025 General Obligation Bonds (GO) the debt service payments are secured solely from ad valorem property taxes levied by the City and collected by the County of Los Angeles.

In regard to the 2020AB and 2015B Pension Obligation Bonds (POBs), the debt service payments are secured by revenue received by the General Fund.

In case of a default, the following is the course of action:

The Trustee will, by written notice to the City and the Paying Agent, declare immediately due and payable the principal and Accreted Value of the accrued interest on all Outstanding Bonds of such Series, whereupon the same become immediately due and payable with any further action or notice.



(10) Long-Term Debt (Continued)**Disclosure Related to Long-Term Debt under GASB 88 (Continued)**

In regard to the 2015A Certificates of Participation, the City's outstanding bonds from public offerings related to government activities are payable from and secured by revenue received by the City. In case of the City's default, the following is the course of action:

The Authority or its assignee, in addition to all other rights and remedies it may have at law, will have the option to do the following:

- (1) To terminate the Sublease in the manner provided in the Sublease on account of default by the City, and to retake possession of the Lease Property. In the event of such termination, the City agrees to surrender immediately possession of the Lease Property, without let or hindrance, and to pay the Authority or its assignee all damages recoverable at law that the Authority or its assignee may incur by reason of default by the City, including, without limitation, any costs, loss or damage whatsoever arising out of, in connection with, or incident to any such retaking possession of the Lease Property. Neither notice to pay rent nor to deliver up possession of the Lease Property given pursuant to law nor any proceeding in unlawful detainer, or otherwise, brought by the Authority or its assignee for the purpose of obtaining possession of the Leased Property nor the appointment of a receiver upon initiative of the Authority or its assignee to protect the Authority's or its assignee's interest under the Sublease shall of itself operate to terminate the Sublease, and no termination of the Sublease on account of default by the City shall be or become effective by operation of law or acts of the parties hereto, unless and until the Authority or its assignee shall have given written notice to the City of the election on the part of the Authority or its assignee to terminate the Sublease.*

- (2) Without terminating the Sublease, (i) to collect each installment of rent as it becomes due and enforce any other term or provision of the Sublease to be kept or performed by the City and/or (ii) to exercise any and all rights to retake possession of the Lease Property. In the event the corporation or its assignee does not elect to terminate the Sublease in the manner described in subparagraph (1) above, the City will remain liable and agrees to keep or perform all covenants and conditions contained in the Sublease to be kept or performed by the City and, to pay the rent to the end of the term of the Sublease or, in the event that the Lease Property is re-let, to pay any deficiency in the rent that results therefrom; and further agrees to pay said rent and/or the payment of rent under the Sublease (without acceleration), notwithstanding the fact that the Authority or its assignee may have received in previous years or may receive thereafter in subsequent years rental in excess of the rental specified in the Sublease and notwithstanding any retaking of possession of the Leased Property by the Authority or its assignee or suit in unlawful detainer, or otherwise, brought by the Authority or its assignee for the purpose of obtaining possession of the Leased Property. Should the Authority or its assignee elect to retake possession of the Lease Property as provided in the Sublease, the City irrevocably appoints the Authority or its assignee as the agent and attorney-in-fact of the City to re-let the Lease Property, or any items thereof, from time to time, either in the Authority's or its assignee's name or otherwise, upon such terms and conditions and for such use and period as the Authority or its assignee may deem advisable and the City indemnifies and agrees to save harmless the Authority or its assignee from any costs, loss or damage whatsoever arising out of, in connection with, or incident to any retaking of possession of and re-letting of the Lease Property by the Authority or its assignee or its duly authorized agents in accordance with the provisions contained in the Sublease. The City agrees that the terms of the Sublease constitute full and sufficient notice of the right of the Authority or its assignee to re-let the Lease Property in the event of such reentry without effecting a surrender of the Sublease, and further agrees that no acts of the Authority or its assignee in effecting such re-letting with constitute a surrender or termination of the Sublease irrespective of the use or the terms for which such re-letting is made or the terms and conditions of such re-letting, or otherwise, but that on the contrary, in the event of such default by the City the right to terminate the Sublease will vest in the Authority or its assignee to be effected in the sole and exclusive manner described in subparagraph (1) above. The City further waives the right to rental obtained by the Authority or its*

(10) Long-Term Debt (Continued)**Disclosure Related to Long-Term Debt under GASB 88 (Continued)**

assignee in excess of the rental specified in the Sublease and conveys and release such excess to the Authority or its assignee as compensation to the Authority or its assignee for its services in re-letting the Lease Property or any items thereof. The City further agrees to pay the Authority or its assignee the cost of any alterations or repairs to the Lease Property or any items thereof necessary to place the Leased Property or any items thereof in conditions for re-letting immediately upon notice of the City of the completion and installation of such alterations or repairs.

The City waives any and all claims for damages caused or which may be caused by the Authority or its assignee in taking possession of the Leased Property as provided in the Sublease and all claims for the damages that may result from the destruction of or injury to the Leased Property and all claims for damages to or loss of any property belonging to the City, or any other person, that may be on about the Leased Property.

The Authority expressly waives the right to receive any amount from the City pursuant to Section 1951.2(a)(3) of the California Civil Code.

In addition to any default resulting from breach by the City of any agreement, condition, covenant or term of the Sublease, if (1) the City's interest in the Sublease or any part thereof be assigned, sublet or transferred without the written consent of the Authority (except as otherwise permitted by the Sublease), either voluntarily or by operation of law; or (2) the City or any assignee will file any petition or institute any proceeding under any act or acts, state of federal, dealing with or relating to the subject of bankruptcy or insolvency or under any amendment of such act or acts, either as a bankrupt or as an insolvent or as a debtor or in any similar capacity, wherein or whereby the City asks or seeks or prays to be adjudicated a bankrupt, or is to be discharged from any or all of its debts or obligations, or offers to its creditors to effect a composition or extension of time to pay its debts, or asks, seeks or prays for reorganization or to effect a plan of reorganization or for a readjustment of its debts or for any other similar relief, or if the City will make a general or any assignment for the benefit of its creditors; or (3) the City will abandon or vacate the Leased Property or any portion thereof (except as permitted by the Sublease); then in each and every such case the City will be deemed to be default under the Sublease.

Neither the City nor the Authority will be default in the performance of any of its obligations under the Sublease (except for the obligation to make Base Rental Payments pursuant to the Sublease) unless and until it will have failed to perform such obligation within 30 days after notice by the City or the Authority, as the case may be, to the other party properly specifying wherein it has failed to perform such obligation.

In regard to the Paseo Colorado Revenue Bonds 2008 Series, the City's outstanding Lease Revenue bonds from public offering related to business-type parking activities are payable from and secured by revenue received by the City. In relation to the 2008 Paseo Colorado Revenue Bonds, the following is the remedy upon default:

The Authority, in addition to all other rights and remedies it may have at law, shall have the option to do any of the following:

- (a) Terminate the Lease in the manner provided in the Lease on account of default by the City, notwithstanding any re-entry or re-letting of the Lease Premises and remove all persons in possession thereof and all personal property whosoever situation upon the Leased Premises and place such personal property in storage in any warehouse or other suitable place in the County of Los Angeles, State of California, provided that the Leased Premises continue to be operated and maintained as a public off-street vehicular parking facility, subject to the provisions of the Development Agreements. In the event of such termination, the City agrees to surrender immediately possession of the Lease Premises, without let or hindrance, and to pay the Authority all damages recoverable at law that the Authority may incur by reason of default by the City, including, without limitation, any costs, loss or damage whatsoever arising out of, in connection with, or its duly authorized agents in*

(10) Long-Term Debt (Continued)**Disclosure Related to Long-Term Debt under GASB 88 (Continued)**

accordance with the provisions contained in the Lease. Neither notice to pay rent or to deliver up possession of the Lease Premises given pursuant to law nor any entry or re-entry by the Authority nor any proceeding in unlawful detainer, or otherwise, brought by the Authority for the purpose of effecting such re-entry or obtaining possession of the Leased Premises nor the appointment of a receiver upon initiative of the Authority to protect the Authority interest under the Lease, will of itself operate to terminate the Lease, and no termination of the Lease on account of default by the City will be or become effective by operation of law or acts of the parties to the Lease, or otherwise, unless and until the Authority gives written notice to the City and the Commission of the election on the part of the Authority to terminate the Lease. The City agrees that no surrender of the Lease Premises or of the remainder of the term of the Lease or any termination of the Lease will be valid in any manner or for any purpose whatsoever unless stated or accepted by the Authority by such written notice.

- (b) *Without termination the Lease, (i) to collect each installment of rent as it becomes due and enforce any other term or provision of the Lease to be kept or performed by the City or (ii) to exercise any and all rights of entry and re-entry upon the Leased Premises as provided. In the event the Authority does not elect to terminate the Lease in the manner provided for in the Lease, the City remains liable and agrees to keep or perform all covenants and conditions in the Lease contained to be kept or performed by the City and, if the Leased Premises are not re-let, to pay the full amount of the rent annually to the end of the term of the Lease or, in the event that the Leased Premises are re-let, to pay any deficiency in rent that results therefrom; and further agrees to pay said rent and/or rent deficiency punctually at the same time and in the same manner as provided in the Lease for the payment of rent under the Lease (without acceleration), notwithstanding the fact that the Authority may have received in previous years or may receive thereafter in subsequent years rental in excess of the rental specified in the Lease and notwithstanding any entry or re-entry by the Authority or suit in unlawful detainer, or otherwise, brought by the Authority for the purpose of effecting such re-entry or obtaining possession of the Lease Premises. Should the Authority elect to re-enter as provided in the Lease, the City irrevocably appoints the Authority as the agent and attorney-in-fact of the City to re-let the Leased Premises, or any part thereof, from time to time, either in the Authority's name or otherwise, for use as public off-street vehicular parking facility upon such terms and conditions and for such period as the authority may deem advisable and, subject to the provisions of the Development Agreement, to remove all persons in possession thereof and all personal property whosoever situated in and upon the Leased Premises and to place such personal property in storage in any warehouse or other suitable place in the County of Los Angeles, State of California, for the account of and at the expense of the City, and the City exempts and agrees to save harmless the Authority from any costs, loss or damage whatsoever arising out of, in connection with, or incident to any such re-entry upon and re-letting of the Lease Premises and removal storage of such property by the Authority or its duly authorized agents in accordance with the provisions contained in the Lease; provided, however, that any such re-entry upon and re-letting of the Leased Premises its subject to the provisions of the Development Agreements.*

The City agrees that the terms of the Lease constitute full and sufficient notice of the right of the Authority to re-let the Leased Premises as provided in the Lease in the event of such re-entry without effecting a surrender of the Lease, and further agrees that no acts of the Authority in effecting such re-letting will constitute a surrender or termination of the Lease irrespective of the use or the term for which such re-letting or otherwise, but that, on the contrary, in the event of such default by the City the right to terminate the Lease will vest in the Authority to be effected in the sole and exclusive manner provided for in the Lease. The City further waives the right to any rental obtained by the Authority in excess of the rental specified in the Lease and conveys and releases such excess to the Authority as compensation to the Authority for its services in re-letting the Leased Premises or any part thereof. The City further agrees to pay the Authority the cost of any alterations or additions to the Lease Premises or any part thereof necessary to place the Leased Premises or any part thereof in conditions for re-letting immediately upon notice to the City of the completion and installation of such additions or alterations.

(10) Long-Term Debt (Continued)**Disclosure Related to Long-Term Debt under GASB 88 (Continued)**

The City waives any and all claims for damages caused or which may be caused by the Authority in re-entering and taking possession of the Lease Premises as provided in the Lease and all claims for damages that may result from the destruction of or injury to the Leased Premises and all claims for damages to or loss of any property belonging to the City, or any other person, that may be in or upon the Lease Premises.

Each and all of the remedies given to the Authority under the Lease or by any law enacted are cumulative and the exercise of one right or remedy will not impair the right of the Authority to any or all other remedies, provided, however, that the Lease Premises continue to be operated and maintained as public off-street vehicular parking facility, subject to the provisions of the Development Agreement. The term "re-let" or "re-letting" as used in the Lease include, but not be limited to re-letting by means of the operation of the Leased Premises by the Authority. If any statute or rule of law validly limits the remedies given to the Authority under the Lease, the Authority nevertheless will be entitled to whatever remedies are allowable under any statute or rule of law.

In the event the Authority prevails in any action brought to enforce any of the terms and provisions of the Lease, the City agrees to pay a reasonable amount as and for attorney's fees incurred by the Authority to enforce any of the remedies available to the Authority under the Lease, whether or not a lawsuit has been filed and whether or not any lawsuit culminates in a judgment.

- (c) *If (1) the City's interest in the Lease or any part thereof be assigned or transferred without the written consent of the Authority, wither voluntarily or by operation of law or otherwise, or if (2) any proceeding under the United States Bankruptcy Code or any federal or state bankruptcy, insolvency or similar law or any law providing for the appointment of a receiver, liquidator, trustee or similar official of the City or all or substantially all of its assets is instituted by or with the consent of the City, or it instituted with its consent and is not permanently stayed or dismissed within sixty days, or it the City offers to the City's creditors to effect a composition or extension of time to pay the City's debts, or asks, seeks or prays for reorganization or to effect a plan of reorganization or for readjustment of the City's debts, or if the City makes a general assignment or any assignment for the benefit of the City's creditors, or if (3) the City will abandon or vacate any part of the Leased Premises, then the City will be deemed to be default under the Lease.*

In regard to the City's outstanding bonds from public offerings related to business-type, activities (2017A, 2020A and 2021A Water Revenue Bonds and 2016A and 2024A Electric Revenue Bonds) are payable from and secured by revenue received by the Utilities (Water and Power Funds).

In relation to the Electric Revenue Bonds course of action in case of the City's default, the following is the course of action:

Upon the concurrence and continuation of and Event of Default the Bond Owners' Committee or, if there is none, the Owners of 25% in aggregate Bond Obligation of Bonds then Outstanding may, by written notice to the City, declare the entire unpaid principal of the Bonds due and payable and thereupon the entire unpaid principal of the Bonds will forthwith become due and payable. Upon any such declaration the City will forthwith pay to the Owners of the Bonds the entire unpaid principal of, premium, pledged for such purpose. If at any time after such a declaration and before the entry of a final judgement or decree in any suit, action or proceeding instituted on account of such default or before the completion of the enforcement of any other remedy under the Fiscal Agent Agreement, the principal of all Bonds that have matured or been called for redemption pursuant to any sinking fund provision and all arrears of interest have been paid and any other Events of Default which may have occurred have been remedied, then the Bonds Owners' Committee or, if there is none, the Owners of 25% in aggregate Bonds Obligation of Bond then Outstanding may, by written notice of the City, rescind of annual such declaration and its consequences. No such rescission or annulment will extend to or affect any subsequent default or impair any right consequent thereon.

(10) Long-Term Debt (Continued)**Disclosure Related to Long-Term Debt under GASB 88 (Continued)**

In relation to the Water Revenue Bonds course of action in case of the City's default, the following is the course of action:

Application of Pledged Revenues and Other Funds after Default; Acceleration. *If an Event of Default shall occur and be continuing, the City shall immediately transfer to the Trustee all Pledged Revenues held by it and received thereafter and the Trustee shall apply all Pledged Revenues and any other funds then held or thereafter received by the Trustee under any of the provisions of the Indenture (except as otherwise provided in the Indenture) as follows and in the following order:*

- (1) To the payment of any expenses necessary in the opinion of the Trustee to protect the interests of the Owners of the Bonds and Parity Debt, including the costs and expenses of the Trustee and the Bondholders in declaring such Event of Default, and payment of reasonable fees and expenses of the Trustee (including reasonable fees and disbursements of its counsel and other agents) incurred in and about the performance of its powers and duties under the Indenture;*
- (2) To the payment of the whole amount of Bond Obligation then due on the Bonds and Parity Debt (upon presentation of the Bonds and Parity Debt to be paid, and stamping thereon of the payment if only partially paid, or surrender thereof if fully paid) subject to the provisions of the Indenture, with interest on such Bond Obligation at the rate or rates of interest borne by the respective Bonds and Parity Debt, to the payment to the persons entitled thereto of all installments of interest then due and the unpaid principal or Redemption Price of any Bonds and Parity Debt which shall have become due, whether at maturity or by call for redemption, in the order of their due dates, with interest on the overdue Bond Obligation and Parity Debt at the rate borne by the respective Bonds and Parity Debt, and, if the amount available shall not be sufficient to pay in full all the Bonds and Parity Debt due on any date, together with such interest, then to the payment thereof ratably, according to the amounts of principal or interest or Accreted Value (plus accrued interest) due on such date to the persons entitled thereto, without any discrimination or preference; and*
- (3) To the extent not paid pursuant to clause (1) or (2) above, to any Credit Provider any amounts then due and owing.*

In each and every such case during the continuance of such Event of Default, the Owners of not less than a majority in aggregate amount of Bond Obligation of the Bonds at the time Outstanding shall be entitled, upon notice in writing to the City, to declare the principal of all of the Bonds then Outstanding, and the interest accrued thereon, to be due and payable immediately, and upon any such declaration the same shall become and shall be immediately due and payable, anything in the Indenture or in the Bonds contained to the contrary notwithstanding.

This provision, however, is subject to the condition that if, at any time after the principal of the Bonds shall have been so declared due and payable, the City shall pay to or shall deposit with the Trustee a sum sufficient to pay all principal on such Bonds matured prior to such declaration and all matured installments of interest (if any) upon all the Bonds, and the reasonable fees and expenses of the Trustee, and any and all other defaults known to the Trustee (other than in the payment of principal of and interest on the Bonds due and payable solely by reason of such declaration) shall have been made good or cured to the satisfaction of the Trustee, or provision deemed by the Trustee to be adequate shall have been made therefor, then, and in every such case, the Owners of not less than a majority in aggregate amount of Bond Obligation of the Bonds at the time Outstanding, by written notice to the City and to the Trustee, may, on behalf of the Owners of all the Bonds, rescind and annul such declaration and its consequences; but no such rescission and annulment shall extend to or shall affect any subsequent default, or shall impair or exhaust any right or power consequent thereon.

(10) Long-Term Debt (Continued)**Disclosure Related to Long-Term Debt under GASB 88 (Continued)**

In regard to the Discretely Presented Component Units as it relates to the Rose Bowl Lease Revenue Bonds series, 2010AD, 2016A, 2018AB and Series 2024 in case of default, the following is the course of action:

Upon the happening of any of the events & default, then it shall be lawful for the Authority or its assignee, subject to the terms of the Lease, with the consent of the Majority Holder, to (i) exercise any and all remedies available or granted to it under the Sublease or pursuant to law, to the extent not inconsistent with the remedies granted under the Sublease or (ii) by mandamus or other suit, action or proceeding at law or in equity to enforce the Authority's or its assignee's rights against the City and to compel the City to perform and carry out its duties and obligations under the law and its covenants and agreements with the City as provided in the Sublease. Upon the breach of any agreement, condition, covenant, or term contained in the Sublease required to be observed or performed by the City, the Authority or its assignee may not exercise any rights of entry upon or repossession of the Leased Property. In the event of such default, the Authority or its assignee must thereafter maintain the Sublease in full force and effect and may only recover rent and other monetary charges as they become due, all without terminating the City's right to possession of the Leased Property, regardless of whether or not the City has abandoned the Leased Property; this shall be the sole and exclusive remedy available against the city under the sublease or otherwise. The Authority shall have no right upon an event of default under the sublease by the city to accelerate the rental payments, terminate the sublease or re-enter the leased property.

(11) Derivative Instruments

Discretely Presented Component Unit

Pasadena Center Operating Company (PCOC)

Conference Center Variable Rate Demand Refunding Certificates of Participation – SWAP No. 2

On September 18, 2006, the City entered into an interest rate swap agreement with DEPFA Bank related to the \$135,500 Conference Center Auction Rate Certificates Series 2006B. The objective was to effectively change the City’s Variable interest rate to a synthetic fixed rate of 3.536%. Under the terms of the swap, the City pays the counterparty the fixed rate of 3.536% and receives a floating rate equal to 64% of the one month LIBOR rate. The swap has a notional amount of \$133,000 representing a hedge ratio of 98.7% and declines according to the schedule set forth in the contract until the final principal payment on the certificates in 2034.

Objective and Terms of Hedging Derivative Instruments

The following table displays the objective and terms of PCOC’s hedging derivative instruments outstanding at June 30, 2025, along with the credit rating of the associated counterparty:

Cash Flow Hedge	Objective	Notional Amount	Effective Date	Maturity Date	Term	Counterparty Credit Rating
Pay-fixed interest rate swaps	Hedge of changes in cash flows on the 2008A COP's	\$ 118,750	4/1/2011	2/1/2034	Pays 3.536%; receive 64% of LIBOR index	Aa1/AA-

Note in 2011, due to its declining credit ratings, DEPFA was replaced by RBC as the counterparty for the swap. Pursuant to GASB 64, the replacement did not require any change in accounting treatment.

(11) Derivative Instruments (Continued)

Pasadena Center Operating Company (PCOC) (Continued)

Objective and Terms of Hedging Derivative Instruments (Continued)

On April 15, 2008, the City issued the 2008 Refunding Certificates of Participation, Series 2008A in the amount of \$134,720. These certificates were issued to refund the City's Certificates of Participation (Conference Center Project), Series 2006B and finance the cost of execution of the 2008A Certificates of Participation backed by a letter of credit from Bank of America. The final maturity on the 2008A COPs was extended by one year to 2035 in order to reduce the reserve requirement and consequently, reduce the size of the issue by approximately \$800 thousand. The refunded certificates are considered to be defeased and the liability has been removed from the component unit's column of the statement of net position and recorded as a deferred amount upon a refunding.

During the fiscal year ending June 30, 2011, PCOC entered into a new agreement to take advantage of a more advantageous interest rate adjustment mode than the 2008 Series Bonds previously had. As a result, the former derivative instrument terminated and the new instrument has off-market terms. As a result, an upfront payment was received. The upfront payment is reported as a borrowing. The borrowing is amortized over the life of the swap and amortizes using the effective interest method for the life of the swap with adjustments to interest expense during each fiscal year. The original balance of the borrowing was \$8.9 million. As of the year ended June 30, 2025, the balance was \$2.8 million.

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

The Company has the following recurring fair value measurements as of June 30, 2025:

June 30	Beginning Balance	Accrued Interest	Payment	Ending Balance
2026	\$ 2,756	\$ 115	\$ (564)	\$ 2,307
2027	2,307	95	(522)	1,880
2028	1,880	77	(477)	1,480
2029	1,480	59	(428)	1,111
2030	1,111	43	(374)	780
2031	780	29	(315)	494
2032	494	17	(251)	260
2033	260	8	(182)	86
2034	86	1	(87)	-

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

The Company has the following recurring fair value measurements as of June 30, 2025:

Measurements by fair value level		Level		
		1	2	3
Derivative instrument liability	\$ 4,042	\$ -	\$ 4,042	\$ -

(11) Derivative Instruments (Continued)**Pasadena Center Operating Company (PCOC) (Continued)**Derivative Instrument Liability

The fair value balance and notional amount of the derivative instrument outstanding at June 30, 2025, classified by type, and the changes in fair value of such derivative instruments for the year then ended are as follows:

Cash Flow Hedge	Changes in Fair Value		Fair Value on June 30, 2025		Notional
	Classification	Amount	Classification	Amount	
Pay-fixed interest rate swaps	Deferred Outflow	\$ (1,509)	Liability	\$ 4,042	\$ 118,750

The fair values of the interest rate swaps were estimated using the zero-coupon method. This method calculates the future net settlement payments required by the swap, assuming that the current forward rates implied by the yield curve correctly anticipate future spot interest rates. These payments are then discounted using the spot rates implied by the current yield curve for hypothetical zero-coupon bonds due on the date of each future net settlement on the swaps.

Credit risk: PCOC is exposed to credit risk on hedging derivative instruments to the extent that value of the swap is position from PCOC's perspective. The aggregate fair value of hedging derivative instruments was negative as of June 30, 2025, and therefore PCOC had no credit risk exposure.

Interest rate risk: The purpose of the swap is to eliminate interest rate risk on the associated hedged bonds and therefore the swap, in combination with related bonds does not create interest rate risk for PCOC.

Basis risk: PCOC is exposed to basis risk on its pay-fixed interest rate swap because the variable-rate payments received by PCOC on these hedging derivative instruments are based on a rate or index other than interest rates PCOC pays on its hedged variable-rate debt, which is typically remarketed every 7 days. As of June 30, 2025, the weighted-average interest rate on the PCOC's hedged variable-rate debt is 1.75067%, while 64 percent of LIBOR-BBA Fallback is 2.8344%.

Termination risk: PCOC or its counterparty may terminate a derivative instrument if the other party fails to perform under the terms of the contract. The derivative contract uses the International Swap Dealers Association Master Agreement which includes standard termination events such as failure to pay and bankruptcy. In addition, PCOC may optionally terminate the agreement on any date. If at the time of a termination, PCOC may be required to make a termination payment to its counterparty. If PCOC had to terminate the Swap for any reason on June 30, 2025, the maximum exposure/loss would have been \$7,003.

Rollover risk: PCOC is exposed to rollover risk on hedging derivative instruments that are hedges of debt that mature or may be terminated prior to the maturity of the hedged debt. When these hedging derivative instruments terminate prior to the maturity of the related debt, PCOC will be re-exposed to the risks being hedged by the hedging derivative instrument.

(12) Fund Balance

Fund Balances, Governmental Funds

On the Governmental Balance Sheet, the fund balances are reported in the aggregate in the classifications defined by GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions. Fund balances by classification for the year ended June 30, 2025, are as follows:

	General Fund	Housing Successor	Project Management	General Debt Service	Nonmajor Governmental Funds	Total
Fund Balances						
Nonspendable:						
Prepaid and other assets	\$ 610	\$ -	\$ -	\$ -	\$ 260	\$ 870
Permanent fund principal	-	-	-	-	1,434	1,434
Notes receivable	3,023	-	-	-	-	3,023
Total Nonspendable	5,915	-	-	-	1,694	7,609
Restricted for:						
Air Quality Improvement	-	-	-	-	414	414
Notes receivable	-	-	-	-	72,613	72,613
Allowance for uncollectible long-term receivables	-	-	-	-	(72,613)	(72,613)
City Charter/Capital projects	-	-	-	-	1,417	1,417
Debt service	-	-	-	210,635	7,537	218,172
Culture and literacy	-	-	-	-	4,873	4,873
Housing and Community Development						
Housing funds	-	1,673	-	-	3,594	5,267
CDBG	-	-	-	-	41	41
Inclusionary Housing Trust	-	-	-	-	3,810	3,810
Rental Assistance programs	-	-	-	-	3,445	3,445
Property held for resale	-	-	-	-	1,434	1,434
Other purposes	-	-	-	-	726	726
Public Safety						
Asset Forfeiture	-	-	-	-	3,573	3,573
Public Safety Augmentation	-	-	-	-	2,404	2,404
Other Public Safety Programs	-	-	-	-	383	383
Section 115 Trust - Pension	14,274	-	-	-	-	14,274
Transportation	-	-	-	-	36,785	36,785
Total Restricted	14,274	1,673	-	210,635	70,436	297,018
Committed to:						
Public Safety	1,198	-	-	-	-	1,198
Building Services	-	-	-	-	25,093	25,093
Parks, Recreation & Neighborhood Services	48	-	-	-	-	48
Public Works	86	-	-	-	-	86
Capital Projects	-	-	-	-	7,436	7,436
Emergency Contingency	51,293	-	-	-	-	51,293
Operating Reserve	17,098	-	-	-	-	17,098
Libraries	-	-	-	-	13,993	13,993
Pasadena Center Capital Improvement Trust	-	-	-	-	109	109
Transportation	172	-	-	-	4,853	5,025
Surplus Land Act Compliance	46	-	-	-	-	46
Sewer Construction and Maintenance	-	-	-	-	19,057	19,057
Underground Utilities	-	-	-	-	37,988	37,988
Total Committed	69,941	-	-	-	108,529	178,470
Assigned to:						
General Government	8,457	-	-	-	-	8,457
Capital Projects	12,874	-	-	-	-	12,874
Total Assigned	21,331	-	-	-	-	21,331
Unassigned	25,141	-	(7,524)	-	(6,866)	10,751
Total Fund Balances	\$ 136,602	\$ 1,673	\$ (7,524)	\$ 210,635	\$ 173,793	\$ 515,179

(13) Net Position - Reserve for Working Capital

In 1998, the City Council established a Reserve for Stranded Investment (Reserve) and imposed a Stranded Investment Surcharge (SIS) on all electric utility bills. The purpose of the Reserve for Stranded Investment was to create a fund to mitigate the potential impacts of open access to the energy market for Water and Power Department (PWP) customers and offset short- and long-term stranded energy costs associated with the Intermountain Power Project (IPP) and Palo Verde Nuclear Generating Station (PVNGS). Several sources of funding for the Reserve were identified in addition to the SIS and funding continued until June 30, 2002. At that time, it was determined that the Reserve was fully funded with no additional contributions required. Collection of the SIS was discontinued and excess funds returned to PWP customers. All funds deposited into the Reserve, including investment earnings, were recorded as income during the year collected or realized.

In November 2006, the City Council approved the Stranded Investment Reserve Utilization Plan (Plan). In January 2009, in accordance with the Plan and a previously approved Prepayment Agreement (Agreement), PWP utilized approximately \$80 million of the reserve funds to complete an economic defeasance of selected bonds for IPP. As authorized in the Agreement, the Intermountain Power Agency (IPA) issued approximately \$70 million of subordinated notes to PWP, the payments for which will offset a portion of the debt service associated with the economically defeased bonds, thereby reducing the cost of energy purchased from IPP. The IPA notes were paid off in fiscal year 2024.

In June 2025, the City Council approved dissolving the Stranded Investment Reserve to establish a Reserve for Working Capital to meet current working capital needs, ensuring service continuity and rate stability. Working Capital consists of the following: operating, debt service, capital expenditure, general fund transfer, energy service charges, transmission services charges and contingency.

(14) Accumulated Fund Deficits

The following funds reported accumulated deficits in their respective fund balances/net position at June 30, 2025:

	Due to Operations	Due to GASB 68 Implementation	Due to GASB 75 Implementation	Due to GASB 96 Implementation	Due to GASB 101 Implementation	Total Accumulated Deficit
Governmental Activities:						
Capital Project Fund:						
Project Management	\$ (7,524)	\$ -	\$ -	\$ -	\$ -	\$ (7,524)
Special Revenue Funds:						
Health	(5,730)	-	-	-	-	(5,730)
Rent Stabilization	(1,133)	-	-	-	-	(1,133)
Internal Service Funds:						
Computing and Communication Services	11,869	(14,971)	(2,453)	(1,621)	(117)	(7,293)
Benefits	(39,829)	(75,100)	(194)	-	(28,972)	(144,095)
Workers' Compensation	(28,563)	(10,948)	(291)	-	(7)	(39,809)

Management’s plans for resolution of the accumulated fund deficits are as follows:

Project Management

The Project Management Fund was established to account for all capital improvement projects, except those involving utilities and special assessment districts where revenues are received from grants by other governments, private properties and through transfers from other City funds. The negative fund balance is primarily attributed to the recognition of unavailable revenue of \$6.8 million for fiscal year 2025. This amount represents grant reimbursements that were billed but not collected through the availability period for reimbursement type grants (i.e. 90 days after fiscal year end year). This amount is owed to the City and is expected to be collected; however, due to the timing of reimbursement, they were not recognized as available revenue in the current fiscal year. The Department of Finance is working with the Department of Transportation and the Department of Public Works to improve the timeliness of all billings.

Health

The Health Fund was established to account for grants for the provision of public health services which are restricted by grant award agreements as well as state health realignment funding requirements. The Pasadena Public Health Department continues its steadfast commitment to offering programs and services that ensure public safety and improve public health outcomes while maintaining systems and controls for a financially sustainable operation. In fiscal year 2025, the Department ended with an excess of revenues over expenditures but maintains an accumulated deficit largely attributable to COVID-19 pandemic response; although the City requested FEMA reimbursement for pandemic-related expenses and demonstrated supporting documentation, FEMA did not fully reimburse the Department for all public health and safety efforts. To address continued fiscal challenges, the Department will continue to expedite the processing of grant reimbursement requests, maintain monitoring of program and financial performance.



(14) Accumulated Fund Deficits (Continued)Rent Stabilization

The Rent Stabilization Fund was established to implement the provisions of the Pasadena Fair & Equitable Housing City Charter Article XVIII (City Charter Article XVIII). City Charter Article XVIII was approved by voters as a ballot measure in November 2022. The charter article established the Pasadena Rental Housing Board (PRHB) which is responsible for enforcing rent stabilization laws and provides counseling to assist landlords and tenants with navigating the new rent stabilization ordinance (RSO). In addition, the Department supports an appointed Board to fulfill its policy development functions. In October 2023, the PRHB requested to be incorporated into the City as a city department to expedite the implementation of the voter-approved objectives by using existing city infrastructure and processes. In November 2023, City Council voted to turn PRHB into the Rent Stabilization Department. The Rent Stabilization fund generates revenue to offset its expenses by collecting a rental housing fee for each rental unit that falls under the RSO. The rental housing fee is collected after invoices are generated from the Department's rental registry. The rental registry came online in September 2024 with the intent of collecting revenue for two fiscal years of operations from its first registration cycle because of a delayed launch. During this inaugural rental registration cycle, the Department determined that the estimated number of rental units from which the rental housing fee was calculated was an overestimation and incorrect. This thereby caused a revenue shortfall leading to a negative fund balance. Management has adjusted the subsequent rental housing fee to resolve the negative fund balance.

Computing and Communications

The Computing and Communications fund was established to historically track and fund the operations and lifecycle capital replacement of the City's Department of Information Technology, which provides centralized IT support across all City departments. In fiscal year 2025, the deficit increased compared to fiscal year 2024 primarily attributable to an increase in GASB 96 costs of over \$970. While there were a significant number of personnel vacancies due to retirements and internal promotions that kept personnel costs lower, there were also increases in operational costs for equipment replacement and support services that offset this in part. The deficit is being monitored by management, and an appropriate revenue recovery plan to gradually reduce the deficit is in place, as IT is solely funded by the fixed rates it charges to its customer departments. To that end, for fiscal year 2026, fixed rates were increased by 9.3% compared to fiscal year 2025 in an effort to keep pace with both personnel and inflationary cost increases to services and supplies. The continuing challenge in the coming years will be to maintain enough growth in revenues to keep pace with the costs needed to provide effective service, while also combatting any financial pressures that may impact the fund's ability to absorb these increases.

Benefits

The Benefits Fund was established to account for employee compensated absences, retirement, and health benefits. A large deficit is likely to be shown in this fund at the end of each fiscal year, as the largest component represents a portion of the unfunded pension liability, and the second largest portion of the deficit reflects the total liability from accrued leave balances. Each year, the city reviews the rates charged to Departments to adjust to an appropriate recovery level and keep the deficit as low as possible or reduce it. The overall fiscal year 2025 fund balance deficit increased by \$36,066. This is primarily attributable to increased expenses including pension contributions, benefits, and compensation as well as the implementation of the new standard, GASB 101, a change in the measurement of compensated absences. To better manage the short-term costs and long-term liabilities associated with pensions and OPEB, the City set aside \$10,500 into a Section 115 pension trust and \$2,000 into a Section 115 OPEB trust in fiscal year 2018.

(14) Accumulated Fund Deficits (Continued)Workers' Compensation

The City has established a dedicated Workers' Compensation Fund to manage the financial exposure associated with employee injury claims. This Fund serves as a critical risk financing mechanism, ensuring the City can meet its obligations related to workers' compensation while maintaining fiscal responsibility.

In addition to the reserves held within the Fund, the City makes an annual budgetary appropriation, aligning funding levels with projected claim liabilities and administrative costs for the fiscal year. Recognizing the current deficit position of the Fund, Risk Management has implemented a comprehensive mitigation strategy aimed at reducing both the frequency and severity of claims. These efforts include:

- Injury prevention initiatives and targeted safety training;
- Return-to-work programs to minimize lost time and associated costs;
- Enhanced medical management to ensure timely and appropriate care;
- Streamlined claims handling to reduce delays and improve outcomes.

As part of the City's long-term risk control strategy, departmental chargeback rates are reviewed and adjusted annually to reflect actual and anticipated claims experience, promoting accountability and cost containment across all departments. A key component of the City's risk mitigation efforts is the Carve-Out Program initiated with the Pasadena Police Officers Association (PPOA). This program is designed to expedite medical treatment, reduce litigation, and accelerate claim resolution—ultimately lowering overall claim costs. The program remains active through the current fiscal year and has demonstrated positive outcomes. Building on this success, the City is expanding the Carve-Out Program to include three additional bargaining units, with the same focus on timely treatment and cost reduction. Engagement with the remaining bargaining units is planned for Fiscal Years 2026 and 2027, as part of a phased implementation strategy. These collective efforts reflect the City's commitment to proactive risk management, financial sustainability, and the health and safety of its workforce.

(15) Excess of Expenditures over Appropriations

The following funds reported an excess of expenditures over appropriations at June 30, 2025:

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
General Fund:			
General Government			
Finance	\$ 15,336	\$ 15,478	\$ (142)
Human Resources	5,659	5,676	(17)
Nondepartmental	33,515	37,737	(4,222)
Public Safety			
Fire	68,690	72,880	(4,190)
Police	108,589	112,923	(4,334)
Transportation			
Public Works	17,716	22,131	(4,415)
Debt Service			
Principal	-	20	(20)
Interest	-	4	(4)
Lease payments	-	927	(927)
Subscription payments	-	1,536	(1,536)
Interest on leases and subscriptions	-	128	(128)
Project Management Fund:			
Debt Service			
Lease payments	-	1	(1)
Subscription payments	-	72	(72)
Interest on leases and subscriptions	-	4	(4)
Public Safety Fund:			
Capital Outlay	872	1,050	(178)
Debt Service			
Subscription payments	-	218	(218)
Interest on leases and subscriptions	-	2	(2)
Health Fund:			
Capital Outlay	-	12	(12)
Debt Service			
Lease payments	-	27	(27)
Subscription payments	-	24	(24)
Interest on leases and subscriptions	-	2	(2)
Building Services Fund:			
Capital Outlay	86	90	(4)
Debt Service			
Lease payments	-	2	(2)
Subscription payments	-	3	(3)
Sewer Construction and Maintenance Fund:			
Debt Service			
Subscription payments	-	2	(2)
Transportation Fund:			
Debt Service			
Lease payments	-	54	(54)
Subscription payments	-	26	(26)
Interest on leases and subscriptions	-	3	(3)
Library Services Fund:			
Debt Service			
Lease payments	-	147	(147)
Subscription payments	-	90	(90)
Interest on leases and subscriptions	-	6	(6)
Parking Fund:			
Debt Service			
Interest	-	6	(6)
Lease payments	-	9	(9)
Housing and Community Development Fund:			
Capital Outlay	-	1,030	(1,030)
Debt Service			
Lease payments	-	21	(21)
Subscription payments	-	76	(76)
Interest on leases and subscriptions	-	7	(7)
Rent Stabilization Fund:			
Capital Outlay	90	985	(895)
Debt Service			
Subscription payments	-	104	(104)
Interest on leases and subscriptions	-	19	(19)

(15) Excess of Expenditures over Appropriations (Continued)**General Fund:**General Government - Finance

The Department of Finance's fluctuation from budget is in part due to an excess of unbudgeted outside printing expenditures related to voting guides; these outside printing expenditures are offset by program revenues.

General Government – Human Resources

The Department of Human Resource's fluctuation from budget of \$17 is in part due to the excess in personnel expenditures as previously vacant positions were filled; these amounts were offset by budget savings in consultant services and training costs as tasks were reassigned to City staff.

General Government – Nondepartmental

The fluctuation from budget is primarily due to \$4,036 in unbudgeted expenditures related to the City's response to the January 2025 Windstorm and Wildfire.

Public Safety – Fire

The Fire Department's fluctuation from budget includes \$4,009 in unbudgeted personnel expenditures due to the Fire Department's response to the January 2025 Windstorm and Wildfire, backfill and overtime as a result of a higher-than-normal rate of injuries which resulted in employees working on a light duty capacity, and supporting multiple full-time employees through Paramedic School and the 2025 Recruit Academy. Additionally, and excess of \$146 fleet equipment maintenance due to the upkeep of maintaining an aging equipment inventory.

Public Safety – Police

The Police Department's fluctuation from budget includes \$2,622 in unbudgeted personnel expenditures in part for the Police Department's response to the January 2025 Windstorm and Wildfire, excess of \$1,341 in fleet equipment maintenance due to the upkeep of maintaining an aging equipment inventory, and excess of \$432 in outside event costs.

Transportation – Public Works

The fluctuation from budget is primarily due to an additional \$1,817 in unbudgeted personnel costs in part due to the Department's response to the January 2025 Windstorm and Wildfire, \$532 in utility costs due to increases in usage and overall rate charges and an increase of \$2,227 in other contract services for street tree administration division due to the Department's response to the January 2025 Windstorm debris cleanup efforts.

Debt Service

Debt service expenditures in excess of appropriations related to fourth-year recording of unbudgeted GASB Statement No. 87, *Leases*, for \$927 and third-year recording of unbudgeted GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, for \$1,536. The budget was originally adopted with the expenditures reflected in the various functional categories (e.g., general government, public safety, transportation), and not under debt service. When GASB 87 and GASB 96 are applied, the City recorded lease liabilities and subscription liabilities similar to debt. Therefore, the principal and interest lease and subscription payments are routed through debt service expenditure accounts under debt service category. GASB Statement information is further discussed in the detailed notes.

(15) Excess of Expenditures over Appropriations (Continued)

Other Governmental Funds:

Capital Outlay

Capital outlay expenditures in excess of appropriations are partly related to the fourth-year recording of unbudgeted GASB Statement No. 87, Leases, and third-year recording of unbudgeted GASB Statement No. 96, Subscription-Based Information Technology Arrangements. When the City enters into a lease for a capital asset, GASB requires the recognition of a lease asset and lease liability. This treatment applies for SBITA as well, where GASB requires the recognition of a subscription asset and subscription liability. The initial recognition of the right-to-use asset for governmental funds is recorded as a capital outlay in the amount of the net present value of the future payments of the lease or subscription over the life of its term.

Debt Service

Debt service expenditures in excess of appropriations related to fourth-year recording of unbudgeted GASB Statement No. 87, *Leases* and third-year recording of unbudgeted GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. The budget was originally adopted with the expenditures reflected in the various functional categories (e.g., general government, public safety, transportation), and not under debt service. When GASB 87 and GASB 96 are applied, the City recorded lease liabilities and subscription liabilities similar to debt. Therefore, the principal and interest lease and subscription payments are routed through debt service expenditure accounts under debt service category. GASB Statement information is further discussed in the detailed notes.

(16) Pledged Revenue

Pasadena Water and Power has a number of outstanding debt issuances that are collateralized by pledged electric and water revenues. The amount and term of the remainder of these outstanding debts are presented in Note 10. The purpose of the debt issuances was for the financing of certain Light and Power and Water projects. For the current year, debt service payments as a percentage of the pledged gross revenue (net of certain expenses) are indicated in the table below. These percentages also approximate the relationship of debt service of pledged revenues for the remainder of the term of these debts:

<u>Description of Pledged Revenue</u>	<u>Annual Amount of Pledged Revenue (net of expenses) (in thousands)</u>	<u>Annual Debt Service Payments (in thousands)</u>	<u>Debt Service as a Percentage of Pledged Revenue</u>
Light and Power Revenues	\$81,726	\$77,628	95%
Water Revenues	24,321	5,717	24%

(17) Transfers

Primary Government

The following is a summary of transfers in and out for the year ended June 30, 2025:

<u>Transfers Out</u>	<u>Transfers In</u>			
	<u>General Fund</u>	<u>Housing Successor Fund</u>	<u>Project Management Fund</u>	<u>General Debt Service Fund</u>
General Fund	\$ -	\$ 833	\$ 8,086 A	\$ 8,043 B
Project Management Fund	-	-	-	-
Nonmajor Governmental Funds	48	-	17,942 D	-
Light and Power Fund	28,132 F	-	-	-
Water Fund	1,894	-	-	-
Off-Street Parking Fund	-	-	1,020	-
Nonmajor Enterprise Funds	198	-	271	-
Internal Service Funds	-	-	2,526	-
Total	<u>\$ 30,272</u>	<u>\$ 833</u>	<u>\$ 29,845</u>	<u>\$ 8,043</u>

Primary Government

- (A)** Transfers of \$8,086 from General Fund to Project Management Fund mainly consist of:
 - \$6,281 for various street improvements including \$3,995 for resurfacing improvements;
 - \$1,102 for the improvement of Municipal buildings including \$891 for fire station renovations;
 - \$475 for the technology upgrade projects, including \$205 for the police mobile command center.

- (B)** Transfer of \$8,043 from General Fund to General Debt Service Fund mainly consist of:
 - \$4,754 to pay pension obligation for Bonds Series 2020AB;
 - \$2,231 to pay taxable pension obligation for Bonds Series 2015; and
 - \$1,033 to pay for equipment purchase note payable.

- (C)** Transfers of \$20,002 from General Fund to Nonmajor Governmental Funds mainly consist of:
 - \$12,623 to support the Library Services Fund;
 - \$4,299 to pay for 2015A Refunding COPs;
 - \$1,434 to Other Housing Fund; \$1,267 to Health Fund; and
 - \$379 to Transportation’s Proposition C Fund.



(17) Transfers (Continued)

Transfers In				
Nonmajor Governmental Funds	Light and Power Fund	Nonmajor Enterprise Funds	Internal Service Funds	Total
\$ 20,002 C	\$ -	\$ -	\$ 82	\$ 37,046
-	-	298	1,432	1,730
60	12,157 E	-	14	30,221
-	-	-	-	28,132
-	-	-	-	1,894
-	-	53	106	1,179
-	-	-	435	904
-	-	-	-	2,526
<u>\$ 20,062</u>	<u>\$ 12,157</u>	<u>\$ 350</u>	<u>\$ 2,069</u>	<u>\$ 103,632</u>

- (D)** Transfers of \$17,942 from Nonmajor Governmental Funds to Project Management Fund mainly consist of:
 - \$3,843 from Transportation’s Prop C Fund including \$3,719 for the purchase of vehicles and buses;
 - \$3,605 from Road Maintenance and Rehabilitation Fund for various street resurfacing improvements and ADA improvements;
 - \$3,388 from Sewer Facility Charge Fund and Sewer Construction Management Fund for sewer system related projects.
 - \$1,869 from Gas Tax Fund for various street improvement projects including \$811 for street resurfacing and ADA improvements and \$626 for street lighting;
 - \$1,002 from Residential Development Impact Fund for various park improvement projects;
 - \$843 from Community Development Block Grant Fund for various sidewalk improvement projects;
 - \$834 from Safe Clean Water Grant for various water improvement projects;
 - \$621 from Charter Capital Fund for various transit projects including \$298 for ADA transitions and \$259 for parking lot improvements;
 - \$597 from Transportation Sales Tax Fund for various projects including \$279 for the hydrogen fueling station and \$273 for the purchase of Dial-A-Ride vehicles;
 - \$498 from Building Services for Hale Building interior improvements;
 - \$280 from Library Services Fund; and \$234 from Traffic Reduction Fund for various street and crosswalk improvements.

- (E)** Transfers of \$12,157 from Nonmajor Governmental Funds to Light and Power Fund to pay for the underground utilities program and air quality improvement expenses.

- (F)** Light and Power Fund contributed \$28,132 to the General Fund; the amount transferred may be expended for any municipal purpose.

(18) Self-insurance

The City maintains self-insurance and excess insurance programs for various lines of liability coverage. Liability claims are self-administered within the Self-Insured Retention (SIR). For the period of July 1, 2024 to June 30, 2025, excess liability insurance was purchased with limits of \$25 million in excess of \$5 million per occurrence SIR. Excess workers’ compensation insurance is at \$3 million. Workers’ compensation claims for all City workers, including public safety, i.e., fire and police, are administered by a third-party administrator, Acclamation Insurance Management Services (AIMS). The City maintains a few self-administered claims for dates of injury prior to July 1, 2012.

The City currently has twenty-one (21) workers’ compensation claims from prior years that exceeded the SIR. The breakdown of claims that exceeded the corresponding year’s SIR excess level is as follows:

	Number of Existing Workers’ Compensation Claims	Retention Amount (in thousands)
	1	\$750
	17	500
	3	250
Total	21	

No workers’ compensation injury was incurred since the SIR has been \$3 million. City has received \$3.6 million in workers’ compensation excess recovery. The City is requesting \$515 thousand in workers’ compensation excess recovery currently.

The Civil Division of the Department of the City Attorney/City Prosecutor, primarily using in-house civil attorneys, controls litigated liability claims. A claim is a demand seeking damages allegedly arising out of a wrongful act for which the claimant asserts the City is responsible. During fiscal year 2025, the City paid \$3.1 million in claims and settlement payments. For new claims with alleged dates of loss within fiscal year 2025, the overall total incurred was \$2.6 million. Liability against a public entity is mitigated by existing laws/statutes/codes, which provide certain immunities. The City currently has approximately five (5) active litigation cases, each with reserves estimated in excess of \$2 million.



(18) Self-insurance (Continued)

SIR losses and administrative costs are reported in the General Liability and Workers' Compensation internal service funds. Losses incurred are reimbursed by departments over a period of time as part of an internal service assessment system. Legal expenses are reported in the City Attorney Department of the General Fund. A case reserve is established for each claim, monitored, and adjusted by the Liability Division and the Workers' Compensation Claims Supervisors, including expected litigation expenses and losses that will be paid by the City Treasurer.

Heliport and Aircraft coverage provides protection to the City for liability arising out of its public safety/police helicopter operations and for the City's leadership role on the LA Impact Team. The policy carries a per occurrence limit of \$50 million for Aircraft Hull and Liability, with an aggregate of \$50 million. Coverages include hull physical damage for the scheduled aircraft, damage done by the City's aircraft to someone else's hangar, and emergency landing. The policy also covers liability resulting from an error by pilot. In addition, the policy provides coverage for airport liability with a \$50 million per occurrence limit. The annual premium is apportioned between the City and LA Impact, since the policy carries hull coverage for LA Impact aircraft.

The City renewed property insurance on all its buildings, with a combined total scheduled insured value of \$1.35 billion. The policy includes coverage for fine arts, valuable papers, business personal property, business income, and extended business income or rental value. Policy limits are \$250 million with an "all risk" deductible of \$25 thousand and varying deductibles for specific perils. Exclusions include earth movement, including earthquake, nuclear hazard, and military action. A claim was filed on this policy pertaining to the Eaton Fire in January 2025. The claim is still open and actively pending resolution.

The City's property: power plant boiler and machinery policy, with total insured value of \$464.1 million. The program provides property and equipment breakdown coverage for City's power plant facilities and machinery. The policy affords coverage for risks of loss or damage, including boiler explosion and machinery breakdown. Policy limits are \$250 million with deductibles of \$750 thousand per occurrence for all other property damage, and \$1.5 million per occurrence for machinery breakdown of GT1, GT2, GT3, GT4, and GT5. The City did not have new claims under this policy for fiscal year 2025.

In an effort to protect the City's assets and transfer potential risk, the City also purchases the following insurance policies: medical malpractice; pollution liability; terrorism – Chemical, Biological or Biochemical, Radiological or Nuclear (CBRN); auto physical damage; cyber liability; fiduciary, including a policy purchased for and by the Fire and Police Retirement System; and crime policies.

(18) Self-insurance (Continued)

Rose Bowl Operating Company (RBOC) is entitled to indemnity from the City, and its losses are included in the City’s general liability self-insurance program and under the excess general liability policies. RBOC carries statutory workers’ compensation insurance with no retention. Brookside Golf Course is also managed through RBOC. Major Rose Bowl tenants include: the Pasadena Tournament of Roses®, UCLA Football, Anschutz Entertainment Group, and the R.G. Canning Swap Meet. Tenants provide insurance, naming City of Pasadena and RBOC as additional insured parties on their policies.

Pasadena Center Operating Company (PCOC) is entitled to indemnity from the City; however, PCOC purchases a commercial general liability policy for general liability and employment practice coverage. The City manages the PCOC claims and tenders to the insurance carrier third-party administrator. PCOC carries statutory workers’ compensation insurance with no retention. PCOC requires licensees to provide insurance or purchase special events liability insurance from PCOC. The City buys liability insurance on the parking structures at PCOC. PCOC buys separate liability insurance on the ice rink.

The claims liability reported in the General Liability and Workers’ Compensation internal service funds is based on the requirements of GASB Statement No. 10 (*Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*), which requires a liability for claims to be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of loss can be reasonably estimated, including incurred but not yet reported claims. As of June 30, 2025, general liability claims payable amounted to \$17 million, of which \$10.4 million is estimated to be paid within one year. Workers’ compensation claims payable amounted to \$47.3 million, of which \$17.5 million is estimated to be paid within one year.

Fiscal Year	Beginning Liability	Claims and Changes in Estimates	Claim Payments	Ending Liability
		(in thousands)		
2023-24	\$ 64,864	\$ 7,663	\$ (16,157)	\$ 56,370
2024-25	56,370	24,494	(16,493)	64,370



(19) Deferred Compensation Plan

For the benefit of its employees, the City has adopted a deferred compensation plan in accordance with Section 457 of the Internal Revenue Code. Generally, eligible employees may defer receipt of a portion of their salary until termination, retirement, death, or an unforeseeable emergency. As a result of changes under the Small Business Job Protection Act of 1996, all amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts must be held in a trust, custodial account, or annuity contract for the exclusive benefit of the employee participants and their beneficiaries.

The plan has a Plan Administrator and an oversight committee. The five-member committee is comprised of three elected City employees and two members of the community appointed by the City Council. The oversight committee members basically monitor the plan activity, performance of investment options and ensure that the Plan Administrator carries out his duties and responsibilities. The Plan Administrator, the Director of Finance, or their designee, is responsible for the day-to-day administration. The Plan Administrator has authority to sign all legal agreements with approved plan providers, and ensures proper amounts are withheld, immediately transferred to the trust, and invested in accordance with participants' directions.

As of June 30, 2025, the fair value of the City's deferred compensation plan assets amounted to \$418,117.

(20) Pension Plans

Each full-time employee and each part-time employee (with 1,000 hours or more of service) of the City is a member of either the FPRS or CalPERS. Both plans are defined benefit pension plans and are described individually in the following notes.

Summary of Pension Plans

	<u>Net Pension Liability</u>	<u>Pension Expense</u>	<u>Deferred Outflows Related to Pension</u>	<u>Deferred Inflows Related to Pension</u>
Pasadena Fire and Police Retirement Plan (FPRS)	\$ 1,962	\$ 2,180	\$ -	\$ 9,490
CalPERS - Safety Plan	220,590	37,254	62,127	241
CalPERS - Miscellaneous Plan	327,035	52,855	83,561	1,448
Total Plans	<u>\$ 549,587</u>	<u>\$ 92,289</u>	<u>\$ 145,688</u>	<u>\$ 11,179</u>

Pasadena Fire and Police Retirement System (FPRS)

Plan Description

FPRS (the System) is a single-employer defined benefit plan governed by a Retirement Board (Board) under provisions of the City Charter. The plan covers all fire and police personnel who were employed by the City prior to July 1, 1977, except for those who elected to transfer to CalPERS when FPRS closed to new member in June 2004. In June 2004, active members were provided a one-time opportunity to transfer from FPRS to CalPERS as provided by an agreement with the City. Once transferred to CalPERS, retirement benefits for all fire and police personnel employed thereafter are provided under CalPERS. The plan provides retirement, death, and disability benefits. Copies of FPRS’s annual financial report may be obtained from the Pasadena Fire & Police Retirement System, 199 S. Los Robles Avenue, Suite 580, CA 91101 or at <https://www.cityofpasadena.net/commissions/fire-and-police-retirement-board/>.

Cash and Investments	
Unrestricted pooled cash	\$ 215
Designated pooled cash	1,250
Cash with master custodian	784
Cash and cash equivalents	<u>2,249</u>
Short-term investments	2,091
Investments	<u>106,318</u>
Total investments	<u>108,409</u>
Total cash and investments	<u>\$ 110,658</u>

(20) Pension Plans (Continued)**Pasadena Fire and Police Retirement System (FPRS) (Continued)**Funding Policy

Section 1509.9 of the City Charter provides that the normal member contribution rates will provide an average annuity, at age 50, equal to 1/100 of the final compensation of members for each year of service according to tables adopted by the Board. The basic benefits otherwise funded by these contributions have now been fully funded by Contribution Agreement 16,900. Pursuant to the agreement, the City contributed \$100,000 net proceeds from the issuance of pension bonds to FPRS on August 5, 1999. The net proceeds plus the existing assets of FPRS became sufficient to fully fund the basic benefits, the unfunded basic benefits, the 1919 benefits, and the cost-of-living adjustment (COLA) benefits. Contributions are recognized when due. Therefore, member contributions are suspended as long as basic benefits remain fully funded.

On October 20, 2011, the Board approved Amended and Restated Agreement No. 20,823 ("Agreement No. 20,823"). Under this new agreement, the City's minimum funding percentage schedule and reimbursement cap in Agreement No. 16,900 carried forward, and the City agreed to provide a contribution of \$46,600 to the System through the issuance of pension obligation bonds. Agreement No. 20,823 provided that the annual required supplemental contribution would be actuarially calculated using an interest assumption of 6% and an inflation rate of 3% beginning with the June 30, 2012 valuation. Pursuant to this agreement, future annual valuations after June 30, 2012, shall adopt an assumed interest rate and inflation assumption based on analysis performed by the System's actuary and after seeking input from the City and System's investment consultant. Agreements No. 16,900 and No. 20,823 state that if the minimum funding deficit is greater than \$3,000 in a year, the City will pay \$3,000 to the System. Any remaining amount necessary to reach the minimum funding percentage will be phased in over a five-year period; however, no annual supplemental payment may exceed a reimbursement cap measured by the prior year's payments for benefits other than the funded basic benefits.

As of June 30, 2025, the funded percentage of the System, calculated in accordance with Agreement No. 20,823 and Agreement No. 16,900, was 92.5%. As provided by Contribution Agreement No. 16,900, if the funded percentage is below the minimum funding percentage of 80% for fiscal year 2025, the City will reimburse the System in the following fiscal year subject to certain reimbursement limits. Based on the June 30, 2025 actuarial valuation, the funding deficiency was \$0, or 0%, below the funding requirement of 80% as of June 30, 2025. Thus, no required supplemental contribution is owed to the System by the City during fiscal year ended June 30, 2025.

The components of the net pension liability of the System as of June 30, 2025 are as follows:

Total Pension Liability	\$	109,039
Beginning Fiduciary Net Position (FNP)	\$	98,628
Concord Loan Payment		11,071
Net Investment Income		9,521
Benefit Payments		(11,753)
Administrative Expenses		(390)
Plan Fiduciary Net Position	\$	107,077
Net Pension Liability/(Asset)		1,962
Plan Fiduciary Net Position as a Percentage of Total Pension Liability		98.2%

(20) Pension Plans (Continued)

Pasadena Fire and Police Retirement System (FPRS) (Continued)

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and cost trends. Actuarially determined amounts are subject to continual review or modification as actual results are compared with past expectations and new estimates are made about the future. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. Following the recommendation provided by the System’s Actuary on May 26, 2024, the Board later accepted the recommended assumptions for use in the preparation of the actuarial valuation for the year ended June 30, 2025.

Actuarial Assumptions

Discount Rate	5.25%*	
Inflation	2.50%	
Salary Increases	Varies by entry age and service	
Mortality	CalPERS 2000-2019 Experience Study, Mortality Improvement Scale 80% Scale MP-2021	
Expected Geometric Real Rate of Return	10-year geometric expected real rates of return from Board-approved actuarial valuations, as prepared by Bartel Associates, LLC (June 30, 2013-2021) & Foster & Foster, Inc. (June 30, 2025)	
	Large Cap US Equity	3.77%
	Small Cap US Equity	4.45%
	Foreign Equity	4.41%
	Domestic Core Fixed Income	0.53%
	Senior Bank Loans	1.64%
	Short-Term Investment-Grade Bonds	0.05%
	TIPS	0.00%
	Risk Parity	2.64%
	Real Estate	3.81%

* Discount Rate reflects assumed investment expense of 15 basis points.

Inactive employees or beneficiaries currently receiving benefits**	160
Inactive employees entitled to but not yet receiving benefits	-
Active employees	-
Total participants	<u>160</u>

** Alternative payee data for 23 Domestic Relations Order (DRO) agreements provided separately from employee-retiree for first time in 6/30/25 valuation. Benefits for these alternative payee previously included in the corresponding retiree’s benefits. All DRO agreements provide benefits to the alternative payees for the lifetime of the System’s retiree.

(20) Pension Plans (Continued)**Pasadena Fire and Police Retirement System (FPRS) (Continued)**Discount Rate

The discount rate of 5.25% was selected by the System actuary and approved by the Board to measure the June 30, 2025 TPL for accounting purposes. The discount rate is the expected real long-term rate of return, plus the inflation assumption of 2.50%, less assumed investment expenses of 15 basis points. The expected long-term real rate of return is compared at the 50% and 55% confidence levels of capital market assumptions. Based on the assumptions, the System's Fiduciary Net Position was projected to be available to make all projected future benefit payments. The discount rate used as of June 30, 2025 is the same as the discount rate of 5.25% used as of June 30, 2024.

Asset Class	Target Asset Allocation
Large Cap US Equity	20.00%
Small Cap US Equity	5.00%
Foreign Equity	15.00%
Domestic Core Fixed Income	28.00%
TIPS	0.00%
Short-Term Investment-Grade Bonds	10.00%
Senior Bank Loans	5.00%
Alternative (Risk Parity)	7.00%
Real Estate	10.00%
Total Portfolio	100.00%

Changes in Pension Liability

	Increase / (Decrease)		
	A	B	C = B - A
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Asset/(Liability)
Balance at June 30, 2024	\$ 115,342	\$ 98,630	\$ (16,712)
Changes Recognized for the Measurement Period:			
Service Cost	-	-	-
Interest on the Total Pension Liability	5,746	-	(5,746)
Differences between Expected and Actual Experience	(770)	-	770
Contribution from Employers	-	-	-
Contribution from Employees	-	-	-
Concord Loan Payment	-	11,071	11,071
Net Investment Income	-	9,521	9,521
Benefit Payments	(11,753)	(11,755)	(2)
Administrative Expense	-	(390)	(390)
Change of Assumptions	474	-	(474)
Net Change during 2024-25	(6,303)	8,447	14,750
Balance at June 30, 2025	\$ 109,039	\$ 107,077	\$ (1,962)
Ending Fiduciary Net Position as a Percentage of the Total Pension Liability			98.2%
Pension Expense		\$	2,180

(20) Pension Plans (Continued)

Pasadena Fire and Police Retirement System (FPRS) (Continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rates

Examining the sensitivity of the net pension liability (NPL) to changes in the discount rate by a 1% decrease, from 5.25% to 4.25%, revealed an increase in the NPL by \$7,873 to a total NPL of \$9,835. Conversely, increasing the discount rate by 1%, from 5.25% to 6.25%, revealed a corresponding decrease in the NPL of \$3,036 to total net pension asset of \$(4,998) as of June 30, 2025.

FPRS			
	Discount Rate -1% (4.25%)	Current Discount Rate (5.25%)	Discount Rate +1% (6.25%)
Net Pension Liability/(Asset)	9,835	1,962	(4,998)
NPL Funded Percentage	91.60%	98.20%	104.90%

Deferred Outflows and Deferred Inflows of Resources Related to Pensions

FPRS			
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Net Deferred of Resources</u>
Projected versus Actual Earnings on Investments	\$ -	\$ 9,490	\$ 9,490
Total	<u>\$ -</u>	<u>\$ 9,490</u>	<u>\$ 9,490</u>

<u>Fiscal Year Ended June 30:</u>	<u>Deferred Outflows/(Inflows) of Resources</u>
2026	\$ 295
2027	(3,303)
2028	(3,408)
2029	(3,074)
2030	-
Thereafter	-
Total	<u>\$ (9,490)</u>

(20) Pension Plans (Continued)

CalPERS Miscellaneous and Safety Plans

Plan Description

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

Benefits Provided

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

The Plan provisions and benefits in effect at June 30, 2025, are summarized as follows:

<u>Miscellaneous</u>		<u>Safety</u>	
Hire date	Prior to January 1, 2013	Hire date	Prior to January 1, 2013
Benefit formula	2.5% @ 55	Benefit formula	3.0% @ 55
Benefit vesting schedule	5 years service	Benefit vesting schedule	5 years service
Benefit payments	monthly for life	Benefit payments	monthly for life
Retirement age	50	Retirement age	50
Monthly benefits, as a % of eligible compensation	2.00% to 2.50%	Monthly benefits, as a % of eligible compensation	2.40% to 3.00%
Required employee contribution rates	-7.890%	Required employee contribution rates	-10.610%
Required employer contribution rates*	35.980%	Required employer contribution rates	57.780%

*As a percentage of projected payroll

Employees Covered

As of June 30, 2025, the following employees were covered by the benefit terms of the plan:

Inactive employees or beneficiaries currently receiving benefits	1,913	480
Inactive employees entitled to but not yet receiving benefits	1,407	164
Active employees	1,450	375
Total	4,770	1,019

(20) Pension Plans (Continued)

CalPERS Miscellaneous and Safety Plans (Continued)

Contribution Description

Section 20814(c) of the California Public Employees’ Retirement Law (PERL) requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS’ annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employer contribution rates may change if plan contracts are amended. It is the responsibility of the employer to make necessary accounting adjustments to reflect the impact due to any Employer-Paid Member Contributions or situations where members are paying a portion of the employer contribution. The City made contributions to the Miscellaneous and Safety Plans during the fiscal year ended June 30, 2025 of \$45,413 and \$29,524 respectively.

Net Pension Liability

The City’s net pension liability for each Plan is measured as the total pension liability, less the pension plan’s fiduciary net position. The net pension liability of the Plan is measured as of June 30, 2024, using an annual actuarial valuation as of June 30, 2023 rolled forward to June 30, 2024 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

The total pension liabilities in the June 30, 2024 actuarial valuations were determined using the following actuarial assumptions:

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

Actuarial Cost Method	Entry Age Actuarial Cost Method
<u>Actuarial Assumptions</u>	
Discount Rate	6.90%
Inflation	2.30%
Salary Increases	Varies by Entry Age and Service
Mortality Rate Table ⁽¹⁾	Derived using CalPERS’ Membership Data for all Funds
Post Retirement Benefit Increase	The lesser of contract COLA or 2.30% until Purchasing Power Protection Allowance floor on purchasing power applies, 2.30% thereafter

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

Discount Rate

The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The stress test results are presented in a detailed report called *GASB Crossover Testing Report* that can be obtained at CalPERS’ website under the GASB 68 section.



(20) Pension Plans (Continued)

CalPERS Miscellaneous and Safety Plans (Continued)

Long-Term Expected Rate of Return

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

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

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

<u>Asset Class ⁽¹⁾</u>	<u>Assumed Asset Allocation</u>	<u>Real Return ^(1,2)</u>
Global Equity - Cap-Weighted	30.00%	4.54%
Global Equity - Non-Cap-Weighted	12.00	3.84
Private Equity	13.00	7.28
Treasury	5.00	0.27
Mortgage-Backed Securities	5.00	0.50
Investment Grade Corporates	10.00	1.56
High Yield	5.00	2.27
Emerging Market Debt	5.00	2.48
Private Debt	5.00	3.57
Real Assets	15.00	3.21
Leverage	(5.00)	(0.59)

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

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

Source: CalPERS Annual Comprehensive Financial Report, Fiscal Year Ended June 30, 2024
 PERF B & PERF C – Long-Term Expected Real Rates of Return by Asset Class

(20) Pension Plans (Continued)

CalPERS Miscellaneous and Safety Plans (Continued)

Changes in Net Pension Liability

Miscellaneous

	Increase/(Decrease)		
	A	B	C = B - A
	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net Pension Asset/(Liability)</u>
Balance at June 30, 2024	\$ 1,356,342	\$ 1,008,779	\$ (347,563)
Changes Recognized for the Measurement Period 2023-24:			
Service Cost	23,477	-	(23,477)
Interest on the Total Pension Liability	92,851	-	(92,851)
Changes of Benefit Terms	-	-	-
Differences between Expected and Actual Experience	14,689	-	(14,689)
Changes of Assumption	-	-	-
Plan to Plan Resource Movement	-	-	-
Contribution from Employers	-	45,412	45,412
Contribution from Employees	-	11,620	11,620
Net Investment Income	-	95,334	95,334
Benefit Payments, including Refunds of Employee Contribution	(74,210)	(74,210)	-
Administrative Expense	-	(821)	(821)
Net Changes	56,807	77,335	20,528
Balance at June 30, 2025	<u>\$ 1,413,149</u>	<u>\$ 1,086,114</u>	<u>\$ (327,035)</u>
Pension Expense			\$ 52,855

Safety

	Increase/(Decrease)		
	A	B	C = B - A
	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net Pension Asset/(Liability)</u>
Balance at June 30, 2024	\$ 837,780	\$ 607,433	\$ (230,347)
Changes Recognized for the Measurement Period 2023-24:			
Service Cost	15,802	-	(15,802)
Interest on the Total Pension Liability	57,603	-	(57,603)
Changes of Benefit Terms	-	-	-
Differences between Expected and Actual Experience	9,682	-	(9,682)
Changes of Assumption	-	-	-
Net Plan to Plan Resource Movement	-	-	-
Contribution from Employers	-	29,546	29,546
Contribution from Employees	-	6,148	6,148
Net Investment Income	-	57,645	57,645
Benefit Payments, including Refunds of Employee Contribution	(41,051)	(41,051)	-
Administrative Expense	-	(494)	(494)
Net Changes	42,036	51,794	9,758
Balance at June 30, 2025	<u>\$ 879,816</u>	<u>\$ 659,227</u>	<u>\$ (220,590)</u>
Pension Expense			\$ 37,254

(20) Pension Plans (Continued)

CalPERS Miscellaneous and Safety Plans (Continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rates

The following presents the net pension liability of the Plan as of June 30, 2025, calculated using the discount rate of 6.90 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (5.90 percent) or 1 percentage-point higher (7.90 percent) than the current rate:

Miscellaneous			
	Discount Rate -1% (5.90%)	Current Discount Rate (6.90%)	Discount Rate +1% (7.90%)
Plan Net Pension Liability	\$ 503,561	\$ 327,035	\$ 180,417

Safety			
	Discount Rate -1% (5.90%)	Current Discount Rate (6.90%)	Discount Rate +1% (7.90%)
Plan Net Pension Liability	\$ 343,771	\$ 220,590	\$ 119,884

Subsequent Events (as measurement period is from July 1, 2023 through June 30, 2024)

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

(20) Pension Plans (Continued)

CalPERS Miscellaneous and Safety Plans (Continued)

Amortization of Deferred Outflows and Deferred Inflows of Resources

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

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

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

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

The EARSL for the Miscellaneous Plan for the measurement period ending June 30, 2024 is 3.3 years, which was obtained by dividing the total service years of 15,152 (the sum of remaining service lifetimes of the active employees) by 4,631 (the total number of participants: active, inactive, and retired). Inactive employees and retirees have remaining service lifetimes equal to 0. Total future service is based on the members’ probability of decrementing due to an event other than receiving a cash refund.

The EARSL for the Safety Plan for the measurement period ending June 30, 2024 is 5.0 years, which was obtained by dividing the total service years of 5,002 (the sum of remaining service lifetimes of the active employees) by 997 (the total number of participants: active, inactive, and retired). Inactive employees and retirees have remaining service lifetimes equal to 0. Total future service is based on the members’ probability of decrementing due to an event other than receiving a cash refund.



(20) Pension Plans (Continued)

CalPERS Miscellaneous and Safety Plans (Continued)

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

As of June 30, 2025, the City has deferred outflows and deferred inflows of resources related to pensions as follows:

	Miscellaneous		Safety		Total	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of Assumption	\$ 4,152	\$ -	\$ 8,482	\$ -	\$ 12,634	\$ -
Differences between Expected and Actual Experience	13,153	(1,448)	15,384	(241)	28,537	(1,689)
Net Difference between Projected and Actual Earnings on Pension Plan Investments	17,005	-	10,013	-	27,018	-
Contributions Subsequent to the Measurement Date	49,251	-	28,247	-	77,498	-
Total	\$ 83,561	\$ (1,448)	\$ 62,127	\$ (241)	\$ 145,688	\$ (1,689)

The amounts above are net of outflows and inflows recognized in fiscal year 2025 expense. Other amounts reported as deferred outflows or deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Fiscal Year ended	Miscellaneous		Safety	
	Deferred Outflows/(Inflows) of Resources			
June 30				
2026	\$ 8,786		\$ 8,798	
2027	31,906		24,004	
2028	(2,545)		2,088	
2029	(5,285)		(1,251)	
2030	-		-	
Thereafter	-		-	
Total	\$ 32,862		\$ 33,639	

Defined Contribution Plan (PARS)

The City provides pension benefits for employees not covered by CalPERS or FPRS through the Public Agency Retirement Services (PARS) Alternate Retirement System. This is a defined contribution plan created in accordance with Internal Revenue Code Sections 401(a) and 501, and administered by Phase II Systems. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible to participate from the date of employment. On October 29, 2012, the City adopted a Salary Resolution for the non-represented non-management employees requiring the covered employees to contribute the full 7.5% of their earnings effective December 31, 2012. Prior to the adoption of the Salary Resolutions, the plan agreement required the City to contribute an amount equal to 4.0% of the employees' earnings and the covered employee contributed 3.5%. The City contributions for each employee were fully vested.

The City's payroll for employees covered by PARS for the year ended June 30, 2025 was \$5,785. The covered employees made the total required 7.5% contributions of \$433.

(21) Other Postemployment Benefits (OPEB)

The City of Pasadena provides a direct subsidy to retirees of the City who are members of the California Public Employees’ Retirement System or the Pasadena Fire and Police Pension System. As such, the OPEB plan is not separately audited and does not issue its own report.

Benefit provisions are established and amended through negotiations between the City and the respective unions. Two different levels of subsidy toward the purchase of medical insurance from CalPERS under the Public Employees’ Medical and Hospital Care Act (PEMHCA) are offered. These are currently at \$158.00 or \$157.00 per month depending on the bargaining unit or the unrepresented group the employee was a member.

At the June 30, 2025 actuarial valuation, the following current and former employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefits	730
Active plan members	1,862
	2,592
	2,592

Plan Description

Eligibility. The plan is an agent multiple-employer plan which provides benefits under PEMHCA to individuals who retire with the City and begin to collect a monthly benefit under one of the retirement plans sponsored by the City. Employees who terminate under service retirement or disability retirement and certain survivors of Safety members who die in active service are eligible.

Service Retirement: Employees retiring directly from active status receive medical benefits commencing at retirement. Employee must be age 50 (or 52 if a “new member” as defined in the Public Employees’ Pension Reform Act of 2013) or older with 5 or more years of service.

Disability Retirement: Employees retiring directly from active status due to disability receive medical benefits commencing at retirement. Employees are eligible for Industrial Disability retirement at hire and for Non-Industrial Disability retirement after 5 years of CalPERS service.

Pre-retirement Death:

Safety Employees

Industrial: Survivor receives medical benefits commencing immediately.

Non-Industrial: Survivor receives medical benefits immediately if death occurs after member reaches age 50 with 5 years of service.

Miscellaneous Employees

Survivor receives medical benefits immediately if death occurs after member reaches age 50 with 5 years of service.

Dependent Eligibility: Dependents are not eligible for benefits.

Survivor Eligibility: Survivors are eligible for benefits if the retiree elected a form of coverage providing for continued pension payments to the retiree.

Benefits:

Medical Benefit: Eligible retirees are provided a subsidy for medical benefits through PEHMCA. For the calendar year 2025, this monthly amount is \$158.00 for certain classes of employees and \$150.10 for remaining employees.



(21) Other Postemployment Benefits (OPEB) (Continued)

Net OPEB Liability (Continued)

Pre-retirement Turnover	According to the rates under the 2021 experience study for the CalPERS pension plan [Rates have been updated to the CalPERS 2017 experience study from the 2014 experience study for the pension plan]
Participation Rates	60% of eligible active employees are assumed to elect medical coverage at retirement. Future retirees are assumed to elect similar coverage as current retirees. Actual plan coverage is used for current retirees.
Spouse Coverage	50% of future retirees are assumed to elect coverage for their spouse. Male spouses are assumed to be 3 years older than female spouses. Actual spouse coverage and spouse ages are used for current retirees.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the OPEB plan’s target asset allocation as of June 30, 2025 are summarized in the following table:

<u>Assets Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Gross Rate of Return</u>
Equities	30.00%	N/A
Fixed Income	65.00%	N/A
Cash	5.00%	N/A
Total	100.00%	5.60%

Long-term expected rate of return is 5.00%.



(21) Other Postemployment Benefits (OPEB) (Continued)**Changes in the OPEB Liability**

	A	Increase (Decrease) B	C = A - B
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB (Asset)/Liability
Balance at June 30, 2024	\$ 80,513	\$ 2,502	\$ 78,011
Changes recognized for the Measurement Period:			
Service Cost	4,565	-	4,565
Interest	3,506	-	3,506
Difference between expected and actual experience	(1,359)	-	(1,359)
Changes of Assumptions	(8,276)	-	(8,276)
Contribution - Employer	-	3,648	(3,648)
Net Investment Income	-	208	(208)
Benefit Payments, Net	(3,648)	(3,648)	-
Administrative Expenses	-	(6)	6
Net Changes	(5,212)	202	(5,414)
Balance at June 30, 2025	<u>\$ 75,301</u>	<u>\$ 2,704</u>	<u>\$ 72,597</u>

(21) Other Postemployment Benefits (OPEB) (Continued)

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the City, calculated using the discount rate of 5.20%, as well as what the net OPEB would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2025:

	1% Decrease (4.20%)	Current Discount Rate (5.20%)	1% Increase (6.20%)
Net OPEB Liability	\$ 81,695	\$ 72,598	\$ 64,957

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

The following presents the net OPEB liability of the City if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2025:

	1% Decrease (7.00% decreasing to 3.50%)	Current Healthcare Cost Trend Rates (8.00% decreasing to 4.50%)	1% Increase (9.00% decreasing to 5.50%)
Net OPEB Liability	\$ 62,736	\$ 72,598	\$ 84,866

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

For the fiscal year ended June 30, 2025, the City recognized OPEB expense of \$4,490. As of fiscal year ended June 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of Assumptions	\$ 6,520	\$ (23,687)
Difference between expected and actual experience	524	(6,034)
Net difference between projected and actual earning on OPEB plan investments	-	(31)
Total	\$ 7,044	\$ (29,752)

The \$7,044 reported as deferred outflows of resources and \$29,752 reported as deferred inflows related to pensions will be recognized as pension expense as follows:

Fiscal Year Ended June 30	Deferred Outflows/(Inflows) of Resources
2026	\$ (2,971)
2027	(3,056)
2028	(3,058)
2029	(3,041)
2030	(3,710)
Thereafter	(6,872)
Total	\$ (22,708)

(22) Commitments and Contingencies**Primary Government**“Take or Pay” Contracts

The City’s electric operation has entered into various long term “Take or Pay” contracts to provide for current and future electric generating capacity and transmission of energy for City customers. The City is obligated to pay the amortized cost of indebtedness regardless of the ability of the contracting agency to provide electricity and/or transmission, as applicable. The original indebtedness will be amortized by adding the financing costs to purchase energy over the life of the contract. The contracts expire at various times through fiscal year 2036.

Additional information related to the “Take or Pay” contracts is available online from Water and Power Department’s website or may be obtained by contacting the department at 150 South Los Robles, Suite 200, Pasadena, CA 91101.

Lawsuits and Claims

A number of suits and claims are pending against the City arising in the normal course of operations. In the opinion of management, the results of such legal actions will not have a material adverse effect on the financial position or results of operations of the City.

Other

Certain federal and state revenues are received for specific purposes and are subject to audit by the grantor agencies. City management is of the opinion that adjustments, if any, resulting from such audits will not be significant.

(23) Restatement of Beginning Net Position or Fund Balances

During fiscal year 2025, implementation of GASB 101 and seven corrections resulted in adjustments to and restatements of beginning net position and fund balance, as follows:

	Reporting Units Affected by Adjustments to and Restatements of Beginning Balances							
	Special Revenue		Major Enterprise			Nonmajor Enterprise	Internal Service Funds	
	Health	Housing and Community Development	Light and Power	Water	Off-Street Parking	Refuse	Computing and Communication Services	Building Maintenance
Net position or fund balances at beginning of year, as previously reported	\$ (6,766)	\$ 11,883	\$ 721,320	\$ 228,809	\$ 23,935	\$ 8,786	\$ (6,739)	\$ 1,518
GASB Implementation:								
GASB 101, first year implementation	-	-	(285) A	(75) A	(1) A	(26) A	(83) A	(20) A
Error Correction:								
Program revenue	365 B	(365) B	-	-	-	-	-	-
Electrical work for Water Fund	-	-	2,032 C	(2,032) C	-	-	-	-
401(a) Defined Contribution	-	-	-	-	-	-	-	-
South Bay WIB	-	-	-	-	-	-	-	-
Actuarial report (GASB 68)	-	-	-	-	-	-	-	-
Rental property purchases	-	-	-	-	-	-	-	-
Land purchase	-	-	-	-	-	-	-	-
Net position or fund balances at beginning of year, as restated	<u>\$ (6,401)</u>	<u>\$ 11,517</u>	<u>\$ 723,067</u>	<u>\$ 226,702</u>	<u>\$ 23,934</u>	<u>\$ 8,760</u>	<u>\$ (6,822)</u>	<u>\$ 1,498</u>

(A) Restatement of beginning net position in various funds:

Beginning fiscal year 2025, in accordance with Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*, the City recognizes a liability for compensated absences for leave that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled (for example, paid in cash to the employee) during or upon separation from employment. Based on the criteria listed, five types of leave qualify for liability recognition for compensated absences: vacation, floating holiday, management time-off, compensatory time-off, and sick leave. These five types of benefits, including the related Medicare tax, are classified as compensated absences.

As a result, the beginning net position decreased across various funds including proprietary funds, fiduciary funds and the government-wide long term debt fund for a total restatement of \$27,380.

(B) Restatement of beginning fund balance in Health and Housing and Community Development Funds:

In fiscal year 2025, it was discovered that grant monies approved to be split between Health and Housing and Community Development Funds, in fiscal year 2024, were fully allocated to Housing and Community Development Fund.

As a result, Health Fund’s beginning fund balance increased by \$365 and Housing and Community Development Fund’s beginning fund balance decreased by \$365.

(C) Restatement of beginning net position in Light and Power Fund and Water Fund, both enterprise funds under proprietary type funds:

In fiscal year 2025, it was discovered that Light and Power Fund provided electrical work to Water Fund during fiscal years 2019 through 2023 was not reimbursed in the years when services were rendered. As a result, Light and Power Fund’s beginning net position increased by \$2,032 and Water Fund’s beginning net position decreased by \$2,032.

(23) Restatement of Beginning Net Position or Fund Balances (Continued)

Reporting Units Affected by Adjustments to and Restatements of Beginning Balances

Internal Service Funds					Fiduciary			Government-wide	
Fleet Replacement	Fleet Repair and Maintenance	Benefits	Workers' Compensation	General Liability	401(a) Defined Contribution	Fire & Police Retirement System	Workforce Innovation and Opportunity Act (WIOA)	Long-Term Debt	Capital Assets
\$ 27,147	\$ 3,192	\$ (108,029)	\$ (37,152)	\$ (4,043)	\$ -	\$ 98,630	\$ 56	\$ (487,860)	\$ 546,334
(2) A	(3) A	(25,492) A	(5) A	(8) A	-	(2) A	(8) A	(1,372) A	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	91 D	-	-	-	-
-	-	-	-	-	-	-	168 E	-	-
-	-	-	-	-	-	-	-	(2) F	-
-	-	-	-	-	-	-	-	-	613 G
-	-	-	-	-	-	-	-	-	2,120 H
<u>\$ 27,145</u>	<u>\$ 3,189</u>	<u>\$ (133,521)</u>	<u>\$ (37,157)</u>	<u>\$ (4,051)</u>	<u>\$ 91</u>	<u>\$ 98,628</u>	<u>\$ 216</u>	<u>\$ (489,234)</u>	<u>\$ 549,066</u>

(D) Restatement of beginning net position in 401(a) Defined Contribution Fund, an Employee Benefit Trust Fund, under fiduciary type fund:

In fiscal year 2025, it was discovered that the 401(a) Defined Contribution Fund has not previously been reported in the City’s financial statements. As a result, the beginning net position for fiduciary funds increased by \$91.

(E) Restatement of beginning net position in Workforce Innovation and Opportunity Act (WIOA), a custodial fund under fiduciary type fund:

In fiscal year 2025, it was discovered that a fiscal year 2022 accounts payable accrual was not reversed in the year processed and paid, fiscal year 2023. As a result, the beginning net position for fiduciary funds increased by \$168.

(F) Restatement of beginning net position in government-wide Long-Term Debt Fund:

In fiscal year 2025, it was discovered that the beginning net position liability at July 1, 2024 did not match the ending net position liability at June 30, 2024 on the third-party prepared actuarial report for GASB 68. As a result, the net position of the government-wide long-term debt fund decreased by \$2.

(G) Restatement of beginning net position in government-wide Capital Asset Fund:

In fiscal year 2025, it was discovered that real properties, purchased with the intent to use as rental properties, were not recorded as capital assets in the years they were acquired. As a result, the net position of the government-wide capital asset fund increased by \$613.

(H) Restatement of beginning net position in government-wide Capital Asset Fund:

In fiscal year 2025, it was discovered real property located at 2825 E. Walnut Street was not recorded as a capital asset in the year that it was acquired, fiscal year 2024. As a result, the net position of the government-wide capital asset fund increased by \$2,120.

(24) Tax Abatements

The City of Pasadena approves tax abatements (waivers or reductions of tax) for business license and construction tax, as authorized under Pasadena Municipal Code (PMC), for the physically disabled, first-time businesses, First Source Hiring program, affordable housing, and various other construction projects. The tax abatements are approved to promote economic development, promote local hiring, attract and retain businesses, and revitalize underdeveloped areas.

Business License Tax Abatements

Pursuant to Chapter 5.12.010 and 5.12.020 of the PMC, no license tax shall be collected from a blind person who makes application for the following:

- Eligible for state aid and applies for a license to sell, peddle, or otherwise deal in any goods, wares, or merchandise produced or manufactured by California Industries for the Blind, the sale of which goods, wares, or merchandise is not prohibited by law; or
- A blind person who operates vending stands licensed pursuant to Sections 6900 et seq. of the Government Code; and
- Submits proof of written evidence of such eligibility as required by 5.12.030, from one of the following:
 - California Rehabilitation Department; or
 - The Bureau of Vocational Rehabilitation; or
 - Another state department or bureau having authority to certify to the eligibility.

Pursuant to Chapter 5.12.050 of the PMC, no license tax shall be collected from a physically disabled person who makes application and meets the following conditions:

- Has served full time in the armed forces of the United States in time of national emergency or state military emergency or during any campaign or expedition of the armed forces; and
- Has been honorably discharged or released from the armed forces; and
- Is a qualified elector of the state; and
- Is physically unable to obtain a livelihood by manual labor; and
- Is self-employed and carrying on a business as a:
 - Solicitor or peddler of goods, wares or merchandise not prohibited by law, or
 - Driver or operator of a vehicle used to carry passengers or goods, baggage or freight, who has complied with all the laws and ordinances pertaining thereto, or
 - Private patrolman, watchman, private policeman, detective or investigator who has complied with all laws and ordinances pertaining thereto, or
 - Of a distributor or poster of signs or handbills who has complied with all laws and ordinances pertaining thereto; and
- Submits the proof of disability as required by Section 5.12.60. Proof of physical disability shall be evidenced by a certificate stating the applicant is physically unable to perform manual labor signed by any one of the following:
 - A physician or surgeon in the employ of the United States; or
 - The health officer of the city; or
 - The chief surgeon of the Pasadena Emergency Center

(24) Tax Abatements (Continued)Reduced Business License Tax

First year businesses in Pasadena may be subject to a Reduced Business License Tax, as defined in the agreement dated 01/12/2015, authorized and signed by the City Manager. It is also noted on the Schedule of Taxes, Fees, and Charges (note no. 5) and approved annually. To qualify for the reduced tax, the business must meet all the following criteria:

- Be in a commercial or industrial zoned area (defined in PMC Chapter 17); and
- Have five or fewer employees; and
- Have received a 2012 North American Industry Classification System (NAICS) designation in categories 23, 31, 32, 33, 51, or 54.

Construction Tax Abatement

Pursuant to Chapter 4.32 Construction Tax, of the PMC, construction projects are assessed a fee for Construction Tax at a rate of 1.5% of the construction valuation. Section 4.32.50 (A) of the Municipal Code allows exempt or partially exempt from the Construction Tax fee to be applied to the following:

- Pasadena's First Source Hiring program:
 - Pursuant to Chapter 14.80.10 of the PMC, the Pasadena's First Source Hiring program encourages and, in some cases, requires (mandatory for developers receiving financial assistance from the City) construction developers to hire locally for skilled and unskilled labor. The initiative of the program is to create job opportunities, incentivize development, and stimulate the local economy by hiring within the community. To qualify for this program, the private construction projects must cost more than \$50,000. Voluntary participants are eligible for a rebate up to 50% of the salary and benefits paid to each Pasadena resident or up to 75% of the total construction tax paid, whichever is less.
- Affordable housing projects:
 - Residential units affordable to very low, low or moderate-income households may be fully or partially exempt from the construction tax as defined in Section 17.80.020 of the PMC.
- Small residential projects:
 - Remodeling projects under 250 sq. ft. or valued under \$20,000
 - Reroofing projects valued at \$5,000 or less for a single-family residence
 - Seismic retrofit projects for single-family homes
- Research and development projects:
 - Construction in areas zoned for Research and Development (Office or Non-Office) may qualify for exemptions as defined in Chapter 17 of the PMC
- Hotels or motels:
 - Which are converted to residences which are rented or sold to persons or families of low or moderate income, as defined in (Health and Safety Code Section 50093) pursuant to a Hotel Conversion Permit
- Wood-framed multiple-family buildings which are retrofitted pursuant to Chapter 14.08 of the PMC

(24) Tax Abatements (Continued)

Tax exemptions approved in fiscal year 2025:

Exemption Type	No. of Accounts	Exemption Amount	Justification for exemption or abatement
Business License Tax	4	\$ 0.9	Subject to Business License Tax Exemption pursuant to Pasadena Municipal Code 5.12.050 under physically disabled section.
Business License Tax	1	0.2	Subject to reduced Business License Tax rate for first year businesses as defined in the agreement dated 01/12/2015, authorized and signed by the City Manager.
Construction Tax	2	34.8	Subject to partial exemption of Construction Tax pursuant to Pasadena Municipal Code 4.32.050 under Affordable Housing project.
Total tax abatement		\$ 35.9	

(25) Subsequent Events

Subsequent events were evaluated through the date of the audit report.

Lawsuit against Federal Government

In October 2025, City of Pasadena, alongside 28 other local governments, filed a lawsuit challenging the Trump administration’s attempt to impose unlawful and unrelated conditions on federal emergency and disaster preparedness funds. The conditions would force local governments to adopt the administration’s political agenda or risk losing critical funding. These funds help fund fire department staffing, port and transit security, counterterrorism and hazard mitigation projects.

Lawsuit against University of California, Los Angeles

On October 30, 2025, City of Pasadena and the Rose Bowl Operating Company (RBOC) have filed a lawsuit against the University of California Board of Regents, acting on behalf of University of California, Los Angeles (UCLA), for allegedly breaching a long-standing agreement requiring the university to play its home football games at the Rose Bowl Stadium through 2044. The lawsuit, filed in Los Angeles County Superior Court, seeks to enforce the lease and prevent UCLA from terminating the agreement early.

Standby Bond Purchase Agreement Extension

In October 2025, City of Pasadena extended its Standby Bond Purchase Agreement (SBPA) with BMO Bank beyond the original expiration date of December 16, 2025. This agreement supports approximately \$17.6 million in variable rate bonds issued for the Paseo Colorado Parking Facilities.





ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
JUNE 30, 2025

REQUIRED SUPPLEMENTARY INFORMATION



**Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
General Fund
For the Fiscal Year Ended June 30, 2025**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Adopted	Final		
Revenues:				
Taxes:				
Property	\$ 87,460	\$ 87,460	\$ 87,221	\$ (239)
Sales	76,586	76,586	79,389	2,803
Utility users	34,060	34,060	33,094	(966)
Transient occupancy	19,300	19,300	20,648	1,348
Street light and traffic signal	8,750	8,750	8,963	213
Business license	7,200	7,200	7,883	683
Construction	3,500	3,500	4,976	1,476
Franchise	2,974	2,974	2,606	(368)
Other	2,300	2,300	2,133	(167)
Licenses and permits	5,239	5,239	4,792	(447)
Intergovernmental	24,824	28,393	30,620	2,227
Charges for services	45,145	47,581	46,850	(731)
Fines and forfeitures	6,620	7,015	5,455	(1,560)
Investment earnings	2,297	2,297	3,471	1,174
Net change in fair value of investments	-	-	2,898	2,898
Lease revenues	-	-	189	189
Miscellaneous revenues	3,349	5,077	4,481	(596)
Contributions	28	28	28	-
Total revenues	329,632	337,760	345,697	7,937
Expenditures:				
General government:				
Attorney	12,334	14,534	14,369	165
Clerk	3,543	3,543	3,340	203
Council	3,473	3,473	3,236	237
Manager	10,047	12,551	10,267	2,284
Finance	15,336	15,336	15,478	(142)
Human Resources	5,659	5,659	5,676	(17)
Nondepartmental	22,444	33,515	37,737	(4,222)
Public safety:				
Fire	67,459	68,690	72,880	(4,190)
Police	107,477	108,589	112,923	(4,334)
Transportation:				
Transportation	8,451	9,621	8,161	1,460
Public Works	17,549	17,716	22,131	(4,415)
Culture and leisure:				
Parks, Recreation & Community	27,192	27,442	27,227	215
Nondepartmental	12,738	12,738	12,348	390
Community development:				
Planning & Permitting	7,427	10,523	9,652	871
Housing	2,747	3,173	2,359	814
Capital outlay	426	5,436	4,793	643
Debt service:				
Principal	-	-	20	(20)
Interest	-	-	4	(4)
Lease payments	-	-	927	(927)
Subscription payments	-	-	1,536	(1,536)
Interest on leases and subscriptions	-	-	128	(128)
	324,302	352,539	365,192	(12,653)
Excess (deficiency) of revenues over (under) expenditures	5,330	(14,779)	(19,495)	(4,716)

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Continued)
General Fund
For the Fiscal Year Ended June 30, 2025

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Adopted	Final		
Other Financing Sources (Uses):				
Proceeds from sale of capital assets	-	2,120	2,120	-
Issuance of financed purchase arrangements	-	-	10	10
Insurance recoveries	-	-	1,029	1,029
Transfers in	20,140	30,272	30,272	-
Transfers out	(26,669)	(38,981)	(37,046)	1,935
Leases issued	-	-	103	103
Subscriptions issued	-	-	730	730
Total other financing sources (uses)	(6,529)	(6,589)	(2,782)	3,807
Net change in fund balances	(1,199)	(21,368)	(22,277)	(909)
Fund balances, beginning of year	158,879	158,879	158,879	-
Fund balances, ending	\$ 157,680	\$ 137,511	\$ 136,602	\$ (909)

**Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
Housing Successor Fund
For the Fiscal Year Ended June 30, 2025**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ -	\$ -	\$ 4	\$ 4
Investment earnings	-	-	122	122
Miscellaneous revenues	118	118	184	66
Total revenues	<u>118</u>	<u>118</u>	<u>310</u>	<u>192</u>
Expenditures:				
Current:				
Community development	260	1,303	187	1,116
Total expenditures	<u>260</u>	<u>1,303</u>	<u>187</u>	<u>1,116</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(142)</u>	<u>(1,185)</u>	<u>123</u>	<u>1,308</u>
Other Financing Sources (Uses):				
Transfers in	-	833	833	-
Total other financing sources (uses)	<u>-</u>	<u>833</u>	<u>833</u>	<u>-</u>
Net change in fund balances	<u>(142)</u>	<u>(352)</u>	<u>956</u>	<u>1,308</u>
Fund balance, beginning of year	717	717	717	-
Fund balance, ending	<u>\$ 575</u>	<u>\$ 365</u>	<u>\$ 1,673</u>	<u>\$ 1,308</u>



City of Pasadena

Notes to the Required Supplementary Information
Year Ended June 30, 2025**Budgets and Budgetary Data**

The City Council is required to adopt an annual budget resolution by June 30 of each fiscal year. The budgets are adopted on a basis that does not differ materially from GAAP.

An appropriated annual budget is legally adopted for the General and Special Revenue Governmental Funds. Annual appropriated budgets are not adopted for Debt Service Funds, because bond indentures are used as the method for adequate budgetary control. Capital projects funds do not have annual appropriated budgets. Control over some projects is maintained by means of an annual budget; others through a project-length capital improvement budget. This project-length budget authorizes total expenditures over the duration of a construction project, rather than year by year.

The City maintains budgetary controls to ensure compliance with legal provisions embodied in the appropriated budget approved by the City Council. The level of budgetary control (the level at which expenditures cannot legally exceed the appropriated amount) is the department level and within a single fund. The City Manager may authorize transfers of appropriations within a department so long as it is within a single fund. Supplemental appropriations during the year must be approved by the City Council. All unencumbered appropriations lapse at the end of the fiscal year. In order to be an encumbered appropriation, there must be either an approved purchase order or contract in force as of June 30.

Schedule of Changes in the Net Pension Liability and Related Ratios

CalPERS Pension Plans – Miscellaneous
Last Ten Fiscal Years

Fiscal year ended	June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022
Measurement period ended	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021
Total Pension Liability:				
Service cost	\$ 23,477	\$ 21,945	\$ 22,198	\$ 19,876
Interest on total pension liability	92,851	89,150	85,888	84,480
Changes of benefits	-	1,175	-	-
Changes of assumptions	-	-	35,296	-
Difference between expected and actual experience	14,689	7,405	(12,307)	(2,425)
Benefit payments, including refunds of employee contributions	(74,210)	(71,605)	(66,929)	(63,657)
Net Change in Total Pension Liability	56,806	48,070	64,146	38,274
Total Pension Liability - Beginning of Year	1,356,342	1,308,272	1,244,126	1,205,852
Total Pension Liability - End of Year (a)	\$ 1,413,148	\$ 1,356,342	\$ 1,308,272	\$ 1,244,126
Plan Fiduciary Net Position:				
Contributions - employer	\$ 45,413	\$ 44,612	\$ 40,242	\$ 38,235
Contributions - employee	11,620	9,808	9,288	9,265
Net investment income	95,334	59,078	(80,440)	199,471
Benefit payments, including refunds of employee contributions	(74,210)	(71,605)	(66,929)	(63,657)
Net plan to plan resource movement	-	-	-	-
Administrative expense	(821)	(712)	(664)	(883)
Other miscellaneous income/(expense)	-	-	-	-
Net Change in Plan Fiduciary Net Position	77,335	41,181	(98,503)	182,431
Plan Fiduciary Net Position - Beginning of Year	1,008,779	967,598	1,066,101	883,670
Plan Fiduciary Net Position - End of Year (b)	\$ 1,086,114	\$ 1,008,779	\$ 967,598	\$ 1,066,101
Net Pension Liability - Ending (a)-(b)	\$ 327,034	\$ 347,563	\$ 340,674	\$ 178,025
Plan fiduciary net position as a percentage of the total pension liability	76.86%	74.37%	73.96%	85.69%
Covered payroll	\$ 148,877	\$ 141,362	\$ 126,652	\$ 119,630
Net pension liability as percentage of covered payroll	219.67%	245.87%	268.98%	148.81%

Notes to Schedule:

Benefit Changes:

There were no changes in benefits.

Changes in Assumptions:

For fiscal year ended June 30, 2016:

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

For fiscal years ended 2016 and 2017:

There were no significant changes in assumptions.

For fiscal years ended 2017 and 2018:

The discount rate was reduced from 7.65% to 7.15%.

For fiscal years ended 2019, 2020, 2021, 2022, 2023, and 2024:

There were no significant changes in assumptions.

For fiscal year ended 2025:

The discount rate was reduced from 7.15% to 6.90%.

<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>
June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
\$ 19,566	\$ 19,270	\$ 19,070	\$ 18,793	\$ 16,452	\$ 16,519
81,859	79,379	76,249	74,168	72,632	70,708
-	-	-	-	-	-
-	-	(7,443)	59,447	-	(16,682)
(3,982)	5,492	(3,023)	(11,333)	(13,975)	(14,488)
<u>(61,336)</u>	<u>(58,915)</u>	<u>(55,364)</u>	<u>(51,700)</u>	<u>(49,269)</u>	<u>(46,871)</u>
36,107	45,226	29,489	89,375	25,840	9,186
<u>1,169,745</u>	<u>1,124,519</u>	<u>1,095,030</u>	<u>1,005,655</u>	<u>979,815</u>	<u>970,630</u>
<u>\$ 1,205,852</u>	<u>\$ 1,169,745</u>	<u>\$ 1,124,519</u>	<u>\$ 1,095,030</u>	<u>\$ 1,005,655</u>	<u>\$ 979,815</u>
\$ 35,786	\$ 31,375	\$ 27,112	\$ 24,681	\$ 22,252	\$ 19,683
8,895	8,841	8,824	8,904	8,659	8,503
42,242	53,458	66,083	80,076	3,807	16,554
<u>(61,336)</u>	<u>(58,915)</u>	<u>(55,364)</u>	<u>(51,700)</u>	<u>(49,269)</u>	<u>(46,871)</u>
-	-	(2)	-	-	1
(1,211)	(589)	(1,219)	(1,065)	(449)	(829)
-	2	(2,314)	-	-	-
<u>24,376</u>	<u>34,172</u>	<u>43,120</u>	<u>60,896</u>	<u>(15,000)</u>	<u>(2,959)</u>
<u>859,294</u>	<u>825,122</u>	<u>782,002</u>	<u>721,106</u>	<u>736,106</u>	<u>739,065</u>
<u>\$ 883,670</u>	<u>\$ 859,294</u>	<u>\$ 825,122</u>	<u>\$ 782,002</u>	<u>\$ 721,106</u>	<u>\$ 736,106</u>
<u>\$ 322,182</u>	<u>\$ 310,451</u>	<u>\$ 299,397</u>	<u>\$ 313,028</u>	<u>\$ 284,549</u>	<u>\$ 243,709</u>
73.28%	73.46%	73.38%	71.41%	71.71%	75.13%
\$ 119,505	\$ 116,645	\$ 112,848	\$ 111,573	\$ 107,546	\$ 105,292
269.60%	266.15%	265.31%	280.56%	264.58%	231.46%

Schedule of Contributions
CalPERS Pension Plans – Miscellaneous
Last Ten Fiscal Years

Fiscal year ended	2025	2024	2023	2022
Actuarially determined contribution ²	\$ 45,413	\$ 44,612	\$ 40,242	\$ 38,235
Contributions in relation to the actuarially determined contribution	(49,251)	(44,612)	(40,242)	(38,235)
Contribution deficiency (excess)	\$ (3,838)	\$ -	\$ -	\$ -
Covered payroll	\$ 148,877	\$ 141,362	\$ 126,652	\$ 119,630
Contributions as a percentage of covered payroll	33.08%	31.56%	31.77%	31.96%

Notes to Schedule:

Valuation date	6/30/2022	6/30/2021	6/30/2020	6/30/2019
----------------	-----------	-----------	-----------	-----------

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial cost method	Entry age	Entry age	Entry age	Entry age
Asset valuation method	Fair value	Fair value	Fair value	Fair value
Inflation	2.300%	2.500%	2.50%	2.50%
Amortization method ³				
Salary increases ⁴				
Investment rate of return ⁵	6.80%	7.00%	7.15%	7.00%
Retirement age ⁶				
Mortality ⁷				

Notes to Schedule:

¹ Employers are assumed to make contributions equal to the actuarially determined contributions. However, some employers may choose to make additional contributions towards their unfunded liability. Employer contributions for such plans exceed the actuarially determined contributions.

² Level percentage of payroll, closed.

³ Depending on age, service, and type of employment.

⁴ Net of pension plan investment expense, including inflation

⁵ The probabilities of retirement are based on the most recent CalPERS Experience Study adopted by the CalPERS Board.

⁶ Mortality assumptions are based on mortality rates resulting from the most recent CalPERS Experience Study adopted by the CalPERS Board.

2021	2020	2019	2018	2017	2016
\$ 35,786	\$ 31,375	\$ 27,112	\$ 24,681	\$ 22,252	\$ 19,683
(35,786)	(31,375)	(27,112)	(24,681)	(22,252)	(19,683)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 119,505	\$ 116,645	\$ 112,848	\$ 111,573	\$ 107,546	\$ 105,292
29.95%	26.90%	24.03%	22.12%	20.69%	18.69%
6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013
Entry age Fair value	Entry age 15 Year Smoothed Market Method				
2.625%	2.625%	2.75%	2.75%	2.75%	2.75%
7.25%	7.25%	7.38%	7.50%	7.50%	7.50%

Schedule of Changes in the Net Pension Liability and Related Ratios

CalPERS Pension Plans – Safety
Last Ten Fiscal Years

Fiscal year ended	June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022
Measurement period	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021
Total Pension Liability:				
Service cost	\$ 15,801	\$ 14,775	\$ 14,423	\$ 13,227
Interest on total pension liability	57,604	54,851	51,956	50,130
Changes of benefit terms	-	228	-	-
Changes of assumptions	-	-	22,619	-
Difference between expected and actual experience	9,682	12,540	(643)	777
Benefit payments, including refunds of employee contributions	(41,051)	(38,786)	(35,966)	(32,147)
Net Change in Total Pension Liability	42,036	43,608	52,389	31,986
Total Pension Liability - Beginning of Year	837,781	794,173	741,784	709,798
Total Pension Liability - End of Year (a)	\$ 879,817	\$ 837,781	\$ 794,173	\$ 741,784
Plan Fiduciary Net Position:				
Contributions - employer	\$ 29,545	\$ 27,763	\$ 25,199	\$ 23,384
Contributions - employee	6,148	5,270	5,015	4,734
Net investment income	57,645	35,508	(47,866)	118,090
Benefit payments, including refunds of employee contributions	(41,051)	(38,786)	(35,966)	(32,147)
Net plan to plan resource movement	-	-	-	-
Administrative expense	(494)	(425)	(393)	(518)
Other miscellaneous income/(expense)	-	-	-	-
Net Change in Plan Fiduciary Net Position	51,793	29,330	(54,011)	113,543
Plan Fiduciary Net Position - Beginning of Year	607,433	578,103	632,114	518,571
Plan Fiduciary Net Position - End of Year (b)	\$ 659,226	\$ 607,433	\$ 578,103	\$ 632,114
Net Pension Liability - Ending (a)-(b)	\$ 220,590	\$ 230,348	\$ 216,070	\$ 109,670
Plan fiduciary net position as a percentage of the total pension liability	74.93%	72.51%	72.79%	85.22%
Covered payroll	\$ 59,153	\$ 57,589	\$ 51,234	\$ 48,883
Net pension liability as percentage of covered payroll	372.91%	399.99%	421.73%	224.35%

Notes to Schedule:

Benefit Changes:

There were no changes in benefits.

Changes in Assumptions:

For fiscal year ended June 30, 2016:

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

For fiscal years ended 2016 and 2017:

There were no significant changes in assumptions.

For fiscal years ended 2017 and 2018:

The discount rate was reduced from 7.65% to 7.15%.

For fiscal years ended 2019, 2020, 2021, 2022, 2023, and 2024:

There were no significant changes in assumptions.

For fiscal year ended 2025:

The discount rate was reduced from 7.15% to 6.90%.

<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>
June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
\$ 13,264	\$ 12,764	\$ 12,757	\$ 12,324	\$ 10,509	\$ 10,702
47,906	45,654	43,215	41,004	39,394	37,307
-	-	-	-	-	-
-	-	(995)	36,547	-	(9,888)
1,038	4,034	2,172	(7,057)	(634)	(8,455)
<u>(29,518)</u>	<u>(26,877)</u>	<u>(24,941)</u>	<u>(22,654)</u>	<u>(20,871)</u>	<u>(19,143)</u>
32,690	35,575	32,208	60,164	28,398	10,523
<u>677,108</u>	<u>641,533</u>	<u>609,325</u>	<u>549,161</u>	<u>520,763</u>	<u>510,240</u>
<u>\$ 709,798</u>	<u>\$ 677,108</u>	<u>\$ 641,533</u>	<u>\$ 609,325</u>	<u>\$ 549,161</u>	<u>\$ 520,763</u>
\$ 21,823	\$ 19,187	\$ 16,542	\$ 15,279	\$ 13,026	\$ 12,027
4,617	4,383	4,197	4,056	3,804	3,764
24,676	30,716	37,156	44,323	2,093	8,834
(29,518)	(26,877)	(24,941)	(22,654)	(20,871)	(19,143)
-	-	(1)	-	-	-
(702)	(336)	(685)	(589)	(245)	(452)
-	1	(1,301)	-	-	684
<u>20,896</u>	<u>27,074</u>	<u>30,967</u>	<u>40,415</u>	<u>(2,193)</u>	<u>5,714</u>
<u>497,675</u>	<u>470,601</u>	<u>439,634</u>	<u>399,219</u>	<u>401,410</u>	<u>395,696</u>
<u>\$ 518,571</u>	<u>\$ 497,675</u>	<u>\$ 470,601</u>	<u>\$ 439,634</u>	<u>\$ 399,219</u>	<u>\$ 401,410</u>
<u>\$ 191,227</u>	<u>\$ 179,433</u>	<u>\$ 170,932</u>	<u>\$ 169,691</u>	<u>\$ 149,942</u>	<u>\$ 119,353</u>
73.06%	73.50%	73.36%	72.15%	72.70%	77.08%
\$ 47,997	\$ 47,457	\$ 46,444	\$ 44,887	\$ 41,528	\$ 41,142
398.41%	378.10%	368.04%	378.04%	361.06%	290.10%

Schedule of Contributions
CalPERS Pension Plans – Safety
Last Ten Fiscal Years

Fiscal year ended	2025	2024	2023	2022	2021
Actuarially determined contribution ²	\$ 29,545	\$ 27,763	\$ 25,199	\$ 23,384	\$ 21,823
Contributions in relation to the actuarially determined contribution	(28,247)	(27,763)	(25,199)	(23,384)	(21,823)
Contribution deficiency (excess)	\$ 1,298	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 59,153	\$ 57,589	\$ 51,234	\$ 48,883	\$ 47,997
Contributions as a percentage of covered payroll	47.75%	48.21%	49.18%	47.84%	45.47%
Notes to Schedule:					
Valuation date	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018
Methods and Assumptions Used to Determine Contribution Rates:					
Actuarial cost method	Entry age				
Asset valuation method	Fair value				
Inflation	2.30%	2.50%	2.50%	2.50%	2.625%
Amortization method ³					
Salary increases ⁴					
Investment rate of return ⁵	6.80%	7.00%	7.15%	7.00%	7.25%
Retirement age ⁶					
Mortality ⁷					

Notes to Schedule:

¹ Employers are assumed to make contributions equal to the actuarially determined contributions. However, some employers may choose to make additional contributions towards their unfunded liability. Employer contributions for such plans exceed the actuarially determined contributions.

² Level percentage of payroll, closed.

³ Depending on age, service, and type of employment.

⁴ Net of pension plan investment expense, including inflation

⁵ The probabilities of retirement are based on the most recent CalPERS Experience Study adopted by the CalPERS Board.

⁶ Mortality assumptions are based on mortality rates resulting from the most recent CalPERS Experience Study adopted by the CalPERS Board.



2020	2019	2018	2017	2016
\$ 19,187	\$ 16,542	\$ 15,279	\$ 13,026	\$ 12,027
(19,187)	(16,542)	(15,279)	(13,026)	(12,027)
\$ -	\$ -	\$ -	\$ -	\$ -
\$ 47,457	\$ 46,444	\$ 44,887	\$ 41,528	\$ 41,142
40.43%	35.62%	34.04%	31.37%	29.23%
6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013
Entry age Fair value	Entry age Fair value	Entry age Fair value	Entry age 15 Year Smoothed Market Method	Entry age 15 Year Smoothed Market Method
2.625%	2.75%	2.75%	2.75%	2.75%
7.25%	7.38%	7.50%	7.50%	7.50%

Fire and Police Retirement System
Schedule of Changes in the Net Pension Liability and Related Ratios
Last Ten Fiscal Years

Fiscal year ended	<u>June 30, 2025</u>	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Measurement period	June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022
Total Pension Liability:				
Interest on total pension liability	\$ 5,746	\$ 6,133	\$ 6,316	\$ 6,947
Differences between expected and actual experience	(770)	(1,994)	482	164
Changes of assumptions	474	503	1,815	4,400
Changes of benefits	-	-	-	-
Benefit payments, including refunds of employee contributions	<u>(11,753)</u>	<u>(12,250)</u>	<u>(11,954)</u>	<u>(12,072)</u>
Net Change in Total Pension Liability	(6,303)	(7,608)	(3,341)	(561)
Total Pension Liability - Beginning of Year	<u>115,342</u>	<u>122,950</u>	<u>126,291</u>	<u>126,852</u>
Total Pension Liability - End of Year (a)	<u>\$ 109,039</u>	<u>\$ 115,342</u>	<u>\$ 122,950</u>	<u>\$ 126,291</u>
Plan Fiduciary Net Position:				
Contributions - employer*	\$ 11,071	\$ 601	\$ -	\$ -
Contributions - employee	-	-	-	-
Net investment income	9,521	6,220	5,013	(10,656)
Benefit payments, including refunds of employee contributions	(11,753)	(12,250)	(11,954)	(12,072)
Administrative expense	<u>(390)</u>	<u>(318)</u>	<u>(344)</u>	<u>(343)</u>
Net Change in Plan Fiduciary Net Position	8,449	(5,747)	(7,285)	(23,071)
Plan Fiduciary Net Position - Beginning of Year	<u>98,628</u>	<u>104,377</u>	<u>111,662</u>	<u>134,733</u>
Plan Fiduciary Net Position - End of Year (b)	<u>\$ 107,077</u>	<u>\$ 98,628</u>	<u>\$ 104,377</u>	<u>\$ 111,662</u>
Net Pension Liability - Ending (a)-(b)	<u>\$ 1,962</u>	<u>\$ 16,714</u>	<u>\$ 18,573</u>	<u>\$ 14,629</u>
Plan fiduciary net position as a percentage of the total pension liability	98.20%	85.51%	84.89%	88.42%

NOTES TO SCHEDULE:

Changes of Assumptions: Fiscal years ended 2019 through 2022 had no significant changes of assumptions. June 30, 2018 assumption changes of \$2,189,000 for change in the discount rate, from 6.50% in 2017 to 5.75% in 2018, and inflation rate, from 3.00% in 2017 to 2.75% in 2018. June 30, 2015 assumption changes of \$1,895,000 for change in base mortality rates, \$8,301,000 for change in mortality improvements scale, and (\$7,055,000) for change in the discount rate.

¹

As adjusted after the fiscal year 2022 GASB 68 report was performed.

* A loan payment was provided to the City in April 2024 for the carrying loan. The City transferred 93%, or \$601,463, to the system per Amended Agreement NO. 20,823

<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>
June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016
\$ 7,335	\$ 7,600	\$ 7,781	\$ 8,832	\$ 9,272	\$ 9,644
(1,798)	438	1,862	1,261	(3,081)	(2,098)
-	-	-	2,189	-	-
-	-	-	-	-	-
<u>(12,506)</u>	<u>(12,773)</u>	<u>(12,824)</u>	<u>(12,815)</u>	<u>(13,118)</u>	<u>(13,448)</u>
(6,969)	(4,735)	(3,181)	(533)	(6,927)	(5,902)
<u>133,821</u>	<u>138,556</u>	<u>141,737</u>	<u>142,270</u>	<u>149,197</u>	<u>155,099</u>
<u>\$ 126,852</u>	<u>\$ 133,821</u>	<u>\$ 138,556</u>	<u>\$ 141,737</u>	<u>\$ 142,270</u>	<u>\$ 149,197</u>
\$ -	\$ 23,137	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
22,355	3,394	5,923	6,656	12,512	50
(12,506)	(12,773)	(12,824)	(12,815)	(13,118)	(13,448)
(327)	(321)	(257)	(272)	(300)	(302)
<u>9,522</u>	<u>13,437</u>	<u>(7,158)</u>	<u>(6,431)</u>	<u>(906)</u>	<u>(13,700)</u>
<u>125,211</u>	<u>111,774</u>	<u>118,932</u>	<u>125,363</u>	<u>126,269</u>	<u>139,969</u>
<u>\$ 134,733</u>	<u>\$ 125,211</u>	<u>\$ 111,774</u>	<u>\$ 118,932</u>	<u>\$ 125,363</u>	<u>\$ 126,269</u>
<u>\$ (7,881)</u>	<u>\$ 8,610</u>	<u>\$ 26,782</u>	<u>\$ 22,805</u>	<u>\$ 16,907</u>	<u>\$ 22,928</u>
106.21%	93.57%	80.67%	83.91%	88.12%	84.63%

Fire and Police Retirement System
Schedule of Plan Contributions
As of June 30, for the Last Ten Fiscal Years

Fiscal Year Ending	Contractually Required Contribution*	Actual Fiscal Year Contribution	Deficiency (Excess)	Covered Payroll	Contribution as a Percentage of Payroll
2025	\$ -	\$ -	\$ -	n/a	n/a
2024	-	-	-	n/a	n/a
2023	-	-	-	n/a	n/a
2022	-	-	-	n/a	n/a
2021	-	-	-	n/a	n/a
2020	3,478	23,137	(19,659)	n/a	n/a
2019	-	-	-	n/a	n/a
2018	-	-	-	n/a	n/a
2017	-	-	-	n/a	n/a
2016	-	-	-	n/a	n/a

NOTE TO SCHEDULE:

* Contractually required contributions are based on Board-adopted assumptions for use in preparing the valuation, and as required by applicable Contribution Agreements with the City.



Fire and Police Retirement System
Schedule of Plan Investment Returns
As of June 30, for the Last Ten Fiscal Years

Fiscal year ended	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Measurement period	June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016
Annual money-weighted rate of return, net of investment expense	9.70%	6.40%	5.00%	-8.60%	19.00%	2.80%	5.50%	5.60%	10.70%	0.40%

NOTE TO SCHEDULE:

Source: June 30, 2025 GASB 67 plan actuarial information prepared by System Actuary, Foster & Foster, Inc.

Schedule of Changes in the Net OPEB Liability and Related Ratios

As of June 30, for the Last Ten Fiscal Years¹

Fiscal year ended	2025	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability								
Service cost	\$ 4,565	\$ 3,683	\$ 3,623	\$ 4,917	\$ 4,254	\$ 3,567	\$ 3,217	\$ 3,178
Interest on the total OPEB liability	3,506	3,293	3,141	2,181	2,365	2,561	2,596	2,448
Differences between expected and actual experience	(1,359)	(5,359)	(397)	874	(553)	(7,576)	-	-
Changes in assumptions	(8,276)	4,415	(419)	(26,576) ²	6,723	11,111	3,664	(988)
Changes in benefit terms	-	-	-	-	-	-	-	-
Benefit payments	(3,648)	(3,119)	(2,997)	(2,833)	(2,678)	(2,815)	(2,612)	(2,391)
Net change in Total OPEB Liability	(5,212)	2,913	2,951	(21,437)	10,111	6,848	6,865	2,247
Total OPEB liability - beginning	80,513	77,600	74,649	96,086	85,975	79,127	72,262	70,015
Total OPEB liability - ending (a)	\$ 75,301	\$ 80,513	\$ 77,600	\$ 74,649	\$ 96,086	\$ 85,975	\$ 79,127	\$ 72,262
Plan Fiduciary Net Position								
Contribution - employer	\$ 3,648	\$ 3,119	\$ 2,997	\$ 2,833	\$ 2,678	\$ 2,815	\$ 2,612	\$ 4,391
Net investment income	208	203	101	(301)	312	101	133	2
Benefit payments	(3,648)	(3,119)	(2,997)	(2,833)	(2,678)	(2,815)	(2,612)	(2,391)
Administrative expense	(6)	(12)	(6)	(5)	(6)	(11)	(9)	-
Net change in plan fiduciary net position	202	191	95	(306)	306	90	124	2,002
Plan fiduciary net position - beginning	2,502	2,311	2,216	2,522	2,216	2,126	2,002	-
Plan fiduciary net position - ending (b)	\$ 2,704	\$ 2,502	\$ 2,311	\$ 2,216	\$ 2,522	\$ 2,216	\$ 2,126	\$ 2,002
Net OPEB Liability/(Assets) - ending (a) - (b)	\$ 72,597	\$ 78,011	\$ 75,289	\$ 72,433	\$ 93,564	\$ 83,759	\$ 77,001	\$ 70,260
Plan fiduciary net position as a percentage of the total OPEB liability	3.59%	3.11%	2.98%	2.97%	2.62%	2.58%	2.69%	2.77%
Covered - employee payroll	\$ 204,522	\$ 198,951	\$ 177,866	\$ 160,024	\$ 167,502	\$ 164,102	\$ 134,734	\$ 130,809
Net OPEB Liability as percentage of covered-employee payroll	35.5%	39.2%	42.3%	45.3%	55.9%	51.0%	57.2%	53.7%

NOTES TO SCHEDULE:

¹ GASB Statement No. 75, which requires ten years of history for this schedule, was implemented during fiscal year ended June 30, 2018. Additional years will be added as they become available in the future.

² Adjusted FY 2022 'Changes of assumptions'.

Schedule of OPEB Plan Contributions

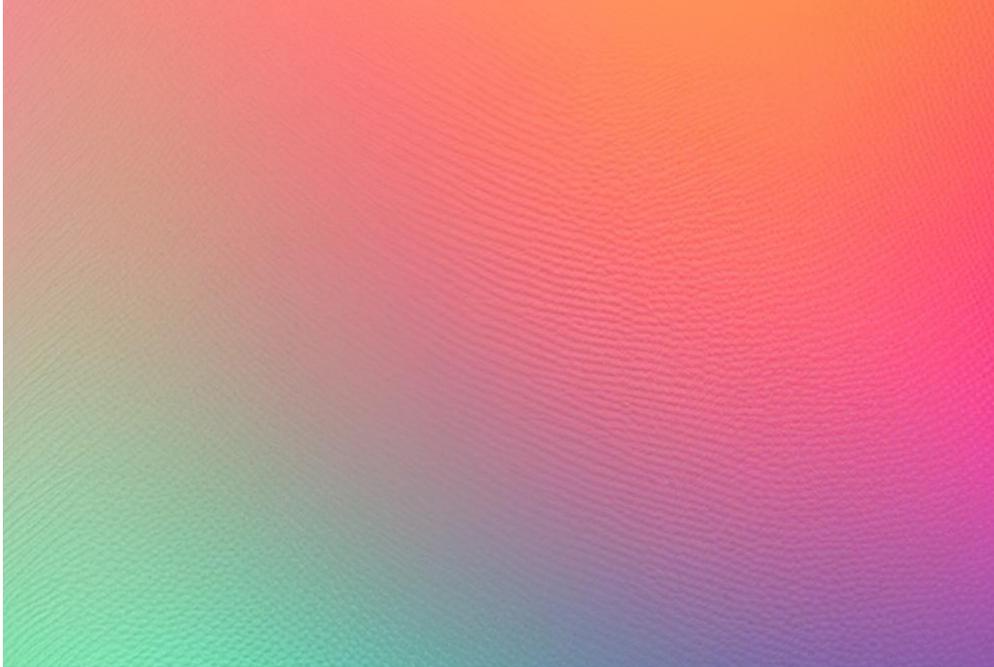
As of June 30, for the Last Ten Fiscal Years¹

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually determined contribution	\$ 3,648	\$ 3,119	\$ 2,997	\$ 2,833	\$ 2,678	\$ 2,815	\$ 2,612	\$ 4,391
Contribution in relation to the contractually determined contributions	<u>(3,648)</u>	<u>(3,119)</u>	<u>(2,997)</u>	<u>(2,833)</u>	<u>(2,678)</u>	<u>(2,815)</u>	<u>(2,612)</u>	<u>(4,391)</u>
Contribution deficiency/(excess)	<u>\$ -</u>							
Covered employee payroll	\$ 204,522	\$ 198,951	\$ 177,866	\$ 160,024	\$ 167,502	\$ 164,102	\$ 134,734	\$ 130,809
Contributions as a percentage of covered employee payroll	1.78%	1.57%	1.68%	1.77%	1.60%	1.72%	1.94%	3.36%

NOTE TO SCHEDULE:

1 GASB Statement No. 75, which requires ten years of history for this schedule, was implemented during fiscal year ended June 30, 2018. Additional years will be added as they become available in the future.

(This page intentionally left blank)



SUPPLEMENTARY INFORMATION



ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
JUNE 30, 2025

**Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2025**

	Special Revenue Funds	Capital Projects Funds	Debt Service Fund 2015 Series A	Permanent Funds	Total
Assets:					
Cash and investments	\$ 162,080	\$ 8,747	\$ -	\$ 2,248	\$ 173,075
Accounts receivable	18,964	141	-	21	19,126
Lease receivable	178	-	-	-	178
Prepays and other assets	260	-	-	-	260
Notes receivable	72,613	-	-	-	72,613
Allowance for doubtful accounts	(72,613)	-	-	-	(72,613)
Restricted assets:					
Cash and investments	3,776	-	-	-	3,776
Cash with fiscal agent	107	-	7,537	-	7,644
Property held for resale	1,434	-	-	-	1,434
Total assets	<u>\$ 186,799</u>	<u>\$ 8,888</u>	<u>\$ 7,537</u>	<u>\$ 2,269</u>	<u>\$ 205,493</u>
Liabilities, deferred inflows of resources and fund balances:					
Liabilities:					
Accounts payable and accrued liabilities	\$ 8,423	\$ 35	\$ -	\$ -	\$ 8,458
Deposits	1,527	-	-	-	1,527
Due to other funds	8,645	-	-	-	8,645
Unearned revenue	8,523	-	-	-	8,523
Total liabilities	<u>27,118</u>	<u>35</u>	<u>-</u>	<u>-</u>	<u>27,153</u>
Deferred Inflows of Resources:					
Unavailable revenues	4,380	-	-	-	4,380
Lease related	167	-	-	-	167
Total deferred inflows of resources	<u>4,547</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,547</u>
Fund Balances:					
Nonspendable	260	-	-	1,434	1,694
Restricted	60,756	1,417	7,537	726	70,436
Committed	100,984	7,436	-	109	108,529
Unassigned	(6,866)	-	-	-	(6,866)
Total fund balances	<u>155,134</u>	<u>8,853</u>	<u>7,537</u>	<u>2,269</u>	<u>173,793</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 186,799</u>	<u>\$ 8,888</u>	<u>\$ 7,537</u>	<u>\$ 2,269</u>	<u>\$ 205,493</u>

(AMOUNTS EXPRESSED IN THOUSANDS)

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2025**

	Special Revenue Funds	Capital Projects Funds	Debt Service Fund 2015 Series A	Permanent Funds	Total
Revenues:					
Taxes	\$ 11,806	\$ -	\$ -	\$ -	\$ 11,806
Licenses and permits	17,074	-	-	-	17,074
Intergovernmental	83,187	-	-	-	83,187
Charges for services	21,515	1,084	-	-	22,599
Investment earnings	4,883	264	-	70	5,217
Net change in fair value of investments	3,278	176	567	46	4,067
Lease revenues	258	-	-	-	258
Interest income from leases	2	-	-	-	2
Miscellaneous revenues	6,823	2	-	-	6,825
Contributions	1,353	793	-	-	2,146
Total revenues	<u>150,179</u>	<u>2,319</u>	<u>567</u>	<u>116</u>	<u>153,181</u>
Expenditures:					
Current:					
General government	-	-	4	-	4
Public safety	1,697	-	-	-	1,697
Transportation	21,654	-	-	-	21,654
Utility	30	-	-	-	30
Sanitation	5,993	-	-	-	5,993
Health	19,907	-	-	-	19,907
Culture and leisure	16,512	-	-	-	16,512
Community development	58,144	36	-	-	58,180
Capital outlay	3,235	-	-	-	3,235
Debt service:					
Principal retirement	300	-	2,420	-	2,720
Interest	114	-	1,875	-	1,989
Lease payments	260	-	-	-	260
Subscription payments	543	-	-	-	543
Interest on leases and subscriptions	39	-	-	-	39
Total expenditures	<u>128,428</u>	<u>36</u>	<u>4,299</u>	<u>-</u>	<u>132,763</u>
Excess (deficiency) of revenues over (under) expenditures	<u>21,751</u>	<u>2,283</u>	<u>(3,732)</u>	<u>116</u>	<u>20,418</u>
Other Financing Sources (Uses):					
Transfers in	15,763	-	4,299	-	20,062
Transfers out	(28,350)	(1,871)	-	-	(30,221)
Leases issued	716	-	-	-	716
Subscriptions issued	886	-	-	-	886
Total other financing sources (uses)	<u>(10,985)</u>	<u>(1,871)</u>	<u>4,299</u>	<u>-</u>	<u>(8,557)</u>
Net change in fund balances	10,766	412	567	116	11,861
Fund balances, beginning of year	<u>144,368</u>	<u>8,441</u>	<u>6,970</u>	<u>2,153</u>	<u>161,932</u>
Fund balances, ending	<u>\$ 155,134</u>	<u>\$ 8,853</u>	<u>\$ 7,537</u>	<u>\$ 2,269</u>	<u>\$ 173,793</u>

(This page intentionally left blank)



ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
JUNE 30, 2025

SPECIAL REVENUE FUNDS



(This page intentionally left blank)

NONMAJOR GOVERNMENTAL FUNDS SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes. In a governmental fund other than the general fund, expenditures incurred for a specific purpose might exceed the amounts in the fund that are restricted, committed, and assigned to that purpose and a negative residual balance for that purpose may result. If that occurs, amount assigned to other purposes in that fund should be reduced to eliminate the deficit. If the remaining deficit eliminates all other assigned amounts in the fund, or if there are no amounts assigned to other purposes, the negative residual amount should be classified as unassigned fund balance.

Public Safety Fund – to account for revenue received from State AB3229 funds, the 1/2-cent sales tax approved by the voters in November 1993, money received by the Police Department from forfeited cash and other tangible property seized under the Federal Comprehensive Crime Control Act of 1984 and grants received from the Homeland Security Grant Program.

Health Fund – to account for all grants received for the provision of health services which are restricted by grant award agreements.

Building Services Fund – to account for fees collected and restricted to the operations of the Permit Center.

Sewer Construction and Maintenance Fund – to account for revenue received from sewer use and storm drain charges restricted for the construction and maintenance of the City's sewer system. This includes the use of revenue derived from a special parcel tax (Measure W) approved by voters for improving water quality, recapturing, treating, and recycling stormwater in Los Angeles County.

Underground Utilities Fund – to account for revenue received from the underground surtax on sales of electric energy restricted for the extension, conversion, replacement, and repair of underground utility lines.

Transportation Fund – to account for the use of revenue derived from the 1/2-cent sales tax approved by voters, state gasoline tax, sales tax collected for bikeways and pedestrian facilities, and State AB2928 traffic congestion relief, all of which are restricted for construction, maintenance, preservation and rehabilitation of the City's street and road system.

Library Services Fund – to account for the operations of the City's public libraries and the library special tax approved by the voters on June 22, 1993 and restricted for Library use.

Parking Fund – to account for revenue derived from on-off street parking, zoning credits, parking and business improvement tax, parking space rental and leases, and on-street parking meters. These funds are restricted for use in the various enterprise zones of the City.

Air Quality Improvement Fund – to account for the use of revenue derived from a fee added to the motor vehicle registration fee for reducing air pollution in accordance with the California Government Code (AB2766).

Housing and Community Development Fund – to account for the use of Community Development Block Grant and other U.S. Department of Housing and Urban Development programs restricted for housing and community development.

Rent Stabilization Fund - to account for revenue received from annual Rent Registry registrations as a result of Measure H which was approved by voters in the November 2022 General Municipal Election. The funds are restricted to implementing the provisions of the Pasadena Fair and Equitable Housing Charter Amendment (Article XVIII) which includes rent control and just cause eviction protections.

Donated Funds – to account for principal and interest on funds donated to the City for expressed and expendable purposes.

Combining Balance Sheet
Nonmajor Governmental Funds
Special Revenue Funds
June 30, 2025

	Public Safety	Health	Building Services	Sewer Construction and Maintenance	Underground Utilities
Assets:					
Cash and investments	\$ 9,056	\$ -	\$ 27,303	\$ 17,776	\$ 36,665
Accounts receivable	682	4,801	238	1,419	1,392
Lease receivable	-	178	-	-	-
Prepays and other assets	-	3	-	-	-
Notes receivable	-	-	-	-	-
Allowance for uncollectible long-term receivables	-	-	-	-	-
Restricted assets:					
Cash and investments	-	-	-	-	-
Cash with fiscal agent	-	107	-	-	-
Property held for resale	-	-	-	-	-
Total assets	<u>\$ 9,738</u>	<u>\$ 5,089</u>	<u>\$ 27,541</u>	<u>\$ 19,195</u>	<u>\$ 38,057</u>
Liabilities, deferred inflows of resources and fund balances:					
Liabilities:					
Accounts payable and accrued liabilities	\$ 38	\$ 776	\$ 817	\$ 76	\$ 69
Deposits	-	7	894	-	-
Due to other funds	-	6,965	-	-	-
Unearned revenue	3,127	1,504	737	24	-
Total liabilities	<u>3,165</u>	<u>9,252</u>	<u>2,448</u>	<u>100</u>	<u>69</u>
Deferred Inflows of Resources:					
Unavailable revenues	213	1,400	-	38	-
Lease related	-	167	-	-	-
Total deferred inflows of resources	<u>213</u>	<u>1,567</u>	<u>-</u>	<u>38</u>	<u>-</u>
Fund Balances:					
Nonspendable	-	3	-	-	-
Restricted	6,360	-	-	-	-
Committed	-	-	25,093	19,057	37,988
Unassigned	-	(5,733)	-	-	-
Total fund balances (deficit)	<u>6,360</u>	<u>(5,730)</u>	<u>25,093</u>	<u>19,057</u>	<u>37,988</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 9,738</u>	<u>\$ 5,089</u>	<u>\$ 27,541</u>	<u>\$ 19,195</u>	<u>\$ 38,057</u>

Transportation	Library Services	Parking	Air Quality Improvement	Housing and Community Development	Rent Stabilization	Donated Funds	Total
\$ 36,243	\$ 14,151	\$ 4,832	\$ 416	\$ 10,104	\$ -	\$ 5,534	\$ 162,080
4,834	146	160	51	4,404	802	35	18,964
-	-	-	-	-	-	-	178
114	-	-	-	143	-	-	260
-	-	-	-	72,613	-	-	72,613
-	-	-	-	(72,613)	-	-	(72,613)
-	-	-	-	3,776	-	-	3,776
-	-	-	-	-	-	-	107
-	-	-	-	1,434	-	-	1,434
<u>\$ 41,191</u>	<u>\$ 14,297</u>	<u>\$ 4,992</u>	<u>\$ 467</u>	<u>\$ 19,861</u>	<u>\$ 802</u>	<u>\$ 5,569</u>	<u>\$ 186,799</u>
\$ 3,928	\$ 303	\$ 139	\$ 4	\$ 2,104	\$ 92	\$ 77	\$ 8,423
-	1	-	-	6	-	619	1,527
-	-	-	-	-	1,680	-	8,645
-	-	-	-	3,131	-	-	8,523
<u>3,928</u>	<u>304</u>	<u>139</u>	<u>4</u>	<u>5,241</u>	<u>1,772</u>	<u>696</u>	<u>27,118</u>
364	-	-	49	2,153	163	-	4,380
-	-	-	-	-	-	-	167
<u>364</u>	<u>-</u>	<u>-</u>	<u>49</u>	<u>2,153</u>	<u>163</u>	<u>-</u>	<u>4,547</u>
114	-	-	-	143	-	-	260
36,785	-	-	414	12,324	-	4,873	60,756
-	13,993	4,853	-	-	-	-	100,984
-	-	-	-	-	(1,133)	-	(6,866)
<u>36,899</u>	<u>13,993</u>	<u>4,853</u>	<u>414</u>	<u>12,467</u>	<u>(1,133)</u>	<u>4,873</u>	<u>155,134</u>
<u>\$ 41,191</u>	<u>\$ 14,297</u>	<u>\$ 4,992</u>	<u>\$ 467</u>	<u>\$ 19,861</u>	<u>\$ 802</u>	<u>\$ 5,569</u>	<u>\$ 186,799</u>

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Special Revenue Funds
For the Fiscal Year Ended June 30, 2025

	Public Safety	Health	Building Services	Sewer Construction and Maintenance	Underground Utilities
Revenues:					
Taxes	\$ -	\$ 1,076	\$ -	\$ -	\$ 7,457
Licenses and permits	-	2,185	11,476	-	-
Intergovernmental	3,799	15,118	121	1,558	-
Charges for services	-	482	2,611	12,342	-
Investment earnings	142	5	811	511	1,309
Net change in fair value of investments	90	-	556	344	905
Lease revenues	-	258	-	-	-
Interest income from leases	-	2	-	-	-
Miscellaneous revenues	-	238	71	-	-
Contributions	-	-	-	-	-
Total revenues	4,031	19,364	15,646	14,755	9,671
Expenditures:					
Current:					
Public safety	1,697	-	-	-	-
Transportation	-	-	-	-	-
Utility	-	-	-	-	30
Sanitation	-	-	-	5,993	-
Health	-	19,907	-	-	-
Culture and leisure	-	-	-	-	-
Community development	-	-	12,629	-	-
Capital outlay	1,050	12	90	-	-
Debt service:					
Principal retirement	-	-	-	-	-
Interest	-	-	-	-	-
Lease payments	-	27	2	-	-
Subscription payments	218	24	3	2	-
Interest on leases and subscriptions	2	2	-	-	-
Total expenditures	2,967	19,972	12,724	5,995	30
Excess (deficiency) of revenues over (under) expenditures	1,064	(608)	2,922	8,760	9,641
Other Financing Sources (Uses):					
Transfers in	60	1,267	-	-	-
Transfers out	(214)	-	(489)	(4,222)	(12,183)
Leases issued	-	12	11	-	-
Subscriptions issued	641	-	-	-	-
Total other financing sources (uses)	487	1,279	(478)	(4,222)	(12,183)
Net change in fund balances	1,551	671	2,444	4,538	(2,542)
Fund balances (deficit), beginning of year, as previously reported	4,809	(6,766)	22,649	14,519	40,530
Restatement for correction of an error	-	365	-	-	-
Fund balances (deficit), beginning of year, as restated	4,809	(6,401)	22,649	14,519	40,530
Fund balances (deficit), ending	\$ 6,360	\$ (5,730)	\$ 25,093	\$ 19,057	\$ 37,988

Transportation	Library Services	Parking	Air Quality Improvement	Housing and Community Development	Rent Stabilization	Donated Funds	Total
\$ -	\$ 3,264	\$ 9	\$ -	\$ -	\$ -	\$ -	\$ 11,806
-	2	3,304	-	107	-	-	17,074
24,408	33	-	183	37,967	-	-	83,187
1,077	10	124	-	-	4,869	-	21,515
1,244	424	142	12	193	(59)	149	4,883
854	299	99	-	68	(40)	103	3,278
-	-	-	-	-	-	-	258
-	-	-	-	-	-	-	2
1,226	-	7	-	5,281	-	-	6,823
-	92	-	-	-	-	1,261	1,353
<u>28,809</u>	<u>4,124</u>	<u>3,685</u>	<u>195</u>	<u>43,616</u>	<u>4,770</u>	<u>1,513</u>	<u>150,179</u>
-	-	-	-	-	-	-	1,697
18,355	-	3,247	52	-	-	-	21,654
-	-	-	-	-	-	-	30
-	-	-	-	-	-	-	5,993
-	-	-	-	-	-	-	19,907
-	16,115	-	-	-	-	397	16,512
-	-	-	-	41,716	3,799	-	58,144
-	-	-	68	1,030	985	-	3,235
-	-	-	-	300	-	-	300
-	-	6	-	108	-	-	114
54	147	9	-	21	-	-	260
26	90	-	-	76	104	-	543
3	6	-	-	7	19	-	39
<u>18,438</u>	<u>16,358</u>	<u>3,262</u>	<u>120</u>	<u>43,258</u>	<u>4,907</u>	<u>397</u>	<u>128,428</u>
<u>10,371</u>	<u>(12,234)</u>	<u>423</u>	<u>75</u>	<u>358</u>	<u>(137)</u>	<u>1,116</u>	<u>21,751</u>
379	12,623	-	-	1,434	-	-	15,763
(10,072)	(280)	(7)	(40)	(843)	-	-	(28,350)
-	-	-	-	-	693	-	716
-	-	-	-	-	245	-	886
<u>(9,693)</u>	<u>12,343</u>	<u>(7)</u>	<u>(40)</u>	<u>591</u>	<u>938</u>	<u>-</u>	<u>(10,985)</u>
678	109	416	35	949	801	1,116	10,766
36,221	13,884	4,437	379	11,883	(1,934)	3,757	144,368
-	-	-	-	(365)	-	-	-
<u>36,221</u>	<u>13,884</u>	<u>4,437</u>	<u>379</u>	<u>11,518</u>	<u>(1,934)</u>	<u>3,757</u>	<u>144,368</u>
<u>\$ 36,899</u>	<u>\$ 13,993</u>	<u>\$ 4,853</u>	<u>\$ 414</u>	<u>\$ 12,467</u>	<u>\$ (1,133)</u>	<u>\$ 4,873</u>	<u>\$ 155,134</u>

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
Public Safety Fund
For the Fiscal Year Ended June 30, 2025

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Adopted	Final		
Revenues:				
Intergovernmental	\$ 2,884	\$ 4,171	\$ 3,799	\$ (372)
Investment earnings	91	91	142	51
Net change in fair value of investments	-	-	90	90
Total revenues	2,975	4,262	4,031	(231)
Expenditures:				
Current:				
Public safety	3,359	4,348	1,697	2,651
Capital outlay	145	872	1,050	(178)
Debt service:				
Subscription payments	-	-	218	(218)
Interest on leases and subscriptions	-	-	2	(2)
Total expenditures	3,504	5,220	2,967	2,253
Excess (deficiency) of revenues over (under) expenditures	(529)	(958)	1,064	2,022
Other Financing Sources (Uses):				
Transfers in	-	-	60	60
Transfers out	-	-	(214)	(214)
Subscriptions issued	-	-	641	641
Total other financing sources (uses)	-	-	487	487
Net change in fund balances	(529)	(958)	1,551	2,509
Fund balance, beginning of year	4,809	4,809	4,809	-
Fund balance, ending	\$ 4,280	\$ 3,851	\$ 6,360	\$ 2,509

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
Health Fund
For the Fiscal Year Ended June 30, 2025

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Adopted	Final		
Revenues:				
Taxes	\$ 1,050	\$ 1,050	\$ 1,076	\$ 26
Licenses and permits	2,536	2,536	2,185	(351)
Intergovernmental	15,196	15,482	15,118	(364)
Charges for services	623	623	482	(141)
Investment earnings	-	-	5	5
Lease revenues	-	-	258	258
Interest income from leases	-	-	2	2
Miscellaneous revenues	389	389	238	(151)
Total revenues	<u>19,794</u>	<u>20,080</u>	<u>19,364</u>	<u>(716)</u>
Expenditures:				
Current:				
Health	21,199	21,485	19,907	1,578
Capital outlay	-	-	12	(12)
Debt service:				
Lease payments	-	-	27	(27)
Subscription payments	-	-	24	(24)
Interest on leases and subscriptions	-	-	2	(2)
Total expenditures	<u>21,199</u>	<u>21,485</u>	<u>19,972</u>	<u>1,513</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,405)</u>	<u>(1,405)</u>	<u>(608)</u>	<u>797</u>
Other Financing Sources (Uses):				
Transfers in	1,267	1,267	1,267	-
Leases issued	-	-	12	12
Total other financing sources	<u>1,267</u>	<u>1,267</u>	<u>1,279</u>	<u>12</u>
Net change in fund balances	(138)	(138)	671	809
Fund balances (deficit), beginning, as previously reported	(6,766)	(6,766)	(6,766)	-
Restatement for correction of an error	-	-	365	365
Fund balances (deficit), beginning, as restated	<u>(6,766)</u>	<u>(6,766)</u>	<u>(6,401)</u>	<u>365</u>
Fund balance (deficit), ending	<u>\$ (6,904)</u>	<u>\$ (6,904)</u>	<u>\$ (5,730)</u>	<u>\$ 1,174</u>

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
Building Services Fund
For the Fiscal Year Ended June 30, 2025

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Adopted	Final		
Revenues:				
Licenses and permits	\$ 9,526	\$ 9,526	\$ 11,476	\$ 1,950
Intergovernmental	807	807	121	(686)
Charges for services	2,000	2,000	2,611	611
Investment earnings	541	541	811	270
Net change in fair value of investments	-	-	556	556
Miscellaneous revenues	54	54	71	17
Total revenues	<u>12,928</u>	<u>12,928</u>	<u>15,646</u>	<u>2,718</u>
Expenditures:				
Current:				
Community development	13,979	13,892	12,629	1,263
Capital outlay	-	86	90	(4)
Debt service:				
Lease payments	-	-	2	(2)
Subscription payments	-	-	3	(3)
Total expenditures	<u>13,979</u>	<u>13,978</u>	<u>12,724</u>	<u>1,254</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,051)</u>	<u>(1,050)</u>	<u>2,922</u>	<u>3,972</u>
Other Financing Sources (Uses):				
Transfers out	-	-	(489)	(489)
Subscriptions issued	-	-	11	11
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(478)</u>	<u>(478)</u>
Net change in fund balances	(1,051)	(1,050)	2,444	3,494
Fund balance, beginning of year	22,649	22,649	22,649	-
Fund balance, ending	<u>\$ 21,598</u>	<u>\$ 21,599</u>	<u>\$ 25,093</u>	<u>\$ 3,494</u>

**Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
Sewer Construction and Maintenance Fund
For the Fiscal Year Ended June 30, 2025**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Adopted	Final		
Revenues:				
Intergovernmental	\$ -	\$ 1,500	\$ 1,558	\$ 58
Charges for services	12,396	12,396	12,342	(54)
Investment earnings	305	305	511	206
Net change in fair value of investments	-	-	344	344
Total revenues	<u>14,201</u>	<u>14,201</u>	<u>14,755</u>	<u>554</u>
Expenditures:				
Current:				
Sanitation	6,354	6,354	5,993	361
Debt service:				
Subscription payments	-	-	2	(2)
Total expenditures	<u>6,354</u>	<u>6,354</u>	<u>5,995</u>	<u>359</u>
Excess (deficiency) of revenues over (under) expenditures	<u>7,847</u>	<u>7,847</u>	<u>8,760</u>	<u>913</u>
Other Financing Sources (Uses):				
Transfers out	-	(4,510)	(4,222)	288
Total other financing sources (uses)	<u>-</u>	<u>(4,510)</u>	<u>(4,222)</u>	<u>288</u>
Net change in fund balances	7,847	3,337	4,538	1,201
Fund balance, beginning of year	14,519	14,519	14,519	-
Fund balance, ending	<u>\$ 22,366</u>	<u>\$ 17,856</u>	<u>\$ 19,057</u>	<u>\$ 1,201</u>

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
Underground Utilities Fund
For the Fiscal Year Ended June 30, 2025

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Adopted	Final		
Revenues:				
Taxes	\$ 5,800	\$ 5,800	\$ 7,457	\$ 1,657
Investment earnings	1,009	1,009	1,309	300
Net change in fair value of investments	-	-	905	905
Total revenues	<u>6,809</u>	<u>6,809</u>	<u>9,671</u>	<u>2,862</u>
Expenditures:				
Current:				
Utility	30	30	30	-
Total expenditures	<u>30</u>	<u>30</u>	<u>30</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>6,779</u>	<u>6,779</u>	<u>9,641</u>	<u>2,862</u>
Other Financing Sources (Uses):				
Transfers out	(7,048)	(7,248)	(12,183)	(4,935)
Total other financing sources (uses)	<u>(7,048)</u>	<u>(7,248)</u>	<u>(12,183)</u>	<u>(4,935)</u>
Net change in fund balances	(269)	(469)	(2,542)	(2,073)
Fund balance, beginning of year	40,530	40,530	40,530	-
Fund balance, ending	<u>\$ 40,261</u>	<u>\$ 40,061</u>	<u>\$ 37,988</u>	<u>\$ (2,073)</u>

**Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
Transportation Fund
For the Fiscal Year Ended June 30, 2025**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Adopted	Final		
Revenues:				
Intergovernmental	\$ 22,850	\$ 24,104	\$ 24,408	\$ 304
Charges for services	1,044	1,044	1,077	33
Investment earnings	982	982	1,244	262
Net change in fair value of investments	-	-	854	854
Miscellaneous revenues	974	974	1,226	252
Total revenues	25,850	27,104	28,809	1,705
Expenditures:				
Current:				
Transportation	19,407	20,273	18,355	1,918
Debt service:				
Lease payments	-	-	54	(54)
Subscription payments	-	-	26	(26)
Interest on leases and subscriptions	-	-	3	(3)
Total expenditures	19,407	20,273	18,438	1,835
Excess (deficiency) of revenues over (under) expenditures	6,443	6,831	10,371	3,540
Other Financing Sources (Uses):				
Transfers in	379	379	379	-
Transfers out	(97)	(6,652)	(10,072)	(3,420)
Total other financing sources (uses)	282	(6,273)	(9,693)	(3,420)
Net change in fund balances	6,725	558	678	120
Fund balance, beginning of year	36,221	36,221	36,221	-
Fund balance, ending	\$ 42,946	\$ 36,779	\$ 36,899	\$ 120

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
Library Services Fund
For the Fiscal Year Ended June 30, 2025

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Adopted	Final		
Revenues:				
Taxes	\$ 3,170	\$ 3,170	\$ 3,264	\$ 94
Licenses and permits	2	2	2	-
Intergovernmental	-	33	33	-
Charges for services	7	7	10	3
Investment earnings	338	338	424	86
Net change in fair value of investments	-	-	299	299
Contributions	36	44	92	48
Total revenues	<u>3,553</u>	<u>3,594</u>	<u>4,124</u>	<u>530</u>
Expenditures:				
Current:				
Culture and leisure	16,784	16,725	16,115	610
Debt service:				
Lease payments	-	-	147	(147)
Subscription payments	-	-	90	(90)
Interest on leases and subscriptions	-	-	6	(6)
Total expenditures	<u>16,784</u>	<u>16,725</u>	<u>16,358</u>	<u>367</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(13,231)</u>	<u>(13,131)</u>	<u>(12,234)</u>	<u>897</u>
Other Financing Sources (Uses):				
Transfers in	12,623	12,623	12,623	-
Transfers out	-	-	(280)	(280)
Total other financing sources (uses)	<u>12,623</u>	<u>12,623</u>	<u>12,343</u>	<u>(280)</u>
Net change in fund balances	(608)	(508)	109	617
Fund balance, beginning of year	<u>13,884</u>	<u>13,884</u>	<u>13,884</u>	<u>-</u>
Fund balance, ending	<u>\$ 13,276</u>	<u>\$ 13,376</u>	<u>\$ 13,993</u>	<u>\$ 617</u>

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
Parking Fund
For the Fiscal Year Ended June 30, 2025

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Adopted	Final		
Revenues:				
Taxes	\$ 10	\$ 10	\$ 9	\$ (1)
Licenses and permits	4,129	4,129	3,304	(825)
Charges for services	120	120	124	4
Investment earnings	105	105	142	37
Net change in fair value of investments	-	-	99	99
Miscellaneous revenues	-	-	7	7
Total revenues	<u>4,364</u>	<u>4,364</u>	<u>3,685</u>	<u>(679)</u>
Expenditures:				
Current:				
Transportation	6,369	6,389	3,247	3,142
Debt service:				
Interest	-	-	6	(6)
Lease payments	-	-	9	(9)
Total expenditures	<u>6,369</u>	<u>6,389</u>	<u>3,262</u>	<u>3,127</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,005)</u>	<u>(2,025)</u>	<u>423</u>	<u>2,448</u>
Other Financing Sources (Uses):				
Transfers out	(7)	(37)	(7)	30
Total other financing sources (uses)	<u>(7)</u>	<u>(37)</u>	<u>(7)</u>	<u>30</u>
Net change in fund balances	(2,012)	(2,062)	416	2,478
Fund balance, beginning of year	4,437	4,437	4,437	-
Fund balance, ending	<u>\$ 2,425</u>	<u>\$ 2,375</u>	<u>\$ 4,853</u>	<u>\$ 2,478</u>

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
Air Quality Improvement Fund
For the Fiscal Year Ended June 30, 2025

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Adopted	Final		
Revenues:				
Intergovernmental	\$ 170	\$ 170	\$ 183	\$ 13
Investment earnings	6	6	12	6
Total revenues	<u>176</u>	<u>176</u>	<u>195</u>	<u>19</u>
Expenditures:				
Current:				
Transportation	172	172	52	120
Capital outlay	208	208	68	140
Total expenditures	<u>380</u>	<u>380</u>	<u>120</u>	<u>260</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(204)</u>	<u>(204)</u>	<u>75</u>	<u>279</u>
Other Financing Sources (Uses):				
Transfers out	(40)	(40)	(40)	-
Total other financing sources (uses)	<u>(40)</u>	<u>(40)</u>	<u>(40)</u>	<u>-</u>
Net change in fund balances	(244)	(244)	35	279
Fund balance, beginning of year	379	379	379	-
Fund balance, ending	<u>\$ 135</u>	<u>\$ 135</u>	<u>\$ 414</u>	<u>\$ 279</u>

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
Housing and Community Development Fund
For the Fiscal Year Ended June 30, 2025

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Adopted	Final		
Revenues:				
Licenses and permits	\$ 91	\$ 91	\$ 107	\$ 16
Intergovernmental	33,127	39,796	37,967	(1,829)
Charges for services	1	1	-	(1)
Investment earnings	78	78	193	115
Net change in fair value of investments	-	-	68	68
Miscellaneous revenues	5,511	5,511	5,281	(230)
Total revenues	38,808	45,477	43,616	(1,861)
Expenditures:				
Current:				
Community development	42,775	54,402	41,716	12,686
Capital outlay	-	-	1,030	(1,030)
Debt service:				
Principal retirement	300	300	300	-
Interest	140	140	108	32
Lease payments	-	-	21	(21)
Subscription payments	-	-	76	(76)
Interest on leases and subscriptions	-	-	7	(7)
Total expenditures	43,215	54,842	43,258	11,584
Excess (deficiency) of revenues over (under) expenditures	(4,407)	(9,365)	358	9,723
Other Financing Sources (Uses):				
Transfers in	3,000	3,000	1,434	(1,566)
Transfers out	-	-	(843)	(843)
Total other financing sources (uses)	3,000	3,000	591	(2,409)
Net change in fund balances	(1,407)	(6,365)	949	7,314
Fund balance, beginning of year, as previously reported	11,883	11,883	11,883	-
Restatement for correction of an error	-	-	(365)	(365)
Fund balance, beginning of year, as restated	11,883	11,883	11,518	(365)
Fund balance, ending	\$ 10,476	\$ 5,518	\$ 12,467	\$ 6,949

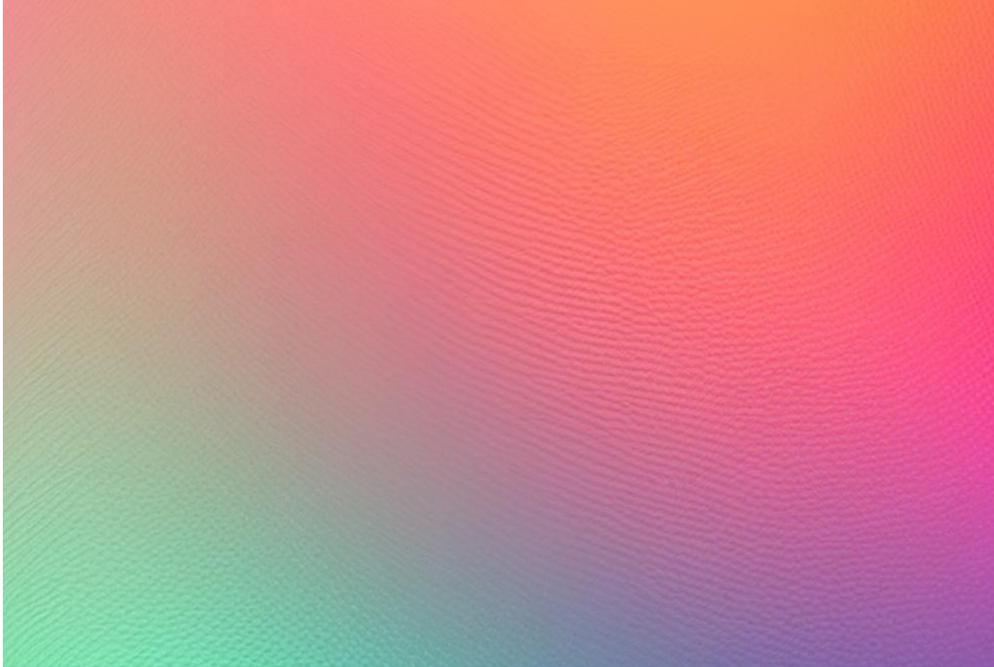
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
Rent Stabilization Fund
For the Fiscal Year Ended June 30, 2025

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Adopted	Final		
Revenues:				
Charges for services	\$ -	\$ -	\$ 4,869	\$ 4,869
Investment earnings (loss)	-	-	(59)	(59)
Net change in fair value of investments	-	-	(40)	(40)
Total revenues	<u>-</u>	<u>-</u>	<u>4,770</u>	<u>4,770</u>
Expenditures:				
Current:				
Community development	4,815	4,875	3,799	1,076
Capital outlay	90	90	985	(895)
Debt service:				
Subscription payments	-	-	104	(104)
Interest on leases and subscriptions	-	-	19	(19)
Total expenditures	<u>4,905</u>	<u>4,965</u>	<u>4,907</u>	<u>58</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,905)</u>	<u>(4,965)</u>	<u>(137)</u>	<u>4,828</u>
Other Financing Sources (Uses):				
Leases issued	-	-	693	693
Subscriptions issued	-	-	245	245
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>938</u>	<u>938</u>
Net change in fund balances	(4,905)	(4,965)	801	5,766
Fund balance, beginning of year	<u>(1,934)</u>	<u>(1,934)</u>	<u>(1,934)</u>	<u>-</u>
Fund balance, ending	<u>\$ (6,839)</u>	<u>\$ (6,899)</u>	<u>\$ (1,133)</u>	<u>\$ 5,766</u>

**Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
Donated Funds
For the Fiscal Year Ended June 30, 2025**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Adopted	Final		
Revenues:				
Investment earnings	\$ 102	\$ 102	\$ 149	\$ 47
Net change in fair value of investments	-	-	103	103
Contributions	750	750	1,261	511
Total revenues	<u>852</u>	<u>852</u>	<u>1,513</u>	<u>661</u>
Expenditures:				
Current:				
Culture and leisure	436	436	397	39
Total expenditures	<u>436</u>	<u>436</u>	<u>397</u>	<u>39</u>
Excess (deficiency) of revenues over (under) expenditures	<u>416</u>	<u>416</u>	<u>1,116</u>	<u>700</u>
Net change in fund balances	416	416	1,116	700
Fund balance, beginning of year	<u>3,757</u>	<u>3,757</u>	<u>3,757</u>	<u>-</u>
Fund balance, ending	<u>\$ 4,173</u>	<u>\$ 4,173</u>	<u>\$ 4,873</u>	<u>\$ 700</u>

(This page intentionally left blank)



CAPITAL PROJECT FUNDS



ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
JUNE 30, 2025

**Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
Project Management Fund
For the Fiscal Year Ended June 30, 2025**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Adopted	Final		
Revenues:				
Licenses and permits	\$ -	\$ -	\$ 488	\$ 488
Intergovernmental	-	26,683	12,994	(13,689)
Charges for services	-	(150)	76	226
Miscellaneous revenues	-	-	28	28
Contributions	-	765	476	(289)
Total revenues	-	27,298	14,062	(13,236)
Expenditures:				
Current:				
Transportation	8,311	8,311	1,808	6,503
Capital outlay	910	53,607	46,424	7,183
Debt service:				
Lease payments	-	-	1	(1)
Subscription payments	-	-	72	(72)
Interest on leases and subscriptions	-	-	4	(4)
Total expenditures	9,221	61,918	48,309	13,609
Excess (deficiency) of revenues over (under) expenditures	(9,221)	(34,620)	(34,247)	373
Other Financing Sources (Uses):				
Transfers in	-	25,248	29,845	4,597
Transfers out	-	-	(1,730)	(1,730)
Total other financing sources	-	25,248	28,115	2,867
Net change in fund balances	(9,221)	(9,372)	(6,132)	3,240
Fund balance, beginning of year	(1,392)	(1,392)	(1,392)	-
Fund balance (deficit), ending	\$ (10,613)	\$ (10,764)	\$ (7,524)	\$ 3,240



**NONMAJOR GOVERNMENTAL FUNDS
CAPITAL PROJECTS FUNDS**

Capital projects funds are used to account for the acquisition or construction of major capital facilities by the City, other than those financed by proprietary funds.

Charter Capital Projects Fund – to account for certain resources identified by the City Council for the acquisition, construction, replacement or repair of municipal improvements where disbursements other than specific municipal improvement projects can be authorized only by a vote of the people.

New Development Impact Fund – to account for fees received from developers of commercial and industrial facilities to be used to fund capital projects, which are made necessary in whole or in part by new development.

Residential Development Impact Fund – to account for fees received from developers of residential facilities to be used to develop park or recreational facilities.

10% Green Fee Capital Projects Fund – to account for capital improvements related to the development of the Arroyo Seco. Funding comes from 10% of the gross receipts generated from green fees at the Brookside Golf Course, which are submitted to the capital project fund.

Capital Public Art Fund – to account for fees collected to be used for public art projects.

Traffic Reduction and Transportation Improvement Fee Fund – to account for fees assessed on new fee for new industrial, office, retail, and residential development, to ensure that the transportation improvements identified in the Mobility Element necessary to address the impact of new development on the City's transportation system are equitably shared by all new development.

(This page intentionally left blank)



Combining Balance Sheet
Nonmajor Governmental Funds
Capital Projects Funds
June 30, 2025

	Charter Capital Projects	New Development Impact	Residential Development Impact	10% Green Fee Capital Projects	Capital Public Art	Traffic Reduction Transportation Improvement	Total
Assets:							
Cash and investments	\$ 1,416	\$ 273	\$ 3,438	\$ 80	\$ 956	\$ 2,584	\$ 8,747
Accounts receivable	1	4	104	1	9	22	141
Total assets	<u>\$ 1,417</u>	<u>\$ 277</u>	<u>\$ 3,542</u>	<u>\$ 81</u>	<u>\$ 965</u>	<u>\$ 2,606</u>	<u>\$ 8,888</u>
Liabilities and fund balances:							
Accounts payable and accrued liabilities	\$ -	\$ -	\$ 15	\$ -	\$ 20	\$ -	\$ 35
Total liabilities	<u>-</u>	<u>-</u>	<u>15</u>	<u>-</u>	<u>20</u>	<u>-</u>	<u>35</u>
Fund Balances:							
Restricted	1,417	-	-	-	-	-	1,417
Committed	-	277	3,527	81	945	2,606	7,436
Total fund balances	<u>1,417</u>	<u>277</u>	<u>3,527</u>	<u>81</u>	<u>945</u>	<u>2,606</u>	<u>8,853</u>
Total liabilities and fund balances	<u>\$ 1,417</u>	<u>\$ 277</u>	<u>\$ 3,542</u>	<u>\$ 81</u>	<u>\$ 965</u>	<u>\$ 2,606</u>	<u>\$ 8,888</u>

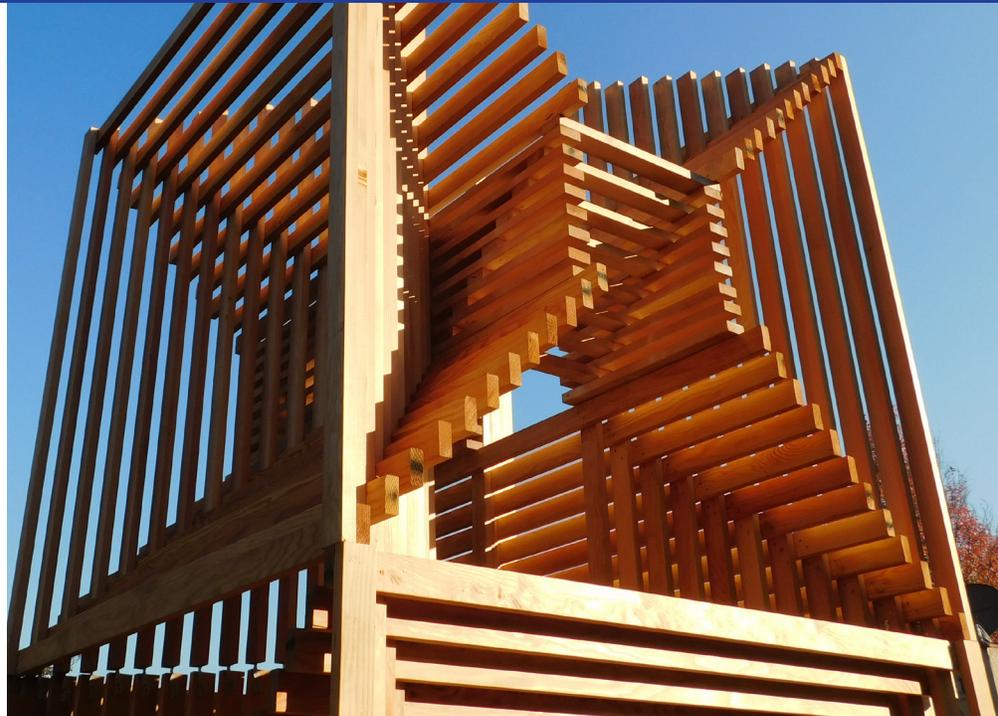
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Capital Projects Funds
For the Fiscal Year Ended June 30, 2025

	Charter Capital Projects	New Development Impact	Residential Development Impact	10% Green Fee Capital Projects	Capital Public Art	Traffic Reduction Transportation Improvement	Total
Revenues:							
Charges for services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,084	\$ 1,084
Investment earnings	59	8	114	2	29	52	264
Net change in fair value of investments	31	6	80	2	20	37	176
Miscellaneous revenues	-	-	-	-	2	-	2
Contributions	-	-	793	-	-	-	793
Total revenues	<u>90</u>	<u>14</u>	<u>987</u>	<u>4</u>	<u>51</u>	<u>1,173</u>	<u>2,319</u>
Expenditures:							
Current:							
Community development	-	-	-	-	36	-	36
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>36</u>	<u>-</u>	<u>36</u>
Excess (deficiency) of revenues over (under) expenditures	<u>90</u>	<u>14</u>	<u>987</u>	<u>4</u>	<u>15</u>	<u>1,173</u>	<u>2,283</u>
Other Financing Sources (Uses):							
Transfers out	(621)	(14)	(1,002)	-	-	(234)	(1,871)
Total other financing sources (uses)	<u>(621)</u>	<u>(14)</u>	<u>(1,002)</u>	<u>-</u>	<u>-</u>	<u>(234)</u>	<u>(1,871)</u>
Net change in fund balances	<u>(531)</u>	<u>-</u>	<u>(15)</u>	<u>4</u>	<u>15</u>	<u>939</u>	<u>412</u>
Fund balances, beginning of year	<u>1,948</u>	<u>277</u>	<u>3,542</u>	<u>77</u>	<u>930</u>	<u>1,667</u>	<u>8,441</u>
Fund balances, ending	<u>\$ 1,417</u>	<u>\$ 277</u>	<u>\$ 3,527</u>	<u>\$ 81</u>	<u>\$ 945</u>	<u>\$ 2,606</u>	<u>\$ 8,853</u>

(This page intentionally left blank)



PERMANENT FUNDS



ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
JUNE 30, 2025

(This page intentionally left blank)

**NONMAJOR GOVERNMENTAL FUNDS
PERMANENT FUNDS**

Permanent funds are used to account for resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the City's programs.

Vroman Art Bequest Fund – for purchase of books on art and works of art for the Pasadena Public Library.

Singer Trust Fund – for maintenance of Singer Park.

Noble Award Fund – for purchase of medals to award persons rendering notable service in promoting the beauty or general welfare of Pasadena.

Pasadena Center Capital Improvement Trust Fund – for capital improvements.

Cox Trust Fund – for purchase of literary classics.

Jankos Trust Fund – for purchase of books and materials for the purpose of self-improvement, career development, and agriculture.

Hudson Family Trust Fund – for the purchase of any type of library material for the Lamanda Park Branch of the Pasadena Public Library.

M. A. Berger Trust Fund – for support and maintenance of the Pasadena Public Library's business and economic collections.

**Combining Balance Sheet
Nonmajor Governmental Funds
Permanent Funds
June 30, 2025**

	Vroman Art Bequest	Singer Trust	Noble Award	Pasadena Center Capital Improvement Trust
Assets:				
Cash and investments	\$ 7	\$ 51	\$ 7	\$ 504
Accounts receivable	-	1	-	5
Total assets	\$ 7	\$ 52	\$ 7	\$ 509
Fund Balances:				
Nonspendable	\$ 5	\$ 24	\$ 1	\$ 400
Restricted	2	28	6	-
Committed	-	-	-	109
Total fund balances	\$ 7	\$ 52	\$ 7	\$ 509

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Permanent Funds
For the Fiscal Year Ended June 30, 2025**

	Vroman Art Bequest	Singer Trust	Noble Award	Pasadena Center Capital Improvement Trust
Revenues:				
Investment earnings	\$ 1	\$ 2	\$ 1	\$ 15
Net change in fair value of investments	-	1	-	11
Total revenues	1	3	1	26
Net change in fund balances	1	3	1	26
Fund balances, beginning	6	49	6	483
Fund balances, ending	\$ 7	\$ 52	\$ 7	\$ 509



Cox Trust	Jankos Trust	Hudson Family Trust	M. A. Berger Trust	Total
\$ 5	\$ 31	\$ 123	\$ 1,520	\$ 2,248
-	-	1	14	21
<u>\$ 5</u>	<u>\$ 31</u>	<u>\$ 124</u>	<u>\$ 1,534</u>	<u>\$ 2,269</u>
\$ 4	\$ 25	\$ 100	\$ 875	\$ 1,434
1	6	24	659	726
-	-	-	-	109
<u>\$ 5</u>	<u>\$ 31</u>	<u>\$ 124</u>	<u>\$ 1,534</u>	<u>\$ 2,269</u>

Cox Trust	Jankos Trust	Hudson Family Trust	M. A. Berger Trust	Total
\$ -	\$ 1	\$ 4	\$ 46	\$ 70
-	-	3	31	46
-	1	7	77	116
-	1	7	77	116
5	30	117	1,457	2,153
<u>\$ 5</u>	<u>\$ 31</u>	<u>\$ 124</u>	<u>\$ 1,534</u>	<u>\$ 2,269</u>

(This page intentionally left blank)



NONMAJOR ENTERPRISE FUNDS



ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
JUNE 30, 2025

(This page intentionally left blank)



NONMAJOR ENTERPRISE FUNDS

Enterprise funds are used to account for City operations that are financed and operated in a manner similar to private business enterprises, where the costs of providing these services to the general public on a continuing basis are financed or recovered primarily through user charges.

Refuse Collection Fund – to account for the operations of the City's refuse collection program, a self-supporting activity, which renders services on a user charge basis to residents and businesses.

Telecommunications Fund – to account for revenues received for the use of the fiber optic system excess capacity by private sector firms and used to repay the loan, which funded its construction, as well as fees for setting up wireless facilities on City-owned property.

Combining Statement of Net Position
Nonmajor Enterprise Funds
June 30, 2025

	Refuse Collection	Tele- communications	Total
Assets:			
Current assets:			
Cash and investments	\$ 18,366	\$ 2,629	\$ 20,995
Accounts receivable, net	3,785	42	3,827
Due from component units	46	9	55
Lease receivable	-	56	56
Total current assets	22,197	2,736	24,933
Noncurrent assets:			
Lease receivable - noncurrent	-	230	230
Capital assets	17,177	2,859	20,036
Less: accumulated depreciation/amortization	(9,517)	(1,501)	(11,018)
Capital assets, net	7,660	1,358	9,018
Total noncurrent assets	7,660	1,588	9,248
Total assets	29,857	4,324	34,181
Deferred Outflows of Resources:			
Pension related	2,201	-	2,201
OPEB related	213	-	213
Total deferred outflows of resources	2,414	-	2,414
Liabilities:			
Current liabilities:			
Accounts payable and accrued liabilities	4,961	-	4,961
Deposits	5,687	-	5,687
Unearned revenue	214	821	1,035
Compensated absences	21	-	21
Lease liability	2	-	2
Subscription liability	18	-	18
Total current liabilities	10,903	821	11,724
Noncurrent liabilities:			
Net pension liability	8,101	-	8,101
Net OPEB liability	2,195	-	2,195
Lease liability	4	-	4
Subscription liability	20	-	20
Total noncurrent liabilities	10,320	-	10,320
Total liabilities	21,223	821	22,044
Deferred Inflows of Resources:			
Lease related	-	279	279
Pension related	38	-	38
OPEB related	900	-	900
Total deferred inflows of resources	938	279	1,217
Net Position:			
Net investment in capital assets	7,615	1,060	8,675
Unrestricted	2,495	2,164	4,659
Total net position	\$ 10,110	\$ 3,224	\$ 13,334

Combining Statement of Revenues, Expenditures and Changes in Net Position
Nonmajor Enterprise Funds
For the Fiscal Year Ended June 30, 2025

	Refuse Collection	Tele- communications	Total
Operating Revenues:			
Charges for services:			
Refuse collection	\$ 16,373	\$ -	\$ 16,373
Telecommunication	-	658	658
Total operating revenues	<u>16,373</u>	<u>658</u>	<u>17,031</u>
Operating Expenses:			
Refuse collection	25,450	-	25,450
Telecommunications	-	4	4
Depreciation/amortization	808	194	1,002
Total operating expenses	<u>26,258</u>	<u>198</u>	<u>26,456</u>
Operating income (loss)	<u>(9,885)</u>	<u>460</u>	<u>(9,425)</u>
Nonoperating Revenues (Expenses):			
Taxes	9,204	-	9,204
Intergovernmental	228	-	228
Noncompliance forfeitures	1,044	-	1,044
Investment earnings	563	87	650
Net change in fair value of investments	395	60	455
Lease revenues	-	42	42
Interest income from leases	-	1	1
Interest expense on leases and subscriptions	(1)	-	(1)
Total nonoperating revenues (expenses)	<u>11,433</u>	<u>190</u>	<u>11,623</u>
Income before transfers	<u>1,548</u>	<u>650</u>	<u>2,198</u>
Transfers:			
Transfers in	-	350	350
Transfers out	(198)	(706)	(904)
Change in net position	<u>1,350</u>	<u>294</u>	<u>1,644</u>
Net position, beginning, as previously reported	8,786	2,930	11,716
Restatement for a change in accounting principle	(26)	-	(26)
Net position, beginning, as restated	<u>8,760</u>	<u>2,930</u>	<u>11,690</u>
Net position, ending	<u>\$ 10,110</u>	<u>\$ 3,224</u>	<u>\$ 13,334</u>

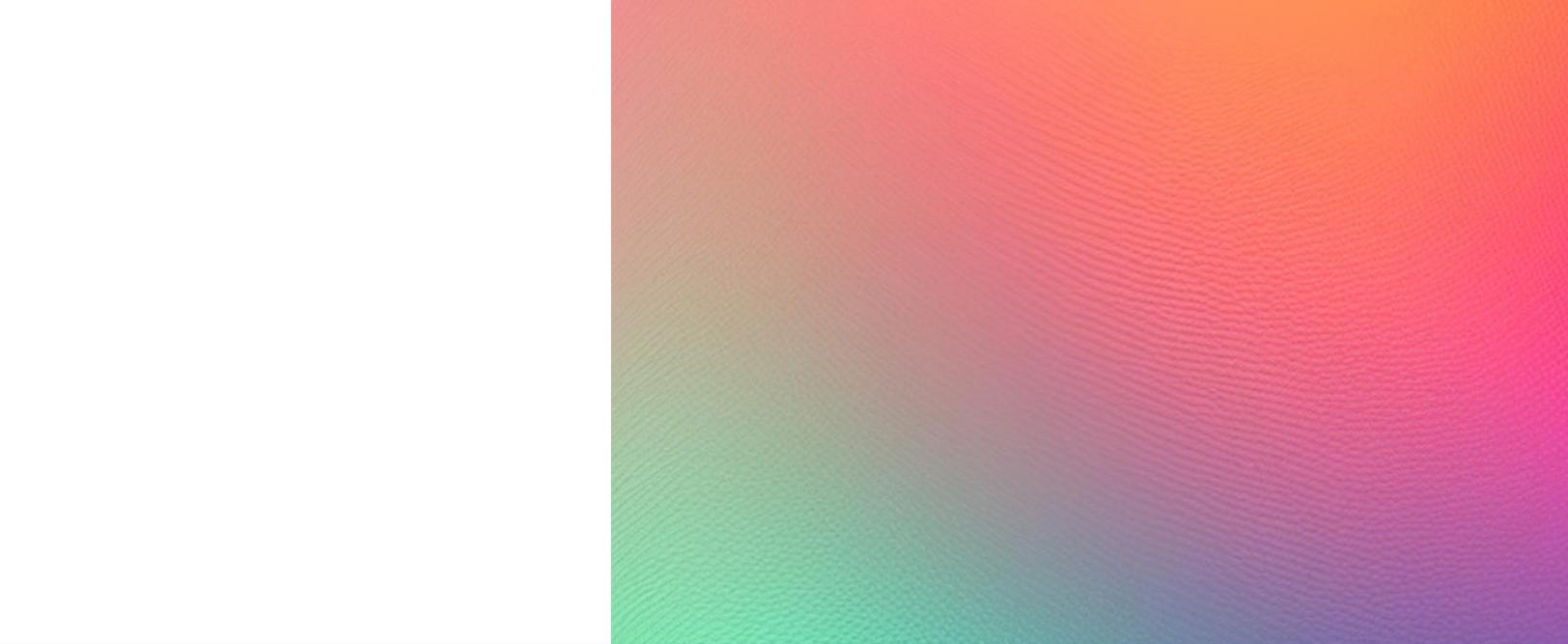
Statement of Cash Flows
Nonmajor Enterprise Funds
For the Fiscal Year Ended June 30, 2025

	Refuse Collection	Tele- communications	Total
Cash Flows from Operating Activities:			
Cash received from customers	\$ 15,015	\$ 519	\$ 15,534
Cash payments to suppliers for goods and services	(9,596)	(4)	(9,600)
Cash payments to employees for services	(12,516)	-	(12,516)
Net cash provided by (used for) operating activities	(7,097)	515	(6,582)
Cash Flows from Noncapital Financing Activities:			
Cash transfers in	-	350	350
Cash transfers out	(198)	(706)	(904)
Taxes received	9,204	-	9,204
Intergovernmental revenues	228	-	228
Nonoperating miscellaneous revenues	1,044	-	1,044
Net cash provided by (used for) noncapital financing activities	10,278	(356)	9,922
Cash Flows from Capital and Related Financing Activities:			
Acquisition and construction of capital assets	(3,432)	(298)	(3,730)
Proceeds from lease activities	-	44	44
Payments on leases and subscriptions	(20)	-	(20)
Interest paid on debt	(1)	-	(1)
Net cash used for capital and related financing activities	(3,453)	(254)	(3,707)
Cash Flows from Investing Activities:			
Investment earnings	563	87	650
Net change in fair value of investments	395	60	455
Net cash provided by (used for) investing activities	958	147	1,105
Net increase (decrease) in cash and cash equivalents	686	52	738
Cash and cash equivalents, beginning	17,680	2,577	20,257
Cash and cash equivalents, ending	\$ 18,366	\$ 2,629	\$ 20,995

Statement of Cash Flows
Nonmajor Enterprise Funds (Continued)
For the Fiscal Year Ended June 30, 2025

	Refuse Collection	Tele- communications	Total
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:			
Operating income (loss)	\$ (9,885)	\$ 460	\$ (9,425)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation and amortization	808	194	1,002
(Increase) decrease in accounts receivable	(1,156)	20	(1,136)
(Increase) decrease in lease receivable	-	(286)	(286)
Increase (decrease) in due to other funds	(46)	-	(46)
Increase (decrease) in accounts payable and accrued liabilities	3,748	-	3,748
Increase (decrease) in unearned revenue	(149)	(116)	(265)
Increase (decrease) in compensated absences	(4)	-	(4)
Increase (decrease) in deposits payable	(472)	-	(472)
Increase (decrease) in deferred inflows	24	-	24
(Increase) decrease in deferred outflows	1,022	-	1,022
Increase (decrease) in lease and subscription liability	-	243	243
Increase (decrease) in net OPEB liability	(243)	-	(243)
Increase (decrease) in net pension liability	(744)	-	(744)
Total adjustments	<u>2,788</u>	<u>55</u>	<u>2,843</u>
Net cash provided by (used for) operating activities	<u>\$ (7,097)</u>	<u>\$ 515</u>	<u>\$ (6,582)</u>
Non-cash Operating Activity			
Increase in compensated absences due to GASB 101 implementation	1	25	26
Non-cash Capital and Financing Activities			
Subscriptions issued	-	24	24

(This page intentionally left blank)



INTERNAL SERVICE FUNDS



ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
JUNE 30, 2025

(This page intentionally left blank)



INTERNAL SERVICE FUNDS

Internal service funds are used to account for the financing of goods and services provided by one City department to another or to other governmental units on a cost-reimbursement basis.

Computing and Communication Services Fund – to account for all operations of the Computing and Communications Division of the City Manager's Department, which includes such services as data processing, radio communications, telephone, and voice services.

Building Maintenance Fund – to account for housekeeping and structural maintenance of City buildings.

Fleet Replacement Fund – to account for the procurement of City vehicles.

Fleet Repair and Maintenance Fund – to account for the repair and maintenance of City vehicles.

Benefits Fund – to account for employee compensated absences, retirement, and health benefits.

Workers' Compensation Fund – to account for investigation services, temporary disability and medical payments, excess insurance, permanent disability awards, administrative services, and litigation costs. Premiums based on employee worker classifications are indirectly charged to each department for claims proportionate to current industry rates applicable to job functions.

General Liability Fund – to account for payment of self-insured general liability and automobile liability claims, excess insurance, claims adjusting services, litigation costs, and administrative services. Contributions are made from each department and are based on past claims experience and appropriate risk factors.

311 Call Center Fund – to account for the operation of the City's central call center.

Combining Statement of Net Position
Internal Service Funds
June 30, 2025

	Computing and Communication Services	Building Maintenance	Fleet Replacement
Assets:			
Current assets:			
Cash and investments	\$ 2,909	\$ 10,327	\$ 15,012
Accounts receivable	32	99	164
Due from component units	-	-	-
Inventories	-	-	-
Prepays and other assets	774	-	-
Total current assets	3,715	10,426	15,176
Noncurrent assets:			
Capital assets	13,405	80	38,390
Less: accumulated depreciation/ amortization	(6,398)	(56)	(19,983)
Capital assets, net	7,007	24	18,407
Total noncurrent assets	7,007	24	18,407
Total assets	10,722	10,450	33,583
Deferred Outflows of Resources:			
Pension related	4,443	1,432	67
OPEB related	238	150	3
Total deferred outflows of resources	4,681	1,582	70
Liabilities:			
Current liabilities:			
Accounts payable and accrued liabilities	1,118	1,214	439
Due to other funds	-	-	-
Insurance claims payable	-	-	-
Compensated absences	94	16	1
Lease liability	-	1	-
Subscription liability	1,334	10	-
Total current liabilities	2,546	1,241	440
Noncurrent liabilities:			
Insurance claims payable	-	-	-
Compensated absences	23	4	-
Net pension liability	14,971	6,593	3,053
Net OPEB liability	2,453	1,549	32
Lease liability	-	3	-
Subscription liability	1,621	11	-
Total noncurrent liabilities	19,068	8,160	3,085
Total liabilities	21,614	9,401	3,525
Deferred Inflows of Resources:			
Pension related	77	25	1
OPEB related	1,005	635	13
Total deferred inflows of resources	1,082	660	14
Net Position:			
Net investment in capital assets	2,620	-	17,972
Unrestricted	(9,913)	1,971	12,142
Total net position (deficit)	\$ (7,293)	\$ 1,971	\$ 30,114

Fleet Repair and Maintenance	Benefits	Workers' Compensation	General Liability	311 Call Center	Total
\$ 6,545	\$ -	\$ 14,605	\$ 17,265	\$ 795	\$ 67,458
35	1	743	26	3	1,103
4	-	-	-	-	4
574	-	-	-	-	574
-	12	5	-	-	791
<u>7,158</u>	<u>13</u>	<u>15,353</u>	<u>17,291</u>	<u>798</u>	<u>69,930</u>
928	-	26	4,251	62	57,142
<u>(320)</u>	<u>-</u>	<u>(5)</u>	<u>(81)</u>	<u>(37)</u>	<u>(26,880)</u>
608	-	21	4,170	25	30,262
608	-	21	4,170	25	30,262
<u>7,766</u>	<u>13</u>	<u>15,374</u>	<u>21,461</u>	<u>823</u>	<u>100,192</u>
877	20,293	3,795	239	127	31,273
75	19	28	15	25	553
<u>952</u>	<u>20,312</u>	<u>3,823</u>	<u>254</u>	<u>152</u>	<u>31,826</u>
929	18,483	300	1,151	13	23,647
-	27,581	-	-	-	27,581
-	-	17,485	10,359	-	27,844
-	34,224	6	7	1	34,349
1	-	-	171	-	173
57	-	-	-	12	1,413
<u>987</u>	<u>80,288</u>	<u>17,791</u>	<u>11,688</u>	<u>26</u>	<u>115,007</u>
-	-	29,831	6,695	-	36,526
-	8,529	1	2	1	8,560
736	75,100	10,948	613	474	112,488
775	194	291	161	258	5,713
3	-	-	339	-	345
61	-	-	-	11	1,704
<u>1,575</u>	<u>83,823</u>	<u>41,071</u>	<u>7,810</u>	<u>744</u>	<u>165,336</u>
<u>2,562</u>	<u>164,111</u>	<u>58,862</u>	<u>19,498</u>	<u>770</u>	<u>280,343</u>
15	230	25	4	2	379
317	79	119	66	106	2,340
<u>332</u>	<u>309</u>	<u>144</u>	<u>70</u>	<u>108</u>	<u>2,719</u>
462	-	21	3,660	2	24,737
5,362	(144,095)	(39,830)	(1,513)	95	(175,781)
<u>\$ 5,824</u>	<u>\$ (144,095)</u>	<u>\$ (39,809)</u>	<u>\$ 2,147</u>	<u>\$ 97</u>	<u>\$ (151,044)</u>

Combining Statement of Revenues, Expenditures and Changes in Net Position
Internal Service Funds
For the Fiscal Year Ended June 30, 2025

	<u>Computing and Communication Services</u>	<u>Building Maintenance</u>	<u>Fleet Replacement</u>
Operating Revenues:			
Charges for services:			
Computing and communication services	\$ 23,475	\$ -	\$ -
Building maintenance	-	17,471	-
Fleet replacement and maintenance	-	-	4,530
Employee benefits	-	-	-
Insurance	-	-	-
Other revenues	-	-	-
Total operating revenues	<u>23,475</u>	<u>17,471</u>	<u>4,530</u>
Operating Expenses:			
Computing and communication services	22,441	-	-
Building maintenance	-	17,030	-
Fleet replacement and maintenance	-	-	116
Employee benefits	-	-	-
Insurance	-	-	-
311 Call Center	-	-	-
Depreciation/amortization	1,815	11	2,340
Total operating expenses	<u>24,256</u>	<u>17,041</u>	<u>2,456</u>
Operating income (loss)	<u>(781)</u>	<u>430</u>	<u>2,074</u>
Nonoperating Revenues (Expenses):			
Investment earnings (loss)	92	304	515
Net change in fair value of investments	66	208	368
Gain (loss) on disposal of capital assets	(91)	-	(34)
Lease revenues	-	285	-
Interest income from leases	-	1	-
Interest expense on leases and subscriptions	(54)	(1)	-
Other nonoperating revenues (expenses)	-	-	46
Total nonoperating revenues (expenses)	<u>13</u>	<u>797</u>	<u>895</u>
Income (loss) before transfers	<u>(768)</u>	<u>1,227</u>	<u>2,969</u>
Transfers from (to) Other Funds:			
Transfers in	2,054	15	-
Transfers out	(1,757)	(769)	-
Net income (loss)	<u>(471)</u>	<u>473</u>	<u>2,969</u>
Net position (deficit), beginning, as previously reported	(6,739)	1,518	27,147
Restatement for a change in accounting principle	(83)	(20)	(2)
Net position (deficit), beginning, as restated	<u>(6,822)</u>	<u>1,498</u>	<u>27,145</u>
Net position (deficit), ending	<u>\$ (7,293)</u>	<u>\$ 1,971</u>	<u>\$ 30,114</u>

<u>Fleet Repair and Maintenance</u>	<u>Benefits</u>	<u>Workers' Compensation</u>	<u>General Liability</u>	<u>311 Call Center</u>	<u>Total</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 23,475
-	-	-	-	-	17,471
15,097	-	-	-	-	19,627
-	46,800	-	-	-	46,800
-	-	19,577	16,944	-	36,521
-	103	-	-	1,056	1,159
<u>15,097</u>	<u>46,903</u>	<u>19,577</u>	<u>16,944</u>	<u>1,056</u>	<u>145,053</u>
-	-	-	-	-	22,441
-	-	-	-	-	17,030
12,610	-	-	-	-	12,726
-	55,882	-	-	-	55,882
-	-	22,983	10,781	-	33,764
-	-	-	-	819	819
131	-	2	159	12	4,470
<u>12,741</u>	<u>55,882</u>	<u>22,985</u>	<u>10,940</u>	<u>831</u>	<u>147,132</u>
<u>2,356</u>	<u>(8,979)</u>	<u>(3,408)</u>	<u>6,004</u>	<u>225</u>	<u>(2,079)</u>
133	(934)	444	158	17	729
88	(661)	312	44	11	436
-	-	-	-	-	(125)
-	-	-	-	-	285
-	-	-	-	-	1
(9)	-	-	(8)	(1)	(73)
67	-	-	-	-	113
<u>279</u>	<u>(1,595)</u>	<u>756</u>	<u>194</u>	<u>27</u>	<u>1,366</u>
<u>2,635</u>	<u>(10,574)</u>	<u>(2,652)</u>	<u>6,198</u>	<u>252</u>	<u>(713)</u>
-	-	-	-	-	2,069
-	-	-	-	-	(2,526)
<u>2,635</u>	<u>(10,574)</u>	<u>(2,652)</u>	<u>6,198</u>	<u>252</u>	<u>(1,170)</u>
3,192	(108,029)	(37,152)	(4,043)	(155)	(124,261)
(3)	(25,492)	(5)	(8)	-	(25,613)
<u>3,189</u>	<u>(133,521)</u>	<u>(37,157)</u>	<u>(4,051)</u>	<u>(155)</u>	<u>(149,874)</u>
<u>\$ 5,824</u>	<u>\$ (144,095)</u>	<u>\$ (39,809)</u>	<u>\$ 2,147</u>	<u>\$ 97</u>	<u>\$ (151,044)</u>

Combining Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended June 30, 2025

	<u>Computing and Communication Services</u>	<u>Building Maintenance</u>	<u>Fleet Replacement</u>
Cash Flows from Operating Activities:			
Cash received from customers	\$ 23,464	\$ 17,770	\$ 4,422
Cash payments to suppliers for goods and services	(4,933)	(11,139)	(2,295)
Cash payments to employees for services	(14,888)	(5,588)	(227)
Miscellaneous revenue	-	-	-
Net cash provided by (used for) operating activities	<u>3,643</u>	<u>1,043</u>	<u>1,900</u>
Cash Flows from Noncapital Financing Activities:			
Transfers from other funds	2,054	15	-
Transfers to other funds	(1,757)	(769)	-
Nonoperating miscellaneous revenues	-	1	46
Net cash provided by (used for) noncapital financing activities	<u>297</u>	<u>(753)</u>	<u>46</u>
Cash Flows from Capital and Related Financing Activities:			
Acquisition and construction of capital assets	(4,900)	-	(7,348)
Payments on leases and subscriptions	-	(10)	-
Interest paid on debt	(22)	(1)	-
Net cash used for capital and related financing activities	<u>(4,922)</u>	<u>(11)</u>	<u>(7,348)</u>
Cash Flows from Investing Activities:			
Investment earnings (loss)	92	304	515
Net change in fair value of investments	66	208	368
Net cash provided by (used for) investing activities	<u>158</u>	<u>512</u>	<u>883</u>
Net increase (decrease) in cash and cash equivalents	(824)	791	(4,519)
Cash and cash equivalents, beginning	<u>3,733</u>	<u>9,536</u>	<u>19,531</u>
Cash and cash equivalents, ending	<u>\$ 2,909</u>	<u>\$ 10,327</u>	<u>\$ 15,012</u>

<u>Fleet Repair and Maintenance</u>	<u>Benefits</u>	<u>Workers' Compensation</u>	<u>General Liability</u>	<u>311 Call Center</u>	<u>Total</u>
\$ 15,184	\$ 47,596	\$ 18,872	\$ 22,257	\$ 1,054	\$ 150,619
(9,231)	(2,666)	(5,110)	(4,990)	(164)	(40,528)
(3,360)	(43,438)	(14,177)	(786)	(522)	(82,986)
6	103	-	-	-	109
<u>2,599</u>	<u>1,595</u>	<u>(415)</u>	<u>16,481</u>	<u>368</u>	<u>27,214</u>
-	-	-	-	-	2,069
-	-	-	-	-	(2,526)
68	-	-	-	-	115
<u>68</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(342)</u>
(83)	-	-	(537)	-	(12,868)
(58)	-	-	(82)	(14)	(164)
(9)	-	-	(8)	(1)	(41)
<u>(150)</u>	<u>-</u>	<u>-</u>	<u>(627)</u>	<u>(15)</u>	<u>(13,073)</u>
133	(934)	444	158	17	729
88	(661)	312	44	11	436
<u>221</u>	<u>(1,595)</u>	<u>756</u>	<u>202</u>	<u>28</u>	<u>1,165</u>
2,738	-	341	16,056	381	14,964
<u>3,807</u>	<u>-</u>	<u>14,264</u>	<u>1,209</u>	<u>414</u>	<u>52,494</u>
<u>\$ 6,545</u>	<u>\$ -</u>	<u>\$ 14,605</u>	<u>\$ 17,265</u>	<u>\$ 795</u>	<u>\$ 67,458</u>

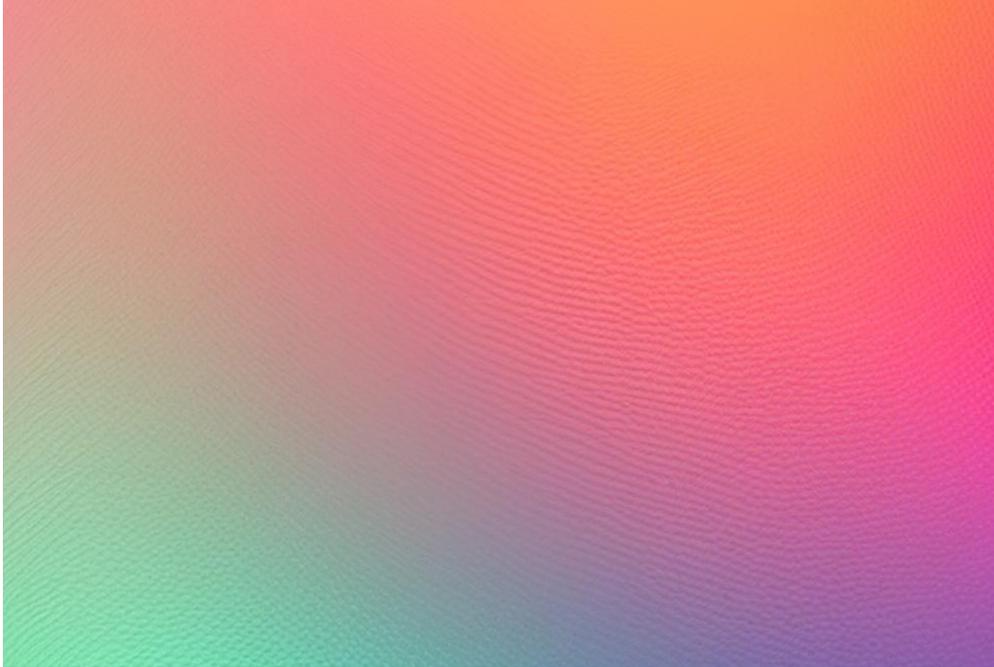
Combining Statement of Cash Flows (Continued)
Internal Service Funds
For the Fiscal Year Ended June 30, 2025

	<u>Computing and Communication Services</u>	<u>Building Maintenance</u>	<u>Fleet Replacement</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:			
Operating income (loss)	\$ (781)	\$ 430	\$ 2,074
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation and amortization	1,815	11	2,340
Miscellaneous and other revenue (expense)	-	-	-
(Increase) decrease in accounts receivable	(11)	(9)	(108)
(Increase) decrease in lease receivable	-	308	-
(Increase) decrease in due from component units	-	-	-
Increase (decrease) in due to other funds	-	-	-
(Increase) decrease in inventories	-	-	-
(Increase) decrease in prepaids and other assets	177	-	-
Increase (decrease) in accounts payable and accrued liabilities	317	139	(2,409)
Increase (decrease) in insurance claims payable	-	-	-
Increase (decrease) in compensated absences	33	-	-
Increase (decrease) in deferred inflows	(99)	54	-
(Increase) decrease in deferred outflows	1,838	713	10
Increase (decrease) in lease and subscription liability	2,054	-	-
Increase (decrease) in net OPEB liability	(379)	(64)	(4)
Increase (decrease) in net pension liability	(1,321)	(539)	(3)
Total adjustments	<u>4,424</u>	<u>613</u>	<u>(174)</u>
Net cash provided by (used for) operating activities	<u>\$ 3,643</u>	<u>\$ 1,043</u>	<u>\$ 1,900</u>
Non-cash Operating Activity			
Increase in compensated absences due to GASB 101 implementation	83	20	2
Non-cash Capital and Financing Activities			
Leases issued	-	-	-
Subscriptions issued	3,466	-	-

<u>Fleet Repair and Maintenance</u>	<u>Benefits</u>	<u>Workers' Compensation</u>	<u>General Liability</u>	<u>311 Call Center</u>	<u>Total</u>
\$ 2,356	\$ (8,979)	\$ (3,408)	\$ 6,004	\$ 225	\$ (2,079)
131	-	2	159	12	4,470
-	-	-	-	-	-
88	105	(704)	3,357	(2)	2,716
-	-	-	-	-	308
-	-	-	201	-	201
6	691	-	-	-	697
(170)	-	-	-	-	(170)
-	32	48	-	-	257
33	4,322	136	1,128	2	3,668
-	-	2,932	5,068	-	8,000
(3)	3,478	2	1	2	3,513
41	(546)	23	10	38	(479)
309	6,335	350	95	143	9,793
3	-	-	511	-	2,568
22	(21)	40	18	79	(309)
(217)	(3,822)	164	(71)	(131)	(5,940)
<u>243</u>	<u>10,574</u>	<u>2,993</u>	<u>10,477</u>	<u>143</u>	<u>29,293</u>
<u>\$ 2,599</u>	<u>\$ 1,595</u>	<u>\$ (415)</u>	<u>\$ 16,481</u>	<u>\$ 368</u>	<u>\$ 27,214</u>
3	25,492	5	8	-	25,613
-	-	-	537	-	537
-	-	-	-	-	3,466

(This page intentionally left blank)





FIDUCIARY FUNDS



ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
JUNE 30, 2025

(This page intentionally left blank)



FIDUCIARY FUNDS

Fiduciary funds are used to account for assets held by the City in a trustee or custodial capacity for individuals, governmental entities, and others, and are operated by carrying out the specifications of trust indentures, statutes, ordinances, or other governing regulations.

Pension (and Other Employee Benefit) Trust Funds:

Deferred Compensation Fund – to account for resources earned by present and former employees and held in a trust capacity by the City in accordance with the provisions of Internal Revenue Code Section 457.

Fire and Police Retirement Fund – to account for transactions of the Fire and Police Retirement System, which is governed by its own retirement board.

Custodial Funds:

Lake/Washington Special Assessment District Fund – to account for maintenance costs of the parking lot located at Lake Avenue and Washington Boulevard.

Library Equipment Replacement Fund – to account for the library automated control system operated under joint agreement with the City of Glendale.

Workforce Innovation and Opportunity Act Fund – to account for the administration of Workforce Innovation and Opportunity Act (WIOA) activities under the direction of the Foothill Workforce Development Board (FWDB).

Open Space Assessment District Fund – to account for receipt and disbursement of debt service activity related to the acquisition and improvement of the Annandale Canyon Estates and adjacent property to be established as open space.

Private-Purpose Trust Funds: The fiduciary fund type used to report all trust arrangements, other than those properly reported in employee benefit trust funds or investment trust funds, under which principal and income benefit individuals, private organizations, or other governments. Private-purpose trust funds are used for the activities of the Successor Agency to the Pasadena Community Development Commission (PCAC). See the next tab for the combining statements related to the Successor Agency.

**Combining Statement of Net Position
Pension (and Other Employee Benefit) Trust Funds
June 30, 2025**

	457(b) Deferred Compensation	401(a) Defined Contribution	Fire & Police Retirement System	Total
Assets:				
Current assets:				
Cash and cash equivalents	\$ -	\$ -	\$ 2,249	\$ 2,249
Short-term investments	-	-	2,091	2,091
Interest receivable	-	-	233	233
Receivables for security transactions	-	-	682	682
Total current assets	-	-	5,255	5,255
Investments, at fair value:				
Government and agencies	-	-	21,376	21,376
Mutual funds	418,117	145	10,396	428,658
Domestic corporate obligations	-	-	8,822	8,822
International corporate obligations	-	-	200	200
Partnerships/joint ventures	-	-	5,231	5,231
Real estate	-	-	8,681	8,681
Alternatives - hedge fund	-	-	7,267	7,267
Equity - domestic	-	-	27,328	27,328
Equity - international	-	-	17,017	17,017
Total investments	418,117	145	106,318	524,580
Total assets	418,117	145	111,573	529,835
Liabilities:				
Accounts payable and accrued liabilities	-	-	74	74
Compensated absences	-	-	1	1
Payable for security transactions	-	-	4,423	4,423
Total liabilities	-	-	4,498	4,498
Net Position:				
Restricted for other employee benefits	418,117	145	-	418,262
Restricted for pensions	-	-	107,075	107,075
Total net position	\$ 418,117	\$ 145	\$ 107,075	\$ 525,337



**Combining Statement of Changes in Net Position
Pension (and Other Employee Benefit) Trust Funds
For the Fiscal Year Ended June 30, 2025**

	457(b) Deferred Compensation	401(a) Defined Contribution	Fire & Police Retirement System	Total
Additions:				
Contributions:				
Plan members	\$ 17,520	\$ 41	\$ -	\$ 17,561
Amounts collected for distribution	-	-	11,071	11,071
Total contributions	<u>17,520</u>	<u>41</u>	<u>11,071</u>	<u>28,632</u>
Net investment income:				
Investment earnings	12,666	-	2,777	15,443
Net change in fair value of investments	29,341	13	7,233	36,587
Gross investment income	<u>42,007</u>	<u>13</u>	<u>10,010</u>	<u>52,030</u>
Less investment expenses	-	-	(491)	(491)
Total net investment income	<u>42,007</u>	<u>13</u>	<u>9,519</u>	<u>51,539</u>
Total additions	<u>59,527</u>	<u>54</u>	<u>20,590</u>	<u>80,171</u>
Deductions:				
Benefits paid to participants	28,857	-	11,753	40,610
Administrative expenses	248	-	390	638
Total deductions	<u>29,105</u>	<u>-</u>	<u>12,143</u>	<u>41,248</u>
Change in net position	<u>30,422</u>	<u>54</u>	<u>8,447</u>	<u>38,923</u>
Net position, beginning, as previously reported	387,695	-	98,630	486,325
Restatement for a change in reporting entity	-	91	-	91
Restatement for a change in accounting principle	-	-	(2)	(2)
Net position, beginning, as restated	<u>387,695</u>	<u>91</u>	<u>98,628</u>	<u>486,414</u>
Net position, ending	<u>\$ 418,117</u>	<u>\$ 145</u>	<u>\$ 107,075</u>	<u>\$ 525,337</u>

Combining Statement of Net Position
Custodial Funds
June 30, 2025

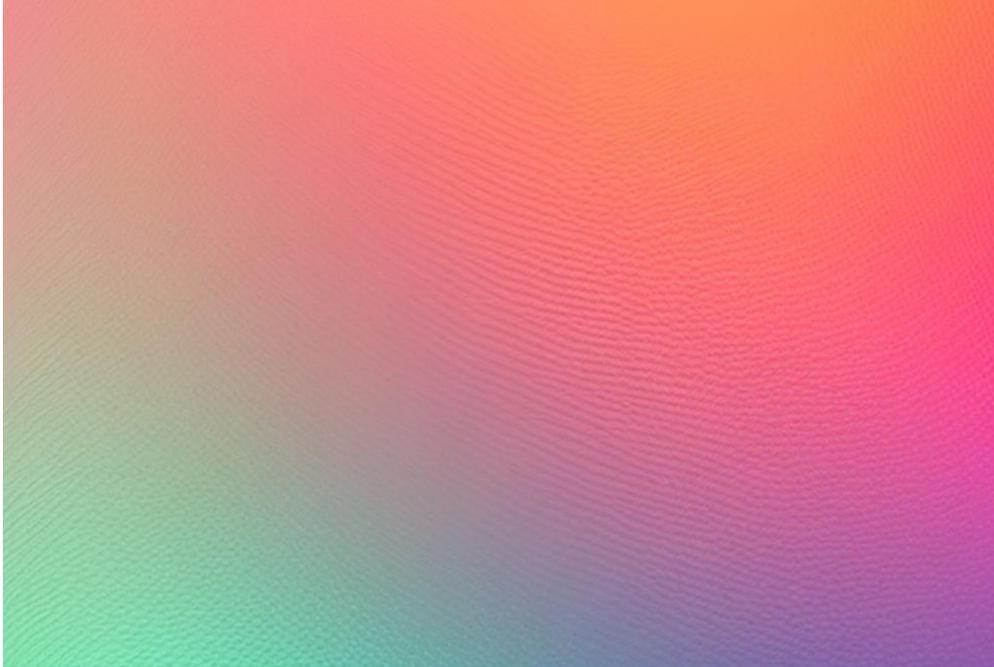
	Lake/ Washington Special Assessment District	Library Equipment Replacement	Workforce Innovation and Opportunity Act (WIOA)	Open Space Assessment District	Total
Assets:					
Cash and investments	\$ -	\$ 322	\$ 24	\$ 150	\$ 496
Accounts receivable	-	7	461	3	471
Total assets	-	329	485	153	967
Liabilities:					
Accounts payable and accrued liabilities	-	-	193	-	193
Due to other governments	6	-	573	-	579
Due to bondholders	-	-	-	856	856
Compensated absences	-	-	2	-	2
Total liabilities	6	-	768	856	1,630
Net Position (Deficit):					
Restricted for library equipment	-	329	-	-	329
Restricted for other purposes	(6)	-	(283)	(703)	(992)
Total net position (deficit)	\$ (6)	\$ 329	\$ (283)	\$ (703)	\$ (663)



**Combining Statement of Fiduciary Net Position
Custodial Funds
For the Fiscal Year Ended June 30, 2025**

	Lake/ Washington Special Assessment District	Library Equipment Replacement	Workforce Innovation and Opportunity Act (WIOA)	Open Space Assessment District	Total
Additions:					
Intergovernmental	\$ -	\$ -	\$ 2,618	\$ -	\$ 2,618
Assessment revenue	27	-	-	83	110
Investment earnings	-	10	-	4	14
Net change in fair value of investments	-	3	-	3	6
Total additions	<u>27</u>	<u>13</u>	<u>2,618</u>	<u>90</u>	<u>2,748</u>
Deductions:					
Contributions to City	28	-	-	-	28
Program expense	-	-	3,117	-	3,117
Administrative expense	-	-	-	3	3
Interest expense	-	-	-	51	51
Total deductions	<u>28</u>	<u>-</u>	<u>3,117</u>	<u>54</u>	<u>3,199</u>
Change in net position	<u>(1)</u>	<u>13</u>	<u>(499)</u>	<u>36</u>	<u>(451)</u>
Net Position (Deficit):					
Beginning of year, as previously reported	(5)	316	56	(739)	(372)
Restatement for a change in accounting principle	-	-	(8)	-	(8)
Restatement for correction of an error	-	-	168	-	168
Beginning of year, as restated	<u>(5)</u>	<u>316</u>	<u>216</u>	<u>(739)</u>	<u>(212)</u>
End of year	<u>\$ (6)</u>	<u>\$ 329</u>	<u>\$ (283)</u>	<u>\$ (703)</u>	<u>\$ (663)</u>

(This page intentionally left blank)



SUCCESSOR AGENCY COMBINED



ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
JUNE 30, 2025

(This page intentionally left blank)

PRIVATE-PURPOSE TRUST FUNDS

Private-purpose trust funds are one type of the fiduciary funds reported in the prior tab.

Successor Agency to Pasadena Community Development Commission (PCAC) – was formed to account for receipt of incremental property tax and disbursements related to enforceable obligations (debts) of the former redevelopment agency. It will remain in place until all enforceable obligations, as approved on the Recognized Obligation Payment Schedule (ROPS) by California Department of Finance, are paid in full and all assets have been liquidated. It includes the following funds:

- **Administration Fund** – to account for administrative costs of the Successor Agency as approved on the ROPS.
- **Redevelopment Obligation Retirement Fund** – to account for receipts and disbursements of incremental property tax.
- **Debt Funds** – to account for enforceable obligations of the former redevelopment agency. They include Old Pasadena, Lincoln, Downtown, Fair Oaks, Orange Grove, Villa Parke, Lake/Washington project areas, and the Affordable Housing debt function. The Affordable Housing debt fund is used to account for the 2006 Tax Allocation Revenue Bonds (housing set-aside revenues – Townhouse Project Refunding), Housing Enabled by Local Partnerships (HELP) program loans, and payment of enforceable obligations of the former Low and Moderate Income Housing Fund.

**Combining Statement of Net Position
Private-Purpose Trust Funds
June 30, 2025**

	Successor Agency				
	Administration	Redevelopment Obligation Retirement	Old Pasadena	Lincoln	Downtown
Assets:					
Current assets:					
Cash and investments	\$ -	\$ 5	\$ -	\$ -	\$ -
Cash with fiscal agent	-	2,722	-	-	-
Notes receivable	-	-	-	-	-
Allowance for uncollectible long-term receivable	-	-	-	-	-
Total current assets	<u>-</u>	<u>2,727</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>-</u>	<u>2,727</u>	<u>-</u>	<u>-</u>	<u>-</u>
Liabilities:					
Due to other governments	<u>35</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>35</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Position:					
Net position held in trust	<u>\$ (35)</u>	<u>\$ 2,727</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



Successor Agency				
Fair Oaks	Orange Grove	Villa Parke	Lake Washington	Total
\$ 43	\$ 140	\$ 9	\$ 86	\$ 283
-	-	-	-	2,722
515	-	-	-	515
(515)	-	-	-	(515)
<u>43</u>	<u>140</u>	<u>9</u>	<u>86</u>	<u>3,005</u>
<u>43</u>	<u>140</u>	<u>9</u>	<u>86</u>	<u>3,005</u>
-	-	-	-	35
-	-	-	-	35
<u>\$ 43</u>	<u>\$ 140</u>	<u>\$ 9</u>	<u>\$ 86</u>	<u>\$ 2,970</u>

**Combining Statement of Changes in Net Position
Private-Purpose Trust Funds
For the Fiscal Year Ended June 30, 2025**

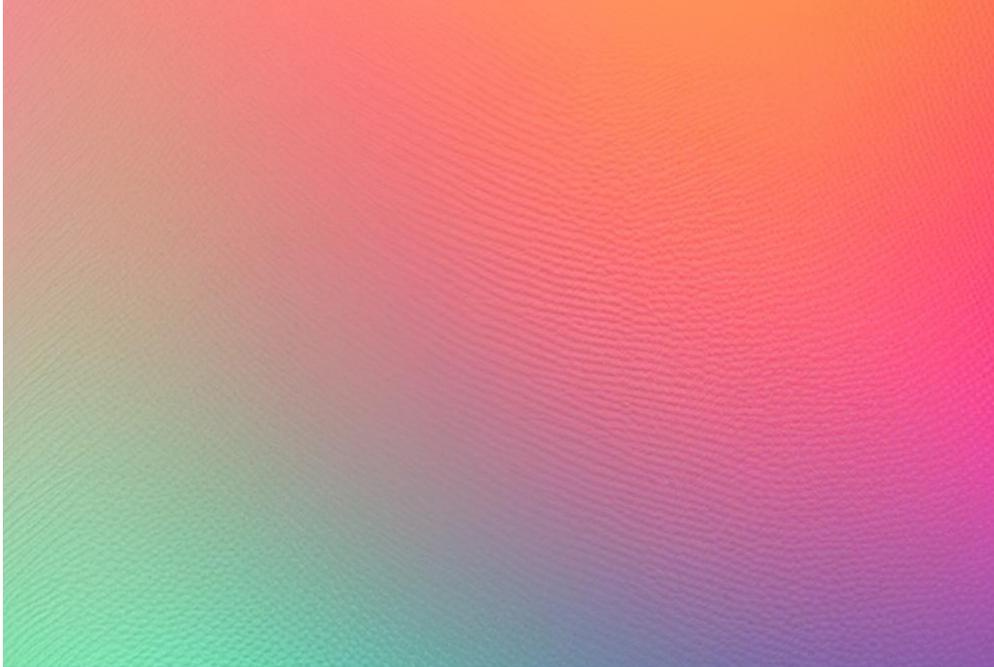
	Successor Agency				
	Administration	Redevelopment Obligation	Old Pasadena	Lincoln	Downtown
		Retirement			
Additions:					
Property taxes	\$ -	\$ 6,380	\$ -	\$ -	\$ -
Gain on disposition of property	-	2,491	-	-	-
Miscellaneous revenues	-	-	-	-	-
Total additions	-	8,871	-	-	-
Deductions:					
Statutory passthrough expenses	-	-	3,633	69	-
Administrative expenses:					
County administrative expenses	-	-	143	8	723
Total deductions	-	-	3,776	77	723
Transfers:					
Transfers in	-	-	3,776	77	723
Transfers out	-	(6,380)	-	-	-
Total transfers	-	(6,380)	3,776	77	723
Change in net position	-	2,491	-	-	-
Net position (deficit), beginning	(35)	236	-	-	-
Net position (deficit), ending	\$ (35)	\$ 2,727	\$ -	\$ -	\$ -



Successor Agency				
Fair Oaks	Orange Grove	Villa Parke	Lake Washington	Total
\$ -	\$ -	\$ -	\$ -	\$ 6,380
-	-	-	-	2,491
-	42	-	-	42
-	42	-	-	8,913
510	107	622	428	5,369
58	18	48	13	1,011
568	125	670	441	6,380
568	125	670	441	6,380
-	-	-	-	(6,380)
568	125	670	441	-
-	42	-	-	2,533
43	98	9	86	437
\$ 43	\$ 140	\$ 9	\$ 86	\$ 2,970

(This page intentionally left blank)





COMPONENT UNITS



ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
JUNE 30, 2025

(This page intentionally left blank)

DISCRETELY PRESENTED COMPONENT UNITS

Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, component units can be other organizations for which the nature and significance of their relationship with a primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Discretely presented component units do not meet one of the two criteria for blending. The two criteria required to blend component units are (1) the Board of the component unit is substantively the same as that of the City or (2) the component unit serves the City exclusively.

Rose Bowl Operating Company (RBOC) – incorporated on January 18, 1994, as a legally separate entity with the primary purpose of returning economic and civic value to the City by managing a world class stadium and a professional quality golf course complex in a residential open-space environment.

Pasadena Center Operating Company (PCOC) – established on September 19, 1973, as a legally separate entity with the primary purpose of managing and operating the Pasadena Center, a civic facility designed for conferences, exhibitions, trade shows, assemblies, cultural, educational, and recreational programs, and for the use, benefit, and enjoyment of the public.

Pasadena Community Access Corporation Board (PCAC) – established on December 9, 1983, by Articles of Incorporation, to provide a means for individuals or groups to use cable telecommunications to communicate and share information.

**Combining Statement of Net Position
Discretely Presented Component Units
June 30, 2025**

	Rose Bowl Operating Company	Pasadena Center Operating Company	Pasadena Community Access Corp.	Total
Assets:				
Current assets:				
Cash and investments	\$ 49,601	\$ 27,871	\$ 466	\$ 77,938
Accounts receivable, net	11,725	3,482	1	15,208
Prepays and other assets	118	133	6	257
Lease receivable	6,267	-	-	6,267
Due from City of Pasadena	-	343	-	343
Inventory	348	-	-	348
Deposits	-	-	17	17
Restricted cash and cash investments	-	8,949	92	9,041
Total current assets	<u>68,059</u>	<u>40,778</u>	<u>582</u>	<u>109,419</u>
Noncurrent assets:				
Restricted assets - cash and investments	337	-	-	337
Due from City of Pasadena	387	-	-	387
Capital assets:				
Not being depreciated/amortized	704	5,030	-	5,734
Being depreciated/amortized, net	134,173	109,364	439	243,976
Total capital assets	<u>134,877</u>	<u>114,394</u>	<u>439</u>	<u>249,710</u>
Total noncurrent assets	<u>135,601</u>	<u>114,394</u>	<u>439</u>	<u>250,434</u>
Total assets	<u>203,660</u>	<u>155,172</u>	<u>1,021</u>	<u>359,853</u>
Deferred Outflows of Resources:				
Accumulated decrease in fair value of hedging derivatives	-	4,042	-	4,042
Debt refunding related	16,107	679	-	16,786
Pension related	1,405	-	-	1,405
Total deferred outflows of resources	<u>17,512</u>	<u>4,721</u>	<u>-</u>	<u>22,233</u>
Liabilities:				
Current liabilities:				
Accounts payable and accrued liabilities	19,047	1,452	19	20,518
Accrued salaries and benefits	650	1,039	35	1,724
Interest payable	677	455	-	1,132
Due to City of Pasadena	2,486	-	-	2,486
Deposits payable	745	1,620	-	2,365
Long-term advance due within one year	100	-	-	100
Unearned revenue	16,361	-	-	16,361
Compensated absences due within one year	308	-	44	352
Long-term debt due within one year	8,240	8,486	-	16,726
Lease liability	-	77	180	257
Subscription liability	-	151	-	151
Total current liabilities	<u>48,614</u>	<u>13,280</u>	<u>278</u>	<u>62,172</u>
Noncurrent liabilities:				
Compensated absences	197	-	25	222
Long-term debt, net of current portion	191,987	114,262	-	306,249
Lease liability	-	67	49	116
Subscription liability	-	125	-	125
Derivative instrument liability	-	4,042	-	4,042
Long-term advance	200	-	-	200
Net pension liability	3,791	-	-	3,791
Total noncurrent liabilities	<u>196,175</u>	<u>118,496</u>	<u>74</u>	<u>314,745</u>
Total liabilities	<u>244,789</u>	<u>131,776</u>	<u>352</u>	<u>376,917</u>
Deferred Inflows of Resources:				
Deferred refunding charge	-	2,756	-	2,756
Service concession agreement	-	5	-	5
Lease related	6,268	-	-	6,268
Pension related	23	-	-	23
Total deferred inflows of resources	<u>6,291</u>	<u>2,761</u>	<u>-</u>	<u>9,052</u>
Net Position (Deficit):				
Net investment in capital assets	(31,804)	17,835	210	(13,759)
Restricted	337	2,362	92	2,791
Unrestricted	1,559	5,159	367	7,085
Total net position (deficit)	<u>\$ (29,908)</u>	<u>\$ 25,356</u>	<u>\$ 669</u>	<u>\$ (3,883)</u>

Combining Statement of Revenues, Expenses and Changes in Net Position
Discretely Presented Component Units
For the Fiscal Year Ended June 30, 2025

	Rose Bowl Operating Company	Pasadena Center Operating Company	Pasadena Community Access Corp.	Total
Operating Revenues:				
Charges for services:				
Rose Bowl	\$ 52,702	\$ -	\$ -	\$ 52,702
Golf course	12,192	-	-	12,192
Pasadena Center Operating Company	-	14,406	-	14,406
Pasadena Community Access Corporation	-	-	1,220	1,220
Total operating revenues	<u>64,894</u>	<u>14,406</u>	<u>1,220</u>	<u>80,520</u>
Operating Expenses:				
Rose Bowl	46,506	-	-	46,506
Golf course	11,374	-	-	11,374
Pasadena Center Operating Company	-	14,942	-	14,942
Pasadena Community Access Corporation	-	-	1,006	1,006
Depreciation/amortization	11,480	4,115	240	15,835
Total operating expenses	<u>69,360</u>	<u>19,057</u>	<u>1,246</u>	<u>89,663</u>
Operating income (loss)	<u>(4,466)</u>	<u>(4,651)</u>	<u>(26)</u>	<u>(9,143)</u>
Nonoperating Revenues (Expenses):				
Transient occupancy taxes	-	12,348	-	12,348
Tourism business improvement district tax	-	4,700	-	4,700
Facility restoration fee	-	123	-	123
Investment income	2,300	2,793	-	5,093
Interest income	-	-	4	4
Interest expense	(9,704)	(4,161)	(1)	(13,866)
Public, education, and government (PEG) revenue	-	-	153	153
PEG expense	-	-	(243)	(243)
Loss on disposal of capital assets	-	(58)	-	(58)
Other nonoperating revenues	6,387	(273)	-	6,114
Total nonoperating revenues (expenses)	<u>(1,017)</u>	<u>15,472</u>	<u>(87)</u>	<u>14,368</u>
Income before capital contributions	<u>(5,483)</u>	<u>10,821</u>	<u>(113)</u>	<u>5,225</u>
Capital contributions	-	43	-	43
Change in net position	<u>(5,483)</u>	<u>10,864</u>	<u>(113)</u>	<u>5,268</u>
Net position (deficit), beginning of year, as previously reported	(24,224)	14,492	804	(8,928)
Restatement for a change in accounting principle	(201)	-	(22)	(223)
Net position, beginning of year, as restated	<u>(24,425)</u>	<u>14,492</u>	<u>782</u>	<u>(9,151)</u>
Net position (deficit), ending	<u>\$ (29,908)</u>	<u>\$ 25,356</u>	<u>\$ 669</u>	<u>\$ (3,883)</u>

**Combining Statement of Net Position
Discretely Presented Component Unit
Rose Bowl Operating Company
June 30, 2025**

	Rose Bowl	Golf Course	Total
Assets:			
Current assets:			
Cash and investments	\$ 34,957	\$ 14,644	\$ 49,601
Accounts receivable, net	11,673	52	11,725
Lease receivable	6,267	-	6,267
Inventory	5	343	348
Prepaid items	115	3	118
Total current assets	<u>53,017</u>	<u>15,042</u>	<u>68,059</u>
Noncurrent assets:			
Due from City of Pasadena	387	-	387
Restricted assets - cash and investments	337	-	337
Capital assets:			
Construction in progress	704	-	704
Other capital assets, net	126,382	7,791	134,173
Total noncurrent assets	<u>127,810</u>	<u>13,163</u>	<u>140,973</u>
Total assets	<u>180,827</u>	<u>28,205</u>	<u>209,032</u>
Deferred Outflows of Resources:			
Deferred refunding charge	16,107	-	16,107
Pension related	1,335	70	1,405
Total deferred outflows of resources	<u>17,442</u>	<u>70</u>	<u>17,512</u>
Liabilities:			
Current liabilities:			
Accounts payable and other liabilities	18,170	877	19,047
Accrued salaries and benefits	610	40	650
Accrued interest payable	677	-	677
Due to City of Pasadena	2,323	163	2,486
Deposits	745	-	745
Unearned revenue	16,308	53	16,361
Current portion of long-term advance	100	-	100
Current portion of compensated absences	293	15	308
Current portion of long-term debt	7,861	379	8,240
Total current liabilities	<u>52,459</u>	<u>1,527</u>	<u>53,986</u>
Noncurrent liabilities:			
Long-term advance	200	-	200
Compensated absences	183	14	197
Long-term debt, net of current portion	190,274	1,713	191,987
Net pension liability	3,601	190	3,791
Total noncurrent liabilities	<u>194,258</u>	<u>1,917</u>	<u>196,175</u>
Total liabilities	<u>246,717</u>	<u>3,444</u>	<u>250,161</u>
Deferred Inflows of Resources:			
Lease related	6,268	-	6,268
Pension related	22	1	23
Total deferred inflows of resources	<u>6,290</u>	<u>1</u>	<u>6,291</u>
Net Position:			
Net investment in capital assets	(37,503)	5,699	(31,804)
Restricted for debt service	337	-	337
Unrestricted	(17,572)	19,131	1,559
Total net position (deficit)	<u>\$ (54,738)</u>	<u>\$ 24,830</u>	<u>\$ (29,908)</u>

Combining Statement of Revenues, Expenses and Changes in Net Position
Discretely Presented Component Unit
Rose Bowl Operating Company
For the Fiscal Year Ended June 30, 2025

	<u>Rose Bowl</u>	<u>Golf Course</u>	<u>Total</u>
Operating Revenues:			
Charges for services:			
Rose Bowl	\$ 52,702	\$ -	\$ 52,702
Golf course	-	12,192	12,192
Total operating revenues	<u>52,702</u>	<u>12,192</u>	<u>64,894</u>
Operating Expenses:			
Rose Bowl	46,506	-	46,506
Golf course	-	11,374	11,374
Depreciation/amortization	10,522	958	11,480
Total operating expenses	<u>57,028</u>	<u>12,332</u>	<u>69,360</u>
Operating income (loss)	<u>(4,326)</u>	<u>(140)</u>	<u>(4,466)</u>
Nonoperating Revenues (Expenses):			
Investment income	1,840	460	2,300
Interest expense	(9,704)	-	(9,704)
Other nonoperating revenues (expenses)	5,387	1,000	6,387
Total nonoperating revenues (expenses)	<u>(2,477)</u>	<u>1,460</u>	<u>(1,017)</u>
Changes in net position	(6,803)	1,320	(5,483)
Net position (deficit), beginning of year, as previously reported	(47,740)	23,516	(24,224)
Restatement for a change in accounting principle	(195)	(6)	(201)
Net position (deficit), beginning, as restated	<u>(47,935)</u>	<u>23,510</u>	<u>(24,425)</u>
Net position (deficit), ending	<u>\$ (54,738)</u>	<u>\$ 24,830</u>	<u>\$ (29,908)</u>

(This page intentionally left blank)

STATISTICAL SECTION



ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
JUNE 30, 2025

(This page intentionally left blank)



STATISTICAL SECTION CONTENT DESCRIPTION

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

Contents

Financial Trends	228
These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over time.	
Net Position	
Changes in Net Position	
Fund Balances of Governmental Funds	
Changes in Fund Balances of Governmental Funds	
Revenue Capacity	239
These schedules contain information to help the reader assess the City’s two most significant local revenue sources by type, the property and sales tax for governmental activities and electric revenue for business-type activities.	
Assessed Value and Estimated Actual Value of Taxable Property	
Direct and Overlapping Property Tax Rates	
Principal Property Taxpayers	
Property Tax Levies and Collections	
Taxable Sales by Category	
Electricity Sold by Type of Customer	
Electricity Rates	
Electricity Customers	
Debt Capacity	250
These schedules present information to help the reader assess the affordability of the City’s current levels of outstanding debt and the City’s ability to issue additional debt in the future.	
Ratio of Outstanding Debt by Type	
Ratio of General Bonded Debt Outstanding	
Direct and Overlapping Bonded Debt	
Legal Debt Margin Information	
Governmental Activity Debt	
Business-Type Activity Debt	
Demographic and Economic Information	262
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City’s financial activities take place.	
Demographic and Economic Statistics	
Principal Employers	
Operating Information	264
These schedules contain service and infrastructure data to help the reader understand how the information in the City’s financial report relates to the services the City provides and the activities it performs.	
Full-time and Part-time City Employees by Program	
Operating Indicators by Function/Program	
Capital Asset Statistics by Function/Program	

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

Net Position by Component
Last Ten Fiscal Years
(Accrual Basis of Accounting)
 (in thousands)

	Fiscal Year				
	2025	2024	2023	2022	2021
Governmental activities					
Net investment in capital assets	\$ 329,925	\$ 517,159	\$ 493,108	\$ 471,778	\$ 468,005
Restricted	298,453	87,618	86,143	81,495	82,123
Unrestricted	(375,487)	(343,205)	(345,893)	(403,721)	(390,132)
Total governmental activities net position	\$ 252,891	\$ 261,572	\$ 233,358	\$ 149,553	\$ 159,996
Business-type activities					
Net investment in capital assets	\$ 541,248	\$ 545,235	\$ 521,998	\$ 499,719	\$ 486,944
Restricted	104,308	98,857	93,335	109,474	126,668
Unrestricted	397,657	341,688	278,453	270,029	240,454
Total business-type activities net position	\$ 1,043,213	\$ 985,780	\$ 893,786	\$ 879,222	\$ 854,066
Primary government					
Net investment in capital assets	\$ 871,173	\$ 1,062,394	\$ 1,015,106	\$ 971,497	\$ 954,949
Restricted	402,761	186,475	179,478	190,969	208,791
Unrestricted	22,170	(1,517)	(67,440)	(133,691)	(149,678)
Total primary government net position	\$ 1,296,104	\$ 1,247,352	\$ 1,127,144	\$ 1,028,775	\$ 1,014,062



Financial Trends

		Fiscal Year				
2020	2019	2018	2017	2016		
\$ 470,689	\$ 458,378	\$ 439,355	\$ 418,266	\$ 405,858		
84,006	79,205	69,730	55,477	56,050		
(364,572)	(362,242)	(362,358)	(310,488)	(325,826)		
<u>190,123</u>	<u>175,341</u>	<u>146,726</u>	<u>163,255</u>	<u>136,082</u>		
\$ 458,534	\$ 434,358	\$ 420,692	\$ 408,944	\$ 449,141		
128,220	142,806	152,811	171,545	153,241		
244,811	230,707	199,209	183,279	131,037		
<u>\$ 831,565</u>	<u>\$ 807,871</u>	<u>\$ 772,712</u>	<u>\$ 763,768</u>	<u>\$ 733,419</u>		
\$ 929,223	\$ 892,736	\$ 860,047	\$ 827,210	\$ 854,999		
212,226	222,011	222,541	227,022	209,291		
(119,761)	(131,535)	(163,149)	(127,209)	(194,789)		
<u>\$ 1,021,688</u>	<u>\$ 983,212</u>	<u>\$ 919,439</u>	<u>\$ 927,023</u>	<u>\$ 869,501</u>		

Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)
 (in thousands)

	Fiscal Year				
	2025	2024	2023	2022	2021
Expenses					
Governmental activities:					
General government	\$ 99,082	\$ 82,026	\$ 68,549	\$ 86,104	\$ 72,811
Public safety	194,694	179,795	157,931	151,005	148,287
Transportation	72,455	58,815	49,533	44,752	48,597
Utility	30	29	135	124	171
Sanitation	6,033	6,413	5,831	6,091	6,783
Health	20,435	21,010	18,967	17,062	17,465
Culture and leisure	58,712	55,227	50,399	48,529	45,291
Community development	72,028	64,936	59,411	62,727	57,362
Interest and other fiscal charges	6,052	6,230	6,311	6,364	6,500
Total governmental activities expenses	\$ 529,521	\$ 474,481	\$ 417,067	\$ 422,757	\$ 403,267
Business-type activities:					
Electric	\$ 247,153	\$ 215,075	\$ 239,414	\$ 196,718	\$ 196,389
Water	71,135	62,769	61,705	61,518	63,933
Refuse	26,259	25,036	21,509	18,818	20,059
Parking	12,671	12,651	13,222	10,901	12,097
Telecommunications	198	191	188	163	189
Total business-type activities expenses	357,416	315,722	336,038	288,117	292,667
Total primary government expenses	\$ 886,937	\$ 790,203	\$ 753,105	\$ 710,875	\$ 695,934
Program Revenues					
Governmental activities:					
Charges for services:					
General government	\$ 19,612	\$ 17,983	\$ 13,551	\$ 12,984	\$ 13,504
Public safety	21,881	23,129	15,285	13,736	10,322
Transportation	19,978	19,763	18,761	16,607	20,811
Sanitation	12,360	8,125	7,721	7,301	7,321
Health	2,925	2,959	2,610	2,168	2,154
Culture and leisure	2,044	2,084	840	1,096	674
Community development	21,487	14,782	16,276	14,470	11,795
Operating grants and contributions	90,602	77,488	110,521	81,469	60,764
Capital grants and contributions	22,891	20,905	22,223	10,184	9,449
Total governmental activities program revenues	\$ 213,780	\$ 187,218	\$ 207,788	\$ 160,014	\$ 136,794
Business-type activities:					
Charges for services:					
Electric	\$ 269,363	\$ 282,073	\$ 255,825	\$ 226,509	\$ 222,266
Water	80,694	69,471	64,961	69,359	71,269
Refuse	16,373	12,757	12,309	11,864	11,502
Parking	13,302	13,048	13,545	11,066	9,198
Telecommunication	658	565	415	776	568
Operating grants and contributions	2,124	2,124	2,594	6,572	2,777
Capital grants and contributions	7,593	5,207	5,897	4,559	4,248
Total business-type activities program revenues	390,107	385,245	355,546	330,704	321,828
Total primary government program revenues	\$ 603,887	\$ 572,463	\$ 563,334	\$ 490,719	\$ 458,622
Net Revenues (Expenses)					
Governmental activities	(315,741)	(287,263)	(209,279)	(262,743)	(266,473)
Business-type activities	32,691	69,523	19,508	42,587	29,161
Total net revenues (expenses)	\$ (283,050)	\$ (217,740)	\$ (189,771)	\$ (220,156)	\$ (237,312)

Financial Trends

Fiscal Year					
2020	2019	2018	2017	2016	
\$ 67,355	\$ 49,619	\$ 45,755	\$ 42,895	\$ 59,425	
152,889	145,937	142,495	127,760	96,484	
55,429	52,239	46,452	41,738	35,739	
6,134	-	-	-	-	
4,600	4,117	4,376	4,290	4,267	
15,367	13,401	11,347	10,558	10,914	
37,224	37,135	38,365	34,249	32,286	
52,019	47,304	45,114	39,787	72,725	
6,425	7,889	8,411	8,611	9,187	
<u>\$ 397,442</u>	<u>\$ 357,641</u>	<u>\$ 342,315</u>	<u>\$ 309,888</u>	<u>\$ 321,027</u>	
\$ 197,138	\$ 196,874	\$ 187,872	\$ 183,522	\$ 174,858	
58,974	56,738	54,757	48,009	45,240	
19,429	16,528	15,695	14,330	14,421	
14,713	14,502	14,140	13,062	14,488	
164	170	144	110	141	
<u>290,418</u>	<u>284,812</u>	<u>272,608</u>	<u>259,033</u>	<u>249,148</u>	
<u>\$ 687,860</u>	<u>\$ 642,453</u>	<u>\$ 614,923</u>	<u>\$ 568,921</u>	<u>\$ 570,175</u>	
\$ 20,245	\$ 11,203	\$ 10,861	\$ 14,651	\$ 18,053	
13,656	15,297	15,708	19,244	14,841	
26,933	30,555	28,165	16,663	16,384	
7,728	8,193	7,665	7,127	7,008	
2,497	2,432	2,346	870	644	
1,725	2,748	3,181	5,870	4,504	
12,487	14,954	13,286	15,803	14,193	
56,837	59,763	47,058	41,050	40,422	
36,663	8,582	14,190	9,083	15,383	
<u>\$ 178,771</u>	<u>\$ 153,727</u>	<u>\$ 142,460</u>	<u>\$ 130,361</u>	<u>\$ 131,432</u>	
\$ 217,873	\$ 218,054	\$ 212,116	\$ 202,480	\$ 199,197	
62,466	60,181	62,592	58,287	50,835	
11,644	11,743	11,413	11,775	11,880	
11,229	13,977	14,560	14,595	14,621	
439	680	471	669	609	
1,784	1,462	2,355	-	-	
2,934	3,615	4,112	4,811	2,790	
<u>308,369</u>	<u>309,712</u>	<u>307,619</u>	<u>292,617</u>	<u>279,932</u>	
<u>\$ 487,140</u>	<u>\$ 463,439</u>	<u>\$ 450,079</u>	<u>\$ 422,978</u>	<u>\$ 411,364</u>	
(218,671)	(203,914)	(199,855)	(179,527)	(189,595)	
17,951	24,900	35,011	33,584	30,784	
<u>\$ (200,720)</u>	<u>\$ (179,014)</u>	<u>\$ (164,844)</u>	<u>\$ (145,943)</u>	<u>\$ (158,811)</u>	

Changes in Net Position (Continued)
Last Ten Fiscal Years
(Accrual Basis of Accounting)
 (in thousands)

	Fiscal Year				
	2025	2024	2023	2022	2021
General Revenues and Other Changes in Net Position					
Governmental activities:					
Taxes:					
Property	\$ 90,486	\$ 87,265	\$ 84,327	\$ 79,144	\$ 76,579
Sales	80,465	81,319	76,899	74,366	62,308
Utility users'	33,094	32,027	32,790	30,124	26,938
Transient occupancy	20,648	18,505	18,675	14,711	6,298
Construction	4,976	3,524	3,969	2,626	2,097
Business license	7,883	7,969	7,841	5,890	6,351
Franchise	2,606	2,709	3,749	2,730	2,813
Other taxes	18,563	18,598	17,048	16,309	5,661
Other intergovernmental	26,854	25,836	25,387	23,797	25,424
Use of money - investment earnings	9,541	7,440	4,817	2,239	2,518
Use of property - interest income from leases	3	5	7	9	-
Net change in fair value of investments	8,360	8,919	(1,651)	(15,262)	-
Gain on sale of assets	-	-	-	-	-
Miscellaneous revenues	8,158	6,609	3,361	4,664	3,091
Reinstatement of PCDC Loan	-	-	-	-	-
Transfers	19,603	14,730	15,865	10,954	16,267
Donated capital asset	74	-	-	-	-
Total governmental activities	\$ 331,314	\$ 315,455	\$ 293,084	\$ 252,300	\$ 236,345
Business-type activities:					
Taxes:					
Franchise tax	\$ 9,204	\$ 7,456	\$ 6,713	\$ 6,162	\$ 5,722
Use of money - investment earnings	16,798	11,084	6,568	2,793	1,033
Use of property - interest income from leases	11	7	8	11	-
Net change in fair value of investments	12,235	12,895	(4,449)	(25,439)	-
Gain on sale of assets	-	-	-	(167)	-
Miscellaneous revenues	6,484	2,877	2,940	10,571	2,852
Transfers	(19,603)	(14,730)	(15,933)	(11,362)	(16,266)
Total business-type activities	25,129	19,589	(4,153)	(17,432)	(6,659)
Total primary government	\$ 356,443	\$ 335,044	\$ 288,931	\$ 234,868	\$ 229,686
Changes in Net Position					
Governmental activities	15,573	28,192	83,805	(10,443)	(30,128)
Business-type activities	57,820	89,112	15,355	25,156	22,502
Total primary government	\$ 73,393	\$ 117,304	\$ 99,160	\$ 14,712	\$ (7,626)

Financial Trends

Fiscal Year					
2020	2019	2018	2017	2016	
\$ 70,689	\$ 68,275	\$ 63,483	\$ 68,752	\$ 59,141	
57,513	44,616	35,076	35,708	36,855	
26,966	26,982	27,881	28,251	28,100	
13,090	16,948	15,814	15,229	14,864	
4,091	4,985	3,265	3,491	4,375	
6,900	7,302	7,196	6,347	6,483	
2,827	2,881	2,733	2,797	2,542	
1,614	7,286	7,449	7,298	7,335	
20,831	20,345	19,996	18,259	18,005	
8,231	10,922	3,008	1,857	4,955	
-	-	-	-	-	
-	-	-	-	-	
2,288	-	(299)	-	(60)	
5,493	8,270	11,372	8,224	14,621	
-	-	-	-	11,128	
14,349	13,976	18,766	18,652	15,033	
-	-	-	-	-	
<u>\$ 234,882</u>	<u>\$ 232,788</u>	<u>\$ 215,740</u>	<u>\$ 214,865</u>	<u>\$ 223,376</u>	
\$ 6,083	\$ 5,787	\$ 5,359	\$ 4,893	\$ 4,575	
10,940	16,216	2,506	2,372	6,593	
-	-	-	-	-	
-	-	-	-	-	
-	(1,114)	(49)	-	(311)	
3,069	3,346	2,552	8,154	42,427	
<u>(14,349)</u>	<u>(13,976)</u>	<u>(18,766)</u>	<u>(18,652)</u>	<u>(15,033)</u>	
<u>5,743</u>	<u>10,259</u>	<u>(8,398)</u>	<u>(3,234)</u>	<u>38,252</u>	
<u>\$ 240,625</u>	<u>\$ 243,047</u>	<u>\$ 207,342</u>	<u>\$ 211,631</u>	<u>\$ 261,627</u>	
16,211	28,874	15,885	35,338	33,781	
23,694	35,159	26,613	30,351	69,036	
<u>\$ 39,905</u>	<u>\$ 64,033</u>	<u>\$ 42,498</u>	<u>\$ 65,688</u>	<u>\$ 102,816</u>	

Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
 (in thousands)

	Fiscal Year				
	2025	2024	2023	2022	2021
General Fund:					
Nonspendable	\$ 5,915	\$ 14,224	\$ 14,316	\$ 13,697	\$ 13,626
Restricted	14,275	13,206	12,596	12,101	13,718
Committed	69,941	67,892	71,985	57,339	51,687
Assigned	21,331	59,102	57,407	23,079	20,032
Unassigned	25,140	4,455	8,307	-	-
Total General Fund	<u>136,602</u>	<u>158,879</u>	<u>164,611</u>	<u>106,216</u>	<u>99,063</u>
All Other Governmental Funds:					
Nonspendable	1,694	1,567	1,582	1,582	1,550
Restricted	282,744	65,260	68,434	64,846	68,307
Committed	108,529	102,595	101,735	102,213	111,319
Assigned	-	-	1,361	2,775	1,944
Unassigned	(14,390)	(8,160)	(6,905)	(9,480)	(6,133)
Total all other Governmental Funds	<u>378,577</u>	<u>161,262</u>	<u>166,207</u>	<u>161,937</u>	<u>176,987</u>
Total Governmental Funds	<u>\$ 515,179</u>	<u>\$ 320,141</u>	<u>\$ 330,818</u>	<u>\$ 268,152</u>	<u>\$ 276,050</u>



Financial Trends

		Fiscal Year							
		2020	2019	2018	2017	2016			
\$	14,853	\$	1,590	\$	4,545	\$	11,108	\$	12,236
	12,106		11,631		10,995		400		400
	55,120		50,775		46,949		47,563		33,451
	25,082		15,099		12,426		26,825		17,227
	445		19,605		11,957		3,832		15,139
	107,606		98,700		86,872		89,727		78,453
	1,554		1,478		1,574		2,482		7,799
	71,848		67,575		58,597		55,077		55,650
	115,446		121,002		108,569		106,631		101,338
	1,652		-		-		-		-
	(5,180)		(3,574)		(2,273)		(10,950)		(8,126)
	185,320		186,481		166,467		153,240		156,661
\$	292,926	\$	285,181	\$	253,339	\$	242,967	\$	235,114

Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
 (in thousands)

	Fiscal Year				
	2025	2024	2023	2022	2021
Revenues:					
Taxes	\$ 258,719	\$ 251,916	\$ 245,298	\$ 225,899	\$ 189,044
Licenses and permits	22,354	16,114	17,068	15,283	12,791
Intergovernmental revenues	126,801	121,021	158,718	106,225	87,260
Charges for services	69,529	59,899	47,759	43,548	45,996
Fines and forfeits	5,455	6,334	5,372	4,190	3,491
Investment earnings	8,816	7,159	4,654	2,170	2,445
Net change in fair value of investments	7,924	8,561	(1,638)	(14,844)	-
Lease revenues	447	4,905	5,191	4,512	3,252
Interest income from leases	2	4	6	9	-
Miscellaneous revenues	11,518	7,708	6,619	8,227	5,792
Contributions	2,650	1,556	1,527	3,089	3,630
Total revenues	514,215	485,177	490,574	398,306	353,701
Expenditures:					
Current:					
General government	90,648	72,663	58,611	63,810	65,554
Public safety	187,500	174,752	159,339	147,560	138,803
Transportation	53,754	45,431	47,538	41,203	44,110
Utility	30	29	135	124	171
Sanitation	5,993	6,403	5,886	6,037	6,669
Health	19,907	20,670	18,944	16,505	16,265
Culture and leisure	56,087	53,106	48,270	45,876	41,355
Community development	70,378	58,463	53,112	55,694	47,952
Capital outlay	54,452	66,732	40,296	25,020	15,985
Debt service:					
Principal	6,955	6,008	5,822	5,416	5,117
Interest	5,827	6,023	6,220	6,394	6,559
Bond issuance costs	-	-	-	-	-
Lease payments	1,188	1,353	1,234	1,116	-
Subscription payments	2,151	1,591	725	-	-
Interest on leases and subscriptions	171	132	54	32	-
Total expenditures	555,041	513,356	446,186	414,787	388,540
Excess (deficiency) of revenues over (under) expenditures	(40,826)	(28,179)	44,388	(16,481)	(34,839)
Other financing sources (uses):					
Premium (discount) on debt issued	-	-	-	-	-
Issuance of debt	210,212	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	-
Issuance of financed purchase arrangements	10	47	-	-	-
Proceeds from sale of capital assets	2,120	-	-	-	-
Insurance recoveries	1,029	-	-	-	-
Transfers in	89,055	80,827	77,462	73,495	67,461
Transfers out	(68,997)	(65,670)	(60,910)	(65,023)	(49,497)
Leases issued	819	90	838	110	-
Subscriptions issued	1,616	2,191	887	-	-
Reinstatement of PCDC Loan	-	-	-	-	-
Total other financing sources (uses)	235,864	17,485	18,277	8,583	17,964
Extraordinary gain (loss)	-	-	-	-	-
Net change in fund balances	\$ 195,038	\$ (10,694)	\$ 62,665	\$ (7,899)	\$ (16,875)
Debt service as a percentage of noncapital expenditures	3.2%	3.3%	3.4%	3.3%	3.1%

Financial Trends

		Fiscal Year							
		2020	2019	2018	2017	2016			
\$	183,689	\$	179,275	\$	162,898	\$	167,874	\$	159,694
	13,297		13,979		15,022		14,882		14,946
	78,475		75,237		74,093		62,121		65,299
	53,066		59,111		53,417		49,324		46,984
	6,520		6,377		7,262		7,802		7,378
	7,536		9,207		1,597		1,752		4,780
	-		-		-		-		-
	10,748		4,326		4,418		4,765		4,212
	-		-		-		-		-
	7,082		11,929		14,240		12,072		16,341
	8,103		12,476		5,512		5,397		6,496
	<u>368,516</u>		<u>371,917</u>		<u>338,459</u>		<u>325,989</u>		<u>326,130</u>
	73,958		40,655		38,611		42,054		47,488
	138,942		133,461		126,827		116,577		111,012
	50,298		49,621		45,078		40,196		35,282
	6,134		-		-		-		-
	4,493		4,300		4,352		4,324		4,356
	14,250		12,522		10,977		10,309		11,294
	34,266		34,529		37,111		32,663		32,241
			40,599		39,365		34,370		60,841
	23,795		21,492		28,707		32,254		29,032
	5,572		5,996		10,520		6,345		6,611
	6,081		8,220		8,558		8,744		8,139
	562		-		-		-		-
	-		-		-		-		-
	-		-		-		-		-
	-		-		-		-		-
	<u>358,351</u>		<u>351,395</u>		<u>350,106</u>		<u>327,836</u>		<u>346,296</u>
	10,165		20,522		(11,647)		(1,847)		(20,166)
	-		-		-		5,790		(2,283)
	138,605		-		-		60,460		119,460
	(131,154)		-		-		(60,762)		-
	-		-		-		-		-
	31,819		-		-		-		-
	-		-		-		-		-
	72,394		76,926		80,737		121,920		51,606
	(67,530)		(62,000)		(62,326)		(109,631)		(38,028)
	-		-		-		-		-
	-		-		-		-		-
	-		-		-		11,128		-
	<u>44,134</u>		<u>14,926</u>		<u>18,411</u>		<u>28,905</u>		<u>130,755</u>
	-		-		-		-		(2,197)
\$	<u>54,299</u>	\$	<u>35,448</u>	\$	<u>6,764</u>	\$	<u>27,058</u>	\$	<u>108,392</u>

3.7% 4.3% 5.9% 5.1% 4.6%

(This page intentionally left blank)



Revenue Capacity

**Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years
(in thousands)**

Fiscal Year	Secured Valuations	Homeowners Exemption	Net Secured Valuations	Unsecured Valuations	Total Assessed Valuation	Total Direct Tax Rate
2016	25,354,224	(130,238)	25,223,986	602,659	25,826,645	0.26%
2017	26,599,121	(128,241)	26,470,880	625,032	27,095,912	0.30%
2018	28,631,957	(126,543)	28,505,414	638,858	29,144,272	0.25%
2019	30,388,233	(124,908)	30,263,325	662,995	30,926,320	0.23%
2020	32,158,077	(123,481)	32,034,595	672,205	32,706,801	0.25%
2021	34,107,320	(120,266)	33,987,055	676,673	34,663,728	0.25%
2022	35,394,651	(118,859)	35,275,793	688,899	35,964,692	0.24%
2023	37,215,187	(117,845)	37,097,342	717,826	37,815,168	0.23%
2024	38,802,585	(115,493)	38,687,092	795,908	39,483,000	0.23%
2025	40,536,725	(114,352)	40,422,373	856,245	41,278,618	0.23%

NOTES:

Amounts pertaining to the Pasadena Community Development Commission and the City have been combined.

In 1978 the voters of the State of California passed Proposition 13 which limited property taxes to a total maximum rate of 1% based upon the assessed value of the property being taxed. Each year, the assessed value of property may be increased by an "inflation factor" (limited to a maximum increase of 2%). With few exceptions, property is only re-assessed at the time that it is sold to a new owner. At that point, the new assessed value is reassessed at the purchase price of the property sold. The assessed valuation data shown above represents the only data currently available with respect to the actual market value of taxable property and is subject to the limitations described above.

SOURCE: Starting with FY2021, HdL Coren & Cone.

**Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(Rate per \$100 of assessed value)**

	Fiscal Year			
	2025	2024	2023	2022
City Direct Rates:				
City basic rate	0.2192	0.2192	0.2192	0.2201
PCDC Successor Agency	0.0155	0.0155	0.0155	0.0238
Total City Direct Rate	0.2347	0.2347	0.2347	0.2439
Overlapping Rates:				
Los Angeles County General	0.3208	0.3172	0.4295	0.4267
La Canada Unified School District	0.0551	0.0564	0.0534	0.0552
Pasadena School District	0.4886	0.4880	0.4389	0.4370
Pasadena Community College District	0.1424	0.1422	0.1238	0.1234
Metropolitan Water District	0.0070	0.0035	0.0035	0.0035
Total Direct Rate	1.2486	1.2420	1.2838	1.2897

NOTES:

In 1978, California voters passed Proposition 13 which sets the property tax rate at a 1.00% fixed amount. This 1.00% is shared by all taxing agencies for which the subject property resides within. In addition to the 1.00% fixed amount, property owners are charged taxes as a percentage of assessed property values for the payment of the various intergovernmental overlapping debt.

The La Canada Unified School District Election of 2017 General Obligation Bonds, Series A, were authorized at an election of the registered voters of the La Canada Unified School District. The Bonds are general obligations of the District payable solely from the proceeds of ad valorem property taxes. The total ad valorem tax rates levied, as a percentage of assessed valuation, by all taxing entities in Tax Rate Area 4774, which includes Pasadena Area Community College District.

FY2021 data was corrected in FY2022.

SOURCES: Starting with FY2021, HdL Coren & Cone and Los Angeles County Assessor 2012/2013 - 2021/2022 Combined Tax Rolls.



Revenue Capacity

Fiscal Year					
2021	2020	2019	2018	2017	2016
0.2209	0.2161	0.2208	0.2178	0.2537	0.2290
0.0335	0.0301	0.0096	0.0356	0.0479	0.0331
0.2544	0.2462	0.2304	0.2534	0.3016	0.2621
0.4166	0.4238	0.4396	0.4169	0.3647	0.4060
0.0562	0.0552	0.0579	0.0591	0.0611	0.0617
0.4362	0.4365	0.4363	0.4359	0.4386	0.4375
0.1238	0.1245	0.1247	0.1248	0.1260	0.1254
0.0035	0.0035	0.0035	0.0035	0.0035	0.0035
1.2907	1.2897	1.2924	1.2936	1.2955	1.2963

Revenue Capacity

Principal Property Taxpayers
Current Year and Nine Years Ago
 (in thousands)

Property Owner	2025		2016	
	Total Assessed Valuation	Percent of Total City Taxable Assessed Valuation*	Total Assessed Valuation	Percent of Total City Taxable Assessed Valuation
CPUS Pasadena LP	\$ 297,110,009	0.72%	\$ 127,998,427	0.50%
Stone Blossom Capital LLC	256,904,030	0.62%	-	0.00%
Kaiser Foundation Health Plan	245,275,352	0.59%	275,064,469	1.07%
BPP East Union LLC	234,584,512	0.57%	-	0.00%
Capref Paseo LLC Lessor	-	0.00%	140,370,811	0.54%
Pacific Huntington Hotel Corp	208,686,117	0.51%	164,042,123	0.64%
ONNI Paseo LLC	208,600,540	0.51%	-	0.00%
PPF Off 100 W Walnut St LP	198,231,152	0.48%	177,981,025	0.69%
PPF Off 74 N Psdna Ave	184,218,989	0.45%	156,347,395	0.61%
177 Colorado Owner LLC	180,156,327	0.44%	-	0.00%
Trio Pasaena LLC	175,417,705	0.42%	-	0.00%
Paseo Colorado Holdings LLC	-	0.00%	-	0.00%
Western Asset Plaza LLC	-	0.00%	162,758,350	0.63%
Tishman Speyer Archstone Smith	-	0.00%	144,943,716	0.56%
SPF 888 WALNUT PASADENA LLC	-	0.00%	133,500,000	0.52%
Teachers Insurance and Annuity Assn	-	0.00%	126,481,056	0.49%
Total principal property taxpayers gross assessed value	\$ 2,189,184,733	5.31%	\$ 1,609,487,372	6.25%

Data is only presented for the top ten properties in each of the two years presented.

Exempt values are not included in Total City Taxable Assessed Valuation.

SOURCE: Starting with FY2021, HdL Coren & Cone.

Revenue Capacity

Property Tax Levies and Collections ⁽¹⁾
 Last Ten Fiscal Years
 (in thousands)

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percent of Levy		Amount	Percent of Levy (2)
2016	46,437 (3)	56,654	122.63%	*	56,654	122.63%
2017	48,735 (3)	66,159	134.82%	*	66,159	134.82%
2018	52,462 (3)	58,934	112.34%	608	58,934	112.34%
2019	55,562	65,535	117.95%	*	65,535	117.95%
2020	59,511	67,890	114.08%	*	67,890	114.08%
2021	62,969	73,748	117.12%	*	73,748	117.12%
2022	65,066	76,309	117.28%	*	76,309	117.28%
2023	68,595	81,292	118.51%	*	81,292	118.51%
2024	71,604	84,073	117.41%	*	84,073	117.41%
2025	75,801	87,221	115.07%	*	87,221	115.07%

NOTES:

- 1. Excludes collections from Police Building General Obligation Bond Assessment.
- 2. This percentage may exceed 100% because information provided by Tax Assessor may not clearly identify the year collected.
- 3. Taxes Levied for the Fiscal Years 2016, 2017 and 2018 restated on Fiscal Year 2019 table.

* Collection in subsequent year information not available.

SOURCE: County of Los Angeles, Department of Auditor-Controller, Information for Reconciliation of Taxes.

Taxable Sales by Category
Last Ten Calendar Years
 (in thousands)

<u>Category</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Apparel Stores	\$163,307	\$157,246	\$149,497	\$ 144,336
General Merchandise	158,101	164,230	175,050	167,894
Food Stores	159,127	151,262	147,301	135,217
Eating and Drinking Places	724,703	732,723	687,778	593,514
Building Materials	294,481	289,878	295,838	233,942
Auto Dealers and Supplies	775,013	884,691	896,354	808,361
Service Stations	156,293	166,185	178,777	141,101
Other Retail Stores	633,875	635,568	674,553	631,060
All Other Outlets	1,643,228	1,118,766	1,106,332	1,006,845
Total	<u>\$ 4,708,128</u>	<u>\$ 4,300,549</u>	<u>\$ 4,311,480</u>	<u>\$ 3,862,270</u>

NOTE:

Due to confidentiality issues, the names of the ten largest revenue payers are not available. The categories presented are intended to provide alternative information regarding the sources of the City's revenue. Slight variations across the years from prior year ACFR to reflect the most current adjusted economic data. The table has been updated according to the most current HDL report.

SOURCES:

State Board of Equalization, California Department of Taxes and Fees Administration, State Controller's Office, The HdL Companies



Revenue Capacity

<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ 97,852	\$ 171,787	\$ 181,726	\$ 177,153	\$ 185,450	\$ 191,081
143,460	200,734	212,075	213,578	217,422	221,751
133,683	135,180	128,315	118,502	119,790	117,323
426,982	631,545	599,204	579,957	558,091	527,957
168,700	158,708	171,666	167,924	153,656	151,488
746,557	711,311	720,503	624,431	601,963	566,434
94,737	155,631	161,406	144,807	131,929	150,270
471,959	610,868	636,154	626,684	627,435	632,213
902,283	909,119	923,089	850,261	918,313	850,460
<u>\$ 3,186,213</u>	<u>\$ 3,684,883</u>	<u>\$ 3,734,138</u>	<u>\$ 3,503,297</u>	<u>\$ 3,514,049</u>	<u>\$ 3,408,977</u>

**Electricity Sold by Type of Customer
Last Ten Fiscal Years
(in Megawatt-Hours)**

	Fiscal Year			
	2025	2024	2023	2022
Type of Customer:				
Residential	338	311	352	334
Commercial and Industrial	668	642	710	627
Street Lights and Traffic Signals	12	50	11	11
Wholesales to Other Utilities	-	-	-	-
Other	3	5	(5)	1
Total	1,021	1,008	1,068	973
Total direct rate per megawatt hour ¹	238.00	244.18	201.80	195.55

NOTES:

¹ Rate represents average cost per megawatt hour with respect to total revenue sales from electricity

² Other represents net change in unbilled revenue per megawatt hour

SOURCE: Pasadena Water and Power



Revenue Capacity

Fiscal Year						
2021	2020	2019	2018	2017	2016	
344	319	325	321	320	326	
587	658	687	710	721	756	
12	12	13	13	13	13	
32	69	27	21	-	-	
-	-	-	-	-	-	
<u>975</u>	<u>1,058</u>	<u>1,052</u>	<u>1,065</u>	<u>1,054</u>	<u>1,095</u>	
191.00	173.28	174.22	179.07	178.48	173.54	

Revenue Capacity

Electricity Rates
Last Ten Fiscal Years
(Average Rate in Dollar per Kilowatt-Hour)

Fiscal Year Ended June 30*	Residential	Commercial & Industrial	Street Lights & Traffic Signals
2016	0.1827	0.1582	0.1505
2017	0.1826	0.1597	0.1467
2018	0.1927	0.1684	0.1495
2019	0.1940	0.1677	0.1495
2020	0.2092	0.1867	0.1793
2021	0.2106	0.1903	0.1813
2022	0.2100	0.1880	0.1882
2023	0.2188	0.1894	0.2015
2024	0.2591	0.2310	0.2508
2025	0.2545	0.2295	0.2311

* FY 2016 - FY 2025 include Public Benefit Charge (PBC)

SOURCE: Pasadena Water and Power



Revenue Capacity

Electricity Customers
Current Year

Electricity Customer	2025	
	Electricity Charges	Percent of Operating Electric Revenues
Caltech	\$ 8,427	3.14%
Pasadena Hospital Association	8,287	3.08%
Tesla Inc	4,627	1.72%
Water Department	3,428	1.28%
Pasadena Unified School District	3,265	1.21%
Pasadena City College	3,162	1.18%
Dept of Transportation	2,453	0.91%
Metropolitan Transportation Authority	2,233	0.83%
Art Center College of Design	2,041	0.76%
Heitman Credit Acquisition X LLC	1,780	0.66%
	\$ 39,703	14.77%

SOURCE: Pasadena Water and Power

Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
 (in thousands)

Fiscal Year Ended June 30	Governmental Activities					
	General Obligation Bonds	Revenue Bonds	Pension Bonds	Certificates of Participation	Tax Allocation Bonds	Loan Payable
2016	\$ -	\$ 5,060	\$ 117,260	\$ 73,398	\$ -	\$ 4,838
2017	-	4,501	117,336	68,276	-	3,361
2018	-	-	117,412	62,967	-	1,844
2019	-	-	117,488	57,636	-	833
2020	-	-	136,739	55,478	-	6,812
2021	-	-	134,886	53,220	-	5,876
2022	-	-	132,832	50,866	-	4,937
2023	-	-	130,494	48,408	-	3,982
2024	-	-	128,101	45,835	-	3,011
2025	210,126	-	124,905	43,152	-	2,024

NOTES:

Details regarding the City's outstanding debt can be found in the notes to the financial statements (Note 11). The amount of outstanding debt by type reported above is net of

*See Table 18 for personal income.

** Beginning with fiscal year 2015, the City implemented GASB 68, so the pension liability amount was removed from the long term debt section. Beginning with fiscal year 2018, the City implemented GASB 75, so the other post employment benefits liability amount was removed from the long term debt section.

Beginning with fiscal year 2019, the City implemented GASB 88, so the other compensated absences and insurance claim liability amount were removed from the long term debt section.

**See Table 18 for population data. Per Capita calculation corrected in FY2022.



Debt Capacity

	Notes Payable	Finance Purchase Arrangement	Lease Liability	Subscription Liability	Other **	Total Governmental Activities
\$	6,533	\$ -	\$ -	\$ -	\$ 69,775	\$ 276,864
	6,218	-	-	-	87,229	286,921
	5,903	-	-	-	59,669	247,795
	5,587	-	-	-	-	181,544
	5,271	-	-	-	-	204,300
	4,955	-	5,029	-	-	203,966
	4,639	-	4,024	-	-	197,298
	4,322	-	3,641	5,819	-	196,666
	4,005	50	2,716	5,309	-	189,027
	3,687	37	3,178	7,017	-	394,126

Ratios of Outstanding Debt by Type (Continued)
Last Ten Fiscal Years
 (in thousands)

Fiscal Year Ended June 30	Business-type Activities					
	Revenue Bonds	Certificates of Participation	Loan Payable	Notes Payable	Lease Liability	Subscription Liability
2016	\$ 289,292	\$ 4,358	\$ -	\$ 659	\$ -	\$ -
2017	366,890	2,291	-	482	-	-
2018	348,915	106	-	296	-	-
2019	330,296	-	3,253	101	-	-
2020	311,558	-	2,824	-	-	-
2021	306,453	-	2,384	-	2,642	-
2022	301,282	-	1,932	-	1,376	-
2023	288,582	-	1,468	-	2,426	4,771
2024	275,552	-	992	-	6,725	3,003
2025	310,255	-	502	-	11,864	3,706

NOTES:

Details regarding the City's outstanding debt can be found in the notes to the financial statements (Note 11).
 The amount of outstanding debt by type reported above is net of the related premiums and discounts.

*See Table 18 for personal income.

** Beginning with fiscal year 2015, the City implemented GASB 68, so the pension liability amount was removed from the long term debt section.
 Beginning with fiscal year 2018, the City implemented GASB 75, so the other post employment benefits liability amount was removed from the long term debt section.

Beginning with fiscal year 2019, the City implemented GASB 88, so the other compensated absences and insurance claim liability amount were removed from the long term debt section.

**See Table 18 for population data. Per Capita calculation corrected in FY2022.



Debt Capacity

Total Business-type Activities	Total Primary Government	Private-Purpose Long-Term Liabilities	Percentage of Personal Income *	Debt Per Capita ***
\$ 294,309	\$ 571,173	\$ 16,553,159	9.67%	\$ 4,051
369,663	656,584	10,483,543	10.44%	4,591
349,317	597,112	3,501,092	8.86%	4,147
333,650	515,194	635,000	8.24%	3,529
314,382	518,682	435,000	8.11%	3,577
311,479	515,445	225,000	7.62%	3,555
304,590	501,888	-	7.04%	3,637
297,247	493,913	-	6.75%	3,605
286,272	475,299	-	5.79%	3,395
326,327	720,453	-	8.31%	5,110

**Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years
(in thousands)**

Fiscal Year Ended June 30	Outstanding General Bonded Debt					Total
	General Obligation Bonds	Revenue Bonds	Pension Bonds	Certificates of Participation	Tax Allocation Bonds	
2016	\$ -	\$ 5,060	\$ 117,260	\$ 73,398	\$ -	\$ 195,718
2017	-	4,501	117,336	68,276	-	190,113
2018	-	-	117,412	62,967	-	180,379
2019	-	-	117,488	57,636	-	175,124
2020	-	-	136,739	55,478	-	192,217
2021	-	-	134,886	53,220	-	188,106
2022	-	-	132,832	50,866	-	183,698
2023	-	-	130,494	48,408	-	178,902
2024	-	-	128,101	45,835	-	173,936
2025	210,126	-	124,905	43,152	-	378,183

NOTES:

Details regarding the City's outstanding debt can be found in the notes to the financial statements (Note 9). The amount of outstanding debt by type reported above is net of the related premiums and discounts.

General bonded debt and general obligation bonds is debt payable with governmental fund resources.

*See Table 5 for assessed values of taxable property.

**See Table 18 for population data. Per Capita calculation corrected in FY2022.



Debt Capacity

<u>Restricted Net Assets for Debt Service</u>	<u>Net Bonded Debt</u>	<u>Percent of Total City Taxable Assessed Valuation*</u>	<u>Per Capita**</u>
\$ 12,036	\$ 183,682	0.76%	\$ 1,303
11,519	178,594	0.70%	1,249
11,528	168,851	0.62%	1,173
11,932	163,192	0.57%	1,118
11,883	180,334	0.59%	1,244
8,209	179,897	0.54%	1,241
7,085	176,613	0.51%	1,218
6,758	172,144	0.47%	1,247
6,976	166,960	0.44%	1,193
218,172	160,011	0.92%	1,135

(This page intentionally left blank)



Debt Capacity

Direct and Overlapping Debt
June 30, 2025
 (in thousands)

City Assessed Valuation	\$ 41,278,618
Total Assessed Valuation*	<u>\$ 41,278,618</u>

	Percentage Applicable ¹	Outstanding Debt at 6/30/2025	Estimated Share of Overlapping Debt
Direct & Overlapping Debt:			
Metropolitan Water District	1.017%	\$ 17,155	\$ 174
Pasadena Area Community College District	34.896%	149,370	52,124
La Canada Unified School District	0.249%	100,770	251
Pasadena Unified School District	72.885%	330,830	241,125
Total overlapping tax and assessment debt		<u>\$ 598,125</u>	<u>293,675</u>
Financed purchase arrangements			37
Lease liability			15,041
Subscription liability			10,723
City direct debt			<u>195,000</u>
Total direct and overlapping debt			¹ <u>\$ 514,476</u>

Notes:

1. For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using values.

Legal Debt Margin Information
Last Ten Fiscal Years
 (in thousands)

	Fiscal Year			
	2025	2024	2023	2022
Assessed valuation	\$ 41,278,618	\$ 39,483,000	\$ 37,815,168	\$ 35,964,692
Conversion percentage	25%	25%	25%	25%
Adjusted assessed valuation	<u>10,319,655</u>	<u>9,870,750</u>	<u>9,453,792</u>	<u>8,991,173</u>
Debt limit percentage	15%	15%	15%	15%
Debt limit	<u>1,547,948</u>	<u>1,480,612</u>	<u>1,418,069</u>	<u>1,348,676</u>
Total net debt applicable to limit:	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Legal debt margin	1,547,948	1,480,612	1,418,069	1,348,676
Total debt applicable to the limit as a percentage of debt limit	0.0%	0.0%	0.0%	0.0%

NOTE:

The Government Code of the State of California provides for a legal debt limit of 15% of gross assessed valuation. However, this provision was enacted when assessed valuation was based upon 25% of market value. Effective with the 1981-82 fiscal year, each parcel is now assessed at 100% of market value (as of the most recent change in ownership for that parcel). The computations shown above reflect a conversion of assessed valuation data for each fiscal year from the current full valuation perspective to the 25% level that was in effect at the time that the legal debt margin was enacted by the State of California for local governments located within the state.

Source: City of Pasadena, Department of Finance and Los Angeles County Tax Assessor



Debt Capacity

Fiscal Year						
2021	2020	2019	2018	2017	2016	
\$ 34,663,728	\$ 32,706,801	\$ 30,926,320	\$ 29,144,272	\$ 27,095,911	\$ 25,826,921	
25%	25%	25%	25%	25%	25%	
8,665,932	8,176,700	7,731,580	7,286,068	6,773,978	6,456,730	
15%	15%	15%	15%	15%	15%	
1,299,890	1,226,505	1,159,737	1,092,910	1,016,097	968,510	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
1,299,890	1,226,505	1,159,737	1,092,910	1,016,097	968,510	
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	

Debt Capacity

**Pledged-Revenue Coverage
Governmental Activity Debt
Last Ten Fiscal Years**
(in thousands)

Fiscal Year Ended June 30	Property Taxes	Tax Allocation Bonds				Coverage
		Private-Purpose Trust Fund**				
		Tax Increment **	Debt Service			
		Principal	Interest			
2016	59,141	4,965	2,100	284	2.08	
2017	68,752	9,327	2,235	234	3.78	
2018	63,484	4,586	2,360	177	1.81	
2019	68,276	143	195	35	0.62	
2020	70,689	65	200	26	0.29	
2021	76,579	8	210	16	0.04	
2022	79,144	-	-	-	-	
2023	84,327	-	-	-	-	
2024	87,265	-	-	-	-	
2025	90,486	-	-	-	-	

NOTE:

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

*Up to January 31, 2012, the date of PCDC dissolution, tax increment was reported under Primary Government grouping.

**As of February 1, 2012, tax increment is reported under Private Purpose Trust Fund grouping.

Prior to fiscal year 2015, gross amount was reported (before deduction of Pass-through and County Administrative Cost).

Starting in fiscal year 2015, net amount is reported (post deduction of Pass-through and County Administrative Cost).



Debt Capacity

**Pledged-Revenue Coverage
Business-Type Activity Debt
Last Ten Fiscal Years
(in thousands)**

Fiscal Year Ended June 30	Light & Power Revenue Bonds					
	Light & Power Revenue ¹	Less Operating Expenses ²	Net Available Revenue	Debt Service ³		
				Principal	Interest	Coverage
2016	204,224	146,510	57,714	9,340	8,347	326.31%
2017	204,287	151,499	52,788	11,290	10,865	238.27%
2018	213,873	148,636	65,237	12,000	11,250	280.59%
2019	230,980	155,634	75,346	12,475	10,778	324.03%
2020	226,285	156,038	70,247	13,005	10,249	302.09%
2021	222,862	155,468	67,394	13,380	9,679	292.27%
2022	207,563	155,040	52,522	13,930	9,147	227.60%
2023	260,779	192,916	67,863	7,225	8,487	431.92%
2024	290,319	169,232	121,087	7,485	8,123	775.80%
2025	282,856	201,130	81,726	69,160	8,468	105.28%

Fiscal Year Ended June 30	Water Revenue Bonds					
	Water Revenue ¹	Less Operating Expenses ²	Net Available Revenue	Debt Service ³		
				Principal	Interest	Coverage
2016	58,039	38,810	19,229	3,185	3,915	270.83%
2017	51,538	35,501	16,037	3,305	3,782	226.29%
2018	58,551	38,589	19,962	4,430	3,634	247.54%
2019	62,819	43,801	19,018	3,525	3,456	272.43%
2020	62,244	45,322	16,922	3,695	3,287	242.37%
2021	63,901	47,447	16,454	2,475	3,114	294.40%
2022	71,441	52,287	19,154	2,540	2,858	354.84%
2023	66,879	49,098	17,781	2,720	2,927	314.88%
2024	71,004	49,880	21,124	2,795	2,997	364.71%
2025	82,396	58,075	24,321	2,860	2,857	425.42%

NOTES:

¹ Total operating revenues including investment earnings

² Total operating expenses exclusive of depreciation

³ Requirements are reported on a cash basis, excluding premiums

Details regarding the city's outstanding debt can be found in the notes to the financial statements. Operating expenses do not include interest or depreciation expenses.

Demographic & Economic Information

Demographic Statistics
Last Ten Calendar Years

Calendar Year	Population ⁽¹⁾	Personal Income (in thousands)	Per Capita Personal Income ⁽²⁾	Unemployment Rate ⁽³⁾
2015	141,023	5,738,875	40,694	6.00%
2016	143,333	5,968,550	41,641	4.70%
2017	144,388	6,045,196	41,867	3.70%
2018	146,312	6,251,241	42,725	4.00%
2019	144,842	6,399,297	44,181	3.90%
2020	145,306	6,761,032	46,529	10.40%
2021	138,310	7,130,017	51,550	7.30%
2022	136,988	7,313,150	53,385	4.20%
2023	139,692	8,205,784	58,741	4.60%
2024	140,631	8,667,045	61,629	5.40%

NOTES:

1. California State Department of Finance
2. U.S. Census Bureau, most recent American Community Survey
3. State of California Employment Development Department, Bureau of Labor Statistics Department

SOURCES: HdL, Coren & Cone, Avenue Insights & Analytics



Demographic & Economic Information

Principal Employers
Current Year and Nine Years Ago

Employer	2025		2016	
	Number of Employees	Percent of Total Employment	Number of Employees	Percent of Total Employment
California Institute of Technology - Jet Propulsion Laboratory	5,029	4.57%	5,771	4.90%
Kaiser Permanente	4,508	4.10%	3,314	4.53%
California Institute of Technology - Campus	3,925	3.57%	3,900	3.67%
Huntington Memorial Hospital	3,878	3.53%	3,674	3.05%
Pasadena City College	3,149	2.86%	2,619	1.76%
Pasadena Unified School District	2,236	2.03%	2,420	1.92%
The City of Pasadena	2,380	2.16%	2,260	2.25%
Pacific Clinics Administration	224	0.20%	263	0.26%
Art Center College of Design	851	0.77%	1,318	0.78%

NOTES:

1. For City of Pasadena, the number includes seasonal employees. The information was provided by the City of Pasadena Human Resources department.
2. In FY2024, the percentage of total employment is calculated using a baseline of 110,000 jobs in Pasadena, data provided by Pasadena Chamber of Commerce.
3. While every effort has been made to ensure the accuracy of the material included in this schedule, the City of Pasadena relies at times on third party sources when compiling data. For FY2024, City of Pasadena contacted the top employers and obtained total employee count for each business.

**Full-time and Part-time City Employees by Function
Last Ten Fiscal Years**

Function	Fiscal Year				
	2025	2024	2023	2022	2021
General government	531.42	497.4	504.7	492.2	387.2
Public safety	592.25	585.3	569.8	564.8	564.8
Public works	273.63	267.6	267.6	267.5	272
Transportation	61	54	51	51	51
Health	117.82	137.7	130.1	130	98.4
Culture and leisure	167.76	168.2	155.2	153.2	230.2
Water & Power	430	419	419	419	419
Information services	81	79	77	77	100
Seasonal	126	161	161	83	84
Total	2,380.88	2,369.20	2,335.40	2,237.70	2,206.50

SOURCE: Budget Brief-FY2025



Operating Information

Fiscal Year				
2020	2019	2018	2017	2016
466.9	392.5	394	405	382
564.8	556.8	561	563	550
319	320	320	320	317
50	50	50	51	51
105.6	89.1	84	80	85
106.8	104.7	107	103	97
417	418	406	443	433
103.6	103.6	105	108	108
41	242	260	262	265
2,174.50	2,276.60	2,287.00	2,335.00	2,288.00

**Operating Indicators by Function
Last Ten Fiscal Years**

Function	Fiscal Year			
	2025	2024	2023	2022
Police:				
Arrests	3,140	1,663	3,407	3,365
Transportation:				
Parking citations/warnings issued**	98,623	118,613	119,038	97,869
Fire:				
Number of emergency calls***	21,753	19,948	21,383	18,710
Inspections	7,205	7,069	5,994	2,573
Water:				
New connections	71	105	81	35
Average daily consumption (thousands of gallons)	24,612	21,935	20,989	24,357

* Information was not available.

** Parking citations were originally reported under Police Dept. This category moved to Transportation

***FY2015 initially reported as 14,349; corrected in FY2016 to 18,237



Operating Information

Fiscal Year					
2021	2020	2019	2018	2017	2016
2,429	5,444	6,018	5,701	4,078	4,210
68,620	125,715	129,108	150,945	175,430	166,481
16,947	19,223	19,016	19,483	19,458	19,488
6,006	8,253	8,959	9,096	9,251	8,296
63	65	88	100	98	35
25,331	23,083	23,519	24,757	22,535	21,144

**Capital Asset Statistics by Function
Last Ten Fiscal Years**

	Fiscal Year			
	2025	2024	2023	2022
Police:				
Stations	1	1	1	1
Substations	2	2	2	2
Fire:				
Fire stations	8	8	8	8
Transportation:				
Streets (miles)	347	347	347	338
Streetlights	17,838	17,803	17,738	17,753
Traffic signals	356	354	352	332
Parking facilities	8	8	8	9
Culture and leisure:				
Park sites	26	26	26	24
Community/recreation centers	4	4	4	4
Libraries	10	10	10	10
Electric Utility:				
Power plants	1	1	1	1
Customers	67,781	67,343	66,355	66,916
Miles of service	673	661	671	665
Maximum capacity (megawatts)	198	198	175	174
Water:				
Water mains (miles)	520	520	520	520
Customers	38,637	38,517	38,338	38,193
Average daily consumption (million gallons per day)	22.74	20.16	20.05	23.08

SOURCE: City of Pasadena



Operating Information

Fiscal Year					
2021	2020	2019	2018	2017	2016
1	1	1	1	1	1
2	2	3	3	3	5
8	8	8	8	8	8
338	338	338	357	357	357
17,731	17,708	17,597	17,597	17,584	17,452
313	330	330	330	330	329
9	9	9	9	9	9
24	23	20	20	20	20
4	4	4	4	4	4
10	10	10	10	10	10
1	1	1	1	1	1
67,566	66,505	65,979	65,318	65,564	65,039
664	662	687	687	680	680
174	174	174	174	174	175
520	520	520	520	520	520
38,114	38,046	38,067	37,959	37,972	37,974
23.52	24.76	22.54	21.14	25.43	28.37

