

**SUPPLEMENTARY INFORMATION**

*This page intentionally left blank.*

## NONMAJOR GOVERNMENTAL FUNDS

### Special Revenue Funds:

**Lighting and Landscaping District Fund** - This fund is used to account for the Lighting Assessment District, which was created for street lighting/median maintenance purposes pursuant to Street and Highway Code 22500-22679.

**State Gas Tax Fund** - This fund is used to account for the City's share of state gasoline tax, which is restricted for use on public streets. Restricted Transportation Development Act funds from Los Angeles County Transportation Commission for the Strand Walkway Project and Bicycle Path Project are also accounted for in this fund.

**AB 939 Fund** - This fund is used to account for the fees collected in connection with solid waste collection. The fees are used to implement a Source Reduction and Recycling Element and a Household Waste Element.

**Prop A Open Space Fund** - This fund is used to account for funds generated by passage of the L.A. County Safe Neighborhood Parks Bond Act by County voters for the purpose of improving parks and recreational facilities.

**Tyco Fund** - This fund is used to account for funds received from an easement granted for construction of a transpacific, submarine fiber optic cable system originating in Japan with a landing in Hermosa Beach. The project will provide additional capacity.

**Tyco Tidelands Fund** - This fund is used to account for the portion of the funds specific to the tidelands and submerged lands received from an easement granted for construction of a transpacific, submarine fiber optic cable system originating in Japan with a landing in Hermosa Beach that were set aside to build one new restroom and rehabilitate three existing restrooms at the beach.

**Parks/Recreation Facilities Tax Fund** - This fund is used to account for revenue from subdivision fees and park or recreation facility tax fees on new dwellings. Generally, the funds are to be used for acquisition, improvements and expansion of park or recreational facilities.

**Bayview Drive Administrative Expense Fund** - This fund is used to account for all administrative expenditures required for the Bayview Utility Underground Special Assessment District.

**Lower Pier Administrative Expense Fund** - This fund is used to account for all administrative expenditures required for the Lower Pier District. These funds are invested but interest is not allocated to this fund because it is not required by the bond documents.

**Myrtle District Administrative Expense Fund** - This fund is used to account for all administrative expenditures required for the Myrtle Avenue Utility Underground Special Assessment District.

**Loma District Administrative Expense Fund** - This fund is used to account for all administrative expenditures required for the Loma Drive Utility Underground Special Assessment District.

**Beach Drive Assessment District Administrative Expense Fund** - This fund is used to account for all administrative expenditures required for the Loma Drive Utility Underground Special Assessment District.

## NONMAJOR GOVERNMENTAL FUNDS (Continued)

### Special Revenue Funds (Continued):

**Proposition "A" Transit Fund** - Transit revenue consists primarily of Proposition A fund (the 1/2 cent sales tax for Los Angeles County transportation purposes). The City currently operates a Dial-a-Ride program for seniors, a taxi voucher program, a commuter bus, special event and after school program shuttles and subsidizes bus passes for senior citizens and students.

**Proposition "C" Fund** - This is a fund which was added during 1992 to account for funds allocated from the voter-approved 1/2 cent sales tax. Funds must be used for transit purposes.

**Measure "R" Fund** - This is a fund which was added July 1, 2009 to account for a 1/2 cent sales tax approved by Los Angeles County voters in November 2008 to meet the transportation needs of Los Angeles County. The program is to be used for transportation projects that have been approved by the Los Angeles County Metropolitan Transit Authority.

**Air Quality Management District Fund** - This fund is used to account for funds distributed by the South Coast Air Quality Management district. The revenues are restricted to programs which promote reduction in air pollution from motor vehicles.

**Supplemental Law Enforcement Services Fund** - This fund is used to account for funds received from the Citizen Option for Public Safety ("COPS") program, established by the State Legislature in fiscal year 1996-1997. Funds must be used for front line municipal police services and must supplement and not supplant existing funding.

**Asset Seizure and Forfeiture Fund** - This fund is used to account for property seized as a result of illegal activity and forfeited to the Police Department. Funds must be used for law enforcement purposes to supplement, not replace or decrease, existing appropriations.

**Fire Protection Fund** - This fund is used to account for fire flow fees which are used to upgrade and enhance the fire flow capabilities of the fire protection system in the City and for upgrades to fire facilities.

**Artesia Boulevard Relinquishment Fund** - This fund is used to track the costs related to the transfer ownership of Artesia Boulevard from the State to the City. During the fiscal year 2000-01, the State of California determined an estimated cost for the rehabilitation of the street which will be contributed to the City as a part of the transfer of ownership. The fund was closed on July 1, 2014 and all assets and liabilities were transferred to the General Fund.

**Grants Special Revenue Fund** - This fund is used to account for State and Federal grants for specific projects and for smaller grants from miscellaneous sources.

*This page intentionally left blank.*

**City of Hermosa Beach**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**June 30, 2015**

	Special Revenue Funds			
	Lighting and Landscaping District	State Gas Tax	AB 939	Prop A Open Space
<b>ASSETS</b>				
Cash and investments	\$ 66,107	\$ 279,702	\$ 34,750	\$ -
Accounts receivable	2,489	53,507	388	176,697
Property taxes receivable, net	6,757	-	-	-
Reimbursable grants receivable	-	-	-	-
Interest receivable	174	643	7	-
<b>Total assets</b>	<b>\$ 75,527</b>	<b>\$ 333,852</b>	<b>\$ 35,145</b>	<b>\$ 176,697</b>
<b>LIABILITIES, DEFERRED OUTFLOWS OF RESOURCES, AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 32,137	\$ 9,209	\$ 17,500	\$ 3,315
Accrued wages and benefits payable	9,126	-	4,116	-
Due to other funds	-	-	-	169,978
<b>Total liabilities</b>	<b>41,263</b>	<b>9,209</b>	<b>21,616</b>	<b>173,293</b>
<b>Fund Balances:</b>				
Restricted	34,264	324,643	13,529	3,404
Committed	-	-	-	-
<b>Total fund balances</b>	<b>34,264</b>	<b>324,643</b>	<b>13,529</b>	<b>3,404</b>
<b>Total liabilities, deferred outflows of resources and fund balances</b>	<b>\$ 75,527</b>	<b>\$ 333,852</b>	<b>\$ 35,145</b>	<b>\$ 176,697</b>

(Continued)

**City of Hermosa Beach**  
**Combining Balance Sheet (Continued)**  
**Nonmajor Governmental Funds**  
**June 30, 2015**

	Special Revenue Funds			
		Tyco	Parks/ Recreation	Bayview Drive Administrative
		Tyco	Facilities Tax	Expense
	Tyco	Tidelands		
<b>ASSETS</b>				
Cash and investments	\$ 560,824	\$ 3,646	\$ 548,028	\$ 1,356
Accounts receivable	-	-	1,450	-
Property taxes receivable, net	-	-	-	-
Reimbursable grants receivable	-	-	-	-
Interest receivable	1,373	7	1,172	3
<b>Total assets</b>	<b>\$ 562,197</b>	<b>\$ 3,653</b>	<b>\$ 550,650</b>	<b>\$ 1,359</b>
<b>LIABILITIES, DEFERRED OUTFLOWS OF RESOURCES, AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 130,481	\$ -	\$ 87,912	\$ 771
Accrued wages and benefits payable	-	-	-	-
Due to other funds	-	-	-	-
<b>Total liabilities</b>	<b>130,481</b>	<b>-</b>	<b>87,912</b>	<b>771</b>
<b>Fund Balances:</b>				
Restricted	-	3,653	462,738	588
Committed	431,716	-	-	-
<b>Total fund balances</b>	<b>431,716</b>	<b>3,653</b>	<b>462,738</b>	<b>588</b>
<b>Total liabilities, deferred outflows of resources and fund balances</b>	<b>\$ 562,197</b>	<b>\$ 3,653</b>	<b>\$ 550,650</b>	<b>\$ 1,359</b>

(Continued)

**City of Hermosa Beach**  
**Combining Balance Sheet (Continued)**  
**Nonmajor Governmental Funds**  
**June 30, 2015**

	Special Revenue Funds			
	Lower Pier Administrative Expense	Myrtle District Administrative Expense	Loma District Administrative Expense	Beach Drive Assessment District Admin Expense
<b>ASSETS</b>				
Cash and investments	\$ 4,184	\$ 12,577	\$ 18,330	\$ 2,531
Accounts receivable	-	-	-	-
Property taxes receivable, net	-	-	-	-
Reimbursable grants receivable	-	-	-	-
Interest receivable	-	29	42	6
<b>Total assets</b>	<b>\$ 4,184</b>	<b>\$ 12,606</b>	<b>\$ 18,372</b>	<b>\$ 2,537</b>
<b>LIABILITIES, DEFERRED OUTFLOWS OF RESOURCES, AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 300	\$ 605	\$ 73	\$ 351
Accrued wages and benefits payable	-	-	-	-
Due to other funds	-	-	-	-
<b>Total liabilities</b>	<b>300</b>	<b>605</b>	<b>73</b>	<b>351</b>
<b>Fund Balances:</b>				
Restricted	3,884	12,001	18,299	2,186
Committed	-	-	-	-
<b>Total fund balances</b>	<b>3,884</b>	<b>12,001</b>	<b>18,299</b>	<b>2,186</b>
<b>Total liabilities, deferred outflows of resources and fund balances</b>	<b>\$ 4,184</b>	<b>\$ 12,606</b>	<b>\$ 18,372</b>	<b>\$ 2,537</b>

(Continued)

**City of Hermosa Beach**  
**Combining Balance Sheet (Continued)**  
**Nonmajor Governmental Funds**  
**June 30, 2015**

	Special Revenue Funds			
	Proposition "A"	Proposition "C"	Measure "R"	Air Quality
	Transit			Management
<b>ASSETS</b>				
Cash and investments	\$ 770,168	\$ 777,483	\$ 766,941	\$ 36,472
Accounts receivable	-	-	-	-
Property taxes receivable, net	-	-	-	-
Reimbursable grants receivable	-	-	-	-
Interest receivable	1,574	1,695	1,455	58
<b>Total assets</b>	<b>\$ 771,742</b>	<b>\$ 779,178</b>	<b>\$ 768,396</b>	<b>\$ 36,530</b>
<b>LIABILITIES, DEFERRED OUTFLOWS OF RESOURCES, AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 27,487	\$ 14,650	\$ 6,429	\$ -
Accrued wages and benefits payable	327	-	188	110
Due to other funds	-	-	-	-
<b>Total liabilities</b>	<b>27,814</b>	<b>14,650</b>	<b>6,617</b>	<b>110</b>
<b>Fund Balances:</b>				
Restricted	743,928	764,528	761,779	36,420
Committed	-	-	-	-
<b>Total fund balances</b>	<b>743,928</b>	<b>764,528</b>	<b>761,779</b>	<b>36,420</b>
<b>Total liabilities, deferred outflows of resources and fund balances</b>	<b>\$ 771,742</b>	<b>\$ 779,178</b>	<b>\$ 768,396</b>	<b>\$ 36,530</b>

(Continued)

**City of Hermosa Beach**  
**Combining Balance Sheet (Continued)**  
**Nonmajor Governmental Funds**  
**June 30, 2015**

	Special Revenue Funds		
	Supplemental Law Enforcement Services	Asset Seizure and Forfeiture	Fire Protection
<b>ASSETS</b>			
Cash and investments	\$ 20,366	\$ 196,443	\$ 51,430
Accounts receivable	-	10,457	-
Property taxes receivable, net	-	-	-
Reimbursable grants receivable	-	-	-
Interest receivable	154	490	103
<b>Total assets</b>	<b>\$ 20,520</b>	<b>\$ 207,390</b>	<b>\$ 51,533</b>
<b>LIABILITIES, DEFERRED OUTFLOWS OF RESOURCES, AND FUND BALANCES</b>			
<b>Liabilities:</b>			
Accounts payable	\$ 558	\$ 184	\$ -
Accrued wages and benefits payable	-	-	-
Due to other funds	-	-	-
<b>Total liabilities</b>	<b>558</b>	<b>184</b>	<b>-</b>
<b>Fund Balances:</b>			
Restricted	19,962	207,206	51,533
Committed	-	-	-
<b>Total fund balances</b>	<b>19,962</b>	<b>207,206</b>	<b>51,533</b>
<b>Total liabilities, deferred outflows of resources and fund balances</b>	<b>\$ 20,520</b>	<b>\$ 207,390</b>	<b>\$ 51,533</b>

(Continued)

**City of Hermosa Beach**  
**Combining Balance Sheet (Continued)**  
**Nonmajor Governmental Funds**  
**June 30, 2015**

	<u>Special Revenue Funds</u>		
	Artesia Boulevard	Grants	Total Nonmajor Governmental Funds
	Relinquishment		Funds
<b>ASSETS</b>			
Cash and investments	\$ -	\$ 55,086	\$ 4,206,424
Accounts receivable	-	-	244,988
Property taxes receivable, net	-	-	6,757
Reimbursable grants receivable	-	496,149	496,149
Interest receivable	-	-	8,985
<b>Total assets</b>	<u>\$ -</u>	<u>\$ 551,235</u>	<u>\$ 4,963,303</u>
<b>LIABILITIES, DEFERRED OUTFLOWS OF RESOURCES, AND FUND BALANCES</b>			
<b>Liabilities:</b>			
Accounts payable	\$ -	\$ 174,488	\$ 506,450
Accrued wages and benefits payable	-	44	13,911
Due to other funds	-	113,148	283,126
<b>Total liabilities</b>	<u>-</u>	<u>287,680</u>	<u>803,487</u>
<b>Fund Balances:</b>			
Restricted	-	263,555	3,728,100
Committed	-	-	431,716
<b>Total fund balances</b>	<u>-</u>	<u>263,555</u>	<u>4,159,816</u>
<b>Total liabilities, deferred outflows of resources and fund balances</b>	<u>\$ -</u>	<u>\$ 551,235</u>	<u>\$ 4,963,303</u>

(Concluded)

**City of Hermosa Beach**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Year Ended June 30, 2015**

	Special Revenue Funds			
	Lighting and Landscaping District	State Gas Tax	AB 939	Prop A Open Space
<b>REVENUES:</b>				
Property taxes	\$ 458,405	\$ -	\$ -	\$ -
Other taxes	-	-	-	-
Fines and forfeitures	-	-	-	-
Use of money and property	-	-	-	-
Intergovernmental	-	551,885	-	151,031
Charges for services	-	-	60,031	-
Miscellaneous	-	-	-	-
Interest earned on investments	388	2,891	36	-
<b>Total revenues</b>	<b>458,793</b>	<b>554,776</b>	<b>60,067</b>	<b>151,031</b>
<b>EXPENDITURES:</b>				
Current:				
General government	-	-	46,538	-
Public safety	-	-	-	-
Community development	-	-	-	-
Culture and recreation	-	-	-	-
Public works	512,282	20,581	-	-
Capital outlay	-	272,514	-	130,474
<b>Total expenditures</b>	<b>512,282</b>	<b>293,095</b>	<b>46,538</b>	<b>130,474</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(53,489)</b>	<b>261,681</b>	<b>13,529</b>	<b>20,557</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	36,111	-	-	-
Transfers out	(8,345)	(297,972)	-	(20,557)
<b>Total other financing sources (uses)</b>	<b>27,766</b>	<b>(297,972)</b>	<b>-</b>	<b>(20,557)</b>
<b>CHANGES IN FUND BALANCES</b>	<b>(25,723)</b>	<b>(36,291)</b>	<b>13,529</b>	<b>-</b>
<b>FUND BALANCES:</b>				
Beginning of year	59,987	360,934	-	3,404
End of year	<u>\$ 34,264</u>	<u>\$ 324,643</u>	<u>\$ 13,529</u>	<u>\$ 3,404</u>

(Continued)

**City of Hermosa Beach**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Nonmajor Governmental Funds**  
**For the Year Ended June 30, 2015**

	Special Revenue Funds			
	Tyco	Tyco Tidelands	Parks/ Recreation Facility Tax	Bayview Drive Administrative Expense
<b>REVENUES:</b>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Other taxes	-	-	-	-
Fines and forfeitures	-	-	-	-
Use of money and property	318,845	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	216,625	-
Miscellaneous	-	-	-	4,350
Interest earned on investments	8,884	36	6,881	24
<b>Total revenues</b>	<b>327,729</b>	<b>36</b>	<b>223,506</b>	<b>4,374</b>
<b>EXPENDITURES:</b>				
Current:				
General government	-	-	-	1,942
Public safety	-	-	-	-
Community development	-	-	-	-
Culture and recreation	-	-	-	-
Public works	-	-	-	-
Capital outlay	323,156	-	252,448	-
<b>Total expenditures</b>	<b>323,156</b>	<b>-</b>	<b>252,448</b>	<b>1,942</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>4,573</b>	<b>36</b>	<b>(28,942)</b>	<b>2,432</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	(3,653)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3,653)</b>
<b>CHANGES IN FUND BALANCES</b>	<b>4,573</b>	<b>36</b>	<b>(28,942)</b>	<b>(1,221)</b>
<b>FUND BALANCES:</b>				
Beginning of year	427,143	3,617	491,680	1,809
End of year	<u>\$ 431,716</u>	<u>\$ 3,653</u>	<u>\$ 462,738</u>	<u>\$ 588</u>

(Continued)

**City of Hermosa Beach**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Nonmajor Governmental Funds**  
**For the Year Ended June 30, 2015**

	Special Revenue Funds			
	Lower Pier Administrative Expense	Myrtle District Administrative Expense	Loma District Administrative Expense	Beach Drive Assessment District Admin Expense
<b>REVENUES:</b>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Other taxes	-	-	-	-
Fines and forfeitures	-	-	-	-
Use of money and property	1	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	2,600	9,000	10,000	3,000
Interest earned on investments	-	179	254	37
<b>Total revenues</b>	<u>2,601</u>	<u>9,179</u>	<u>10,254</u>	<u>3,037</u>
<b>EXPENDITURES:</b>				
Current:				
General government	1,271	5,775	5,454	1,451
Public safety	-	-	-	-
Community development	-	-	-	-
Culture and recreation	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
<b>Total expenditures</b>	<u>1,271</u>	<u>5,775</u>	<u>5,454</u>	<u>1,451</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>1,330</u>	<u>3,404</u>	<u>4,800</u>	<u>1,586</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	-	-
Transfers out	(2,249)	(5,264)	(5,710)	(1,891)
<b>Total other financing sources (uses)</b>	<u>(2,249)</u>	<u>(5,264)</u>	<u>(5,710)</u>	<u>(1,891)</u>
<b>CHANGES IN FUND BALANCES</b>	(919)	(1,860)	(910)	(305)
<b>FUND BALANCES:</b>				
Beginning of year	4,803	13,861	19,209	2,491
End of year	<u>\$ 3,884</u>	<u>\$ 12,001</u>	<u>\$ 18,299</u>	<u>\$ 2,186</u>

(Continued)

**City of Hermosa Beach**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Nonmajor Governmental Funds**  
**For the Year Ended June 30, 2015**

	Special Revenue Funds			
	Proposition "A"	Proposition "C"	Measure "R"	Air Quality
	Transit			Management
<b>REVENUES:</b>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Other taxes	347,569	288,054	294,054	-
Fines and forfeitures	-	-	-	-
Use of money and property	-	-	-	-
Intergovernmental	-	-	-	24,504
Charges for services	7,065	-	-	-
Miscellaneous	-	-	190,000	-
Interest earned on investments	8,878	11,131	6,733	255
<b>Total revenues</b>	<b>363,512</b>	<b>299,185</b>	<b>490,787</b>	<b>24,759</b>
<b>EXPENDITURES:</b>				
Current:				
General government	15,251	-	-	2,365
Public safety	70,829	-	-	-
Community development	15,836	-	-	-
Culture and recreation	28,912	-	-	-
Public works	-	8,323	3,184	-
Capital outlay	-	285,285	67,149	-
<b>Total expenditures</b>	<b>130,828</b>	<b>293,608</b>	<b>70,333</b>	<b>2,365</b>
<b>REVENUES OVER</b>				
<b>(UNDER) EXPENDITURES</b>	<b>232,684</b>	<b>5,577</b>	<b>420,454</b>	<b>22,394</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>CHANGES IN FUND BALANCES</b>	<b>232,684</b>	<b>5,577</b>	<b>420,454</b>	<b>22,394</b>
<b>FUND BALANCES:</b>				
Beginning of year	511,244	758,951	341,325	14,026
End of year	<u>\$ 743,928</u>	<u>\$ 764,528</u>	<u>\$ 761,779</u>	<u>\$ 36,420</u>

(Continued)

**City of Hermosa Beach**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Nonmajor Governmental Funds**  
**For the Year Ended June 30, 2015**

	Special Revenue Funds		
	Supplemental	Asset	Fire
	Law Enforcement Services	Seizure and Forfeiture	Protection
<b>REVENUES:</b>			
Property taxes	\$ -	\$ -	\$ -
Other taxes	114,530	-	-
Fines and forfeitures	-	51,407	-
Use of money and property	-	-	-
Intergovernmental	-	-	-
Charges for services	-	-	18,455
Miscellaneous	-	-	-
Interest earned on investments	1,838	3,682	548
<b>Total revenues</b>	<u>116,368</u>	<u>55,089</u>	<u>19,003</u>
<b>EXPENDITURES:</b>			
Current:			
General government	-	-	-
Public safety	59,387	3,383	-
Community development	-	-	-
Culture and recreation	-	-	-
Public works	-	-	-
Capital outlay	234,640	166,913	-
<b>Total expenditures</b>	<u>294,027</u>	<u>170,296</u>	<u>-</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(177,659)</u>	<u>(115,207)</u>	<u>19,003</u>
<b>OTHER FINANCING SOURCES (USES):</b>			
Transfers in	-	-	-
Transfers out	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>CHANGES IN FUND BALANCES</b>	(177,659)	(115,207)	19,003
<b>FUND BALANCES:</b>			
Beginning of year	197,621	322,413	32,530
End of year	<u>\$ 19,962</u>	<u>\$ 207,206</u>	<u>\$ 51,533</u>

(Continued)

**City of Hermosa Beach**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Nonmajor Governmental Funds**  
**For the Year Ended June 30, 2015**

	Special Revenue Fund		Total Nonmajor Governmental Funds
	Artesia Boulevard Relinquishment	Grants	
<b>REVENUES:</b>			
Property taxes	\$ -	\$ -	\$ 458,405
Other taxes	-	-	1,044,207
Fines and forfeitures	-	-	51,407
Use of money and property	-	-	318,846
Intergovernmental	-	250,107	977,527
Charges for services	-	-	302,176
Miscellaneous	-	176,243	395,193
Interest earned on investments	-	-	52,675
<b>Total revenues</b>	<b>-</b>	<b>426,350</b>	<b>3,600,436</b>
<b>EXPENDITURES:</b>			
Current:			
General government	-	-	80,047
Public safety	-	-	133,599
Community development	-	176,719	192,555
Culture and recreation	-	-	28,912
Public works	-	34,333	578,703
Capital outlay	-	203,743	1,936,322
<b>Total expenditures</b>	<b>-</b>	<b>414,795</b>	<b>2,950,138</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>-</b>	<b>11,555</b>	<b>650,298</b>
<b>OTHER FINANCING SOURCES (USES):</b>			
Transfers in	-	-	36,111
Transfers out	(5,463)	-	(351,104)
<b>Total other financing sources (uses)</b>	<b>(5,463)</b>	<b>-</b>	<b>(314,993)</b>
<b>CHANGES IN FUND BALANCES</b>	<b>(5,463)</b>	<b>11,555</b>	<b>335,305</b>
<b>FUND BALANCES:</b>			
Beginning of year	5,463	252,000	3,824,511
End of year	\$ -	\$ 263,555	\$ 4,159,816

(Concluded)

**City of Hermosa Beach**  
**Schedule of Revenues, Expenditures and Change in Fund Balance - Budget and Actual**  
**Lighting and Landscaping District**  
**For the Year Ended June 30, 2015**

---

	Budgeted Amounts <u>Final</u>	Actual Amounts	Variance with Final Budget
<b>Fund balance, July 1, 2014</b>	\$ 59,987	\$ 59,987	\$ -
Resources (inflows):			
Property taxes	458,600	458,405	(195)
Interest earned on investments	369	388	19
Transfers in	36,111	36,111	-
Amount available for appropriation	555,067	554,891	(176)
Charges to appropriations (outflows):			
Public works	546,722	512,282	34,440
Transfers out	8,345	8,345	-
Total charges to appropriations	555,067	520,627	34,440
<b>Fund balance, June 30, 2015</b>	\$ -	\$ 34,264	\$ 34,264

**City of Hermosa Beach**  
**Schedule of Revenues, Expenditures and Change in Fund Balance - Budget and Actual**  
**State Gas Tax**  
**For the Year Ended June 30, 2015**

---

	Budgeted Amounts <u>Final</u>	Actual Amounts	Variance with Final Budget
<b>Fund balance, July 1, 2014</b>	\$ 360,934	\$ 360,934	\$ -
Resources (inflows):			
Intergovernmental	566,903	551,885	(15,018)
Interest earned on investments	2,715	2,891	176
Amount available for appropriation	930,552	915,710	(14,842)
Charges to appropriations (outflows):			
Public Works	23,413	20,581	2,832
Capital outlay	512,253	272,514	239,739
Transfers out	297,972	297,972	-
Total charges to appropriations	833,638	591,067	242,571
<b>Fund balance, June 30, 2015</b>	\$ 96,914	\$ 324,643	\$ 227,729

**City of Hermosa Beach**  
**Schedule of Revenues, Expenditures and Change in Fund Balance - Budget and Actual**  
**AB 939**  
**For the Year Ended June 30, 2015**

---

	Budgeted Amounts <u>Final</u>	Actual Amounts	Variance with Final Budget
<b>Fund balance, July 1, 2014</b>	\$ -	\$ -	\$ -
Resources (inflows):			
Charges for services	61,130	60,031	(1,099)
Interest earned on investments	12	36	24
Amount available for appropriation	61,142	60,067	(1,075)
Charges to appropriations (outflows):			
General government	59,372	46,538	12,834
Total charges to appropriations	59,372	46,538	12,834
<b>Fund balance, June 30, 2015</b>	<b>\$ 1,770</b>	<b>\$ 13,529</b>	<b>\$ 11,759</b>

**City of Hermosa Beach**  
**Schedule of Revenues, Expenditures and Change in Fund Balance - Budget and Actual**  
**Prop A Open Space**  
**For the Year Ended June 30, 2015**

---

	Budgeted Amounts <u>Final</u>	Actual Amounts	Variance with Final Budget
<b>Fund balance, July 1, 2014</b>	\$ 3,404	\$ 3,404	\$ -
Resources (inflows):			
Intergovernmental	145,110	151,031	5,921
Amount available for appropriation	148,514	154,435	5,921
Charges to appropriations (outflows):			
Capital outlay	127,957	130,474	(2,517)
Transfers out	20,557	20,557	-
Total charges to appropriations	148,514	151,031	(2,517)
<b>Fund balance, June 30, 2015</b>	\$ -	\$ 3,404	\$ 3,404

**City of Hermosa Beach**  
**Schedule of Revenues, Expenditures and Change in Fund Balance - Budget and Actual**  
**Tyco**  
**For the Year Ended June 30, 2015**

---

	Budgeted Amounts <u>Final</u>	Actual Amounts <u>          </u>	Variance with Final Budget <u>          </u>
<b>Fund balance, July 1, 2014</b>	\$ 427,143	\$ 427,143	\$ -
Resources (inflows):			
Use of money and property	318,845	318,845	-
Interest earned on investments	<u>6,980</u>	<u>8,884</u>	<u>1,904</u>
Amount available for appropriation	<u>752,968</u>	<u>754,872</u>	<u>1,904</u>
Charges to appropriations (outflows):			
Capital outlay	<u>744,275</u>	<u>323,156</u>	<u>421,119</u>
Total charges to appropriations	<u>744,275</u>	<u>323,156</u>	<u>421,119</u>
<b>Fund balance, June 30, 2015</b>	<u>\$ 8,693</u>	<u>\$ 431,716</u>	<u>\$ 423,023</u>

**City of Hermosa Beach**  
**Schedule of Revenues, Expenditures and Change in Fund Balance - Budget and Actual**  
**Tyco Tidelands**  
**For the Year Ended June 30, 2015**

---

	Budgeted Amounts <u>Final</u>	Actual Amounts	Variance with Final Budget
<b>Fund balance, July 1, 2014</b>	\$ 3,617	\$ 3,617	\$ -
Resources (inflows):			
Interest earned on investments	28	36	8
Amount available for appropriation	3,645	3,653	8
Charges to appropriations (outflows):			
Capital outlay	3,318	-	3,318
Total charges to appropriations	3,318	-	3,318
<b>Fund balance, June 30, 2015</b>	<b>\$ 327</b>	<b>\$ 3,653</b>	<b>\$ 3,326</b>

**City of Hermosa Beach**  
**Schedule of Revenues, Expenditures and Change in Fund Balance - Budget and Actual**  
**Parks/Recreation Facilities Tax**  
**For the Year Ended June 30, 2015**

---

	Budgeted Amounts <u>Final</u>	Actual Amounts	Variance with Final Budget
<b>Fund balance, July 1, 2014</b>	<u>\$ 491,680</u>	<u>\$ 491,680</u>	<u>\$ -</u>
Resources (inflows):			
Other taxes	7,019	-	(7,019)
Charge for services	219,261	216,625	(2,636)
Interest earned on investments	5,828	6,881	1,053
Amount available for appropriation	<u>723,788</u>	<u>715,186</u>	<u>(8,602)</u>
Charges to appropriations (outflows):			
Public works	46,993		46,993
Capital outlay	675,896	252,448	423,448
Total charges to appropriations	<u>722,889</u>	<u>252,448</u>	<u>470,441</u>
<b>Fund balance, June 30, 2015</b>	<u><u>\$ 899</u></u>	<u><u>\$ 462,738</u></u>	<u><u>\$ 461,839</u></u>

**City of Hermosa Beach**  
**Schedule of Revenues, Expenditures and Change in Fund Balance - Budget and Actual**  
**Bayview Drive Administrative Expense**  
**For the Year Ended June 30, 2015**

---

	Budgeted Amounts <u>Final</u>	Actual Amounts <u></u>	Variance with Final Budget <u></u>
<b>Fund balance, July 1, 2014</b>	\$ 1,809	\$ 1,809	\$ -
Resources (inflows):			
Miscellaneous	4,350	4,350	-
Interest earned on investments	<u>22</u>	<u>24</u>	<u>2</u>
Amount available for appropriation	<u>6,181</u>	<u>6,183</u>	<u>2</u>
Charges to appropriations (outflows):			
General government	2,528	1,942	586
Transfers out	<u>3,653</u>	<u>3,653</u>	<u>-</u>
Total charges to appropriations	<u>6,181</u>	<u>5,595</u>	<u>586</u>
<b>Fund balance, June 30, 2015</b>	<u>\$ -</u>	<u>\$ 588</u>	<u>\$ 588</u>

**City of Hermosa Beach**  
**Schedule of Revenues, Expenditures and Change in Fund Balance - Budget and Actual**  
**Lower Pier Administrative Expense**  
**For the Year Ended June 30, 2015**

---

	Budgeted Amounts <u>Final</u>	Actual Amounts <u></u>	Variance with Final Budget <u></u>
<b>Fund balance, July 1, 2014</b>	\$ 4,803	\$ 4,803	\$ -
Resources (inflows):			
Miscellaneous	2,600	2,600	-
Interest earned on investments	-	1	1
Amount available for appropriation	<u>7,403</u>	<u>7,404</u>	<u>1</u>
Charges to appropriations (outflows):			
General government	1,813	1,271	542
Transfers out	<u>2,249</u>	<u>2,249</u>	<u>-</u>
Total charges to appropriations	<u>4,062</u>	<u>3,520</u>	<u>542</u>
<b>Fund balance, June 30, 2015</b>	<u>\$ 3,341</u>	<u>\$ 3,884</u>	<u>\$ 543</u>

**City of Hermosa Beach**  
**Schedule of Revenues, Expenditures and Change in Fund Balance - Budget and Actual**  
**Myrtle District Administrative Expense**  
**For the Year Ended June 30, 2015**

---

	Budgeted Amounts <u>Final</u>	Actual Amounts <u></u>	Variance with Final Budget <u></u>
<b>Fund balance, July 1, 2014</b>	\$ 13,861	\$ 13,861	\$ -
Resources (inflows):			
Miscellaneous	9,000	9,000	-
Interest earned on investments	<u>166</u>	<u>179</u>	<u>13</u>
Amount available for appropriation	<u>23,027</u>	<u>23,040</u>	<u>13</u>
Charges to appropriations (outflows):			
General government	6,760	5,775	985
Transfers out	<u>5,264</u>	<u>5,264</u>	<u>-</u>
Total charges to appropriations	<u>12,024</u>	<u>11,039</u>	<u>985</u>
<b>Fund balance, June 30, 2015</b>	<u>\$ 11,003</u>	<u>\$ 12,001</u>	<u>\$ 998</u>

**City of Hermosa Beach**  
**Schedule of Revenues, Expenditures and Change in Fund Balance - Budget and Actual**  
**Loma District Administrative Expense**  
**For the Year Ended June 30, 2015**

---

	Budgeted Amounts <u>Final</u>	Actual Amounts <u></u>	Variance with Final Budget <u></u>
<b>Fund balance, July 1, 2014</b>	\$ 19,209	\$ 19,209	\$ -
Resources (inflows):			
Miscellaneous	10,000	10,000	-
Interest earned on investments	<u>234</u>	<u>254</u>	<u>20</u>
Amount available for appropriation	<u>29,209</u>	<u>29,463</u>	<u>254</u>
Charges to appropriations (outflows):			
General government	7,621	5,454	2,167
Transfers out	<u>5,710</u>	<u>5,710</u>	<u>-</u>
Total charges to appropriations	<u>13,331</u>	<u>11,164</u>	<u>2,167</u>
<b>Fund balance, June 30, 2015</b>	<u>\$ 15,878</u>	<u>\$ 18,299</u>	<u>\$ 2,421</u>

**City of Hermosa Beach**  
**Schedule of Revenues, Expenditures and Change in Fund Balance - Budget and Actual**  
**Beach Drive Assessment District Administrative Expense**  
**For the Year Ended June 30, 2015**

---

	Budgeted Amounts <u>Final</u>	Actual Amounts <u></u>	Variance with Final Budget <u></u>
<b>Fund balance, July 1, 2014</b>	\$ 2,491	\$ 2,491	\$ -
Resources (inflows):			
Miscellaneous	3,000	3,000	-
Interest earned on investments	<u>32</u>	<u>37</u>	<u>5</u>
Amount available for appropriation	<u>5,523</u>	<u>5,528</u>	<u>5</u>
Charges to appropriations (outflows):			
General government	2,275	1,451	824
Transfers out	<u>1,891</u>	<u>1,891</u>	<u>-</u>
Total charges to appropriations	<u>4,166</u>	<u>3,342</u>	<u>824</u>
<b>Fund balance, June 30, 2015</b>	<u>\$ 1,357</u>	<u>\$ 2,186</u>	<u>\$ 829</u>

**City of Hermosa Beach**  
**Schedule of Revenues, Expenditures and Change in Fund Balance - Budget and Actual**  
**Proposition "A" Transit**  
**For the Year Ended June 30, 2015**

---

	Budgeted Amounts <u>Final</u>	Actual Amounts <u></u>	Variance with Final Budget <u></u>
<b>Fund balance, July 1, 2014</b>	\$ 511,244	\$ 511,244	\$ -
Resources (inflows):			
Other taxes	344,137	347,569	3,432
Charges for services	6,646	7,065	419
Interest earned on investments	6,849	8,878	2,029
Amount available for appropriation	<u>868,876</u>	<u>874,756</u>	<u>5,880</u>
Charges to appropriations (outflows):			
General government	58,133	15,251	42,882
Public safety	69,000	70,829	(1,829)
Community development	16,891	15,836	1,055
Culture and recreation	40,000	28,912	11,088
Public works	274,892	-	274,892
Total charges to appropriations	<u>458,916</u>	<u>130,828</u>	<u>328,088</u>
<b>Fund balance, June 30, 2015</b>	<u>\$ 409,960</u>	<u>\$ 743,928</u>	<u>\$ 333,968</u>

**City of Hermosa Beach**  
**Schedule of Revenues, Expenditures and Change in Fund Balance - Budget and Actual**  
**Proposition "C"**  
**For the Year Ended June 30, 2015**

---

	Budgeted Amounts <u>Final</u>	Actual Amounts <u></u>	Variance with Final Budget <u></u>
<b>Fund balance, July 1, 2014</b>	\$ 758,951	\$ 758,951	\$ -
Resources (inflows):			
Other taxes	285,452	288,054	2,602
Interest earned on investments	<u>9,828</u>	<u>11,131</u>	<u>1,303</u>
Amount available for appropriation	<u>1,054,231</u>	<u>1,058,136</u>	<u>3,905</u>
Charges to appropriations (outflows):			
Public works	47,978	8,323	39,655
Capital outlay	<u>533,326</u>	<u>285,285</u>	<u>248,041</u>
Total charges to appropriations	<u>581,304</u>	<u>293,608</u>	<u>287,696</u>
<b>Fund balance, June 30, 2015</b>	<u>\$ 472,927</u>	<u>\$ 764,528</u>	<u>\$ 291,601</u>

**City of Hermosa Beach**  
**Schedule of Revenues, Expenditures and Change in Fund Balance - Budget and Actual**  
**Measure "R"**  
**For the Year Ended June 30, 2015**

---

	Budgeted Amounts <u>Final</u>	Actual Amounts	Variance with Final Budget
<b>Fund balance, July 1, 2014</b>	\$ 341,325	\$ 341,325	\$ -
Resources (inflows):			
Other taxes	214,092	294,054	79,962
Miscellaneous	190,000	190,000	-
Interest earned on investments	4,477	6,733	2,256
Amount available for appropriation	749,894	832,112	82,218
Charges to appropriations (outflows):			
Public works	3,626	3,184	442
Capital outlay	746,268	67,149	679,119
Total charges to appropriations	749,894	70,333	679,561
<b>Fund balance, June 30, 2015</b>	\$ -	\$ 761,779	\$ 761,779

**City of Hermosa Beach**  
**Schedule of Revenues, Expenditures and Change in Fund Balance - Budget and Actual**  
**Air Quality Management District**  
**For the Year Ended June 30, 2015**

---

	Budgeted Amounts <u>Final</u>	Actual Amounts <u></u>	Variance with Final Budget <u></u>
<b>Fund balance, July 1, 2014</b>	\$ 14,026	\$ 14,026	\$ -
Resources (inflows):			
Intergovernmental	22,500	24,504	2,004
Interest earned on investments	98	255	157
Amount available for appropriation	<u>36,624</u>	<u>38,785</u>	<u>2,161</u>
Charges to appropriations (outflows):			
General government	3,600	2,365	1,235
Capital outlay	30,000	-	30,000
Total charges to appropriations	<u>33,600</u>	<u>2,365</u>	<u>31,235</u>
<b>Fund balance, June 30, 2015</b>	<u>\$ 3,024</u>	<u>\$ 36,420</u>	<u>\$ 33,396</u>

**City of Hermosa Beach**  
**Schedule of Revenues, Expenditures and Change in Fund Balance - Budget and Actual**  
**Supplemental Law Enforcement Services**  
**For the Year Ended June 30, 2015**

---

	<u>Budgeted</u> <u>Amounts</u>	<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
	<u>Final</u>		
<b>Fund balance, July 1, 2014</b>	<u>\$ 197,621</u>	<u>\$ 197,621</u>	<u>\$ -</u>
<b>Resources (inflows):</b>			
Other taxes	100,000	114,530	14,530
Interest earned on investments	<u>2,200</u>	<u>1,838</u>	<u>(362)</u>
Amount available for appropriation	<u>299,821</u>	<u>313,989</u>	<u>14,168</u>
<b>Charges to appropriations (outflows):</b>			
Public safety	64,320	59,387	4,933
Capital outlay	<u>235,501</u>	<u>234,640</u>	<u>861</u>
Total charges to appropriations	<u>299,821</u>	<u>294,027</u>	<u>5,794</u>
<b>Fund balance, June 30, 2015</b>	<u><u>\$ -</u></u>	<u><u>\$ 19,962</u></u>	<u><u>\$ 19,962</u></u>

**City of Hermosa Beach**  
**Schedule of Revenues, Expenditures and Change in Fund Balance - Budget and Actual**  
**Asset Seizure and Forfeiture**  
**For the Year Ended June 30, 2015**

---

	Budgeted Amounts <u>Final</u>	Actual Amounts <u></u>	Variance with Final Budget <u></u>
<b>Fund balance, July 1, 2014</b>	\$ 322,413	\$ 322,413	\$ -
Resources (inflows):			
Fines and forfeitures	37,000	51,407	14,407
Interest earned on investments	<u>3,847</u>	<u>3,682</u>	<u>(165)</u>
Amount available for appropriation	<u>363,260</u>	<u>377,502</u>	<u>14,242</u>
Charges to appropriations (outflows):			
Public safety	6,700	3,383	3,317
Capital outlay	<u>356,560</u>	<u>166,913</u>	<u>189,647</u>
Total charges to appropriations	<u>363,260</u>	<u>170,296</u>	<u>192,964</u>
<b>Fund balance, June 30, 2015</b>	<u>\$ -</u>	<u>\$ 207,206</u>	<u>\$ 207,206</u>

**City of Hermosa Beach**  
**Schedule of Revenues, Expenditures and Change in Fund Balance - Budget and Actual**  
**Fire Protection**  
**For the Year Ended June 30, 2015**

---

	Budgeted Amounts <u>Final</u>	Actual Amounts <u>          </u>	Variance with Final Budget <u>          </u>
<b>Fund balance, July 1, 2014</b>	\$ 32,530	\$ 32,530	\$ -
Resources (inflows):			
Charges for services	10,500	18,455	7,955
Interest earned on investments	<u>394</u>	<u>548</u>	<u>154</u>
Total charges to appropriations	<u>43,424</u>	<u>51,533</u>	<u>8,109</u>
<b>Fund balance, June 30, 2015</b>	<u>\$ 43,424</u>	<u>\$ 51,533</u>	<u>\$ 8,109</u>

**City of Hermosa Beach**  
**Schedule of Revenues, Expenditures and Change in Fund Balance - Budget and Actual**  
**Artesia Boulevard Relinquishment**  
**For the Year Ended June 30, 2015**

---

	Budgeted Amounts <u>Final</u>	Actual Amounts <u></u>	Variance with Final Budget <u></u>
<b>Fund balance, July 1, 2014</b>	\$ 5,463	\$ 5,463	\$ -
Charges to appropriations (outflows):			
Transfers out	<u>-</u>	<u>5,463</u>	<u>(5,463)</u>
Total charges to appropriations	<u>-</u>	<u>5,463</u>	<u>(5,463)</u>
<b>Fund balance, June 30, 2015</b>	<u>\$ 5,463</u>	<u>\$ -</u>	<u>\$ (5,463)</u>

**City of Hermosa Beach**  
**Schedule of Revenues, Expenditures and Change in Fund Balance - Budget and Actual**  
**Grants**  
**For the Year Ended June 30, 2015**

---

	Budgeted Amounts <u>Final</u>	Actual Amounts	Variance with Final Budget
<b>Fund balance, July 1, 2014</b>	\$ 252,000	\$ 252,000	\$ -
Resources (inflows):			
Intergovernmental	369,796	250,107	(119,689)
Miscellaneous	-	176,243	176,243
Amount available for appropriation	<u>621,796</u>	<u>678,350</u>	<u>56,554</u>
Charges to appropriations (outflows):			
Public safety	5,426	-	5,426
Community development	318,970	176,719	142,251
Public works	15,915	34,333	(18,418)
Capital outlay	<u>272,469</u>	<u>203,743</u>	<u>68,726</u>
Total charges to appropriations	<u>612,780</u>	<u>414,795</u>	<u>197,985</u>
<b>Fund balance, June 30, 2015</b>	<u>\$ 9,016</u>	<u>\$ 263,555</u>	<u>\$ 254,539</u>

## **INTERNAL SERVICE FUNDS**

***Insurance Fund*** - This fund was created to account for costs associated with the City's insurances: liability, workers' compensation, unemployment, auto, property and officials' bonds and settlement losses.

***Equipment Replacement Fund*** - This fund was created to provide ongoing funds to replace assets at the end of the assets' useful life.

**City of Hermosa Beach**  
**Combining Statement of Net Position**  
**All Internal Service Funds**  
**June 30, 2015**

	Insurance Fund	Equipment Replacement Fund	Total
<b>ASSETS</b>			
Current assets:			
Cash and investments	10,373,268	\$ 5,453,662	\$ 15,826,930
Other assets	79,000	27,721	106,721
Total current assets	<u>10,452,268</u>	<u>5,481,383</u>	<u>15,933,651</u>
Capital assets:			
Nondepreciable	-	163,841	163,841
Depreciable, net	-	2,882,155	2,882,155
Total capital assets	<u>-</u>	<u>3,045,996</u>	<u>3,045,996</u>
<b>Total assets</b>	<u>10,452,268</u>	<u>8,527,379</u>	<u>18,979,647</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	43,995	547,398	\$ 591,393
Accrued wages and benefits payable	3,144	8,790	11,934
Interest payable	133,867		133,867
Settlement payable (Note 14)	11,500,000	-	11,500,000
Workers' compensation claims payable, due within one year	686,562	-	686,562
General liability claims payable, due within one year	323,644	-	323,644
Compensated absences due within one year	7,621	9,254	16,875
Total current liabilities	<u>12,698,833</u>	<u>565,442</u>	<u>13,264,275</u>
Long-term liabilities:			
Workers' compensation claims payable, due in more than one year	4,134,783	-	4,134,783
General liability claims payable, due in more than one year	564,656	-	564,656
Total long-term liabilities	<u>4,699,439</u>	<u>-</u>	<u>4,699,439</u>
<b>Total liabilities</b>	<u>17,398,272</u>	<u>565,442</u>	<u>17,963,714</u>
<b>NET POSITION</b>			
Investment in capital assets	-	3,045,996	3,045,996
Unrestricted	(6,946,004)	4,915,941	(2,030,063)
<b>Total net position</b>	<u>\$ (6,946,004)</u>	<u>\$ 7,961,937</u>	<u>\$ 1,015,933</u>

**City of Hermosa Beach**  
**Combining Statement of Revenues, Expenses, and Changes in Net Position**  
**All Internal Service Funds**  
**For the Year Ended June 30, 2015**

	Insurance Fund	Equipment Replacement Fund	Total
<b>OPERATING REVENUES:</b>			
Charges for services	\$ 2,782,847	\$ 1,518,865	\$ 4,301,712
Miscellaneous	200,351	-	200,351
<b>Total operating revenues</b>	<b>2,983,198</b>	<b>1,518,865</b>	<b>4,502,063</b>
<b>OPERATING EXPENSES:</b>			
Salaries and wages	98,239	177,956	276,195
Contractor services	955,861	796,203	1,752,064
Supplies	16	516,357	516,373
Claims expense	262,393	-	262,393
Depreciation	-	341,180	341,180
<b>Total operating expenses</b>	<b>1,316,509</b>	<b>1,831,696</b>	<b>3,148,205</b>
<b>OPERATING INCOME</b>	<b>1,666,689</b>	<b>(312,831)</b>	<b>1,353,858</b>
<b>NONOPERATING REVENUES (EXPENSES):</b>			
Operating grant	-	3,000	3,000
Interest expenses	(133,867)	-	(133,867)
Gain on disposal of capital assets	-	5,727	5,727
<b>Total nonoperating revenues (expenses)</b>	<b>(133,867)</b>	<b>8,727</b>	<b>(125,140)</b>
<b>INCOME BEFORE TRANSFERS AND SPECIAL ITEM</b>	<b>1,532,822</b>	<b>(304,104)</b>	<b>1,228,718</b>
<b>TRANSFERS:</b>			
Transfers in	-	1,324,690	1,324,690
Transfers out	(3,063,903)	-	(3,063,903)
<b>Total transfers</b>	<b>(3,063,903)</b>	<b>1,324,690</b>	<b>(1,739,213)</b>
<b>SPECIAL ITEM:</b>			
Settlements (Note 14)	(14,000,000)	-	(14,000,000)
<b>Total special item</b>	<b>(14,000,000)</b>	<b>-</b>	<b>(14,000,000)</b>
<b>Changes in net position</b>	<b>(15,531,081)</b>	<b>1,020,586</b>	<b>(14,510,495)</b>
<b>NET POSITION</b>			
Beginning of the year	\$ 8,585,077	\$ 6,941,351	15,526,428
End of the year	\$ (6,946,004)	\$ 7,961,937	\$ 1,015,933

**City of Hermosa Beach**  
**Combining Statement of Cash Flows**  
**All Internal Service Funds**  
**For the Year Ended June 30, 2015**

	Insurance Fund	Equipment Replacement Fund	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Cash received for services from other funds	\$ 2,782,847	\$ 1,518,865	\$ 4,301,712
Cash received for insurance recovery	200,351	-	200,351
Cash payments to suppliers of goods and services	(1,015,729)	(926,192)	(1,941,921)
Cash payments to employees for services	(102,510)	(183,020)	(285,530)
Cash payment for insurance premiums	(1,504,994)	-	(1,504,994)
<b>Net cash provided by operating activities</b>	<b>359,965</b>	<b>409,653</b>	<b>769,618</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>			
Contributions	-	3,000	3,000
Payment on settlement	(6,000,000)	-	(6,000,000)
Transfers in	-	1,324,690	1,324,690
Transfers out	(3,063,903)	-	(3,063,903)
<b>Net cash provided by noncapital financing activities</b>	<b>(9,063,903)</b>	<b>1,327,690</b>	<b>(7,736,213)</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Acquisition of capital assets	-	(812,185)	(812,185)
Proceeds from sale of capital assets	-	25,121	25,121
<b>Net cash (used in) capital and related financing activities</b>	<b>-</b>	<b>(787,064)</b>	<b>(787,064)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(8,703,938)</b>	<b>950,279</b>	<b>(7,753,659)</b>
<b>CASH AND CASH EQUIVALENTS:</b>			
Beginning of year	19,077,206	4,503,383	23,580,589
End of year	<u>\$ 10,373,268</u>	<u>\$ 5,453,662</u>	<u>\$ 15,826,930</u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</b>			
Operating income	\$ 1,666,689	\$ (312,831)	\$ 1,353,858
Adjustments to reconcile net operating income to net cash provided by (used in) operating activities:			
Depreciation	-	341,180	341,180
(Increase) Decrease in:			
Other assets	-	(27,721)	(27,721)
Increase (Decrease) in:			
Accounts payable	(59,852)	414,089	354,237
Accrued wages and benefits payable	(337)	467	130
Workers' compensation claims payable	(744,567)	-	(744,567)
General liability claims payable	(498,034)	-	(498,034)
Compensated absences	(3,934)	(5,531)	(9,465)
<b>Total adjustments</b>	<b>(1,306,724)</b>	<b>722,484</b>	<b>(584,240)</b>
<b>Net cash provided by operating activities</b>	<b>\$ 359,965</b>	<b>\$ 409,653</b>	<b>\$ 769,618</b>

## **FIDUCIARY FUNDS**

*The Agency Funds* of the City were established to account for transactions related to payments for limited obligation bonds for the Bayview Drive, the Lower Pier Avenue Assessment District, the Beach Drive Assessment District, the Myrtle Avenue Utility Undergrounding Assessment District, and the Loma Drive Utility Undergrounding Assessment District.

**City of Hermosa Beach**  
**Combining Statement of Fiduciary Net Position**  
**All Agency Funds**  
**June 30, 2015**

---

	Bayview Drive Redemption	Bayview Drive Reserve	Lower Pier Avenue Assessment District Redemption	Beach Drive Assessment District Redemption
<b>ASSETS</b>				
Cash and investments	\$ 140,414	\$ 13,613	\$ 45,338	\$ 73,696
Interest receivable	311	30	101	163
Other accounts receivable	590	-	1,467	-
Other assets	-	-	-	-
<b>Total assets</b>	<u>\$ 141,315</u>	<u>\$ 13,643</u>	<u>\$ 46,906</u>	<u>\$ 73,859</u>
<b>LIABILITIES</b>				
Assessment:				
Installment account	\$ 141,315	\$ 3,643	\$ 46,906	\$ 73,859
Reserve requirement	-	10,000	-	-
<b>Total liabilities</b>	<u>\$ 141,315</u>	<u>\$ 13,643</u>	<u>\$ 46,906</u>	<u>\$ 73,859</u>

**City of Hermosa Beach**  
**Combining Statement of Fiduciary Net Position (Continued)**  
**All Agency Funds**  
**June 30, 2015**

---

	Beach Drive Assessment District Reserve	Myrtle Avenue Utility Undergrounding Assessment District	Loma Drive Utility Undergrounding Assessment District	Total
<b>ASSETS</b>				
Cash and investments	\$ 4,144	\$ 128,581	\$ 149,937	\$ 555,723
Interest receivable	9	282	329	1,225
Other accounts receivable	-	2,428	2,833	7,318
Other assets	-	-	90	90
<b>Total assets</b>	<b>\$ 4,153</b>	<b>\$ 131,291</b>	<b>\$ 153,189</b>	<b>\$ 564,356</b>
<b>LIABILITIES</b>				
Assessment:				
Installment account	\$ 1,153	\$ 131,291	\$ 153,189	\$ 551,356
Reserve requirement	3,000	-	-	13,000
<b>Total liabilities</b>	<b>\$ 4,153</b>	<b>\$ 131,291</b>	<b>\$ 153,189</b>	<b>\$ 564,356</b>

**City of Hermosa Beach**  
**Combining Statement of Changes in Assets and Liabilities**  
**All Agency Funds**  
**For the Year Ended June 30, 2015**

	Balance June 30, 2014	Additions	Deletions	Balance June 30, 2015
<b>ASSETS</b>				
<b>Bayview Drive Redemption Fund:</b>				
Cash and investments	\$ 137,272	\$ 67,224	\$ (64,082)	\$ 140,414
Interest receivable	328	341	(358)	311
Other accounts receivable	2,148	362	(1,920)	590
<b>Bayview Drive Reserve Fund:</b>				
Cash and investments	13,432	317	(136)	13,613
Interest receivable	32	33	(35)	30
<b>Lower Pier District Redemption Fund:</b>				
Cash and investments	46,486	42,623	(43,771)	45,338
Interest receivable	111	112	(122)	101
Other accounts receivable	1,508	1,467	(1,508)	1,467
<b>Beach Drive Assessment District Redemption Fund:</b>				
Cash and investments	71,049	33,932	(31,285)	73,696
Interest receivable	170	178	(185)	163
Other accounts receivable	144	-	(144)	-
<b>Beach Drive Assessment District Reserve Fund:</b>				
Cash and investments	4,089	125	(70)	4,144
Interest receivable	10	10	(11)	9
<b>Myrtle Avenue Assessment Fund:</b>				
Cash and investments	121,429	103,822	(96,670)	128,581
Interest receivable	290	309	(317)	282
Other accounts receivable	4,254	2,428	(4,254)	2,428
<b>Loma Drive Assessment Fund:</b>				
Cash and investments	143,025	107,160	(100,248)	149,937
Interest receivable	341	361	(373)	329
Other accounts receivable	2,477	2,833	(2,477)	2,833
Other assets	-	90	-	90
<b>Total assets</b>	<b>\$ 548,595</b>	<b>\$ 363,727</b>	<b>\$ (347,966)</b>	<b>\$ 564,356</b>
<b>LIABILITIES</b>				
<b>Bayview Drive Redemption Fund:</b>				
Assessment installment account	\$ 139,748	\$ 67,927	\$ (66,360)	\$ 141,315
<b>Bayview Drive Reserve Fund:</b>				
Assessment installment account	3,464	350	(171)	3,643
Assessment reserve requirement	10,000	-	-	10,000
<b>Lower Pier District Redemption Fund:</b>				
Assessment installment account	48,105	44,202	(45,401)	46,906
<b>Beach Drive Assessment District Redemption Fund:</b>				
Assessment installment account	71,363	34,110	(31,614)	73,859
<b>Beach Drive Assessment District Reserve Fund:</b>				
Assessment installment account	1,099	135	(81)	1,153
Assessment reserve requirement	3,000	-	-	3,000
<b>Myrtle Avenue Assessment Fund:</b>				
Assessment installment account	125,973	106,559	(101,241)	131,291
<b>Loma Drive Assessment Fund:</b>				
Assessment installment account	145,843	110,444	(103,098)	153,189
<b>Total liabilities</b>	<b>\$ 548,595</b>	<b>\$ 363,727</b>	<b>\$ (347,966)</b>	<b>\$ 564,356</b>