

**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

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**City of Hermosa Beach**  
**Statement of Net Assets**  
**June 30, 2012**

	Primary Government		
	Governmental Activities	Business-Type Activities (1)	Total
<b>ASSETS</b>			
Current assets:			
Cash and investments	\$ 27,801,497	\$ -	\$ 27,801,497
Accounts receivable	1,374,128	-	1,374,128
Property taxes receivable, net	727,369	-	727,369
Reimbursable grants receivable	431,700	-	431,700
Interest receivable on investments	29,515	-	29,515
Other receivables	6,842	-	6,842
Deposits	165,000	-	165,000
Other assets	251,593	-	251,593
<b>Total current assets</b>	<b>30,787,644</b>	<b>-</b>	<b>30,787,644</b>
Noncurrent assets:			
Capital assets:			
Non-depreciable	24,209,338	-	24,209,338
Depreciable, net	41,309,398	-	41,309,398
<b>Total capital assets, net</b>	<b>65,518,736</b>	<b>-</b>	<b>65,518,736</b>
<b>Total noncurrent assets</b>	<b>65,518,736</b>	<b>-</b>	<b>65,518,736</b>
<b>Total assets</b>	<b>96,306,380</b>	<b>-</b>	<b>96,306,380</b>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable and accrued liabilities	1,439,576	-	1,439,576
Accrued wages and benefits payable	843,061	-	843,061
Refundable deposits	359,465	-	359,465
Unearned revenue	250,557	-	250,557
Workers' compensation claims payable - due within one year	933,282	-	933,282
General liability claims payable - due within one year	417,109	-	417,109
Compensated absences - due within one year	1,090,963	-	1,090,963
<b>Total current liabilities</b>	<b>5,334,013</b>	<b>-</b>	<b>5,334,013</b>
Noncurrent liabilities:			
Workers' compensation claims payable - due in more than one year	6,023,268	-	6,023,268
General liability claims payable - due in more than one year	641,404	-	641,404
Compensated absences - due in more than one year	839,260	-	839,260
Settlement payable	3,500,000	-	3,500,000
<b>Total noncurrent liabilities</b>	<b>11,003,932</b>	<b>-</b>	<b>11,003,932</b>
<b>Total liabilities</b>	<b>16,337,945</b>	<b>-</b>	<b>16,337,945</b>
<b>NET ASSETS</b>			
Invested in capital assets	65,518,736	-	65,518,736
Restricted for:			
Capital projects	225,547	-	225,547
Street and sewer purposes	1,602,706	-	1,602,706
Transportation purposes	913,317	-	913,317
Public works	231,726	-	231,726
Public safety	511,173	-	511,173
Culture and recreation	336,770	-	336,770
Undergrounding Districts	38,953	-	38,953
<b>Total restricted assets</b>	<b>3,860,192</b>	<b>-</b>	<b>3,860,192</b>
Unrestricted	10,589,507	-	10,589,507
<b>Total net assets</b>	<b>\$ 79,968,435</b>	<b>\$ -</b>	<b>\$ 79,968,435</b>

(1) All assets, net of liabilities, were transferred to Governmental Activities on June 30, 2012. See Note 12.

**City of Hermosa Beach**  
**Statement of Activities**  
**For the year ended June 30, 2012**

<b>Functions/Programs</b>	Expenses	Program Revenues			Total Program Revenues
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<b>Primary government:</b>					
<b>Governmental activities:</b>					
Legislative and legal	\$ 4,677,233	\$ -	\$ -	\$ -	\$ -
General government	2,376,929	555,607	22,529	-	578,136
Public safety	18,179,929	5,112,011	155,850	1,315	5,269,176
Community development	1,235,058	860,158	63,000	-	923,158
Culture and recreation	1,037,790	957,989	-	-	957,989
Public works	7,239,076	938,822	587,343	758,574	2,284,739
Total governmental activities	34,746,015	8,424,587	828,722	759,889	10,013,198
<b>Business-type activities:</b>					
Downtown enhancement	906,244	1,649,197	-	-	1,649,197
Total business-type activities	906,244	1,649,197	-	-	1,649,197
<b>Total primary government</b>	\$ 35,652,259	\$ 10,073,784	\$ 828,722	\$ 759,889	\$ 11,662,395

**City of Hermosa Beach**  
**Statement of Activities, Continued**  
**For the year ended June 30, 2012**

<b>Functions/Programs</b>	Net (Expense) Revenue and Changes in Net Assets		
	Governmental Activities	Business-type Activities	Total
<b>Primary government:</b>			
<b>Governmental activities:</b>			
Legislative and legal	\$ (4,677,233)	\$ -	\$ (4,677,233)
General government	(1,798,793)	-	(1,798,793)
Public safety	(12,910,753)	-	(12,910,753)
Community development	(311,900)	-	(311,900)
Culture and recreation	(79,801)	-	(79,801)
Public works	(4,954,337)	-	(4,954,337)
Total governmental activities	(24,732,817)	-	(24,732,817)
<b>Business-type activities:</b>			
Downtown enhancement	-	742,953	742,953
Total business-type activities	-	742,953	742,953
<b>Total primary government</b>	(24,732,817)	742,953	(23,989,864)
<b>General Revenues:</b>			
Taxes:			
Property taxes	11,598,615	-	11,598,615
Sales taxes	2,474,651	-	2,474,651
Real property transfer tax	177,555	-	177,555
Franchise fees	730,954	-	730,954
Transient occupancy tax	1,884,020	-	1,884,020
Business license	950,803	-	950,803
Utility users tax	2,495,895	-	2,495,895
½ cent sales tax for public safety	180,493	-	180,493
Motor vehicle in-lieu tax	41,345	-	41,345
Total taxes	20,534,331	-	20,534,331
Grants and contributions not restricted to specific programs	1,121,380	-	1,121,380
Investment earnings	109,571	6,418	115,989
Miscellaneous	237,670	4,684	242,354
<b>Transfers</b>	66,993	(66,993)	-
<b>Transfer of operations of Downtown Enhancement Fund (Note 12)</b>	9,846,982	(9,846,982)	-
<b>Total general revenues and transfers</b>	31,916,927	(9,902,873)	22,014,054
<b>Change in net assets</b>	7,184,110	(9,159,920)	(1,975,810)
<b>Net assets - beginning of year</b>	72,784,325	9,159,920	81,944,245
<b>Net assets - end of year</b>	\$ 79,968,435	\$ -	\$ 79,968,435

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