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CERT

The collage features several images: a group of people in white shirts holding a plaque; a playground; construction workers in safety vests; a police officer with children; a man operating a camera on a dolly; and a woman at a community event. The central logo depicts a tree, a house, and a path.

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Fiscal Year ended June 30, 2017

CITY OF SANTA CLARITA, CALIFORNIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2017

PREPARED BY THE DEPARTMENT OF ADMINISTRATIVE SERVICES
CITY OF SANTA CLARITA, CALIFORNIA

**CITY OF SANTA CLARITA, CALIFORNIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED JUNE 30, 2017**

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**CITY OF SANTA CLARITA, CALIFORNIA
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City of
SANTA CLARITA

23920 Valencia Boulevard • Suite 300 • Santa Clarita, California 91355-2196
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December 28, 2017

Honorable Mayor, Mayor Pro Tem, and City Councilmembers:

The Comprehensive Annual Financial Report (CAFR) of the City of Santa Clarita for fiscal year ended June 30, 2017, is hereby submitted in accordance with Chapter 2.12 of the City of Santa Clarita Municipal Code. This report provides the City Council and the public with an understanding of the financial condition of the City.

This report consists of management's representations concerning the finances of the City of Santa Clarita. As such, management assumes full responsibility for the completeness and reliability of the information contained in this report. To provide a reasonable basis for making these representations, management of the City has established a comprehensive framework of internal controls that is designed to protect the City's assets from loss, theft, or misuse, and to compile sufficient reliable information for the preparation of the City's financial statements. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements are free from material misstatement. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and reported in a manner designed to present fairly the financial position and results of operations of the various funds of the City of Santa Clarita.

State Law requires the City to prepare an annual financial report. This report fulfills that obligation. Vavrinek, Trine, Day & Co., LLP, an independent firm of certified public accountants, has issued an unmodified ("clean") opinion on the financial statements of the City of Santa Clarita for the year ended June 30, 2017. The independent auditor's report is located at the front of the financial section of this report. The CAFR has been prepared in conformity with Generally Accepted Accounting Principles (GAAP) and the financial reporting requirements prescribed by the Governmental Accounting Standards Board (GASB). These reporting requirements specify that management provide a narrative introduction, overview, and analysis to accompany the financial statements in the form of a Management's Discussion and Analysis (MD&A). The MD&A, which immediately follows the independent auditor's report, complements this letter of transmittal and should be read in conjunction with it.



Also, as a recipient of federal and state financial assistance, the City is required to have a “Single Audit” performed by our independent audit firm. The Single Audit was designed to meet the special needs of the federal grantor agencies. The standards governing the Single Audit engagements require that the independent auditor report on the fair presentation of the financial statements and the audited government’s internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the City’s separately issued Single Audit Report.

CITY PROFILE

The City of Santa Clarita was incorporated on December 15, 1987, as a General Law City, and operates under a City Council/City Manager form of government. It is located between the Santa Susana and San Gabriel mountain ranges, approximately 35 miles northwest from the City of Los Angeles. It is encompassed by the communities of Canyon Country, Newhall, Saugus and Valencia encompassing approximately 66 square miles. With a population of 225,512, the City is the third largest in Los Angeles County and 17th largest in the State of California. Santa Clarita offers an expansive parks and recreation network, with 34 beautiful park facilities, more than 9,000 acres of City-owned open space and 140 miles of trails and paseos designed for commuting and recreational use, including walking, hiking, biking and skating. The City’s unique blend of upscale sophistication with small town charm and old-west heritage allows it to accommodate growth while continuing to provide an excellent quality of life for residents.

The City of Santa Clarita’s five City Councilmembers are elected at large to four-year overlapping terms, with elections held bi-annually. The position of Mayor is annually selected by the Councilmembers. The City Council is responsible, among other things, for passing ordinances, adopting the budget, setting policy, and appointing committees. The City Council appoints the City Manager, who is responsible for implementing the policies of the Council, overseeing the day-to-day operations of City government, and for appointing and managing the various Directors. The City Council also appoints the City Attorney.

The City provides, either directly or under contract, a full range of municipal services including public safety, construction, maintenance of streets and other infrastructure, public libraries, public works, parks and recreation, community development, and cultural events. The City also provides services through the Santa Clarita Public Financing Authority (PFA), which is a blended component unit of the City of Santa Clarita. The financial activities of this entity are included in this report, as their activities are under the control of the City. A separate component unit report for the Santa Clarita PFA is also available.

The City operates on a fiscal year basis which begins July 1 and ends June 30. The City’s Municipal Code requires the City Manager to prepare a budget and present it to the City Council each year. The budget process begins by January of each year and is carried

out under the direction of the City Manager in cooperation with the various City departments. The proposed operating and capital budget is submitted by the City Manager to City Council for adoption by June 30, to take effect at the beginning of the fiscal year on July 1. Budgetary control for the City is maintained through its accounting systems. Once adopted, the budget may be amended throughout the year as necessary. Budgetary control is established at the category level within each fund.

LOCAL ECONOMY

The City of Santa Clarita is one of Southern California's most desirable places to live and do business. City officials pride themselves on the organization's ability to balance the needs of locally based companies with those of the community, resulting in an unmatched quality of life.

We continue to see positive changes in the economy, such as an increase in sales tax revenues and a recovering housing market. The City has a 100 percent track record for adopting a balanced, on-time budget, with ample reserves and contingency funds. Fiscal Year 2016-17 was successful and stable for the City due to prudent fiscal planning.

Targeted employment sectors in Santa Clarita include aerospace/defense, advanced manufacturing, medical/biomedical, digital media/entertainment and information technology. This past year, two major developments in the City broke ground which will bring new jobs to our community: Vista Canyon and Needham Ranch. A number of new restaurants have also opened in our community this year, including Saddle Ranch Chop House, Hook Burger, Presto Pasta, Chop Salad, Bowl of Heaven, Backyard Grub n' Brews, Shredded Tacos, Azabu Sabu, The Pie Tin, Nealie's Skillet and Temakitto. Opening soon are Dude's Brewing Company, 85 Degrees and Zankou Chicken. In the City's premier arts and entertainment district, Old Town Newhall welcomed Cake Goodness, Coffee Kiosk, Brewery Draconum, The Press Room and Double Trouble. Restaurants coming soon include The Old Town Junction and Cali Shrimp. Also under construction in Old Town Newhall is a new boutique hotel, the Luxen Hotel, the City's 372 parking stall parking structure, and Newhall Crossings, which includes 47 residential units and 20,000+ square feet of restaurant and retail space. Breaking ground shortly will be a new 7-screen Laemmle Theatre.

Retail vacancy rates have decreased, currently at 3.5 percent compared to 4.3 percent in the 2nd Quarter of 2016. The same is true for industrial vacancy rates, which are at 2.5 percent, a decrease from 3.1 percent in the 2nd Quarter of 2016. Office space in the City is currently at a 9.8 percent vacancy rate compared to 9 percent in the 2nd Quarter of 2016.

The City's Film Office enjoyed another strong year. In Fiscal Year 2016-17, location filming in Santa Clarita resulted in an estimated economic impact of \$30.1 million to the local economy. Santa Clarita is home to more than 20 sound stages, 10 movie ranches, and hundreds of film-related businesses. Popular television shows like "NCIS," "Santa

Clarita Diet,” “Mythbusters,” “Westworld,” “Shooter,” “Ultimate Beastmaster,” “The Guest Book,” Shut Eye,” “Ballers,” “Atypical” and “S.W.A.T.” are based in Santa Clarita and regularly film on location within the City. The blockbuster feature *A Wrinkle in Time* also based in Santa Clarita last year.

Tourism continues to be one of the City of Santa Clarita’s largest economic generators contributing more than \$3.6 million to the general fund from Transient Occupancy Tax (TOT) in Fiscal Year 2016-17. The seventh year of the Tourism Marketing District (TMD), a collaborative assessment program and partnership between the City and five local hotels, grew upon previous success and collected over \$678,000 in support of increased marketing and promotion of Santa Clarita as a tourism destination. TMD dollars are a vital component of the area’s continued attraction of events and visitors, which translates to dollars spent in the community and at local businesses. The following events are just a few that were attracted as part of the City’s increased event attraction efforts: California Super States Chess Championships, American Special Hockey Association, The Master’s College Mustang Challenge, The Great Americans Shoot, Valencia Trail Race, Real So Cal SCV Cup, California Beer Festival, Boots and Brews, Triple Crown Softball, Junior Olympic Swim Meet, and the Bonspiel Curling Tournament. The City also attracted the return of two internationally sanctioned events; the Amgen Tour of California returned to the City for the 9th year and the 4th Annual Wings for Life World Run.

Santa Clarita recognizes the important role education plays in the success of the community. The City is home to three premier colleges, including California Institute of the Arts (CalArts), College of the Canyons and The Masters University. These colleges offer world-class instruction and programming to prepare students to become the next generation of business professionals and leaders.

LONG -TERM FINANCIAL PLANNING

Santa Clarita is one of California’s model cities, boasting the essential elements needed for well-balanced living and total well-being. Santa Clarita remains one of the safest cities in California among cities with populations exceeding 150,000. Santa Clarita is home to a well-educated population, with nearly 70 percent of adults over age 25 and older having attained some college or higher, as compared to Los Angeles County, which averages 57 percent.

The City of Santa Clarita has experienced steady growth since its inception in 1987, and City officials work directly with the private and public sectors to attract new businesses to the Santa Clarita Valley. The City of Santa Clarita is focused on retaining existing companies and encouraging their growth within the City while working to attract new business, thereby creating new jobs for residents. Santa Clarita has set an aggressive goal of creating two jobs for every household, whereby providing an increased opportunity for residents to work close to home.

The continuing recovery in our economy has directly affected the City's revenue growth, producing increases in property tax, sales tax, real property transfer tax, and TOT.

The City provides necessary funding for essential services for City Council and community identified priorities, while taking steps to ensure the City remains in good financial health. Twice per year, the City prepares extended forecasts for the General Fund to determine the future impact of current actions. These forecasts indicate a stable General Fund over the next few years, primarily due to projected marginal increases in sales and property taxes. Because the City of Santa Clarita has practiced smart growth in successful financial times, the City is well prepared for times when revenue projections do not include growth.

The City maintains a General Fund balance sufficient to provide for various identified contingencies, as well as an established operating reserve. In addition, the General Fund contributes annually to the City's facilities fund, which provides for major maintenance and replacement of infrastructure and capital improvements. The City's Capital Improvement Program (CIP) is a component of the annual budget process that addresses the City's short- and long-term capital needs. Just as important, the CIP emphasizes a plan of action that effectively maintains the existing infrastructure to a sound physical standard, as well as providing new facilities to support current growth and complement new development.

MAJOR MILESTONES IN FISCAL YEAR 2016-17

- ❖ The Santa Clarita Film Office had another strong year, processing 545 permits in Fiscal Year 2016-17 with a recorded 1,265 film days. The estimated total economic impact from location filming was \$30.1 million.
- ❖ Improving, maintaining, and adding to the City's infrastructure continues to be a high priority and focus for the City. During Fiscal Year 2016-17, the City began construction on the Old Town Newhall Parking Structure, which will provide 372 parking spaces once completed. Work is well underway on the Newhall Ranch Road Bridge Widening project which will add two more traffic lanes, for a total of four lanes in each direction, a raised median, protected pedestrian walkway, bike path and new trail connections. The City installed yield to pedestrians blank out signs at the intersection of McBean Parkway and Orchard Village Road, Magic Mountain Parkway and Railroad Avenue, and McBean Parkway and Town Center Drive. Park upgrades were completed to resurface sport courts in Santa Clarita Park, Valencia Glen Park and Begonias Lane Park. In addition old rubber play area surfaces were removed and replaced at Almendra Park, Santa Clarita Park and Circle J Ranch Park.
- ❖ Santa Clarita continues to be proactive in addressing teen drug use. To raise awareness, the City continued to reach out to parents and families and provide assistance to those in need. The City's Drug Free Youth In Santa Clarita Valley

(DFY in SCV) program continued to grow, with the implementation of drug prevention education in fourth, fifth and sixth grades and thousands of junior high and high schools aged teens pledging to stay sober and engaged in meaningful, healthy activities.

- ❖ Santa Clarita Public Library continues to thrive in its sixth year of operation. The three branches saw over 758,000 patron visits, issued 13,943 new library cards, circulated more than 1.2 million books and materials, and the library website had over 570,000 visits last year.
- ❖ Special events hosted by the City attracted visitors from across the globe. Santa Clarita hosted the Amgen Tour of California bike race and the International Wings for Life World Run, in addition to the annual Marathon in November. The City also worked with community partners to host the Thursdays@Newhall event series, which includes JAM Sessions, Revved up, Senses, the ARTree Speaker Series and the SCVTV Presents OutWest Concert Series. The City's Cowboy Festival had its third year in Old Town Newhall and adjacent Hart Park with high attendance.

AWARDS AND ACKNOWLEDGEMENTS

The City of Santa Clarita continues to earn accolades for its high quality of life. This year alone three different organizations placed Santa Clarita on their top Safest Cities in America lists. The City also earned high marks as one of the healthiest cities, happiest cities and best place to raise a family. Expedia bestowed its healthiest cities honor to Santa Clarita because, "The trails in and around Santa Clarita are enviable, and Hike Santa Clarita is an awesome resource for residents and visitors of all skill levels."

The City of Santa Clarita also won various awards including: the 2017 Helen Putnam Award of Excellence from the League of California Cities in Public Safety for the hard-hitting Heroin Kills campaign and also in the Administration category for Employee Development. The City was named a Bronze Level Bicycle Friendly Community for the City's extensive bike paths, trails, and paseos established around the City with access year round and the Bike Santa Clarita website.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Santa Clarita for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2016. This was the 28th consecutive year the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement for Excellence in Financial Reporting, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. This report must satisfy GAAP and applicable legal requirements. A Certificate of Achievement for Excellence in Financial Reporting is valid for a period of one year only. We believe our current comprehensive annual financial report continues to meet the requirements of the GFOA Certificate of

Honorable Mayor, Mayor Pro Tem and City Councilmembers

December 28, 2017

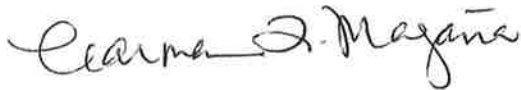
Page 7

Achievement Program, and we are submitting it to GFOA to determine its eligibility for another certificate.

The City also received a Certificate of Excellence Award from the Association of Public Treasurers of the United States and Canada for Santa Clarita's Investment Policy. The City annually submits its Investment Policy to the Association's Investment Policy Certification Committee for award consideration and has received the prestigious Certificate of Excellence Award for the past 22 years.

This report is a joint effort by many people from many different areas of responsibility. The preparation of this report could not have been accomplished without the hard work and team effort of the staff of the Finance Division, in particular, Sr. Financial Analysts, Blanca Gomez, Mary Ann Ruprecht, Jan Downey, Brittany Houston, and Financial Analysts, Lisett Bautista, David Fisk and Purevsuren Wrinkle. I would like to express my appreciation to all members of the Division who assisted and contributed to its preparation. I would also like to thank the Mayor; Mayor Pro Tem; Councilmembers; City Manager, Ken Striplin; Assistant City Manager and Interim Director of Recreation and Community Services, Frank Oviedo; Deputy City Manager, Darren Hernández, Director of Public Works, Robert Newman; Director of Community Development, and Tom Cole, for their continuing efforts in administering the financial operations of the City in a conservative and responsible manner.

Sincerely,

A handwritten signature in cursive script that reads "Carmen Magaña".

Carmen Magaña
Director of Administrative Services/City Treasurer

CM:cjp



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Santa Clarita
California**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2016

Executive Director/CEO

**OFFICIALS OF THE CITY OF SANTA CLARITA
As of June 30, 2017**

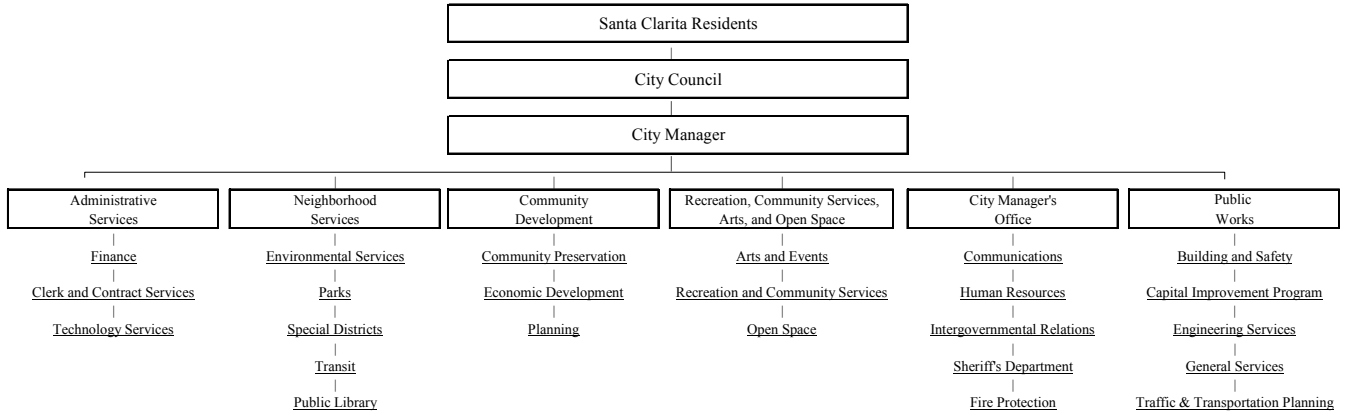
City Council

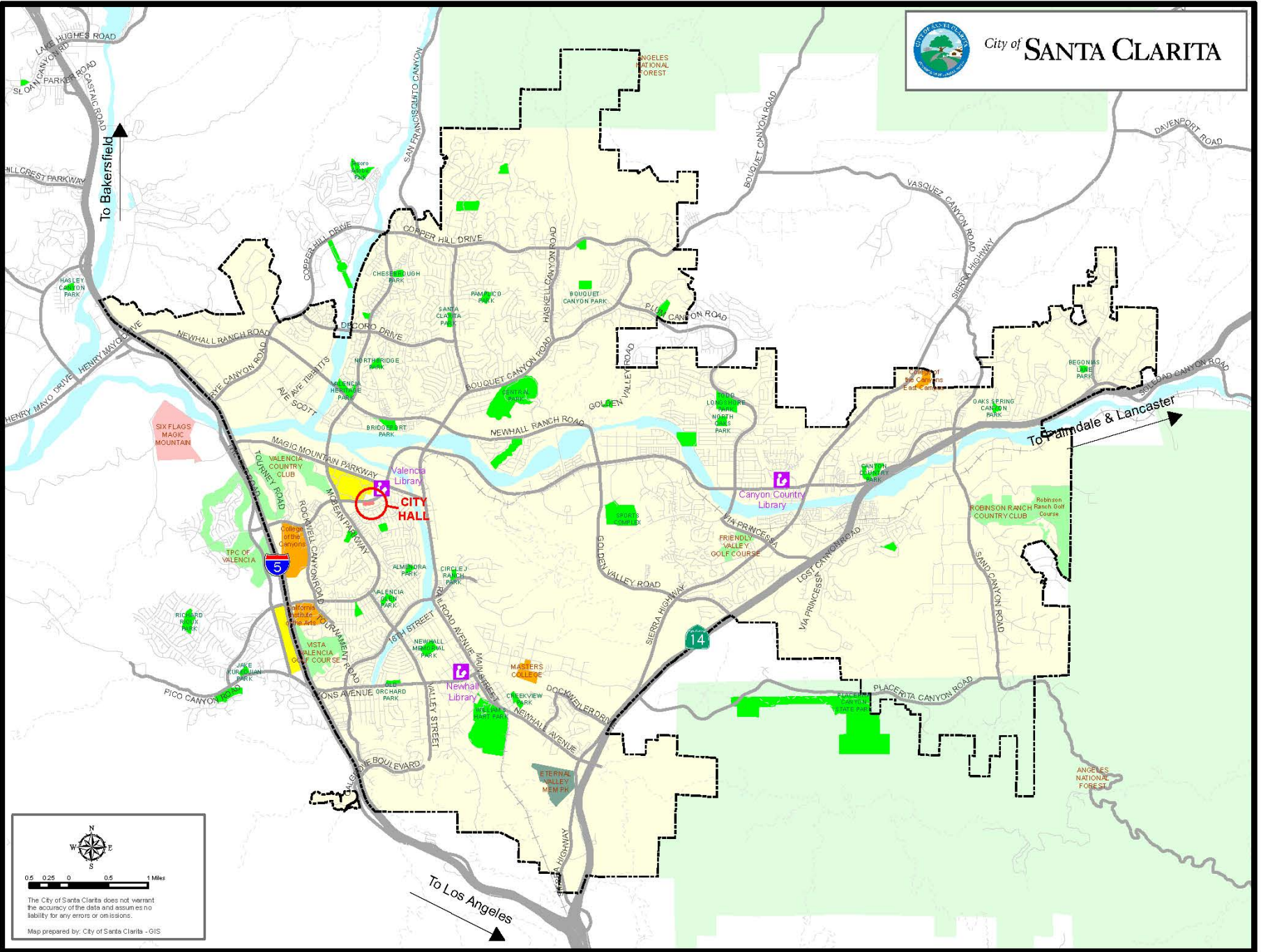
Cameron Smyth	MAYOR
Laurene Weste	MAYOR PRO TEM
Marsha McLean	COUNCILMEMBER
Bill Miranda	COUNCILMEMBER
Bob Kellar	COUNCILMEMBER


City Officials

Ken Striplin	CITY MANAGER
Frank Oviedo	ASSISTANT CITY MANAGER
Darren Hernández	DEPUTY CITY MANAGER
Joseph Montes	CITY ATTORNEY
Carmen Magana	DIRECTOR OF ADMINISTRATIVE SERVICES
Tom Cole	DIRECTOR OF COMMUNITY DEVELOPMENT
Robert Newman	DIRECTOR OF PUBLIC WORKS/CITY ENGINEER
Richard Gould	DIRECTOR OF RECREATION, COMMUNITY SERVICES, ARTS, AND OPEN SPACE

ORGANIZATION CHART
As of June 30, 2017







 0.5 0.25 0 0.5 1 Miles

The City of Santa Clarita does not warrant the accuracy of the data and assumes no liability for any errors or omissions.

Map prepared by: City of Santa Clarita - GIS

G:\PROJECTS\MASTER\WebMap\mxd\city.mxd





VAVRINEK, TRINE, DAY & CO., LLP
Certified Public Accountants

VALUE THE *difference*

INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members of the City Council
of the City of Santa Clarita
Santa Clarita, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Santa Clarita, California, (City) as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

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, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2017, 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (pages 4 through 13), schedules of revenues, expenditures and changes in fund balance – budget and actual for the General fund and each major special revenue fund (pages 75 through 79), schedule of funding progress (page 80), schedule of changes in the City's net pension liability and related ratios (page 81), and schedule of city contributions (pages 82 through 83) be presented to supplement the basic financial statements. Such information, 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.

Other 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 introductory section, combining and individual nonmajor funds financial statements and budgetary comparison schedules, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor funds financial statements and budgetary comparison schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor funds financial statements and budgetary comparison schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 28, 2017, 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 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 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.



Rancho Cucamonga, California
December 28, 2017



MANAGEMENT'S DISCUSSION AND ANALYSIS

Fiscal Year Ended June 30, 2017

This discussion and analysis of the City of Santa Clarita's (the City) financial performance provides an overview of the financial activities of the City for the fiscal year ended June 30, 2017. Our analysis includes information regarding the City's overall financial position and results of operations to assist users in evaluating the City's financial position, a discussion of significant changes that occurred in funds, and information regarding significant budget variances. In addition, it describes the activities during the year for capital assets and long-term debt. We end our discussion and analysis with a description of currently known facts, decisions and conditions that are expected to have a significant effect on the financial position or results of operations. Please read it in conjunction with the accompanying transmittal letter, the basic financial statements and the accompanying notes to those financial statements.

FINANCIAL HIGHLIGHTS

- The assets of the City exceeded its liabilities at the close of the most recent fiscal year by \$1.13 billion. Of this amount, \$103.7 million represents unrestricted net position that may be used to meet the City's ongoing obligations to citizens and creditors (Table 1).
- The City's total net position increased by \$61.5 million. Net position of the business-type activities decreased by \$1.4 million, or 2%, and the net position of the governmental activities increased by \$62.9 million (Table 2).
- The net capital assets of the City's governmental activities increase by \$54.5 million, or 6.4% over last fiscal year. The increase was in part due to purchases, contributions and annexations of land and infrastructure totaling \$42.4 million, and the increase of construction in progress of \$31 million. See Note 7 to the financial statements for additional information.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$233 million. This represents an increase of \$9.5 million as compared to the prior year.
- Within governmental funds, the General Fund reported a fund balance of \$149 million, an increase of \$8 million over the prior year.

USING THIS ANNUAL REPORT

The financial statements presented herein include all of the activities of the City of Santa Clarita and its component unit using the integrated approach as prescribed by Governmental Accounting Standards Board (GASB) Statement No. 34. The three components of the basic financial statements are as follows:

1) Government-Wide Financial Statements

The Government-Wide Financial Statements present the financial picture of the City from the economic resources measurement focus using the accrual basis of accounting in a manner similar to a private-sector business. These statements include all assets of the City (including infrastructure) as well as all liabilities (including long-term debt).

USING THIS ANNUAL REPORT (CONTINUED)

2) Fund Financial Statements

The Fund Financial Statements include statements for each of the three categories of activities: governmental, proprietary and fiduciary. For governmental activities, these fund statements tell how these services were financed in the short term, as well as what remains for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds and other funds.

3) Notes to the Basic Financial Statements

The notes provide additional information necessary to enable the user to fully understand the various financial statements.

In addition to the basic financial statements and notes, this report contains other supplementary information.

REPORTING THE CITY AS A WHOLE – GOVERNMENT-WIDE FINANCIAL STATEMENTS

The Statement of Net Position and the Statement of Activities

One of the most important questions asked about the City's finances is, "Is the City as a whole better or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the City as a whole, and its activities, in a way to answer this question. These statements include all assets and liabilities of the City using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account, regardless of when cash is received or paid.

The Statement of Net Position reports all of the City's assets and deferred outflows of resources, and liabilities and deferred inflows of resources, with the difference between the two reported as *net position*. Net position is one way to measure the City's financial health or *financial position*. Over time, *increases or decreases* in the City's net position is an indication of whether its *financial health* is improving or deteriorating. Other things to consider are non-financial factors, such as changes in the economy due to external factors that would cause an increase or decrease in consumer spending.

The Statement of Activities presents information relating to how the City's net position changed during the fiscal year. All activities resulting in changes in net position are reported when earned or incurred, regardless of the receipt or disbursement of the related transaction's cash flows. Some of the revenues and expenses reported in this statement will result in future fiscal period cash flows, such as the receipt of uncollected taxes and the payment of interest expense or compensated absences.

In the Statement of Net Position and the Statement of Activities, we separate the City's activities as follows:

Governmental Activities – Most of the City's basic services are reported in this category, including general administration (City Manager, City Clerk, Finance, etc.), public safety, public works, parks, recreation, neighborhood services, community services, and community development (planning and engineering). These activities are distinguished due to the use of property taxes, sales tax, transient occupancy tax, user fees, interest income, franchise fees, state and federal grants, contributions from other agencies, and other revenues to finance these activities.

Business-Type Activities – City functions that are intended to be primarily self-supporting through the imposition of user fees and charges are reported in the business-type activity category. Business-type activities for the City consist of transit activities related to the operation of the City's local public transportation system.

REPORTING THE CITY AS A WHOLE – GOVERNMENT-WIDE FINANCIAL STATEMENTS (CONTINUED)

Component Unit Activities – The City of Santa Clarita is the primary government unit to one legally separate entity. The financial activity and data of the Santa Clarita Public Financing Authority has been accounted for within the funds of the City, and therefore, separate component unit financial information is not presented within the financial statements.

REPORTING THE CITY'S MOST SIGNIFICANT FUNDS – FUND FINANCIAL STATEMENTS

A fund is a grouping of related accounts used to account for and accumulate financial information related to a specific activity or objective. Some funds are required to be established by State law and bond covenants; however, management established many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants and other resources. The fund financial statements provide detailed information about the most significant funds and other funds – not the City as a whole. The City's three types of funds are governmental, proprietary and fiduciary.

Governmental Funds – Most of the City's basic services are reported in governmental funds. Governmental fund financial statements focus on how money flows in and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called "*modified accrual*" accounting, which measures cash and all other *financial* assets that can readily be converted to cash. The governmental fund statements provide a detailed *short-term view* of the City's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for the governmental funds with similar information presented for the governmental activities in the government-wide financial statements. Reconciliation of the Fund Financial Statements to the Government-Wide Financial Statements is provided to explain the differences created by this integrated approach.

The City reports governmental fund financial information within 33 governmental funds. The General Fund, Bridge and Thoroughfare Fund, Developer Fees Fund, Public Library Fund and Landscape Maintenance District #1 Fund are presented separately as major funds in the governmental fund balance sheet and in the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances. Financial data for the remaining 28 governmental funds are combined into a single, aggregated presentation. Supporting financial information on each of the other governmental funds is also provided within the report.

Proprietary Funds – The City maintains two different types of proprietary funds. When the City charges customers for the services it provides, these services are generally reported in a type of proprietary fund known as an enterprise fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements, but the proprietary fund statements provide more detail and additional information, such as a statement of cash flows. The City uses the Transit Enterprise Fund to account for the activities related to transit operations.

Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses three internal service funds to account for costs related to self-insurance, computer replacement and vehicle-equipment replacement.

Proprietary funds are reported in the same way all activities are reported in the Statement of Net Position and the Statement of Activities. The proprietary fund financial statements provide separate information for the Transit Enterprise Fund, which is considered to be a major fund of the City. All 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 in the supplementary information section of this report.

THE CITY AS TRUSTEE – FIDUCIARY FUND STATEMENTS

Reporting the City’s Fiduciary Responsibilities

The City is the trustee, or *fiduciary*, for certain funds held for the benefit of other parties outside of the City. The City’s fiduciary activities are reported in separate Statements of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position. These activities were excluded from the City’s other financial statements because the City cannot use these assets to finance its operations. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

NOTES TO THE 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.

OTHER INFORMATION

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the comparison of budget and actual results for the major governmental funds, other post-employment benefits schedule of funding progress, schedule of changes in the City’s net pension liability and related ratios, and a schedule of the City’s pension contributions. This section is located after the Notes to Financial Statements.

The combining statements referred to earlier in connection with the other governmental funds, internal service funds and fiduciary funds are presented immediately following the required supplementary information described in the previous paragraph in the supplementary information section.

THE CITY AS A WHOLE

The analysis below focuses on the net position (Table 1) and changes in net position (Table 2) of the City’s governmental and business-type activities.

The City’s net position may be analyzed and used as an indicator of the City’s overall financial condition. The City’s combined net position increased by \$61.5 million, increasing from \$1.08 billion to \$1.14 billion.

THE CITY AS A WHOLE (CONTINUED)

**TABLE 1
CITY OF SANTA CLARITA'S NET POSITION**

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
ASSETS:						
Current and Other Assets	\$ 287,793,027	\$ 259,492,495	\$ 7,525,050	\$ 7,388,268	\$ 295,318,077	\$ 266,880,763
Capital assets, net	899,324,125	844,844,011	79,589,102	76,687,260	978,913,227	921,531,271
Noncurrent Assets	25,568,478	26,412,670	-	-	25,568,478	26,412,670
TOTAL ASSETS	1,212,685,630	1,130,749,176	87,114,152	84,075,528	1,299,799,782	1,214,824,704
DEFERRED OUTFLOWS OF RESOURCES:	12,766,476	6,023,063	399,450	151,201	13,165,926	6,174,264
LIABILITIES:						
Noncurrent Liabilities	118,556,662	107,339,614	1,415,876	1,115,278	119,972,538	108,454,892
Other Liabilities	45,694,038	30,053,700	7,644,191	3,215,168	53,338,229	33,268,868
TOTAL LIABILITIES	164,250,700	137,393,314	9,060,067	4,330,446	173,310,767	141,723,760
DEFERRED INFLOWS OF RESOURCES:	1,841,246	2,925,290	67,065	107,260	1,908,311	3,032,550
NET POSITION:						
Net investment in capital assets	867,144,998	810,324,041	79,589,102	76,687,260	946,734,100	887,011,301
Restricted	87,272,724	70,773,322	-	-	87,272,724	70,773,322
Unrestricted	104,942,438	115,356,272	(1,202,632)	3,101,763	103,739,806	118,458,035
TOTAL NET POSITION	1,059,360,160	996,453,635	78,386,470	79,789,023	1,137,746,630	1,076,242,658

The City's net position is made up of three components: Net Investment in Capital Assets, Restricted Net Position and Unrestricted Net Position.

As of June 30, 2017, assets exceeded liabilities by \$1.13 billion. The largest component of the City's net position, 83.2%, is represented by its \$947 million net investment in capital assets (e.g., infrastructure, land, buildings and improvements, equipment, and construction in progress) less accumulated depreciation and any related outstanding debt used to acquire the capital assets. These capital assets are used to provide services to the citizens, and therefore are not available to finance future operations. In addition, resources necessary to repay the related debt must be provided by sources other than the capital assets, as the assets themselves cannot be used to satisfy these liabilities.

An additional portion of the City's net position, 7.7%, represents resources subject to external restrictions on how they may be used. The remaining 9.1% of unrestricted net position, \$103.7 million, may be used to meet the City's ongoing obligations to citizens and creditors.

Consistent with the prior year, at the end of the current fiscal year, the City is able to report positive balances in both categories of governmental and business-type net position. Net position for governmental activities increased by \$62.9 million over the prior year. The unrestricted net position of the business-type activities decreased by \$4.3 million.

THE CITY AS A WHOLE (CONTINUED)

Governmental Activities

Revenues from governmental activities increased by \$26 million or 14.5% due in part to an increase of \$31.6 million in capital grants and contributions. The cost of all governmental activities this year was \$138.5 million, a decrease of 6.3% over the past year. As shown in the Statement of Activities, the governmental activities expenses were ultimately financed in part by the taxpayers, as \$52.7 million in revenues were generated by service revenues received from the performance of these activities; another \$6 million was received from government agencies and other organizations that subsidized certain programs with operating grants and contributions; and another \$55.2 million in revenues was generated from capital grants and contributions. Overall, the City's governmental program and general revenues amounted to \$205 million, which funded the expenses and resulted in a \$63 million increase in net position.

**TABLE 2
CITY OF SANTA CLARITA'S CHANGES IN NET POSITION**

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Program Revenues:						
Charges for services	\$ 52,664,081	\$ 50,478,658	\$ 7,231,136	\$ 7,546,433	\$ 59,895,217	\$ 58,025,091
Operating grants and contributions	5,977,971	7,705,545	8,459,236	9,153,499	14,437,207	16,859,044
Capital grants and contributions	55,220,052	23,602,526	9,138,643	3,504,305	64,358,695	27,106,831
General Revenues:						
Taxes:						
Property taxes	39,924,749	40,072,597			39,924,749	40,072,597
Other taxes	49,415,366	51,526,137			49,415,366	51,526,137
Other	1,801,478	5,683,439	24,488	59,086	1,825,966	5,742,525
Total Revenues	205,003,697	179,068,902	24,853,503	20,263,323	229,857,200	199,332,225
General government	44,390,099	39,155,006	-	-	44,390,099	39,155,006
Public safety	25,231,712	23,778,931	-	-	25,231,712	23,778,931
Recreation and community services	23,563,825	23,350,273	-	-	23,563,825	23,350,273
Public works	16,224,154	30,467,720	-	-	16,224,154	30,467,720
Community development	7,057,301	10,505,906	-	-	7,057,301	10,505,906
Neighborhood Services	1,815,637	-	-	-	1,815,637	-
Unallocated infrastructure depreciation	18,833,113	18,342,933	-	-	18,833,113	18,342,933
Interest and fiscal charges	1,378,888	2,194,181	-	-	1,378,888	2,194,181
Transit	-	-	29,858,499	28,127,407	29,858,499	28,127,407
Total Expenses	138,494,729	147,794,950	29,858,499	28,127,407	168,353,228	175,922,357
Increase/Decrease in Net Position Before Transfers	66,508,968	31,273,952	(5,004,996)	(7,864,084)	61,503,972	23,409,868
Transfers	(3,602,443)	(6,390,264)	3,602,443	6,390,264	-	-
Changes in Net Position	62,906,525	24,883,688	(1,402,553)	(1,473,820)	61,503,972	23,409,868
Net Position – Beginning of Year	996,453,635	971,569,947	79,789,023	81,262,843	1,076,242,658	1,052,832,790
Net Position – End of Year	\$ 1,059,360,160	\$ 996,453,635	\$ 78,386,470	\$ 79,789,023	\$ 1,137,746,630	\$ 1,076,242,658

Business-Type Activities

Business-type activities decreased the City's net position by \$1.4 million for the current year. Business-type activities revenues increased by \$4.6 million during the year for a total of \$24.9 million in revenues, not including the \$3.6 million of transfers in from other governmental activities. The increased revenue was largely due to an increase in capital grants and contributions of \$5.6 million that included federal funds for the purchase of 8 replacement CNG commuter buses. Related transit activity expenses increased by \$1.7 million.

THE CITY'S FUNDS

The governmental funds reported a combined fund balance at the end of the current fiscal year of \$233 million, an increase of \$9.5 million over the prior year. Approximately \$87.5 million is restricted and already committed for specific restricted purposes.

The total governmental fund balance includes the general fund balance of \$149 million, which increased by \$8 million over the prior year. The General Fund is the chief operating fund of the City of Santa Clarita. The unassigned fund balance of \$54 million is available for spending at the City's discretion. More detailed information about the City's classification of fund balances are presented in Note 12 to the financial statements.

Other major fund balance changes are noted below:

- The Bridge and Thoroughfare Fund has realized a decrease of \$1.3 million in its fund balance from prior year.
- The Developer Fee Fund has realized an increase of \$787,994 due to an increase in developer contributions.
- The Public Library Fund has realized an increase of \$1.3 million in its fund balance from the prior year.
- The Landscape Maintenance District's fund balance decreased \$753,262 from the prior year.

In addition to the major funds, the fund balances for the other governmental funds experienced an aggregate increase of \$1.6 million.

The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The total net position for the Transit Enterprise Fund decreased over the prior year by \$1.4 million or 1.8%. The unrestricted portion of the business-type activities net position decreased by \$4.3 million from the prior year.

The Internal Service Funds net position increased by \$506,358 or 6.13%. The ending fund balance for Internal Service Funds is \$8.8 million, of which \$7.5 million is unrestricted.

General Fund Budgetary Highlights

Comparison of the fiscal year 2016-2017 original (adopted) general fund budgeted expenditures and transfers of \$117.4 million to the final budgeted expenditures of \$132.3 million results in a net increase of \$14.9 million.

Included in this net increase is \$1,401,513 in committed purchase orders and contracts from the prior June 30 balance, as well as \$1,209,337 of prior fiscal year operating and capital improvement projects approved for carryover into fiscal year 2016-2017.

THE CITY'S FUNDS (CONTINUED)

Original Budget	Continued	Encumbrances	Beg. Balance +	Supplemental	Final Budget
+	Appropriations +	=		Changes =	
\$122,005,978 +	\$1,209,337 +	\$1,401,513 =	\$124,616,828 +	\$12,186,673 =	\$136,803,501

Comparing the beginning budget of \$124.6 million with the final budget of \$136.8 million indicates the General Fund had supplemental budgetary appropriations of \$12.2 million during the fiscal year. Included in the supplemental appropriations are the results of this year's budget review.

During the mid-year budget review, budgeted general fund revenue had an increase of \$954,462. Included in the increase is \$1.4 million in development revenues, \$200,000 in real property transfer tax, \$174,000 in property tax in lieu of VLF, \$112,000 in waste hauler franchise fees and \$57,500 in reimbursements from the State.

At year-end, the City's actual revenues were \$1 million more than the final budgetary estimates. Actual expenditures were less than the final budgetary estimates by \$30.7 million.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The City had \$978.9 million (net of accumulated depreciation) invested in a broad range of capital assets. This investment in capital assets includes land, buildings and related improvements, vehicles and equipment, and infrastructure (including infrastructure placed in service prior to July 1, 2002), such as streets, bridges, traffic signals, medians, sidewalks, trails, sewers, curbs and gutters, and drainage systems (see Table 3).

TABLE 3
CITY OF SANTA CLARITA'S CAPITAL ASSETS (net of depreciation)

	Governmental Activities		Business Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Land	\$162,971,944	\$147,141,106	\$ 15,087,880	\$ 15,087,880	\$178,059,824	\$162,228,986
Construction in progress	32,869,119	5,922,009	1,736	1,736	\$32,870,855	\$5,923,745
Infrastructure, net	616,639,481	604,831,025	-	-	\$616,639,481	\$604,831,025
Depreciable site improvements, net	30,667,084	30,042,019	9,677,685	10,245,906	\$40,344,769	\$40,287,925
Depreciable building and improvements, net	51,851,208	52,730,777	29,558,066	30,441,413	\$81,409,274	\$83,172,190
Depreciable equipment, net	4,325,289	4,177,075	25,263,735	20,910,325	\$29,589,024	\$25,087,400
TOTALS	\$899,324,125	\$844,844,011	79,589,102	76,687,260	\$978,913,227	\$921,531,271

Major capital asset events during the year included:

- Acquisitions, contributions and annexations of land totaling \$15.8 million
- Infrastructure additions totaling \$27.8 million that included \$16.4 million for bridges, and \$11.4 million for pavement projects.
- Equipment additions in the Transit fund of \$8.3 million for ten CNG commuter buses.

Additional information on the City of Santa Clarita's capital assets can be located in Note 7 to the financial statements.

CAPITAL ASSETS AND DEBT ADMINISTRATION (CONTINUED)

Debt Administration

At year-end, the City's total debt amounted to \$37.1 million in bonds, notes, capital leases, contracts, claims payable and compensated absences as shown in Table 4. A summary of debt activity for the year follows.

**TABLE 4
CITY OF SANTA CLARITA'S OUTSTANDING DEBT**

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Lease Revenue Bonds	\$ 25,262,456	\$ 26,012,352	\$ -	\$ -	\$ 25,262,456	\$ 26,012,352
Contract and Leases	60,444	138,877	-	-	60,444	138,877
Private Placement Lease	4,984,543	6,328,411	-	-	4,984,543	6,328,411
Loans	100,000	200,000	-	-	100,000	200,000
Compensated Absences	3,486,115	3,249,285	84,893	82,397	3,571,008	3,331,682
Claims Payable	3,190,756	2,449,815	-	-	3,190,756	2,449,815
TOTAL	<u>37,084,314</u>	<u>38,378,740</u>	<u>84,893</u>	<u>82,397</u>	<u>37,169,207</u>	<u>\$38,461,137</u>

The City's governmental activities had \$37.1 million in debt at year-end. Governmental activities long-term debt decreased overall by \$1.3 million. Principal payments totaled \$2.3 million.

No new debt related to business-type activities was issued or refinanced during the current fiscal year.

During the fiscal year ended June 30, 2017, the City was able to meet its current year debt obligation in a timely manner. State statutes limit the amount of general obligation debt a governmental entity may issue to 15% of its adjusted assessed valuation. The debt limitation for the City as of June 30, 2017 was \$1,075,718,289. The calculation of the debt limitation is included in the statistical section.

Additional information on the City of Santa Clarita's debt can be located in Note 8 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

Our long history of conservative and strategic budget practices has allowed the City to maintain a balanced budget every year. Since the Great Recession, our organization has understood that there will continue to be economic peaks and valleys, and we need to be prepared and positioned for times when the economy is weak.

- General Fund sales tax revenue continues to be the largest revenue source to operate general governmental functions, accounting for 35% or \$36.8 million as projected in the 2017-2018 budget. This is projected at 1.8% higher than 2016-2017 receipts.
- Property tax revenues account for 33% of the General Fund budget or \$34 million in 2017-2018. The County Assessor's office makes changes to the City's property tax roll daily to reflect transfers in ownership, new construction, assessment appeals, parcel splits and other dynamic changes.

Total General Fund expenditures are projected to be \$107.8 million, resulting in a balanced budget, an operating surplus of \$271K, and a 20% operating reserve of \$18.2 million. The City's 2017-2018 operating and capital budget for all funds is \$199 million.

The City remains dedicated to service excellence, teamwork and creativity. City staff continues to do more with less, find creative ways to maintain services revered by our community, and provide award-winning programs. The 2017-2018 budget remains to be a reflection of the City's commitment to the residents of Santa Clarita. This is consistent with the City's long tradition of ensuring that programming for Santa Clarita's youth and children is a priority to help promote growth and curb teen crimes. A copy of the City's 2017-2018 budget can be obtained by contacting the City Finance Division or visiting the web at <http://www.santa-clarita.com/city-hall/departments/city-manager-s-office/city-budget>.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

CITY OF SANTA CLARITA, CALIFORNIA

STATEMENT OF NET POSITION
JUNE 30, 2017

	Governmental Activities	Business-type Activities	Total
Assets:			
Current assets:			
Cash and investments	\$ 268,535,397	\$ 2,363	\$ 268,537,760
Receivables:			
Accounts, net	829,765	277	830,042
Interest	1,177,571	-	1,177,571
Taxes	10,217,031	-	10,217,031
Prepaid costs	255,922	117,979	373,901
Due from other governments	5,491,229	8,690,543	14,181,772
Internal balances	1,286,112	(1,286,112)	-
Total Current Assets	<u>287,793,027</u>	<u>7,525,050</u>	<u>295,318,077</u>
Noncurrent assets:			
Restricted assets:			
Cash and investments	206,386	-	206,386
Cash and investments with fiscal agents	7,154	-	7,154
Loans receivable	2,476,974	-	2,476,974
Land held for resale	347,127	-	347,127
Notes to RDA Successor Agency	16,054,063	-	16,054,063
Net other post-employment benefits asset	6,476,774	-	6,476,774
Capital assets:			
Nondepreciable assets	195,841,063	15,089,616	210,930,679
Depreciable assets, net	703,483,062	64,499,486	767,982,548
Total Noncurrent Assets	<u>924,892,603</u>	<u>79,589,102</u>	<u>1,004,481,705</u>
Total Assets	<u>1,212,685,630</u>	<u>87,114,152</u>	<u>1,299,799,782</u>
Deferred Outflows of Resources:			
Deferred outflows related to pensions	10,966,791	399,450	11,366,241
Unamortized loss on refundings	1,799,685	-	1,799,685
Total Deferred Outflows of Resources	<u>12,766,476</u>	<u>399,450</u>	<u>13,165,926</u>
Liabilities:			
Current liabilities:			
Accounts payable and accrued liabilities	13,029,321	7,586,586	20,615,907
Interest payable	212,999	-	212,999
Deposits payable	17,744,540	-	17,744,540
Due to other governments	7,734,479	-	7,734,479
Unearned revenues	695,630	-	695,630
Compensated absences	2,058,057	57,605	2,115,662
Claims and judgments	1,972,069	-	1,972,069
Bonds, loans and capital leases	2,246,943	-	2,246,943
Total Current Liabilities	<u>45,694,038</u>	<u>7,644,191</u>	<u>53,338,229</u>
Noncurrent liabilities:			
Compensated absences	1,428,058	27,288	1,455,346
Claims and judgments	1,218,687	-	1,218,687
Bonds, loans and capital leases	28,160,500	-	28,160,500
Developer credits	49,626,105	-	49,626,105
Net pension liability	38,123,312	1,388,588	39,511,900
Total Noncurrent Liabilities	<u>118,556,662</u>	<u>1,415,876</u>	<u>119,972,538</u>
Total Liabilities	<u>164,250,700</u>	<u>9,060,067</u>	<u>173,310,767</u>
Deferred Inflows of Resources:			
Deferred inflows related to pensions	1,841,246	67,065	1,908,311

See accompanying notes to financial statements.

CITY OF SANTA CLARITA, CALIFORNIA

**STATEMENT OF NET POSITION (CONTINUED)
JUNE 30, 2017**

	Governmental Activities	Business-type Activities	Total
Net Position:			
Net investment in capital assets	\$ 867,144,998	\$ 79,589,102	\$ 946,734,100
Restricted:			
Landscape maintenance	38,239,307	-	38,239,307
Transportation	16,192,159	-	16,192,159
Open Space preservation	4,635,113	-	4,635,113
Public safety	2,482,213	-	2,482,213
Public library	1,244,736	-	1,244,736
Air quality improvement	840,006	-	840,006
Stormwater	5,609,697	-	5,609,697
Public education and government	1,811,285	-	1,811,285
Tourism marketing	1,019,791	-	1,019,791
Low and moderate-income housing	493,155	-	493,155
Capital improvements	14,705,262	-	14,705,262
Unrestricted	104,942,438	(1,202,632)	103,739,806
Total Net Position	\$ 1,059,360,160	\$ 78,386,470	\$ 1,137,746,630

See accompanying notes to financial statements.

CITY OF SANTA CLARITA, CALIFORNIA

**STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2017**

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Contributions and Grants	Capital Contributions and Grants
Governmental activities:				
General government	\$ 44,390,099	\$ 6,740,507	\$ 646,289	-
Public safety	25,231,712	1,231,974	150,080	1,925,639
Recreation and community service	23,563,825	6,191,011	5,702	1,162
Public works	16,224,154	11,549,806	4,384,007	53,293,251
Community development	7,057,301	1,906,079	791,893	-
Neighborhood Services	1,815,637	25,044,704	-	-
Unallocated infrastructure depreciation	18,833,113	-	-	-
Interest and fiscal changes	1,378,888	-	-	-
Total governmental activities	138,494,729	52,664,081	5,977,971	55,220,052
Business-type activities:				
Transit enterprise	29,858,499	7,231,136	8,459,236	9,138,643
Total primary government	\$ 168,353,228	\$ 59,895,217	\$ 14,437,207	\$ 64,358,695

General revenues:

Taxes:

Property taxes

Sales taxes

Franchise taxes

Transient occupancy taxes

Property transfer tax

Property taxes in lieu of motor vehicle fee

Investment income (loss)

Miscellaneous

Gain on sale of capital assets

Total General Revenues

Transfers

Change in Net Position

Net Position, Beginning of Year

Net Position, End of Year

See accompanying notes to financial statements.

Net (Expense) Revenues and
Changes in Net Position

Governmental Activities	Business-type Activities	Total
\$ (37,003,303)	\$ -	\$ (37,003,303)
(21,924,019)	-	(21,924,019)
(17,365,950)	-	(17,365,950)
53,002,910	-	53,002,910
(4,359,329)	-	(4,359,329)
23,229,067	-	23,229,067
(18,833,113)	-	(18,833,113)
(1,378,888)	-	(1,378,888)
<u>(24,632,625)</u>	<u>-</u>	<u>(24,632,625)</u>
-	(5,029,484)	(5,029,484)
<u>(24,632,625)</u>	<u>(5,029,484)</u>	<u>(29,662,109)</u>
39,924,749	-	39,924,749
36,147,727	-	36,147,727
8,208,347	-	8,208,347
3,639,264	-	3,639,264
1,275,363	-	1,275,363
144,665	-	144,665
1,052,254	(28,735)	1,023,519
737,513	-	737,513
11,711	53,223	64,934
<u>91,141,593</u>	<u>24,488</u>	<u>91,166,081</u>
(3,602,443)	3,602,443	-
62,906,525	(1,402,553)	61,503,972
<u>996,453,635</u>	<u>79,789,023</u>	<u>1,076,242,658</u>
<u>\$ 1,059,360,160</u>	<u>\$ 78,386,470</u>	<u>\$ 1,137,746,630</u>

CITY OF SANTA CLARITA, CALIFORNIA

**BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2017**

	Special Revenue Funds		
	General Fund	Bridge and Thoroughfare	Developer Fees
Assets:			
Cash and investments	\$ 152,219,199	\$ 11,488,364	\$ 5,271,611
Receivables:			
Accounts, net	729,681	11,571	-
Interest	688,378	49,155	22,575
Taxes	9,163,168	-	-
Loans	-	-	-
Notes to RDA Successor Agency	9,462,202	-	6,591,861
Prepaid costs	126,097	-	-
Due from other governments	405,775	-	-
Due from other funds	4,380,533	-	-
Advances to other funds	17,256,104	-	121,708
Land held for resale	-	-	260,238
Restricted assets:			
Cash and investments	-	-	-
Cash and investments with fiscal agents	-	-	-
Total assets	\$ 194,431,137	\$ 11,549,090	\$ 12,267,993
Liabilities, deferred inflows of resources, and fund balances (deficit):			
Liabilities:			
Accounts payable and accrued liabilities	\$ 7,976,998	195,973	15,045
Deposits payable	17,744,541	-	-
Due to other governments	7,700,000	-	-
Unearned revenues	695,630	-	-
Due to other funds	-	-	-
Advances from other funds	-	8,622,678	-
Total liabilities	34,117,169	8,818,651	15,045
Deferred inflows of resources:			
Unavailable revenues	11,298,702	11,571	6,713,569
Fund balances (deficit):			
Nonspendable	15,745,704	-	-
Restricted	-	2,718,868	5,376,613
Committed	-	-	14,000
Assigned	79,367,084	-	148,766
Unassigned	53,902,478	-	-
Total fund balances (deficit)	149,015,266	2,718,868	5,539,379
Total liabilities, deferred inflows of resources and fund balances (deficit)	\$ 194,431,137	\$ 11,549,090	\$ 12,267,993

See accompanying notes to financial statements.

Special Revenue Funds				
Public Library	Landscape Maintenance District #1	Non-major Governmental Funds	Total Governmental Funds	
\$ 3,067,513	\$ 32,957,390	\$ 52,725,112	\$ 257,729,189	
6	21,869	64,263	827,390	
13,136	140,734	215,627	1,129,605	
213,356	356,967	483,540	10,217,031	
-	-	2,476,974	2,476,974	
-	-	-	16,054,063	
24,195	84,220	-	234,512	
-	-	5,085,454	5,491,229	
-	-	-	4,380,533	
-	-	-	17,377,812	
-	-	86,889	347,127	
-	-	206,386	206,386	
-	-	7,154	7,154	
<u>\$ 3,318,206</u>	<u>\$ 33,561,180</u>	<u>\$ 61,351,399</u>	<u>\$ 316,479,005</u>	
186,810	1,727,566	\$ 2,872,717	\$ 12,975,109	
-	-	-	17,744,541	
-	-	34,479	7,734,479	
-	-	-	695,630	
-	-	3,094,421	3,094,421	
8,755,134	-	-	17,377,812	
<u>8,941,944</u>	<u>1,727,566</u>	<u>6,001,617</u>	<u>59,621,992</u>	
-	-	5,908,958	23,932,800	
24,195	84,220	-	15,854,119	
-	31,749,394	47,688,087	87,532,962	
-	-	-	14,000	
-	-	2,002,594	81,518,444	
(5,647,933)	-	(249,857)	48,004,688	
<u>(5,623,738)</u>	<u>31,833,614</u>	<u>49,440,824</u>	<u>232,924,213</u>	
<u>\$ 3,318,206</u>	<u>\$ 33,561,180</u>	<u>\$ 61,351,399</u>	<u>\$ 316,479,005</u>	



CITY OF SANTA CLARITA, CALIFORNIA

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2017**

Fund balances of governmental funds		\$ 232,924,213
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds. Those capital assets consist of:		
Nondepreciable assets	\$ 195,841,063	
Depreciable assets, net of accumulated depreciation	<u>702,239,345</u>	898,080,408
Revenues reported as deferred inflows in the governmental funds do not provide current financial resources but are recognized in the Statement of Activities		23,932,800
Other post-employment benefit assets are not available to pay for current-period expenditures and therefore are not reported in the government funds.		6,476,774
Amounts reported for net pension liability are not due in the current period and therefore are not reported in the governmental funds. Related components that will affect the net pension liability in future measurement years are reported as deferred outflows and deferred inflows of resources are therefore not reported in the governmental funds.		
Net pension liability	(37,978,196)	
Deferred outflows of resources related to pensions	10,925,046	
Deferred inflows of resources related to pensions	<u>(1,834,237)</u>	(28,887,387)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds. Those long-term liabilities consist of:		
Lease revenue bonds	(25,262,456)	
Private placement lease payable	(4,984,543)	
Capital leases	(60,444)	
Loans payable	(100,000)	
Deferred outflow of resources related to loss on refunding	1,799,685	
Compensated absences	(3,479,746)	
Bridge and Thoroughfare developer payables	<u>(49,626,105)</u>	(81,713,609)
Accrued interest payable on long-term liabilities do not require the use of current financial resources and therefore are not reported in the governmental funds.		(212,999)
Internal service funds are used by management to charge the costs of certain activities, such as insurance, and vehicle and computer replacement, to individual funds. These assets, deferred outflows/inflows of resources and liabilities of the internal service funds are included in governmental activities in the Statement of Net Position.		<u>8,759,960</u>
Net Position of Governmental Activities		<u><u>\$ 1,059,360,160</u></u>

See accompanying notes to financial statements.

CITY OF SANTA CLARITA, CALIFORNIA

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2017

	Special Revenue Funds		
	General	Bridge and Thoroughfare	Developer Fees
Revenues:			
Taxes	\$ 81,462,981	\$ -	\$ -
Special assessments	-	-	-
Licenses and permits	7,408,357	-	-
Intergovernmental	241,992	-	-
Charges for services	8,397,274	-	-
Investment income (loss)	537,605	304,078	(324)
Fines and forfeitures	706,870	-	-
Developer fees	-	283,475	2,025,639
Other revenue	61,788	-	-
Total revenues	98,816,867	587,553	2,025,315
Expenditures:			
Current:			
General government	15,097,325	-	-
Public safety	23,306,998	-	1,396,467
Recreation and community service	20,283,686	-	-
Public works	21,541,973	394,967	-
Community development	5,989,628	-	-
Neighborhood services	593,591	-	-
Capital outlay	341,442	1,200,560	19,075
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	328,926	-
Total expenditures	87,154,643	1,924,453	1,415,542
Excess (deficiency) of revenues over (under) expenditures	11,662,224	(1,336,900)	609,773
Other financing sources (uses):			
Transfers in	1,384,023	-	250,000
Transfers out	(5,175,897)	(2,500)	(71,779)
Total other financing sources (uses)	(3,791,874)	(2,500)	178,221
Net change in fund balances	7,870,350	(1,339,400)	787,994
Fund balances (deficit), beginning of year	141,144,916	4,058,268	4,751,385
Fund balances (deficit), end of year	\$ 149,015,266	\$ 2,718,868	\$ 5,539,379

See accompanying notes to financial statements.

Special Revenue Funds			
Public Library	Landscape Maintenance District #1	Non-major Governmental Funds	Total Governmental Funds
\$ 6,415,945	\$ 986,814	\$ 474,375	\$ 89,340,115
-	16,098,524	11,220,492	27,319,016
-	-	-	7,408,357
-	-	23,680,369	23,922,361
85,000	-	838,356	9,320,630
3,451	68,525	116,811	1,030,146
-	-	410,750	1,117,620
-	-	1,902,776	4,211,890
176,123	-	453,063	690,974
<u>6,680,519</u>	<u>17,153,863</u>	<u>39,096,992</u>	<u>164,361,109</u>
5,151,073	15,808,308	\$ 5,081,970	\$ 41,138,676
-	-	510,626	25,214,091
-	102,649	60,261	20,446,596
-	373,096	21,149,584	43,459,620
-	-	593,856	6,583,484
-	468,789	604,678	1,667,058
42,945	1,207,821	6,947,415	9,759,258
53,561	-	2,113,868	2,167,429
115,271	-	793,160	1,237,357
<u>5,362,850</u>	<u>17,960,663</u>	<u>37,855,418</u>	<u>151,673,569</u>
<u>1,317,669</u>	<u>(806,800)</u>	<u>1,241,574</u>	<u>12,687,540</u>
-	150,600	6,262,090	8,046,713
(5,814)	(97,062)	(5,896,780)	(11,249,832)
<u>(5,814)</u>	<u>53,538</u>	<u>365,310</u>	<u>(3,203,119)</u>
<u>1,311,855</u>	<u>(753,262)</u>	<u>1,606,884</u>	<u>9,484,421</u>
<u>(6,935,593)</u>	<u>32,586,876</u>	<u>47,833,940</u>	<u>223,439,792</u>
<u>\$ (5,623,738)</u>	<u>\$ 31,833,614</u>	<u>\$ 49,440,824</u>	<u>\$ 232,924,213</u>

CITY OF SANTA CLARITA, CALIFORNIA

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2017

Net changes in fund balances - total governmental funds	\$	9,484,421
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense in the current period. Additionally, certain capital contributions are only reflected as revenues on government-wide statement of activities.		
Capital outlay and public works expenditures	\$	37,148,419
Capital contributions		39,769,654
Depreciation expense		<u>(22,566,242)</u>
		54,351,831
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.		2,517,179
Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Also, governmental funds report the effect of premiums and discounts when debit is first issued, whereas these amounts are deferred and amortized in the statement of activities. There was an issuance of debt pertaining to two capital leases in the current period, and the following includes the issuance of debt for the capital leases and the amounts of repayment of long-term liabilities:		
Changes in compensated absences		(234,731)
Lease revenue bonds		670,000
Private placement lease payable		1,343,868
Loans and capital leases		78,433
Loans payable		100,000
Loss on refundings		(91,645)
Amortization of premiums of long-term liabilities		<u>79,896</u>
		1,945,821
The issuance of Bridge and Thoroughfare district credits does not impact governmental funds, but increases long-term liabilities in the statement of net position. Redemptions of district credits does not impact expenditures in the governmental funds, but reduces long-term liabilities in the statement of net position.		
Net impact of issuance and redemption of district credits		(4,639,596)
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 governmental funds. These expenses consists of the following:		
Changes in interest payable for long-term liabilities		(154,654)
Changes and amortization of other post-employment benefit asset		(674,000)
Changes in net pension liabilities and related deferred inflows and outflows of resources		<u>(430,835)</u>
		(1,259,489)
Internal services funds are used by management to charge the costs of certain activities, such as insurance, and vehicle and computer replacement, to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities.		<u>506,358</u>
Change in net position of governmental activities	\$	<u><u>62,906,525</u></u>

See accompanying notes to financial statements.

CITY OF SANTA CLARITA, CALIFORNIA

STATEMENT OF NET POSITION
 PROPRIETARY FUNDS
 JUNE 30, 2017

	Business-type Activities	Governmental Activities
	Transit Enterprise	Internal Service Funds
Assets:		
Current assets:		
Cash and investments	\$ 2,363	\$ 10,806,208
Receivables:		
Accounts	277	2,375
Interest		47,966
Prepaid costs	117,979	21,410
Due from other governments	8,690,543	-
Total current assets	8,811,162	10,877,959
Noncurrent assets:		
Capital assets:		
Land and construction in progress	15,089,616	-
Site improvements, net of accumulated depreciation	9,677,685	-
Building and improvements, net of accumulated depreciation	29,558,066	-
Equipment, net of accumulated depreciation	25,263,735	1,243,717
Total noncurrent assets	79,589,102	1,243,717
Total assets	88,400,264	12,121,676
Deferred outflows of resources:		
Deferred outflows related to pensions	399,450	41,745
Liabilities:		
Current liabilities:		
Accounts payable and accrued liabilities	7,586,586	54,212
Compensated absences	57,605	6,368
Claims and judgements	-	1,972,069
Due to other funds	1,286,112	-
Total current liabilities	8,930,303	2,032,649
Noncurrent liabilities:		
Compensated absences payable	27,288	-
Claims and judgments	-	1,218,687
Net pension liability	1,388,588	145,116
Total noncurrent liabilities	1,415,876	1,363,803
Total liabilities	10,346,179	3,396,452
Deferred inflows of resources:		
Deferred inflows related to pensions	67,065	7,009
Net Position:		
Net investment in capital assets	79,589,102	1,243,717
Unrestricted	(1,202,632)	7,516,243
Total net position	\$ 78,386,470	\$ 8,759,960

See accompanying notes to financial statements.

CITY OF SANTA CLARITA, CALIFORNIA

STATEMENT OF REVENUES, EXPENSES AND
 CHANGES IN NET POSITION
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2017

	Business-type Activities	Governmental Activities
	Transit Enterprise	Internal Service Funds
Operating revenues:		
Charges for services	\$ 6,689,154	\$ 2,881,631
Other revenues	541,982	75,843
Total operating revenues	<u>7,231,136</u>	<u>2,957,474</u>
Operating expenses:		
Administration and personnel services	4,307,915	198,837
Transportation services	18,848,994	-
Services and supplies	1,330,266	1,668,918
Depreciation expense	5,371,324	221,914
Total operating expenses	<u>29,858,499</u>	<u>2,089,669</u>
Operating income (loss)	<u>(22,627,363)</u>	<u>867,805</u>
Nonoperating revenues (expenses):		
Intergovernmental revenue	8,459,236	-
Investment income (loss)	(28,735)	26,166
Gain on disposal of capital assets	53,223	11,711
Total nonoperating revenues (expenses)	<u>8,483,724</u>	<u>37,877</u>
Income (loss) before transfers and capital contributions	<u>(14,143,639)</u>	<u>905,682</u>
Transfers and capital contributions:		
Transfers in	3,788,081	79,052
Transfers out	(185,638)	(478,376)
Capital contributions	9,138,643	-
Total transfers and capital contributions	<u>12,741,086</u>	<u>(399,324)</u>
Change in net position	<u>(1,402,553)</u>	<u>506,358</u>
Net position		
Net position, beginning of year	<u>79,789,023</u>	<u>8,253,602</u>
Net position, end of year	<u>\$ 78,386,470</u>	<u>\$ 8,759,960</u>

See accompanying notes to financial statements.

CITY OF SANTA CLARITA, CALIFORNIA

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2017

	Business-type Activities Transit Enterprise	Governmental Activities Internal Service Funds
Cash flows from operating activities:		
Cash received from customers and users	\$ 6,689,185	\$ 2,960,608
Cash paid to suppliers for goods and services	(16,641,360)	(1,101,157)
Cash paid to employees for services	(2,020,923)	(195,088)
Cash received from other services	541,982	-
Net cash provided by (used in) operating activities	<u>(11,431,116)</u>	<u>1,664,363</u>
Cash flows from noncapital financing activities:		
Cash transfers out	(185,638)	(478,376)
Cash transfers in	3,788,081	79,051
Intergovernmental revenues	2,659,269	-
Net cash (used in) provided by noncapital financing activities	<u>6,261,712</u>	<u>(399,325)</u>
Cash flows from capital and related financing activities:		
Capital contributions	9,138,643	-
Acquisition and construction of capital assets	(8,273,166)	(350,195)
Proceeds from disposal of capital assets	53,223	11,711
Net cash provided (used) for capital and related financing activities	<u>918,700</u>	<u>(338,484)</u>
Cash flows from investing activities:		
Interest received	(17,089)	3,551
Net increase/(decrease) in cash and cash equivalents	<u>(4,267,793)</u>	<u>930,105</u>
Cash and cash equivalents at beginning of the year	<u>4,270,156</u>	<u>9,876,103</u>
Cash and cash equivalents at end of year	<u>\$ 2,363</u>	<u>\$ 10,806,208</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:		
Operating income (loss)	\$ (22,627,363)	\$ 867,805
Adjustments to reconcile operating income (loss) to net cash provide by (used in) operating activities:		
Depreciation	5,371,324	221,914
Decrease in accounts receivable	31	3,134
Decrease in prepaid expense	97,603	51,391
Change in deferred amounts related to pensions	(288,444)	(30,146)
Change in net pension liability	304,247	31,796
Increase/(Decrease) in accounts payable	4,422,878	(224,571)
Increase in due to other funds	1,286,112	-
Increase in claims and judgments	-	740,941
Increase in compensated absences	2,496	2,099
Total adjustments	<u>11,196,247</u>	<u>796,558</u>
Net cash provided by (used in) operating activities	<u>\$ (11,431,116)</u>	<u>\$ 1,664,363</u>

See accompanying notes to financial statements.

CITY OF SANTA CLARITA, CALIFORNIA

STATEMENT OF NET POSITION
 FIDUCIARY FUNDS
 JUNE 30, 2017

	Agency Funds	Private-purpose Trust Fund Redevelopment Successor Agency
Assets:		
Cash and investments	\$ 1,174,022	\$ 229,290
Receivables:		
Interest	4,814	900
Taxes	3,709	-
Due from other governments	-	7,734,479
Land held for resale	-	93,398
Restricted assets:		
Cash and investments	-	11,040
Cash and investments with fiscal agents	1,760,976	1,524,624
Capital assets:		
Land	9,937,976	-
Site improvements, net of accumulated depreciation	-	86,042
Building and improvements, net of accumulated depreciation	79,014	-
Infrastructure, net of accumulated depreciation	-	3,720,497
Total assets	\$ 12,960,511	13,400,270
Deferred Outflows of Resources:		
Unamortized loss on refunding	\$ -	2,497,603
Liabilities:		
Accounts payable	124	1,052
Interest payable	-	341,783
Due to external parties	12,960,387	-
Bonds, due within on year	-	853,660
Bonds and notes, due in more than one year	-	50,848,271
Total liabilities	\$ 12,960,511	52,044,766
Net position (deficit):		
Trust deficit		\$ (36,146,893)

See accompanying notes to financial statements.

CITY OF SANTA CLARITA, CALIFORNIA

STATEMENT OF CHANGES IN NET POSITION
 FIDUCIARY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2017

	<u>Private-purpose Trust Fund Redevelopment Successor Agency</u>
Additions:	
Property taxes	\$ 2,595,534
Miscellaneous	30,415
Total Additions	<u>2,625,949</u>
Deductions:	
Administrative expenses	48,966
Contractual services	217,781
Interest expense	1,472,708
Investment loss	6,844
Depreciation expense	90,159
Costs associated with bond refunding	972,650
Total Deductions	<u>2,809,108</u>
Change in Net Position	(183,159)
Net Position (deficit):	
Trust deficit, beginning of year	(35,963,734)
Trust deficit, end of year	<u>\$ (36,146,893)</u>

See accompanying notes to financial statements.



NOTES TO BASIC FINANCIAL STATEMENTS



CITY OF SANTA CLARITA, CALIFORNIA

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Financial Reporting Entity

These financial statements present the financial results of the City of Santa Clarita, California (the City) and its component unit as required by accounting principles generally accepted (GAAP) in the United States of America. Component units are legally separate entities for which the primary government is financially accountable. The City has one component unit, the Santa Clarita Public Financing Authority (the Authority). The Authority is governed by the Board of the Authority, which is comprised of City Council. Additionally, the City and Authority have a financial benefit or burden relationship. Therefore, the entity is reported as a blended component unit with the City's Comprehensive Annual Financial Report (CAFR). The City and the component unit have a June 30 year-end.

The City was incorporated on December 15, 1987, as a general law city. The City operates under a council-manager form of government and provides its citizens with a full range of municipal services, either directly or under contract with the County of Los Angeles. Such services include public safety (police and fire protection), building permit/plan approval, planning, community development, recreation, animal control, and street maintenance.

Component Unit

The Authority was established in July 1991 as a joint powers authority between the City and the former redevelopment agency for the purpose of providing financing and funding of public capital improvements and the acquisition of property. On May 10, 2016, the City Council adopted Resolution 16-15 that removed the Successor Agency from the agreement and substituted the Santa Clarita Parking Authority. The Authority's financial data and activity are reported within the debt service and capital projects fund types of the City. Separate financial statements for the Authority are not prepared.

B. Government-Wide and Fund Financial Statements

The City's government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all the activities of the City. The effect of interfund activity has been removed from these statements, except for the interfund services provided and used. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Fiduciary activities of the City are not included in these statements.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. 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. Taxes and other items not included among program revenues are reported as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

CITY OF SANTA CLARITA, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting and Measurement Focus

The government-wide financial statements are presented on an “*economic resources*” measurement focus and the accrual basis of accounting. Accordingly, all of the City’s assets and liabilities, including capital assets, infrastructure assets, long-term liabilities, and deferred inflows and deferred outflows of resources are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned, while expenses are recognized in the period in which the liability is incurred.

Certain types of transactions are reported as program revenues for the City in three categories:

- Charges for services
- Operating grants and contributions
- Capital grants and contributions

Certain eliminations have been made as prescribed by Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments* in regard to interfund activities. 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 primary government column. In the Statement of Activities, internal service fund transactions have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated. The following interfund activities have been eliminated:

- Due to and from other funds
- Advances to and from other funds
- Transfers in and out

The City has conformed to the pronouncements of the GASB, which are acknowledged as the primary authoritative statements of GAAP in the United States of America applicable to state and local governments.

Governmental Fund Financial Statements

Governmental fund financial statements are reported using the “*current financial resources*” measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period for property and sales tax, and 90 days for all other revenues. Expenditures generally are recorded when a liability is incurred. However, debt service expenditures, expenditures related to compensated absences, pension and other post-employment benefits, and the redemption of district credits are recorded only when payment is due.

Property taxes, taxpayer-assessed tax revenues (e.g., franchise taxes, sales taxes, motor vehicle fees, etc.), net of estimated refunds and uncollectible amounts, intergovernmental revenues, charges for services, and interest associated with the current fiscal period are all considered susceptible to accrual and so have been recognized as revenues of the current fiscal period to the extent normally collected within the availability period, as defined above. All other revenue items are considered measurable only when cash is received by the City.

CITY OF SANTA CLARITA, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting and Measurement Focus (Continued)

The City reports the following major governmental funds:

The General Fund is the primary operating fund of the City. It is used to account for all financial resources of the City that are not required to be accounted for in another fund.

The Bridge and Thoroughfare Special Revenue Fund is used to account for restricted district fees received from developers as set by the State Subdivision Law and the Los Angeles County and City of Santa Clarita, which are used for the construction of street, highway, bridge, and other thoroughfare in the Bouquet Canyon, Eastside Canyon, Via Princessa, and Valencia districts. This fund also accounts for the issuance and redemption of district credits associated with the contribution of infrastructure. The City has elected the Bridge and Thoroughfare Special Revenue Fund as a major fund for public interest purposes.

The Developer Fees Special Revenue Fund is used to account for monies received from developers restricted to fund specific projects and infrastructure maintenance throughout the City.

The Public Library Special Revenue Fund is used to account for property tax receipts and disbursements associated with the operation of the City of Santa Clarita Public Library.

The Landscape Maintenance District #1 Special Revenue Fund is used to account for property tax receipts and disbursements related to the landscape maintenance district.

Proprietary Fund Financial Statements

Proprietary funds are accounted for using the “*economic resources*” measurement focus and the accrual basis of accounting. Accordingly, all assets and liabilities (whether current or noncurrent) and deferred inflows and deferred outflows of resources are included in the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Net Position present increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned, while expenses are recognized in the period in which the liability is incurred.

Operating revenues and expenses result from the operating and maintenance of the local public transit services. The operating revenues consist of charges to customers for the service provided. Operating expenses include the costs of providing these services, administrative expenses and depreciation expense. All revenues and expenses not meeting these definitions and which are not capital in nature are reported as non-operating revenues and expenses.

The City reports the following major enterprise fund:

The Transit Enterprise Fund is used to account for the operation of the City’s local public transit bus system.

CITY OF SANTA CLARITA, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting and Measurement Focus (Continued)

Fiduciary Fund Financial Statements

Fiduciary fund financial statements include a Statement of Net Position (Deficit) and a Statement of Changes in Net Position (Deficit). The fiduciary funds represent a private-purpose trust fund and agency funds. Fiduciary fund types are accounted for according to the nature of the fund. Agency funds are reported on the accrual basis of accounting and are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Private-purpose trust funds are reported using the “*economic resources*” measurement focus and the accrual basis of accounting.

The Redevelopment Successor Agency Private-Purpose Trust Fund is used to account for monies received from the Los Angeles County Auditor Controller for the repayment of the enforceable obligations of the former Santa Clarita Redevelopment Agency. These funds are restricted for the sole purpose of payment of items on an approved Recognized Obligation Payment Schedule (ROPS).

The City reports the following agency funds:

The Assessment District No. 92-2 Fund is used to account for assets and liabilities held by the City as an agent and related to the debt service activity on no-commitment special assessment debt.

The Assessment District No. 99-1 Fund is used to account for assets and liabilities held by the City as an agent and related to the debt service activity on no-commitment special assessment debt.

The Community Facilities District No. 2002-1 Fund is used to account for assets and liabilities held by the City as an agent and related to the debt service activity on no-commitment special assessment debt.

The Santa Clarita Watershed Recreation and Conservancy Authority is used to account for assets and liabilities held by the City as an agent and related to the park and open space lands for the Santa Clarita Watershed Recreation and Conservancy Authority (the Watershed Authority).

The Santa Clarita Public Television Authority is used to account for assets and liabilities held by the City as an agent and related to the operations of the Santa Clarita Public Television Authority (the SCPTA).

Fund Types Reported by the City

Additionally, the City reports the following fund types:

The Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted or committed to expenditures for specified purposes.

The Debt Service Funds are used to account for the accumulation of resources for and payment of, interest and principal on long-term debt.

The Capital Projects Funds are used to account for financial resources used for the acquisition or construction of major capital facilities (other than those financed by the proprietary funds).

The Internal Service Funds are used to account for the financing of special activities that provide services within the City. Such activities include self-insurance, computer replacement, and vehicle replacement.

CITY OF SANTA CLARITA, CALIFORNIA

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Cash and Cash Equivalents and Investments

The City pools its available cash for investment purposes. The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturity of three months or less from the date of acquisition. Cash and cash equivalents are combined with investments and displayed as cash and investments. For purposes of the statement of cash flows of the proprietary fund types, cash and cash equivalents include all investments, as the City operates an internal cash management pool that maintains the general characteristics of a demand deposit account.

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, highly liquid money market investments with maturities of one year or less at time of purchase are stated at amortized cost. All other investments are reported at fair value. Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date.

The unexpended bond proceeds of the City's bonds are classified as restricted assets because their use is completely restricted to the purpose for which the bonds were originally issued. The City's cash and investments held by fiscal agents are pledged to the payment or security of certain long-term debt issuances. The California Government Code provides that these monies, in the absence of specific statutory provisions governing the issuance of the bonds, may be invested in accordance with the ordinance, resolutions, or indentures specifying the types of investments its trustees or fiscal agents may make.

The City also participates in the Los Angeles County Pooled Investment Fund.

In accordance with GASB Statement No. 40, *Deposit and Investment Risk Disclosures (an amendment of GASB Statement No. 3)*, certain disclosure requirements, if applicable, are provided for deposit and investment risk in the following areas:

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

The City applies GASB Statement No. 72, *Fair Value Measurements and Application* for determining fair value measurements, applying fair value to investments, and disclosures related to the fair value hierarchy. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure fair value: 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.

CITY OF SANTA CLARITA, CALIFORNIA

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Land Held for Resale

Land parcels held for resale are recorded at the lower of cost or net realizable value. The cost of the land includes all costs incurred that are directly associated with the acquisition of the land, including purchase price, escrow costs, clearing land for use costs, demolition costs, etc.

F. Interfund Transactions

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as “due to/from other funds” (i.e., current portion of interfund loans) or “advances from/to other funds” (i.e., noncurrent portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

During the course of operations, numerous transactions occur between individual funds involving goods provided or services rendered. There are also transfers of revenues from funds authorized to receive the revenue to funds authorized to expend it. Any residual balances outstanding between governmental and business-type activities are reported in the government-wide financial statements as “transfers.”

G. Property Taxes

Property taxes and special assessment taxes are considered enforceable liens on real property on July 1, the beginning of the fiscal year, and are due in two installments on November 1 and February 1; however, no penalties or interest are assessed until December 10 and April 10, respectively. These taxes are determined annually based on property values, subject to limits based on Proposition 13, as of January 1 of the levy year, which is prior to the end of the previous fiscal year. The County of Los Angeles bills and collects these taxes for the City and are remitted on a monthly basis. Remittance of property taxes to the City is accounted for in the City’s General Fund and Public Library Special Revenue Fund. Property taxes on certain registered motor vehicles are assessed and collected throughout the year.

H. Allowances for Uncollectible Accounts

Allowances for uncollectible accounts are maintained on customer and other trade receivables that historically experience uncollectible amounts. Allowances are based on collection experience and management’s evaluation of the current status of existing receivables.

I. Prepaid Costs

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. These are accounted for using the consumption method, and accordingly, the expenditure is recorded in the period in which the goods or services are received.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Capital Assets

Government-Wide Financial Statements, Proprietary Funds, and Fiduciary Funds

Capital assets, which include land, site improvements, buildings and improvements, and equipment and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and in the proprietary funds and fiduciary funds. General infrastructure assets consist of roads, curbs and gutters, sidewalks, medians, street signs, bus shelters, bridges, trails, traffic signals, and storm drains/catch basins. Capital assets are defined by the City as assets with an initial cost of more than \$5,000 (\$25,000 for site improvements and building improvements and \$100,000 for infrastructure) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

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

Site Improvements.....	5-25 years
Buildings and Improvements.....	5-50 years
Equipment	5-25 years
Infrastructure	20-60 years

Governmental Fund Financial Statements

The governmental fund financial statements do not present capital assets. Instead, capital assets purchases are reported as capital outlay expenditures or other functional expenditures such as public works. As such, capital assets are shown as a reconciling item in the Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position.

K. Long-Term Debt

Government-Wide Financial Statements, Proprietary Funds, and Fiduciary Funds

Long-term debt and other financed obligations, such as developer district credits, are reported as liabilities in the government-wide, proprietary fund, and fiduciary fund financial statements.

Bond premiums, discounts, and deferred gains and losses on refundings are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable premium or discount. Deferred gains and losses on refundings are reported as a deferred inflow or deferred outflow of resources.

CITY OF SANTA CLARITA, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Long-Term Debt (Continued)

Governmental Fund Financial Statements

The governmental fund financial statements do not present long-term debt and other financed obligations. Governmental funds recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuances costs are reported as debt service expenditures. Principal payments and reductions in the obligation are reported as debt service expenditures. As such, long-term debt and other financed obligations are shown as reconciling items in the Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position.

L. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation (compensated absences). For proprietary fund types and governmental activities, this accumulation is recorded as an expense and liability of the appropriate fund in the fiscal year earned. For the governmental funds, the amount of accumulated unpaid vacation, which is payable from available resources, is recorded as a liability of the fund when it has matured (i.e., when due and payable).

M. Claims and Judgments

When it is probable that a claim liability has been incurred at year-end and the amount of the loss can be reasonably estimated, the City records the estimated loss, net of any insurance coverage, under its self-insurance program. Claims payable, which includes an estimate for incurred but not reported (IBNR) claims, is recorded in the Self-Insurance Internal Service Fund.

N. Pensions and Other Post-Employment Benefits

The net pension liability, deferred outflows and inflows of resources related to pensions, pension expense, information about the fiduciary net position of the California Public Employees' Retirement System (CalPERS), and additions to/deductions from CalPERS' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

A deferred outflow of resources is a consumption of net position or fund balance by a government that is applicable to a future reporting period. A deferred inflow of resources represents an acquisition of net position or fund balance by the government that is applicable to a future period. Deferred outflows and inflows of resources related to pensions represent amounts that will be recognized as adjustments to pension expense in future years. As noted in Note 13, deferred outflows and inflows of resources will be recognized as pension expense in future years. Contributions subsequent to the measurement period will be recognized during the fiscal year ending June 30, 2018.

The City also provides Other Post-Employment Benefits (OPEB) to eligible employees. The OPEB are measured based on the funding and when contributions exceed the annual required contribution an OPEB asset is reported on the Statement of Net Position (see Note 14).

CITY OF SANTA CLARITA, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

O. Net Position and Fund Balances

Government-Wide Financial Statements, Proprietary Funds, and Fiduciary Funds

Net position represents the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources, and is classified into three categories:

Net Investment in Capital Assets – This amount consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets, and excludes unspent debt proceeds. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt also should be included in this component of net position.

Restricted – This amount represents the net position that is not accessible for general use because its use is subject to restrictions enforceable by third parties and enabling legislation, reduced by liabilities and deferred inflows of resources related to those assets.

Unrestricted – This amount represents the residual of amounts not classified in the other two categories and represents the net equity available for the City.

Governmental Fund Financial Statements

In the governmental fund financial statements, fund balances are classified in the following categories:

Nonspendable – Items that cannot be spent because they are not in spendable form, such as prepaid items and inventories; advances, which are long-term interfund borrowings; and items that are legally or contractually required to be maintained intact, such as principal of an endowment or revolving loan funds.

Restricted – Restricted fund balances encompass the portion of net fund resources subject to externally enforceable legal restrictions. This includes externally imposed restrictions by creditors, such as through debt covenants, grantors, contributors, laws or regulations of other governments, as well as restrictions imposed by law through constitutional provisions or enabling legislation.

Committed – Committed fund balances encompass the portion of net fund resources, the use of which is constrained by limitations that the government imposes upon itself at its highest level of decision-making, City Council through Council Resolution, and that remain binding unless removed in the same manner. The City Council is considered the highest authority for the City.

Assigned – Assigned fund balances encompass the portion of net fund resources reflecting the government's intended use of resources. Assignment of resources can be done by the highest level of decision-making or by a committee or official designated for that purpose. The Deputy City Manager authorizes assigned amounts for specific purposes pursuant to the policy-making powers granted to him through a resolution adopted by the City Council.

Unassigned – This includes the excess residual amounts in the General Fund and the residual deficit of all other governmental funds, which have not been restricted, committed, or assigned to specific purposes.

CITY OF SANTA CLARITA, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

O. Net Position and Fund Balances (Continued)

The City Council has approved an operating reserve to be used for one-time unanticipated expenditure requirements and local disaster. At June 30, 2017, the balance totaled \$17,500,000, which is included in the unassigned fund balance in the General Fund.

P. Spending Policy

Government-Wide Financial Statements and Proprietary Fund Financial Statements

When an expense is incurred for purposes for which both restricted and unrestricted resources are available, the City's policy is to apply restricted resources first.

Governmental Fund Financial Statements

When expenditures are incurred for purposes for which all restricted, committed, assigned, and unassigned fund balances are available, the City's policy is to apply in the following order, except for instances wherein an ordinance specifies the fund balance:

- Restricted
- Committed
- Assigned
- Unassigned

Q. Estimates

The preparation of the basic financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of certain balances and the disclosure of contingent assets and liabilities at the date of the basic financial statements and the related reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Management believes that the estimates are reasonable.

R. Deferred Inflows of Resources, Unavailable Revenue and Unearned Revenue

Government-Wide Financial Statements

Unearned revenue represents money received during the current or previous years that has not been earned because certain performance criteria have not been met.

Fund Financial Statements

As described above, a deferred inflow of resources represents an acquisition of fund balance by the government that is applicable to a future period. In addition to unearned revenue, governmental funds report deferred inflows of resources related to resources that have earned but have not been received within the availability period. This does not provide an available financial resource in the current period; therefore, recognition is deferred until these criteria have been met.

CITY OF SANTA CLARITA, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

S. Pronouncements Issued But Not Yet Adopted

The GASB has issued pronouncements that have an effective date subsequent to June 30, 2017, which may impact future financial presentations. Management has not determined what, if any, impact implementation of the following Statements may have on future financial statements of the City:

GASB Statement No. 75 – In June 2015, GASB issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). This Statement is effective for fiscal years beginning after June 15, 2017, or the 2017-2018 fiscal year. The City has not determined the effect of the Statement.

GASB Statement No. 81 – In March 2016, GASB issued Statement No. 81, *Irrevocable Split-Interest Agreements*. The objective of the Statement is to improve financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. The Statement requires that a government that receives resources pursuant to an irrevocable split-interest agreement recognize assets, liabilities, and deferred inflows of resources at the inception of the agreement. Furthermore, the Statement requires that a government recognize assets representing its beneficial interests in irrevocable split-interest agreements that are administered by a third party, if the government controls the present service capacity of the beneficial interests. The Statement requires that a government recognize revenue when the resources become applicable to the reporting period. The Statement is effective for the reporting periods beginning after December 15, 2016, or the 2017-18 fiscal year. The City has not determined the effect of the Statement.

GASB Statement No. 83 – In November 2016, GASB issued Statement No. 83, *Certain Asset Retirement Obligations*. This Statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital asset should recognize a liability based on the guidance in this Statement. This Statement also requires disclosure of information about the nature of a government's ARO, the methods and assumptions used for the estimates of the liabilities, and the estimated remaining useful life of the associated tangible capital assets. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018, or the 2018-19 fiscal year. The City has not determined the effect of the Statement.

GASB Statement No. 84 – In January 2017, GASB issued Statement No. 84, *Fiduciary Activities*. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018, or the 2019-20 fiscal year. The City has not determined the effect of this Statement.

GASB Statement No. 85 – In March 2017, GASB issued Statement No. 85, *Omnibus 2017*. The objective of this Statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits [OPEB]). The Statement is effective for the reporting periods beginning after June 15, 2017, or 2017-2018 fiscal year. The City has not determined the effect of the Statement.

CITY OF SANTA CLARITA, CALIFORNIA

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

S. Pronouncements Issued But Not Yet Adopted (Continued)

GASB Statement No. 86 – In May 2017, GASB issued Statement No. 86, *Certain Debt Extinguishment Issues*. The primary objective of this Statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources—resources other than the proceeds of refunding debt—are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance. The Statement is effective for the reporting periods beginning after June 15, 2017, or 2017-2018 fiscal year. The City has not determined the effect of the Statement.

GASB Statement No. 87 – In June 2017, GASB issued Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments’ financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments’ leasing activities. The Statement is effective for the reporting periods beginning after December 15, 2019, or 2020-2021 fiscal year. The City has not determined the effect of the Statement.

NOTE 2 – CASH AND INVESTMENTS

A. Cash and Investments

Cash and investments at June 30, 2017, are classified in the accompanying financial statements as follows:

	Governmental Activities	Business-Type Activities	Fiduciary Funds	Total
Cash and investments	\$ 268,535,397	\$ 2,363	\$ 1,403,312	\$ 269,941,072
Restricted assets:				
Cash and investments	206,386	-	11,040	217,426
Cash and investments with fiscal agents	7,154	-	3,285,600	3,292,754
Totals	<u>\$ 268,748,937</u>	<u>\$ 2,363</u>	<u>\$ 4,699,952</u>	<u>\$ 273,451,252</u>

CITY OF SANTA CLARITA, CALIFORNIA

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 2 – CASH AND INVESTMENTS

A. Cash and Investments (Continued)

Cash and investments consisted of the following at June 30, 2017:

Cash on hand and deposits:	
Cash on hand	\$ 4,838
Deposits with financial institutions	3,793,842
Certificates of deposit	549,998
Total Cash on Hand and Deposits	<u>4,348,678</u>
Investments:	
U.S. Treasury Securities	46,711,861
U.S. Government-Sponsored Enterprise Securities	94,820,048
Negotiable Certificate of Deposits	7,457,892
Supranational	14,929,793
Commercial Paper	7,286,845
Medium-Term Notes	64,341,364
Money Market Funds	285,908
Asset Backed	14,021,457
State of California Local Agency Investment Fund (LAIF)	14,200,200
L.A. County Pooled Investment Fund (LACPIF)	1,537,026
Total Investments	<u>265,592,394</u>
Restricted investments:	
Money Market Funds	<u>217,426</u>
Restricted investments with fiscal agent:	
Money Market Funds	3,292,754
Total cash and investments	<u>\$ 273,451,252</u>

The carrying amounts of the City's deposits were \$4,348,678 at June 30, 2017. Bank balances before reconciling items were \$6,617,137 at that date, the total amount of which was collateralized or insured with securities held by the pledging financial institutions in the City's name.

CITY OF SANTA CLARITA, CALIFORNIA

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 2 – CASH AND INVESTMENTS (CONTINUED)

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

The following table identifies the investment types that are authorized for the City by the California Government Code (or the City’s investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the City’s investment policy, where 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 trustees 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.

Authorized Investment Type	Maximum Maturity	Maximum Percentage or Amount of Portfolio*	Maximum Investment in One Issuer**
Local Agency Bonds	5 years	No Limit	50%
U.S. Treasury Obligations	5 years	No Limit	No Limit
State of California Obligations	5 years	No Limit	50%
California Local Agency Obligations	5 years	No Limit	50%
U.S. Governmental-Sponsored Enterprise Securities	5 years	No Limit	None
Supranationals/Unsubordinated Obligations	5 years	30%	10%
Banker's Acceptances	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	50%
Repurchase Agreements	1 year	No Limit	50%
Medium-Term Notes	5 years	30%	50%
Money Market Funds	5 years	20%	10%
Mortgage Pass-Through Securities	5 years	20%	50%
Asset Backed	5 years	20%	None
Los Angeles County Pooled Investment Fund (LACPIF)	Not Applicable	No Limit	No Limit
State of California Local Agency Investment Fund (LAIF)	Not Applicable	\$65,000,000	No Limit

* Excluding amounts held by bond trustees that are not subject to California Government Code Restrictions.

** Banker's acceptances may have no more than 30 percent in any one commercial bank, commercial paper may not represent more than 10 percent of the City's surplus funds for any single issuer, and money market mutual funds may have no more than 10 percent invested in any one mutual fund.

C. Investments Authorized by Debt Agreements

Investments of debt proceeds held by bond trustees 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 trustees. The table also identifies certain provisions of these debt agreements that address interest rate risk, credit risk, and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Amount of Portfolio	Maximum Investment in One Issuer
U.S. Treasury Obligations	N/A	50%	None
U.S. Government-Sponsored Enterprise Securities	5 years	None	None
Money Market Funds	5 years	None	None
State of California Local Agency Investment Fund (LAIF)	5 years	30%	None

CITY OF SANTA CLARITA, CALIFORNIA

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 2 – CASH AND INVESTMENTS (CONTINUED)

D. Disclosures Relating to Interest Rate Risk

As a means of limiting its exposure to fair-value losses arising from rising interest rates, the City’s investment policy limits investments to a maximum maturity of five years from the date of purchase.

Interest rate risk is the risk that changes in market interest rates which will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the City manages its exposure to interest rate risk is by purchasing a combination of 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.

At June 30, 2017, the City had the following investment maturities:

Investment Type	Fair Value	Investment Maturities (In Years)				
		Less Than 1	1 to 2	2 to 3	3 to 4	4 to 5
Investments:						
U.S. Treasury Securities	\$ 46,711,861	\$ 3,497,866	\$ 5,683,889	\$ 9,754,281	\$ 20,596,265	\$ 7,179,560
U.S. Government-Sponsored						
Enterprise Securities	94,820,048	9,889,699	18,097,629	33,504,409	12,039,678	21,288,633
Supranational	14,929,793	5,014,450	3,291,563	3,002,144	-	3,621,636
Negotiable Certificates of Deposit	7,457,892	7,457,892	-	-	-	-
Commercial Paper	7,286,845	7,286,845	-	-	-	-
Medium-Term Notes	64,341,364	20,563,552	12,542,107	9,689,488	10,143,027	11,403,190
Money Market Funds	285,908	285,908	-	-	-	-
Asset Backed	14,021,457	296,632	4,952,288	8,772,537	-	-
Local Agency Investment Fund (LAIF)	14,200,200	14,200,200	-	-	-	-
Los Angeles County Pooled						
Investments Fund (LACPIF)	1,537,026	1,537,026	-	-	-	-
Total Investments	265,592,394	70,030,070	44,567,476	64,722,859	42,778,970	43,493,019
Restricted investments:						
Money Market Funds	217,426	217,426	-	-	-	-
Restricted investments with fiscal agent:						
Money Market Funds	3,292,754	3,292,754	-	-	-	-
Total Investments Subject to Interest Rate Risk	\$ 269,102,574	\$ 73,540,250	\$ 44,567,476	\$ 64,722,859	\$ 42,778,970	\$ 43,493,019

CITY OF SANTA CLARITA, CALIFORNIA

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 2 – CASH AND INVESTMENTS (CONTINUED)

E. 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 actual rating, as reported by Standard & Poor's, as of year-end for each investment type:

Investment Type	Minimum Rating	Fair Value				
			AAA	AA/A-1	A	Unrated
Investments:						
U.S. Treasury Securities	None	\$ 46,711,861	\$ -	\$ 46,711,861	\$ -	\$ -
U.S. Government-Sponsored Enterprise Securities	None	94,820,048	-	94,820,048	-	-
Supranational	AA	14,929,793	11,308,157	-	-	3,621,636
Negotiable Certificates of Deposit	None	7,457,892	-	7,457,892	-	-
Commercial Paper	A-1	7,286,845	-	7,286,845	-	-
Medium-Term Notes*	A-1	64,341,364	3,383,806	21,401,809	39,424,749	131,000
Money Market Funds	None	285,908	285,908	-	-	-
Asset Backed	AA	14,021,457	7,238,460	-	-	6,782,997
Local Agency Investment Fund (LAIF)	None	14,200,200	-	-	-	14,200,200
Los Angeles County Pooled Investments Fund (LACPIF)	None	1,537,026	1,537,026	-	-	-
Total Investments		265,592,394	23,753,357	177,678,455	39,424,749	24,735,833
Restricted investments:						
Money Market Funds	None	217,426	-	-	-	217,426
Restricted investments with fiscal agent:						
Money Market Funds	None	3,292,754	-	-	-	3,292,754
Total Investments Subject to Interest Rate Risk		\$ 269,102,574	\$ 23,753,357	\$ 177,678,455	\$ 39,424,749	\$ 28,246,013

* Included in the medium-term notes is an investment in Lehman Brothers, which is not rated as of June 30, 2017. Lehman Brothers filed for Chapter 11 bankruptcy protection on September 15, 2008, and the company's assets are still in the process of being liquidated. The value of the investment reported is the amount the City estimates it will receive when the investment is redeemed. As of June 30, 2017, this investment is recorded at \$131,000.

F. 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 that represent 5 percent or more of the City's total investments are as follows:

Issuer	Investment Type	Amount	Investments
Federal National Mortgage Association	U.S. Government-Sponsored Enterprise Securities	\$ 35,269,279	13.28%
Federal Home Loan Bank	U.S. Government-Sponsored Enterprise Securities	\$ 28,243,993	10.63%
Federal Home Loan Mortgage Corporation	U.S. Government-Sponsored Enterprise Securities	\$ 25,648,636	9.66%

CITY OF SANTA CLARITA, CALIFORNIA

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 2 – CASH AND INVESTMENTS (CONTINUED)

G. 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 collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk associated with investments that are uninsured, are not in the name of the City, or are held by counterparty or counterparty’s trust department or agent but not in the City’s name. In the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, the counterparty is then unable to deliver securities that are in the possession of another party. As of June 30, 2017, none of the City’s deposits or investments were exposed to custodial credit risk.

H. Fair Value Classifications

Fair value measurements are categorized based on the valuation inputs used to measure fair value: 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. Investments categorized as Level 2 are valued using market approach using quoted market prices and matrix pricing.

Investments' fair value measurements are as follows as of June 30, 2017:

Investment Type	Fair Value	Level 1	Level 2	Level 3
Investments:				
U.S. Treasury Securities	\$ 46,711,861	\$ -	\$ 46,711,861	\$ -
U.S. Government-Sponsored Enterprise Securities	94,820,048	-	94,820,048	-
Supranational	14,929,793	-	14,929,793	-
Negotiable Certificates of Deposits	7,457,892	-	7,457,892	-
Commercial Paper	7,286,845	-	7,286,845	-
Medium-Term Notes	64,341,364	-	64,341,364	-
Asset Backed	14,021,457	-	14,021,457	-
Total Levelled Investments	249,569,260	\$ -	\$ 249,569,260	\$ -
Uncategorized Investments:				
Local Agency Investment Fund (LAIF)	14,200,200			
Los Angeles County Pooled Investments Fund (LACPIF)	1,537,026			
Money Market Funds	285,908			
Restricted investments:				
Money Market Funds	217,426			
Restricted investments with fiscal agent:				
Money Market Funds	3,292,754			
Total Investment Portfolio	269,102,574			

Deposits and withdrawals related to the investments in LAIF, LACPIF, and money market funds are made on the basis of \$1 and not fair value. Accordingly, under the fair value hierarchy these investments are uncategorized.

CITY OF SANTA CLARITA, CALIFORNIA

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 2 – CASH AND INVESTMENTS (CONTINUED)

I. Investment in State Investment Pool

The City is a participant in LAIF, which is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. Each City may invest up to \$65,000,000 without limitation in special bond proceeds accounts. Investments in LAIF are highly liquid, as deposits can be converted to cash within 24 hours without loss of interest. The City’s investments with LAIF at June 30, 2017 included a portion of the pool funds invested in structured notes and asset-backed securities:

Structured Notes – Debt securities (other than asset-backed securities) whose cash flow characteristics (coupon rate, redemption amount, or stated maturity) depend upon one or more indices and/or that have embedded forwards or options.

Asset-Backed Securities – Generally mortgage-backed securities that entitle their purchasers to receive a share of the cash flows from a pool of assets such as principal and interest repayments from a pool of mortgages (for example, collateralized mortgage obligations) or credit card receivables.

As of June 30, 2017, the City had \$14,200,200 invested in LAIF, which had invested 2.89 percent of the pool investment funds in structured notes and asset-backed securities. The LAIF fair value factor of 0.998940671 was used to calculate the fair value of the investments in LAIF from their amortized cost basis.

LAIF is overseen by the Local Agency Investment Advisory Board, which consists of five members, in accordance with State statute.

J. Investment in County Investment Pool

The Los Angeles County Pooled Investment Fund (LACPIF) is a pooled investment fund program governed by the Los Angeles County Board of Supervisors and administered by the Los Angeles County Treasurer and Tax Collector. Investments in the LACPIF are highly liquid, as deposits and withdrawals can be made at any time without penalty. The LACPIF does not impose any maximum investment limit. 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 prorated share of the fair value provided by the LACPIF for the entire LACPIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by the LACPIF, which are recorded on an amortized cost basis.

As of June 30, 2017, the City had \$1,537,026 invested in the LACPIF.

NOTE 3 – LAND HELD FOR RESALE

As of June 30, 2017, the City had \$347,127 of land held for resale, which is reported at fair value. The allowance was reduced by \$1,254,543 due to the City’s reassessment of value during the year.

	Developer Fees Fund	Non-Major Governmental Funds	Total
Land held for resale, cost	\$ 260,238	\$ 807,401	\$ 1,067,639
Less: cumulative allowance for the decline in value	-	(720,512)	(720,512)
Land held for resale, net	<u>\$ 260,238</u>	<u>\$ 86,889</u>	<u>\$ 347,127</u>

CITY OF SANTA CLARITA, CALIFORNIA

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 4 – ACCOUNTS RECEIVABLE

Accounts receivable as of June 30, 2017, including allowances for uncollectible accounts, is as follows:

	General Fund	Bridge and Thoroughfare	Public Library	Landscape Maintenance District #1
Gross receivables	\$ 1,404,054	\$ 11,571	\$ 6	\$ 56,966
Less: allowance for uncollectibles	(674,373)	-	-	(35,097)
Net Total Receivables	<u>\$ 729,681</u>	<u>\$ 11,571</u>	<u>\$ 6</u>	<u>\$ 21,869</u>

	Non-Major Governmental Funds	Internal Service Funds	Transit	Total
Gross receivables	\$ 64,263	\$ 2,375	\$ 277	\$ 1,539,512
Less: allowance for uncollectibles	-	-	-	(709,470)
Net Total Receivables	<u>\$ 64,263</u>	<u>\$ 2,375</u>	<u>\$ 277</u>	<u>\$ 830,042</u>

NOTE 5 – LOANS RECEIVABLE

The City has provided deferred-payment rehabilitation loans to qualified homeowners in connection with CDBG and HOME rehabilitation programs. In the governmental funds, the loans receivable balance totaling \$2,476,974 at June 30, 2017, has been offset by deferred inflows of resources for unavailable revenues in the non-major governmental funds, since these loans are not available to finance current expenditures.

NOTE 6 – NOTES TO RDA SUCCESSOR AGENCY

Prior to the dissolution of the former redevelopment agency, the General Fund and Developer Fees Special Revenue Fund advanced the former redevelopment agency funding for various redevelopment activities. These advances were made in the form of promissory notes and were transferred to the RDA Successor Agency upon dissolution. In fiscal year 2014-2015, the California Department of Finance (DOF) approved final loan amounts from the General Fund and Developer Fees Special Revenue Fund to the former redevelopment agency for \$7,225,964 and \$5,407,868, respectively, using a LAIF rate of 0.26 percent, which was in effect when the Oversight Board reinstated the loans on February 25, 2015. On September 22, 2015, the Committee on Budget and Fiscal Review of the California State Senate approved SB 107. A mandate of this legislation included a recalculation of the notes to the RDA Successor Agency using a 3 percent simple interest from the origination of the note, instead of the LAIF rate. For fiscal year 2016-2017 and subsequent, the loan amounts will increase by the 3 percent interest only. As of June 30, 2017, the loan amounts reported in the General Fund and Developer Fees Special Revenue Fund was \$9,462,202 and \$6,591,861, respectively. The unpaid accrued interest of these notes is \$2,548,616 and \$1,271,975, respectively.

CITY OF SANTA CLARITA, CALIFORNIA

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 7 – CAPITAL ASSETS

A. Governmental Activities

The following is a summary of changes in the capital assets for governmental activities during the fiscal year ended June 30, 2017:

	Governmental Activities				Balance June 30, 2017
	Balance June 30, 2016	Additions	Deletions	Transfers	
Governmental activities:					
Non-depreciable assets:					
Land	\$ 147,141,106	\$ 15,830,838	\$ -	\$ -	\$ 162,971,944
Construction in progress	5,922,009	31,053,974	-	(4,106,864)	32,869,119
Total Non-Depreciable Assets	<u>153,063,115</u>	<u>46,884,812</u>	<u>-</u>	<u>(4,106,864)</u>	<u>195,841,063</u>
Depreciable assets:					
Site improvements	45,094,476	2,212,683	-	-	47,307,159
Building and improvements	71,942,196	694,904	-	-	72,637,100
Equipment	14,009,210	941,163	(1,221,554)	-	13,728,819
Infrastructure	926,471,193	26,534,708	-	4,106,864	957,112,765
Total Depreciable Assets	<u>1,057,517,075</u>	<u>30,383,458</u>	<u>(1,221,554)</u>	<u>4,106,864</u>	<u>1,090,785,843</u>
Less accumulated depreciation:					
Site improvements	15,052,457	1,587,618	-	-	16,640,075
Building and improvements	19,211,419	1,574,475	-	-	20,785,894
Equipment	9,832,135	792,950	(1,221,554)	-	9,403,531
Infrastructure	321,640,168	18,833,113	-	-	340,473,281
Total Accumulated Depreciation	<u>365,736,179</u>	<u>22,788,156</u>	<u>(1,221,554)</u>	<u>-</u>	<u>387,302,781</u>
Total Depreciable Assets, Net	<u>691,780,896</u>	<u>7,595,302</u>	<u>-</u>	<u>4,106,864</u>	<u>703,483,062</u>
Total Capital Assets, Net	<u>\$ 844,844,011</u>	<u>\$ 54,480,114</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 899,324,125</u>

Depreciation expense was charged to functions/programs of governmental activities for the fiscal year ended June 30, 2017, as follows:

Governmental Activities:	
General government	\$ 957,944
Public safety	15,133
Recreation and community service	2,374,232
Neighborhood services	6,583
Public works	376,599
Community development	2,638
Internal service funds depreciation	221,914
Allocated Depreciation	<u>3,955,043</u>
Unallocated infrastructure depreciation	18,833,113
Total Depreciation Expense	<u>\$ 22,788,156</u>

CITY OF SANTA CLARITA, CALIFORNIA

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 7 – CAPITAL ASSETS (CONTINUED)

B. Business-Type Activities

The following is a summary of changes in the capital assets for business-type activities during the fiscal year ended June 30, 2017:

	Business-Type Activities			Balance June 30, 2017
	Balance June 30, 2016	Additions	Deletions	
Business-type activities:				
Non-depreciable assets:				
Land	\$ 15,087,880	\$ -	\$ -	15,087,880
Construction in progress	1,736	-	-	1,736
Total Non-Depreciable Assets	<u>15,089,616</u>	<u>-</u>	<u>-</u>	<u>15,089,616</u>
Depreciable assets:				
Site improvements	12,941,276	-	-	12,941,276
Building and improvements	41,483,799	-	-	41,483,799
Equipment	49,540,292	8,284,045	(2,002,436)	55,821,901
Total Depreciable Assets	<u>103,965,367</u>	<u>8,284,045</u>	<u>(2,002,436)</u>	<u>110,246,976</u>
Less accumulated depreciation:				
Site improvements	2,695,370	568,221	-	3,263,591
Building and improvements	11,042,386	883,347	-	11,925,733
Equipment	28,629,967	3,919,756	(1,991,557)	30,558,166
Total Accumulated Depreciation	<u>42,367,723</u>	<u>5,371,324</u>	<u>(1,991,557)</u>	<u>45,747,490</u>
Total Depreciable Assets, Net	<u>61,597,644</u>	<u>2,912,721</u>	<u>(10,879)</u>	<u>64,499,486</u>
Total Capital Assets, Net	<u>\$ 76,687,260</u>	<u>\$ 2,912,721</u>	<u>\$ (10,879)</u>	<u>\$ 79,589,102</u>

Depreciation expense for business-type activities for the fiscal year ended June 30, 2017 was charged as follows:

Business-type Activities:	
Transit enterprise fund	<u>\$ 5,371,324</u>

NOTE 8 – LONG-TERM DEBT

A. Governmental Activities

The following is a summary of long-term debt transactions of the City for the year ended June 30, 2017:

	Balance			Balance June 30, 2017	Classification	
	June 30, 2016	Additions	Deletions		Due Within One Year	Due More Than One Year
Lease Revenue Bonds:						
Series 2016A (Golden Valley Road)	\$ 10,320,000	\$ -	\$ (375,000)	\$ 9,945,000	\$ 375,000	\$ 9,570,000
Series 2016B (OSPD)	14,020,000	-	(295,000)	13,725,000	275,000	13,450,000
Plus deferred amount for issuance premium	1,672,352	-	(79,896)	1,592,456	79,896	1,512,560
Total Lease Revenue Bonds	<u>26,012,352</u>	<u>-</u>	<u>(749,896)</u>	<u>25,262,456</u>	<u>729,896</u>	<u>24,532,560</u>
Private Placement Lease:						
Refunding, Series 2015	6,328,411	-	(1,343,868)	4,984,543	1,388,803	3,595,740
Loans	200,000	-	(100,000)	100,000	100,000	-
Capital Leases	138,877	-	(78,433)	60,444	28,244	32,200
Compensated absences	3,249,285	2,294,887	(2,058,057)	3,486,115	2,058,057	1,428,058
Claims and judgments	2,449,815	1,492,256	(751,315)	3,190,756	1,972,069	1,218,687
Total	<u>\$ 38,378,740</u>	<u>\$ 3,787,143</u>	<u>\$ (5,081,569)</u>	<u>\$ 37,084,314</u>	<u>\$ 6,277,069</u>	<u>\$ 30,807,245</u>

CITY OF SANTA CLARITA, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 8 – LONG-TERM DEBT

A. Governmental Activities (Continued)

Lease Revenue Bonds – Series 2016A and 2016B

In June 2016, the Authority issued Lease Revenue Refunding Bonds, Series 2016A (Golden Valley Road) and Series 2016B (OSPD), in the amount of \$10,320,000 and \$14,020,000, respectively. Interest on the Refunding Lease Revenue Bonds, Series 2016A, is paid as part of a variable rate between 2 percent and 4 percent payable on June 1 and December 1 of each year commencing on December 1, 2016. Interest on the Refunding Lease Revenue Bonds, Series 2016B, is paid as part of a variable rate between 2 percent and 4 percent payable on April 1 and October 1 of each year commencing on October 1, 2016. Principal payments are due annually in various amounts commencing December 1, 2016, through December 1, 2035, for Series 2016A, and October 1, 2016, through October 1, 2037, for Series 2016B. The unpaid balance as of June 30, 2017, was \$9,945,000 for Series 2016A and \$13,725,000 for Series 2016B.

The annual debt service requirements on the remaining bonds are as follows:

Series 2016A:

Year Ending June 30,	Principal	Interest	Total
2018	\$ 375,000	\$ 326,600	\$ 701,600
2019	385,000	311,400	696,400
2020	400,000	295,700	695,700
2021	420,000	279,300	699,300
2022	435,000	262,200	697,200
2023-2027	2,450,000	1,030,500	3,480,500
2028-2032	2,850,000	629,175	3,479,175
2033-2036	2,630,000	163,925	2,793,925
	\$ 9,945,000	\$ 3,298,800	\$ 13,243,800

Series 2016B:

Year Ending June 30,	Principal	Interest	Total
2018	\$ 275,000	\$ 430,206	\$ 705,206
2019	305,000	418,606	723,606
2020	340,000	405,706	745,706
2021	375,000	391,406	766,406
2022	410,000	375,706	785,706
2023-2027	2,630,000	1,590,931	4,220,931
2028-2032	3,620,000	1,134,525	4,754,525
2033-2037	4,675,000	564,516	5,239,516
2038	1,095,000	16,425	1,111,425
	\$ 13,725,000	\$ 5,328,027	\$ 19,053,027

CITY OF SANTA CLARITA, CALIFORNIA

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 8 – LONG-TERM DEBT (CONTINUED)

A. Governmental Activities (Continued)

Private Placement Lease

In July 2015, the Authority entered into a lease assignment agreement in the amount of \$6,985,000 with Umpqua Bank. Interest on the lease is paid as part of a variable rate between 3.5 percent and 4.0 percent payable on October 1 and April 1 of each year commencing on October 1, 2015. Principal payments are due annually in various amounts commencing October 1, 2015, through October 1, 2020. The unpaid balance as of June 30, 2017, was \$4,984,543.

The annual debt service requirements on these certificates are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 1,388,803	\$ 94,674	\$ 1,483,477
2019	1,418,260	66,198	1,484,458
2020	1,447,109	37,110	1,484,219
2021	730,371	7,450	737,821
	<u>\$ 4,984,543</u>	<u>\$ 205,432</u>	<u>\$ 5,189,975</u>

Loans

	<u>Balance June 30, 2016</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2017</u>	<u>Due Within One Year</u>	<u>Due More Than One Year</u>
HUD Loans:						
Boys & Girls Club	\$ 51,000	\$ -	\$ (23,000)	\$ 28,000	\$ 28,000	\$ -
Scherzinger Lane	149,000	-	(77,000)	72,000	72,000	-
Total Loans	<u>\$ 200,000</u>	<u>\$ -</u>	<u>\$ (100,000)</u>	<u>\$ 100,000</u>	<u>\$ 100,000</u>	<u>\$ -</u>

In August 2002, the City entered into a loan agreement with the Secretary of Housing and Urban Development in the amount of \$350,000. The purpose of this loan was to assist the Boys & Girls Club in financing the construction of a new gymnasium. Payments are due semi-annually, commencing on February 1, 2003, and continuing through August 1, 2017. Future CDBG grant funding will be used to repay the loan. The interest rate on this loan is fixed at 0.56 percent. The amount outstanding at June 30, 2017 is \$28,000.

In August 2002, the City entered into a loan agreement with the Secretary of Housing and Urban Development in the amount of \$1,150,000. The purpose of this loan was to provide financing for the construction of improvements to Scherzinger Lane. Payments are due semi-annually, commencing on February 1, 2003, and continuing through August 1, 2017. Future CDBG grant funding will be used to repay the loan. The interest rate on this loan is fixed at 0.56 percent. The amount outstanding at June 30, 2017 is \$72,000.

CITY OF SANTA CLARITA, CALIFORNIA

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 8 – LONG-TERM DEBT (CONTINUED)

A. Governmental Activities (Continued)

Future payment requirements for the loans are combined as follows:

Year Ending June 30,	Principal	Interest	Total
2018	\$ 100,000	\$ 8,604	\$ 108,604

Capital Leases

On August 1, 2014, the City Council approved a lease-purchase agreement with Canon Financial Services, Inc. to install a Canon Image Runner C5045 for the Canyon Country and Valencia Library branches in the amount of \$13,433. The lease agreement has 60 monthly payments of \$279 with an interest rate of 9.024 percent. The final payment is due August 1, 2019. The lease was assigned by Canon Financial Services, Inc.

The assets acquired through the capital lease are as follows:

Equipment	\$ 13,433
Less: accumulated depreciation	(7,836)
Total	<u>\$ 5,597</u>

Future capital lease payment requirements are as follows:

Year Ending June 30,	Total
2018	\$ 3,348
2019	3,348
2020	<u>279</u>
Net minimum lease payments	6,975
Less: amount representing interest	(638)
Present value of net minimum lease payments	<u>\$ 6,337</u>

On August 1, 2014, the City County approved a lease-purchase agreement with Canon Financial Services, Inc. to install a Canon Image Runner C5045 for the Canyon Country and Valencia Library branches in the amount of \$121,956. The lease agreement has 60 monthly payments of \$2,270 with an interest rate of 4.42 percent. The final payment is due August 1, 2019. The lease was assigned by Canon Financial Services, Inc.

The assets acquired through the capital lease are as follows:

Equipment	\$ 121,956
Less: accumulated depreciation	(71,141)
Total	<u>\$ 50,815</u>

CITY OF SANTA CLARITA, CALIFORNIA

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 8 – LONG-TERM DEBT (CONTINUED)

A. Governmental Activities (Continued)

Future capital lease payment requirements are as follows:

Year Ending June 30,	Total
2018	\$ 27,235
2019	27,235
2020	2,270
Net minimum lease payments	<u>56,740</u>
Less: amount representing interest	(2,633)
Present value of net minimum lease payments	<u>\$ 54,107</u>

Compensated Absences

The City’s liability for accrued and unpaid compensated absences in the governmental activities totaled \$3,486,115 at June 30, 2017. The majority of compensated absences are liquidated through the General Fund.

Claims and Judgments

The City’s liability for outstanding claims and judgments is \$3,190,756 at June 30, 2017 (see Note 17).

B. Business-Type Activities

Compensated Absences

The City’s liability for accrued and unpaid compensated absences in the business-type activities at June 30, 2017, is as follows:

	Balance June 30, 2016	Additions	Deletions	Balance June 30, 2017	Due Within One Year	Due More Than One Year
Compensated absences	<u>\$ 82,397</u>	<u>\$ 60,101</u>	<u>\$ (57,605)</u>	<u>\$ 84,893</u>	<u>\$ 57,605</u>	<u>\$ 27,288</u>

NOTE 9 – DEPOSITS PAYABLE

The City collects deposits for a) improvements within the City, b) donations received for specified services, and c) deposits received in advance for recreation programs or other department services. These balances represent amounts that have been collected for which the eligibility requirements for revenue recognition have not been met. As of June 30, 2017, deposits payable were as follows:

General Fund:

Deposits from developers	\$ 2,450,560
Other deposits payable	15,293,980
Total Deposits Payable	<u>\$ 17,744,540</u>

CITY OF SANTA CLARITA, CALIFORNIA

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 10 – DEVELOPER CREDITS

The City and County of Los Angeles have established the Santa Clarita Valley Bridge and Major Thoroughfare Districts to accommodate the needs of future development anticipated by the County of Los Angeles and the City of Santa Clarita General Plans. Included in the formation documents are provisions for district fees to be paid by developers, which are to be used to assist the City in constructing and maintaining the infrastructure within the areas of benefit. In lieu of paying the district fees, developers are allowed to donate infrastructure (roadways, bridges, intersections, and interchanges) necessary for the future development of the districts. In certain cases, the developer may donate infrastructure with a value that exceeds the district fees collected. If this occurs, the developer can receive a credit toward future district fees or request a cash withdrawal of the excess amount, subject to City approval if funding is determined to be available. As of June 30, 2017, the City accrued a liability of \$49,626,105 for the value of infrastructure donated in excess of the district fees that were owed. There is no maturity schedule for the developer payables, and it has been determined that current financial resources will not be used to repay the liability; therefore, the liability has been recorded as a long-term obligation in the governmental activities in the Statement of Net Position.

The following is a summary of developer credits by district for the year ended June 30, 2017:

	Balance June 30, 2016	Additions	Deletions	Balance June 30, 2017
Bridge and Thoroughfare Credits:				
Bouquet District	\$ 17,316,182	\$ 4,639,596	\$ -	\$ 21,955,778
Eastside District	11,927,888	-	-	11,927,888
Via Princessa District	171,264	-	-	171,264
Valencia District	15,571,175	-	-	15,571,175
Total Bridge and Thoroughfare Credits	<u>44,986,509</u>	<u>4,639,596</u>	<u>-</u>	<u>49,626,105</u>

NOTE 11 – INTERFUND TRANSACTIONS

A. Due To/Due From

At June 30, 2017, the City had the following short-term interfund receivables and payables:

	Due From Other Funds General
Due to Other Funds:	
Non-Major Governmental Funds	\$ 3,094,421
Transit Enterprise Fund	1,286,112
Total	<u>\$ 4,380,533</u>

CITY OF SANTA CLARITA, CALIFORNIA

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 11 – INTERFUND TRANSACTIONS (CONTINUED)

B. Advances

At June 30, 2017, the City had the following interfund advances:

	Advances To Other Funds		Total
	General	Developer Fees	
Advances From Other Funds:			
Bridge and Thoroughfare	\$ 8,500,970	\$ 121,708	\$ 8,622,678
Public Library	8,755,134	-	8,755,134
Total	<u>\$ 17,256,104</u>	<u>\$ 121,708</u>	<u>\$ 17,377,812</u>

Bridge and Thoroughfare

In March 2006, the General Fund advanced the Bridge and Thoroughfare Special Revenue Fund \$430,000 for acquisition of land. The advance accrues interest at a rate equal to the yield of the average monthly investment portfolio and will be repaid with future available resources of the Bridge and Thoroughfare Special Revenue Fund. There is no fixed repayment schedule. At June 30, 2017, the amount of the advance outstanding is \$555,960.

In December 2007, the General Fund advanced the Bridge and Thoroughfare Special Revenue Fund \$3,000,000 to pay outstanding developer payables at the time. The advance accrues interest at a rate equal to the yield of the average monthly investment portfolio and will be repaid with future available resources of the Bridge and Thoroughfare Special Revenue Fund. There is no fixed repayment schedule. At June 30, 2017, the amount of the advance outstanding is \$974,720.

In July 2015, the General Fund advanced the Bridge and Thoroughfare Special Revenue Fund \$400,000 to acquire the right-of-way for the project that will design and widen the Newhall Ranch Road Bridge over the San Francisquito Creek. The advance accrues interest at a rate equal to the yield of the average monthly investment portfolio and will be repaid with future available resources of the Bridge and Thoroughfare Special Revenue Fund. There is no fixed repayment schedule. At June 30, 2017, the amount of the advance outstanding is \$408,525.

In June 2016, the General Fund advanced the Bridge and Thoroughfare Special Revenue Fund \$3,000,000 for the design of mass grading plans, buttress fill, survey, topography, complete roadway design and signals for the future intersections and road extension. The advance accrues interest at a rate equal to the yield of the average monthly investment portfolio and will be repaid with future available resources of the Bridge and Thoroughfare Special Revenue Fund. There is no fixed repayment schedule. At June 30, 2017, the amount of the advance outstanding is \$3,038,012.

In January 2017, the General Fund advanced the Bridge and Thoroughfare Special Revenue Fund \$3,500,000 for the widening of the Newhall Ranch Road Bridge over the San Francisquito Creek (Project S1039). The advance accrues interest at a rate equal to the yield of the average monthly investment portfolio and will be repaid with future available resources of the Bridge and Thoroughfare Special Revenue Fund. The payments are payable in separate annual installments over an eight year period beginning January 2017 and ending June 2025. At June 30, 2017, the amount of the advance outstanding is \$3,523,753.

CITY OF SANTA CLARITA, CALIFORNIA

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 11 – INTERFUND TRANSACTIONS (CONTINUED)

B. Advances (Continued)

In July 2010, the Developer Fees Special Revenue Fund advanced the Bridge and Thoroughfare Special Revenue Fund \$111,242 for the design and construction costs of the Newhall Avenue Pedestrian, Facilities, and Sidewalk project. The advance accrues interest at a rate equal to the yield of the average monthly investment portfolio and will be repaid with future available resources of the Bridge and Thoroughfare Special Revenue Fund. There is no fixed repayment schedule. At June 30, 2017, the amount of the advance outstanding is \$121,708.

Public Library

The General Fund advanced the Public Library Special Revenue Fund \$8,755,134, which consists of the following individual advances:

In March 2011, the General Fund advanced the Public Library Special Revenue Fund \$1,348,000 for the acquisition of opening-day library materials and library furnishings and equipment. The advance accrues interest at a rate equal to the rate of return on investments and shall be repaid with future available resources of the Public Library Special Revenue Fund. At June 30, 2017, the amount of the advance outstanding is \$295,217.

In April 2011, the General Fund advanced the Public Library Special Revenue Fund \$388,323 for the acquisition of a radio frequency identification system and related software for the Santa Clarita Public Library. The advance accrues interest at a rate equal to the rate of return on investments and shall be repaid with future available resources of the Public Library Special Revenue Fund. At June 30, 2017, the principal amount of the advance of \$388,323 is outstanding.

In May 2011, the General Fund advanced the Public Library Special Revenue Fund \$8,071,596 for the acquisition of library facilities, real property, personal property, and collections from the County of Los Angeles. The advance accrues interest at a rate equal to the rate of return on investments and shall be repaid with future available resources of the Public Library Special Revenue Fund. At June 30, 2017, the principal amount of the advance of \$8,071,594 is outstanding.

CITY OF SANTA CLARITA, CALIFORNIA

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 11 – INTERFUND TRANSACTIONS (CONTINUED)

C. Transfers

At June 30, 2017, the City had the following transfers:

Transfers Out				
	General Fund	Bridge and Thoroughfare	Developer Fees	Public Library
Transfers in:				
General Fund	\$ -	\$ 2,500	\$ 71,779	\$ 5,814
Landscape Maintenance District #1	150,600	-	-	-
Non-Major Governmental Funds	4,946,245	-	-	-
Transit Enterprise	-	-	-	-
Internal Service Funds	79,052	-	-	-
Total	<u>\$ 5,175,897</u>	<u>\$ 2,500</u>	<u>\$ 71,779</u>	<u>\$ 5,814</u>

Transfers Out					
	Landscape Maintenance District #1	Non-Major Governmental Funds	Transit Enterprise Fund	Internal Service Funds	Total
Transfers in:					
General Fund	\$ 80,062	\$ 563,544	\$ 181,948	\$ 478,376	\$ 1,384,023
Landscape Maintenance District #1	-	-	-	-	150,600
Developer Fees	-	250,000	-	-	250,000
Non-Major Governmental Funds	17,000	1,295,155	3,690	-	6,262,090
Transit Enterprise	-	3,788,081	-	-	3,788,081
Internal Service Funds	-	-	-	-	79,052
Total	<u>\$ 97,062</u>	<u>\$ 5,896,780</u>	<u>\$ 185,638</u>	<u>\$ 478,376</u>	<u>\$ 11,913,846</u>

The General Fund made transfers to Landscape Maintenance District #1 and non-major governmental funds for operating and capital improvement projects for \$2,945,975 and current year debt service payments for \$2,150,871, totaling \$5,096,846. Transfers from the General Fund to the Self-Insurance Internal Service Fund of \$79,051 were for risk management operations. Transfers to the General Fund from the Self-Insurance Internal Service Fund for \$473,770 represents Phase II of Edwards billboard removal settlement.

The Bridge and Thoroughfare, Developer Fees, Public Library, and Landscape Maintenance District #1 Special Revenue Funds, non-major governmental funds, Transit Enterprise Fund, and Self-Insurance Internal Service Fund made transfers to the General Fund for current year post-employment benefits, totaling \$170,437.

The Landscape Maintenance District #1 Special Revenue Fund made transfers to the General Fund and the non-major governmental fund for operating costs for \$57,000. The Developer Fees Special Revenue Fund made transfers to the General Fund for operating costs for \$71,779.

The non-major governmental funds made transfers to the General Fund for operating costs for \$478,036.

Transfers from non-major governmental funds to non-major governmental funds of \$1,271,835 represent debt service payments for the 2016 Lease Revenue Refunding Bonds. Transfers from the non-major governmental funds to non-major governmental funds of \$23,321 were to transfer Miscellaneous Grant revenue to Miscellaneous Federal Grant revenues. Transfers from the non-major governmental funds to the Transit Enterprise Fund totaling \$3,788,081 were to transfer Proposition A and Proposition C non-operating revenues in the current year. Transfers from the non-major governmental funds totaling \$250,000 were to transfer Developer Fees revenues in the current year.

The Transit Enterprise Fund made transfers to the General Fund for \$150,000 to support the senior center transit operations. Transfers to non-major governmental funds for \$3,690 were for the proportional share of Metrolink station maintenance.

CITY OF SANTA CLARITA, CALIFORNIA

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 12 – FUND BALANCES AND NET POSITION

A. Fund Balance Classification

The details of fund balance of the governmental funds as of June 30, 2017, are presented below:

	Major Governmental Funds					Non-Major Governmental Funds	Total
	General Fund	Bridge and Thoroughfare	Developer Fee	Public Library	Landscape Maintenance District #1		
Nonspendable:							
Prepaid items	\$ 126,097	\$ -	\$ -	\$ 24,195	\$ 84,220	\$ -	\$ 234,512
Advances to other funds	15,619,607 *	-	-	-	-	-	15,619,607
Total Nonspendable	15,745,704	-	-	24,195	84,220	-	15,854,119
Restricted:							
Landscape maintenance	-	-	-	-	31,749,394	6,489,913	38,239,307
Capital improvements	-	2,718,868	2,464,481	-	-	8,913,725	14,097,074
Transportation	-	-	-	-	-	16,192,159	16,192,159
Open space preservation	-	-	-	-	-	4,635,113	4,635,113
Public safety	-	-	2,218,227	-	-	524,224	2,742,451
Public library	-	-	-	-	-	1,244,736	1,244,736
Air quality improvement	-	-	250,798	-	-	589,208	840,006
Stormwater	-	-	-	-	-	5,609,697	5,609,697
Public education and government	-	-	-	-	-	1,811,285	1,811,285
Tourism marketing	-	-	-	-	-	1,019,791	1,019,791
Low- and moderate-income housing	-	-	443,107	-	-	658,236	1,101,343
Total Restricted	-	2,718,868	5,376,613	-	31,749,394	47,688,087	87,532,962
Committed:							
Capital improvements	-	-	14,000	-	-	-	14,000
Assigned:							
Capital projects	15,500,000	-	148,766	-	-	2,002,594	17,651,360
Claims and settlements	5,156,328	-	-	-	-	-	5,156,328
Public facilities replacement	58,710,756	-	-	-	-	-	58,710,756
Total Assigned	79,367,084	-	148,766	-	-	2,002,594	81,518,444
Unassigned	53,902,478	-	-	(5,647,933)	-	(249,857)	48,004,688
Total Fund Balances	\$ 149,015,266	\$ 2,718,868	\$ 5,539,379	\$ (5,623,738)	\$ 31,833,614	\$ 49,440,824	\$ 232,924,213

* Accrued interest on General Fund advances to other funds of \$1,636,497, do not provide current financial resources and are reported as deferred inflows of resources for unavailable revenues.

NOTE 13 – AGENT MULTIPLE-EMPLOYER PLAN

A. Plan Description

The City’s defined benefit pension plan, California Public Employees’ Retirement System (CalPERS), provides pensions for all permanent full-time general and some part-time employees of the City. CalPERS is an agent-multiple employer defined benefit pension plan administered by the California Public Employees’ Retirement System. CalPERS acts as a common investment and administrative agent for its participating member employers and are included within Public Employees’ Retirement Fund A (PERF A). Benefits provisions under the Plan are established by State statute and may be amended by City resolution. CalPERS issues a publicly available financial report, which includes a full description of the pension plan regarding benefit provisions, and assumptions and membership information that can be obtained at <https://www.calpers.ca.gov>.

CITY OF SANTA CLARITA, CALIFORNIA

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 13 – AGENT MULTIPLE-EMPLOYER PLAN (CONTINUED)

B. Benefits Provided

CalPERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members 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 (total service across all CalPERS employers, and with certain other Retirement Systems with which CalPERS has reciprocity agreements). All members are eligible for non-duty disability benefits after 5 years of service. The death benefit is one of the following: Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for the plan are applied as specified by the Public Employees’ Retirement Law.

The Plan’s provisions and benefits in effect as of June 30, 2017 are summarized as follows:

Formula	Miscellaneous		
	Tier 1	Tier 2	Tier 3
Benefit vesting schedule	2.7% at 55 5 years of service	2% at 60 5 years of service	2% at 62 5 years of service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	55	60	62
Monthly benefits, as a % of annual salary	2.7%	2.0%	2.0%
Required employee contribution rates*	8%	7%	5.75%
Required employer contribution rates	15.035%	15.035%	6.25%
Applies to:	Tier 1 Employees hired before April 9, 2011**	Tier 2 Employees hired between April 9, 2011, and December 31, 2012, or those hired January 1, 2013, or later, who have been a Classic CalPERS member with a public agency or in a Classic reciprocal plan within the last 6 months). **	Tier 3 Employees hired January 1, 2013, or later **

* For unrepresented Tier 1 participants, the City pays 3% of the required employee contribution. For the SEIU Tier 1 participants, the City pays 3% of the required employee contributions. The City does not pay any portion of the employee contribution for Tier 2 or Tier 3 participants. These payments are classified as employee contributions in accordance with GASB 68.

** Those hired as part-time seasonal (PTS) who later convert to regular full-time will qualify for Tier 1, 2 or 3 depending on their conversion date.

C. Employees Covered by Benefit Terms

At June 30, 2016, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	147
Employees entitled to but not yet receiving benefits	411
Active employees	396
	954

The information was obtained from the CalPers Annual Valuation Report as of June 30, 2016, and is the most recent information available.

CITY OF SANTA CLARITA, CALIFORNIA

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 13 – AGENT MULTIPLE-EMPLOYER PLAN (CONTINUED)

D. Contributions

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. Refer to Section B for required contribution rates during the year ended June 30, 2017, including amounts paid by the City related to employees' required contribution rates. The employer contributions during the year ended June 30, 2017 were \$4,484,140.

E. Actuarial Assumptions

The total pension liability in the June 30, 2015 actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	June 30, 2015
Measurement Date	June 30, 2016
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.65 percent
Inflation	2.75 percent
Salary increases	3.3 to 14.2 percent by Entry, Age and Service
Investment rate of return	7.65 percent

Mortality rates were based on the 2014 CalPERS actuarial experience study, which assumed future mortality improvements using Society of Actuaries (SOA) Scale AA. The Experience Study report can be obtained at CalPERS' website under Forms and Publications.

The long-term expected rate of return on pension 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 pension plan investment expense and inflation) are developed for each major asset class. In determining the long-term expected 7.65 percent rate of return on pension plan investments, CalPERS took into account both short- and long-term market return expectations, as well as the expected pension fund cash flows. Based on the expected benefit payments of the Public Employees' Retirement Fund, CalPERS indicated that a 19-year horizon was ideal in determining the level equivalent discount rate assumption. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short- and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short- and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent. The target allocation and best estimates of arithmetic real rates of return for each major asset class are the same for each Plan.

CITY OF SANTA CLARITA, CALIFORNIA

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 13 – AGENT MULTIPLE-EMPLOYER PLAN (CONTINUED)

E. Actuarial Assumptions (Continued)

These geometric rates of return are net of administrative expenses and are summarized in the following table:

Asset Class	New Strategic Allocation	Expected Real Rate of Return 1-10 Years (a)	Expected Real Rate of Return 11+ Years (b)
Global Equity	51.0%	5.25%	5.71%
Global Debt Securities	20.0%	0.99	2.43
Inflation Assets	6.0%	0.45	3.36
Private Equity	10.0%	6.83	6.95
Real Estate	10.0%	4.50	5.13
Infrastructure and Forestland	2.0%	4.50	5.09
Liquidity	1.0%	-0.55	-1.05
	100%		

(a) An expected inflation rate of 2.5% used for this period

(b) An expected inflation rate of 3.0% used for this period

F. Discount Rate

The discount rate used to measure the total pension liability was 7.65 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that the City’s contributions will be made at rates equal to the difference between actuarially determined contributions rates and the employee rate. Based on those assumptions, each pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. To determine whether the municipal bond rate should be used in the calculation of a discount rate for the plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.65 percent discount rate is adequate, and the use of the municipal bond rate calculation is not necessary. The long-term expected discount rate of 7.65 percent will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress-test results are presented in a detailed report that can be obtained from the CalPERS website.

CITY OF SANTA CLARITA, CALIFORNIA

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 13 – AGENT MULTIPLE-EMPLOYER PLAN (CONTINUED)

G. Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at June 30, 2015	\$ 147,685,835	\$ 116,829,771	\$ 30,856,064
Changes recognized for the measurement period:			
Service cost	4,409,399	-	4,409,399
Interest	11,315,207	-	11,315,207
Differences between expected and actual experience	(305,665)	-	(305,665)
Contributions from the employer	-	3,959,503	(3,959,503)
Contributions from the employees	-	2,252,522	(2,252,522)
Net investment income	-	622,282	(622,282)
Benefit payments, including refunds of employee contributions	(3,347,335)	(3,347,335)	-
Administrative expense	-	(71,202)	71,202
Net changes	12,071,606	3,415,770	8,655,836
Balances at June 30, 2016	\$ 159,757,441	\$ 120,245,541	\$ 39,511,900

The City has allocated the proportion of the net pension liability and related components based on the share of contributions to the pension plan relative to the total contributions to the City. At June 30, 2017, the total net pension liability was allocated as follows:

	Governmental Activities	Transit Enterprise Fund	Total Net Pension Liability
Net pension liability	\$ 38,123,312	\$ 1,388,588	\$ 39,511,900

H. Sensitivity of the Net Pension Liability to Changes in the Discount Rate:

The following presents the net pension liability of the City, calculated using the discount rate of 7.65 percent, as well as what the City’s net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.65 percent) or 1-percentage point higher (8.65 percent) than the current rate:

	1% Decrease (6.65%)	Current Discount Rate (7.65%)	1% Increase (8.65%)
Net pension liability	\$ 64,806,444	\$ 39,511,900	\$ 18,875,340

I. Pension Plan Fiduciary Net Position

Detailed information about the pension plan’s fiduciary net position is available in the separately issued CalPERS financial report.

CITY OF SANTA CLARITA, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 13 – AGENT MULTIPLE-EMPLOYER PLAN (CONTINUED)

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

For the year ended June 30, 2017, the City recognized pension expenses of \$4,933,040. At June 30, 2017, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$ 6,650,643	\$ -
Changes in assumptions	-	(1,672,115)
Differences between expected and actual experience	231,458	(236,196)
City contributions subsequent to the measurement date	4,484,140	
Total	<u>\$ 11,366,241</u>	<u>\$ (1,908,311)</u>

At June 30, 2017, the total deferred outflow of resources and deferred inflow of resources related to the net pension liability was allocated as follows:

	Governmental Activities	Transit Enterprise Fund	Total
Deferred outflows of resources	\$ 10,966,791	\$ 399,450	\$ 11,366,241
Deferred inflows of resources	(1,841,246)	(67,065)	(1,908,311)

Amounts reported as deferred outflows of resources and deferred inflows of resources are amortized in pension expense for the year the gain or loss occurs, except for contributions subsequent to the measurement period of \$4,484,140, which will be recognized as a reduction of the net pension liability during the fiscal year ending June 30, 2018. The amortization period differs depending on the source of the gain or loss. Differences between projected and actual investment earnings are amortized on a 5-year straight-line basis and all other amounts are amortized over the average expected remaining service lives of all members that are provided with benefits. As of the June 30, 2016 measurement date, the expected average remaining service lifetime is 4.4 years. Deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending	Deferred Outflows/(Inflows) of Resources
2018	\$ 394,403
2019	394,401
2020	2,536,300
2021	1,648,686
Total	<u>\$ 4,973,790</u>

CITY OF SANTA CLARITA, CALIFORNIA

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 14 – POST-EMPLOYMENT HEALTH BENEFITS

A. Plan Description

The City has elected through resolution to provide healthcare benefits as a single-employer defined benefit plan to retirees, spouses, and eligible dependents of the City. This plan provides post-employment medical insurance benefits through the CalPERS Health Plan (the Plan). A separate financial report is not issued.

B. Eligibility

City employees who have a service retirement from the City at age 50 with five or more years of city service are eligible to receive post-employment medical benefits. Employees who have a disability retirement are also eligible. The benefit for employees hired before January 1, 2008 is \$1,017 per month. The maximum benefit will be adjusted when the lowest cost employee rate, plus one, exceeds \$1,017. No minimum years of service were required for the employees hired before January 1, 2008 and retired before January 1, 2012 and represented employees hired before January 1, 2008 and retired after January 1, 2012 and before January 1, 2014. For employees hired before January 1, 2008 the following vesting applies:

<u>Years of Service</u>	<u>Vested Percentage</u>
0 to 5 years	0%
5 to 9 years	50%
1 to 14 years	75%
15 years and greater	100%

Employees hired after January 1, 2008, receive the PERS minimum and are not subject to a vesting schedule.

As of the most recent valuation dated June 30, 2016, the total participants in the Plan are as follows:

<u>Participants</u>	<u>Total</u>
Active employees	369
Retirees	103
Total	<u>472</u>

C. Funding Policy

The City conducted an actuarial valuation to determine the City’s obligation to fund OPEB and determined that it served the City’s interests to prefund those benefits. In December 2011, the City Council approved Resolution 11-89 adopting the Public Agencies Post-Retirement Health Care Plan Document and Trust Agreement. The OPEB Trust is a tax-qualified irrevocable trust, organized under Internal Revenue Code (IRC) Section 115, established to pre-fund OPEB as described in GASB Statement No. 45. The Plan Trustee is U.S. Bank, and Public Agencies Retirement Services (PARS) is the Trust Administrator. The City elected a discretionary investment approach with a blended investment objective strategy. The primary objective is to maximize total Plan return, subject to the risk and quality constraints established. The Plan’s targeted rate of return is 6.5 percent. The asset allocation ranges for this objective are 0 percent to 20 percent cash source, 30 percent to 50 percent fixed income, and 50 percent to 70 percent equity.

CITY OF SANTA CLARITA, CALIFORNIA

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 14 – POST-EMPLOYMENT HEALTH BENEFITS (CONTINUED)

C. Funding Policy (Continued)

The obligation of the City to contribute to the plan is established and may be amended by the City Council. Employees are not required to contribute to the plan. The City has established a practice of contributing to the irrevocable trust administered by PARS 100% of the Cash Subsidy, an amount actuarially determined every two years in accordance with the parameters of GASB Statement 45. The Cash Subsidy represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost of each year. The Cash Subsidy component of the annual required contribution for fiscal year 2016-17 was \$1,010,000, 3.5% of estimated covered payroll.

Due to an amendment to Actuarial Standards of Practice (ASOP) No. 6 Measuring Retiree Group Benefits Obligations and Determining Retiree Group Benefits Costs or Contributions, valuations performed after March 31, 2015 requires the calculation of an implicit subsidy component of the annual required contribution and actuarial liability. The City has elected not to fund the implicit subsidy component of the annual required contribution. The City received credit of \$189,000 related to the fiscal year 2016-17 implied subsidy payments which has been included in the contributions amount below.

For fiscal year 2016-2017, the maximum benefit paid by the City, on an individual basis, for employees and retirees was:

	<u>Retirees</u>	<u>Employees</u>
Unrepresented	\$ 12,199	\$ 16,163
SEIU Local 347	12,199	16,163

D. Annual OPEB Cost and Net OPEB Obligation

The City’s annual OPEB cost (expense) is calculated based on the *annual required contribution of the employer* (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excesses) over a period not to exceed 30 years.

The following table shows the components of the City’s annual OPEB cost for the year, the amount actually contributed to the Plan, and changes in the City’s OPEB asset for the Plan:

	<u>Cash Benefit</u>	<u>Implied Subsidy</u>	<u>Total</u>
Annual required contribution	\$ 1,010,000	\$ 761,000	\$ 1,771,000
Interest on OPEB asset	(464,804)	-	(465,000)
Adjustment to annual required contribution	567,000	-	567,000
Annual OPEB cost (expense)	1,112,196	761,000	1,873,000
Contributions made	1,010,000	189,000	1,199,000
Decrease in OPEB asset	(102,196)	(572,000)	(674,000)
OPEB asset - beginning of year	7,150,774		7,150,774
OPEB asset - end of year	<u>\$ 7,048,578</u>	<u>\$ (572,000)</u>	<u>\$ 6,476,774</u>

CITY OF SANTA CLARITA, CALIFORNIA

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 14 – POST-EMPLOYMENT HEALTH BENEFITS (CONTINUED)

D. Annual OPEB Cost and Net OPEB Obligation (Continued)

The City’s annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB asset for the current year and previous two years, were as follows:

Fiscal Year Ended	Annual OPEB Cost	Annual Contribution	% of Annual OPEB Cost Contributed	OPEB Asset (Obligation)
June 30, 2015	\$ 1,438,000	\$ 2,377,844	165.4%	\$ 7,154,774
June 30, 2016	1,374,000	1,370,000	99.7%	7,150,774
June 30, 2017	1,873,000	1,199,000	64.0%	6,476,774

The cash subsidy and implied subsidy trend information is as follows:

Cash Subsidy

Fiscal Year Ended	Annual OPEB Cost	Annual Contribution	% of Annual OPEB Cost Contributed	OPEB Asset (Obligation)
June 30, 2015	\$ 1,438,000	\$ 2,377,844	165.4%	\$ 7,154,774
June 30, 2016	1,374,000	1,370,000	99.7%	7,150,774
June 30, 2017	1,112,196	1,010,000	90.8%	7,048,578

Implied Subsidy

Fiscal Year Ended	Annual OPEB Cost	Annual Contribution	% of Annual OPEB Cost Contributed	OPEB Asset (Obligation)
June 30, 2017	\$ 761,000	\$ 189,000	24.8%	\$ (572,000)

E. Funded Status and Funding Progress

Actuarial valuations for OPEB plans involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. These actuarially determined amounts are subject to continual revisions as actual results are compared to past expectations and new estimates are made about the future. The schedule of funding progress presented immediately following the financial statements as required supplementary information, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the type of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and plan members to that point. The actuarial calculations of the OPEB plan reflect a long-term perspective.

CITY OF SANTA CLARITA, CALIFORNIA

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 14 – POST-EMPLOYMENT HEALTH BENEFITS (CONTINUED)

E. Funded Status and Funding Progress (Continued)

As of June 30, 2016, the most recent actuarial valuation date, the Plan was 88.8 percent funded. The actuarial accrued liability for benefits was \$37.3 million, and the actuarial value of assets was \$33.1 million, resulting in a UAAL of \$4.2 million. The covered payroll (annual payroll of active employees covered by the Plan) was \$28.7 million, and the ratio of UAAL to the covered payroll was 14.57 percent. The Plan is comprised of a Cash Subsidy component and an Implied Subsidy component. The Cash Subsidy component of the plan was 105% funded. The Cash Subsidy actuarial accrued liability for benefits was \$31.4 million, and the Cash Subsidy actuarial value of assets was \$33.0 million.

F. Actuarial Methods and Assumptions

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 the healthcare cost trend rate. Amounts determined regarding the funded status of the Plan and the ARC are subject to continual revision, as actual results are compared with past expectations, and new estimates are made about the future.

In the June 30, 2016, actuarial valuation, the entry-age actuarial cost method was used. The actuarial assumptions include a 6.50 percent investment rate of return, which is based on the expected return on funds invested by PARS, and an annual healthcare cost trend rate based on actual premiums. The actuarial assumption for inflation was 3.00 percent, and the aggregate payroll increase was 3.25 percent used in the actuarial valuation. The actuarial value of assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period. The UAAL is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at June 30, 2016 was 17 years.

NOTE 15 – INDIVIDUAL FUND DISCLOSURES – DEFICIT FUND BALANCE

Funds that have a deficit fund balance at June 30, 2017, are as follows:

Fund	Deficit Fund Balance
Major Funds:	
Public Library Special Revenue Fund	\$ (5,623,738)
Non-Major Governmental Funds:	
State Park Special Revenue Fund	(59,099)
Surface Transportation Program Special Revenue Fund	(49,342)
Federal Grants Special Revenue Fund	(141,416)

The City plans to eliminate the deficit in the Public Library Special Revenue Fund with future property tax receipts. The non-major governmental fund deficits will be eliminated when the intergovernmental receivables are collected in future periods.

CITY OF SANTA CLARITA, CALIFORNIA

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 16 – DEFERRED COMPENSATION PLAN/DEFINED CONTRIBUTION PLAN

The City has established deferred compensation/defined contribution plans for certain classifications of management under IRC Section 401(a). City participation in contributions to the plans is mandatory. The City is obligated to contribute amounts ranging from \$2,000 to \$18,000 per participant per year. Employee contributions to certain plans are voluntary. During the year ended June 30, 2017, there were 1120 participants in the plans. The City’s contributions totaled \$198,223, and employees’ contributions totaled \$2,200,954.

NOTE 17 – SELF-INSURANCE

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors, and omissions; injuries to employees; and natural disasters. The City joined Special Districts Risk Management Authority (SDRMA) in the fall of 2005. SDRMA is a self-insurance risk pool that serves as a not-for-profit public agency to its members. Through SDRMA, the City currently holds a \$500 general liability deductible. All general liability claims above \$500 and up to a limit of \$10,000,000 are handled by SDRMA. The City’s workers’ compensation coverage is also administered by SDRMA. The City is self-insured for workers’ compensation up to \$250,000, but has purchased coverage through SDRMA for individual claims exceeding \$250,000 up to a maximum of \$5,000,000. Settlements have not exceeded coverages for each of the past three fiscal years.

The annual member contribution is \$1,178,530 for the property/liability program and the workers’ compensation program (based on estimated wages).

At June 30, 2017, \$90,000 was accrued by the City for general liability claims, and \$3,100,756 was accrued for workers’ compensation claims and judgments. These accruals represent estimates of amounts to be paid for incurred and reported claims, as well as IBNR claims based upon past experience and modified for current trends and information.

Changes in the reported claims liability since June 30, 2015, resulted in the following:

Claims liability as of June 30, 2015	\$ 1,993,915
Claims and changes in estimates during the year ended June 30, 2016	1,430,171
Claims and payments during the year ended June 30, 2016	<u>(974,271)</u>
Claims liability as of June 30, 2016	2,449,815
Claims and changes in estimates during the year ended June 30, 2017	1,919,471
Claims and payments during the year ended June 30, 2017	<u>(1,178,530)</u>
Claims liability as of June 30, 2017	<u><u>\$ 3,190,756</u></u>

CITY OF SANTA CLARITA, CALIFORNIA

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 18 – NON-COMMITMENT DEBT

A. 1915 Act Limited Obligation Improvements Bonds – Golden Valley

On July 24, 1996, \$879,432 of 1915 Act Limited Obligation Improvement Bonds (1915 Golden Valley Road Bonds) for the Golden Valley Road Improvement Assessment District (the Golden Valley Assessment District) were issued. The 1915 Golden Valley Road Bonds are not a general obligation of the City, and neither the faith and credit nor the taxing power of the City is pledged to the payment of the bonds. The source of the debt service is from the property assessments within the Golden Valley Assessment District. The principal amount of debt outstanding at June 30, 2017, was \$300,000.

B. 1915 Act Limited Obligation Improvements Bonds – Vermont/Everett

On January 27, 2000, \$790,000 of 1915 Act Limited Obligation Improvement Bonds (1915 Vermont Drive/Everett Drive Bonds) for the Vermont Drive/Everett Drive Improvement Assessment District (the Vermont/Everett Assessment District) were issued. The 1915 Vermont Drive/Everett Drive Bonds are not a general obligation of the City, and neither the faith and credit nor the taxing power of the City is pledged to the payment of the bonds. The source of the debt service is from the property assessments within the Vermont/Everett Assessment District. The principal amount of the debt outstanding at June 30, 2017, was \$405,000.

C. Community Facilities District No. 2002-1 Special Tax Bonds

On October 29, 2002, \$17,370,000 of Special Tax bonds were issued for Community Facilities District No. 2002-1 (the Community Facilities District). On October 12, 2012, these bonds were refunded with the issuance of Community Facilities District No. 2002-1 (Valencia Town Center) Special Tax Refunding bonds for \$16,485,000. The Special Tax Refunding bonds are not a general obligation of the City, and neither the faith and credit nor the taxing power of the City is pledged to the payment of the bonds. The source of the debt service is from the property assessments within the Community Facilities District. The principal amount of the debt outstanding at June 30, 2017 was \$14,975,000.

NOTE 19 – SANTA CLARITA WATERSHED RECREATION AND CONSERVANCY AUTHORITY

In June 1992, the City entered into a joint powers agreement with the Santa Monica Mountains Conservancy (the Conservancy) to create the Watershed Authority. The purpose of the Watershed Authority is to acquire, develop, and conserve additional park and open space lands, including water- oriented recreation and conservation projects. The governing board consists of two representatives from the Conservancy and two from the City.

The City performs administrative functions for the Watershed Authority. As a result, the Watershed Authority is reported as an agency fund in these financial statements. The Watershed Authority may request the City to make annual contributions. For the year ended June 30, 2017, the City did not make any contributions. Separate financial statements for the Santa Clarita Watershed Recreation and Conservancy Authority can be obtained from the City's administrative offices at 23920 Valencia Boulevard, Santa Clarita, California 91355.

CITY OF SANTA CLARITA, CALIFORNIA

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 20 – SANTA CLARITA PUBLIC TELEVISION AUTHORITY

In July 2009, the City entered into a joint powers agreement with the William S. Hart School District (the District) to create the Santa Clarita Public Television Authority (SCPTA). As a result, the SCPTA is reported as an Agency fund in these financial statements. The purpose of the SCPTA is to provide a forum for public, educational, and governmental television programs by the members, individuals, and organizations in the community. The following entities have joined the SCPTA: Saugus Union School District, Newhall School District, Sulfur Springs School District, Castaic Union School District, and College of the Canyons. The SCPTA has a seven-member Board of Directors consisting of one member appointed by each school district, one member from the College, and one member from the City.

The City performs administrative functions for the SCPTA, and may, at the SCPTA’s request, make annual contributions. For the year ended June 30, 2017, the City contributed \$276,750. Separate financial statements for the Santa Clarita Public Television Authority are prepared biannually and can be obtained from the City’s administrative offices at 23920 Valencia Boulevard, Santa Clarita, California 91355.

NOTE 21 – COMMITMENTS AND CONTINGENCIES

A. Construction Commitments

The City has active construction projects as of June 30, 2017. At year-end, the City’s commitments with contractors for infrastructure projects are as follows:

Project	Contract Amount	Expenditures to Date as of June 30, 2017	Remaining Commitments
Pavement	\$ 818,358	\$ 690,109	\$ 128,249
Bridges	25,100,842	10,131,061	14,969,781
Sidewalks	1,940,944	172,125	1,768,819
Medians	150,000	142,120	7,880
Trails	418,890	292,331	126,559
Traffic Signals	12,871,609	3,041,531	9,830,078
Street Signs	128,165	68,056	60,109

B. Encumbrances

The City utilizes encumbrance accounting as a means of controlling expenditures. Under this method, funds are encumbered when purchase orders, contracts, and other commitments are signed or approved by authorized City officials. Such outstanding commitments at year-end do not constitute expenditures or liabilities.

Encumbrances of balances within the governmental funds are classified as either restricted or assigned and are included in the respective categories. These encumbrances are not separately classified in the financial statements and are summarized at June 30, 2017, as follows:

	Amount
General Fund	\$ 1,401,513
Other governmental funds	39,282,990

CITY OF SANTA CLARITA, CALIFORNIA

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 21 – COMMITMENTS AND CONTINGENCIES (CONTINUED)

C. Contingencies

The City has received Federal grants for specific purposes that are subject to review and audit by the Federal government. Although such audits could result in expenditure disallowance under grant terms, any required reimbursements are not expected to be material.

In the opinion of management and legal counsel, there are no liabilities that would have a substantial adverse effect on the financial position of the City as of June 30, 2017.

NOTE 22 – SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY

On December 29, 2011, the California Supreme Court upheld Assembly Bill 1X 26 (the Bill), which provides for the dissolution of all redevelopment agencies in the State of California. This action impacted the reporting entity of the City that had previously reported a redevelopment agency within the reporting entity of the City as a blended component unit.

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. On January 24, 2012, the City Council elected to become the Successor Agency for the former redevelopment agency in accordance with the Bill as part of the City Resolution No. 12-3.

Each year, successor agencies will only be allocated revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the former redevelopment agency until all enforceable obligations of the prior redevelopment agency have been paid in full and all assets have been liquidated.

A. Cash and Investments

The balance of cash and investments at June 30, 2017, classified in the accompanying financial statements as follows:

	RDA Successor Agency
Cash and investments pooled with City	\$ 229,290
Restricted:	
Cash and investments	11,040
Cash and investments with fiscal agent	1,524,624
Total	<u>\$ 1,764,954</u>

B. Land Held for Resale

As of June 30, 2017, the Successor Agency has \$93,398 of land held for resale, which is reported at net realizable value. The book value declined by \$129,181 in the current year.

CITY OF SANTA CLARITA, CALIFORNIA

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017**

**NOTE 22 – SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY
(CONTINUED)**

C. Due From Other Governments

Pursuant to Health and Safety Code section 34167.5, in February 2015, the State Controller’s Office (SCO) reviewed all asset transfers made by the former RDA to the City after January 1, 2011. As a result of this review, the SCO concluded that assets transferred after January 1, 2011, included unallowable transfers to the City totaling \$14,628,194. In subsequent actions, the City returned property valued at \$763,436 to the Successor Agency, leaving \$13,864,758 in unallowable transfers to be returned by the City to the Successor Agency as of February 2015. The City has transferred certain assets to the Successor Agency. As of June 30, 2017, \$7,734,479 of these unallowable transfers remains due from the City to the Successor Agency.

D. Capital Assets

	Balance June 30, 2016	Additions	Deletions	Balance June 30, 2017
RDA Successor Agency:				
Depreciable assets:				
Site improvements	\$ 110,310	\$ -	\$ -	\$ 110,310
Infrastructure	4,287,341	-	-	4,287,341
Total Depreciable Assets	<u>4,397,651</u>	<u>-</u>	<u>-</u>	<u>4,397,651</u>
Less accumulated depreciation:				
Site improvements	19,856	4,412	-	24,268
Infrastructure	481,097	85,747	-	566,844
Total Accumulated Depreciation	<u>500,953</u>	<u>90,159</u>	<u>-</u>	<u>591,112</u>
Total Depreciable Assets, Net	<u>3,896,698</u>	<u>(90,159)</u>	<u>-</u>	<u>3,806,539</u>
Total Capital Assets, Net	<u>\$ 3,896,698</u>	<u>\$ (90,159)</u>	<u>\$ -</u>	<u>\$ 3,806,539</u>

The total depreciation expense charged to the RDA Successor Agency as of June 30, 2017, was \$90,159.

E. Long-Term Debt

	Balance			Classification		
				Due Within One Year	Due More Than One Year	
	June 30, 2016	Additions	Deletions	June 30, 2017		
RDA Successor Agency:						
Loans from the City of Santa Clarita	\$ 15,687,058	\$ 367,005	\$ -	\$ 16,054,063	\$ -	\$ 16,054,063
Tax Allocation Bonds:						
Series 2008	26,685,000	-	(26,685,000)	-	-	-
Housing Set-Aside	7,910,000	-	(7,910,000)	-	-	-
Refunding Series 2017	-	34,800,000	-	34,800,000	820,000	33,980,000
Less deferred amounts for unamortized discounts	(121,666)	861,893	107,641	847,868	33,660	814,208
Total Tax Allocation Bonds	<u>34,473,334</u>	<u>35,661,893</u>	<u>(34,487,359)</u>	<u>35,647,868</u>	<u>853,660</u>	<u>34,794,208</u>
Total	<u>\$ 50,160,392</u>	<u>\$ 36,028,898</u>	<u>\$ (34,487,359)</u>	<u>\$ 51,701,931</u>	<u>\$ 853,660</u>	<u>\$ 50,848,271</u>

CITY OF SANTA CLARITA, CALIFORNIA

**NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017**

***NOTE 22 – SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY
(CONTINUED)***

E. Long-Term Debt (Continued)

Loans from the City of Santa Clarita

At June 30, 2015, the California Department of Finance (DOF) approved the advances to the former redevelopment agency consisting of the promissory notes outstanding between the City and the former redevelopment agency entered into between the periods of July 1996 and June 2010. These consist of notes outstanding from the General Fund and the Developer Fees Special Revenue Fund in the amounts of \$7,225,964 and \$5,407,868, respectively using a LAIF rate of 0.26 percent, which was in effect when the Oversight Board reinstated the loans on February 25, 2015. On September 22, 2015, the Committee on Budget and Fiscal Review of the California State Senate approved SB 107. A mandate of this legislation included a recalculation of the notes to the RDA Successor Agency using a 3 percent simple interest from the origination of the note, instead of the LAIF rate. As such, the City increased the amounts in the General Fund and Developer Fees Special Revenue Fund to reflect increased interest balances. The unpaid accrued interest of these notes is \$2,548,616 and \$1,271,975, respectively, and unpaid principal of \$6,913,586 and \$5,319,886, respectively.

Tax Allocation Bonds

The former redevelopment agency issued Tax Allocation Bonds, which are special obligations of the Successor Agency secured by pledged property tax revenues. The bonds are not a debt of the City nor payable out of any funds or properties other than those of the Successor Agency.

Tax Allocation Bonds – Series 2008 and Housing Set-Aside

As described under Tax Allocation Refunding Bonds – Series 2017 below, in February 2017, the Successor Agency refunded the Tax Allocation Bonds Series 2008 of \$26,685,000 and Tax Allocation Bonds Housing Set-Aside of \$7,910,000. The difference between the reacquisition price and carrying value of the refunded debt is reported as a deferred outflow of resources as of June 30, 2017, totaling \$2,497,603. This amount will be amortized over the life of the refunding debt, as a component of interest expense.

Tax Allocation Refunding Bonds – Series 2017

In February 2017, the Successor Agency issued Tax Allocation Refunding Bonds, Series 2017, in the amount of \$34,800,000. Interest on the Tax Allocation Refunding Bonds, Series 2017, is paid as part of a variable rate between 2 percent and 5 percent payable on April 1 and October 1 of each year commencing on April 1, 2017. Principal payments are due annually in various amounts commencing October 1, 2017, through October 1, 2042. The unpaid balance as of June 30, 2017, was \$34,800,000.

Proceeds from the Tax Allocation Refunding Bonds, Series 2017, along with other funds, were used to redeem and defease through advance refunding all the outstanding balance of the Tax Allocation Bonds Series 2008. The refunding provided for a cumulative savings of \$3,151,912 over the life of the bonds, resulting in an economic gain of \$1,424,187 net of other funds to fund the redemption, or 4.20 percent of the refunded principal. As of June 30, 2017, the outstanding amount of the refunded Tax Allocation Bonds Series 2008 was \$26,155,000, and \$7,755,000 Housing Set-Aside. These amounts are considered defeased for financial reporting purposes.

CITY OF SANTA CLARITA, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS
 JUNE 30, 2017

**NOTE 22 – SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY
 (CONTINUED)**

E. Long-Term Debt (Continued)

Tax Allocation Refunding Bonds – Series 2017 (Continued)

The annual debt service requirements on these bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2018	\$ 820,000	\$ 1,374,294	\$ 2,194,294
2019	800,000	1,354,094	2,154,094
2020	820,000	1,325,694	2,145,694
2021	850,000	1,288,044	2,138,044
2022	895,000	1,244,419	2,139,419
2023-2027	5,180,000	5,488,469	10,668,469
2028-2032	6,430,000	4,267,531	10,697,531
2033-2037	7,680,000	2,975,472	10,655,472
2038-2042	9,250,000	1,365,450	10,615,450
2043	2,075,000	41,500	2,116,500
Total	\$ 34,800,000	\$ 20,724,967	\$ 55,524,967

F. Deficit Net Position

As of June 30, 2017, the RDA Successor Agency Private-Purpose Trust Fund had a deficit net position of \$36,146,893. This will be reduced with future receipt of distributions from the Redevelopment Property Tax Trust Fund from the County and potential asset sales.

REQUIRED SUPPLEMENTARY INFORMATION



CITY OF SANTA CLARITA, CALIFORNIA

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
Revenues:				
Taxes	\$ 83,823,198	\$ 81,141,008	\$ 81,462,981	\$ 321,973
Licenses and permits	5,520,500	6,623,532	7,408,357	784,825
Intergovernmental	265,576	323,076	241,992	(81,084)
Charges for services	7,147,163	7,834,241	8,397,274	563,033
Investment income	1,229,619	1,229,619	537,605	(692,014)
Fines and forfeitures	470,300	470,300	706,870	236,570
Other revenue	258,116	287,912	61,788	(226,124)
Total Revenues	<u>98,714,472</u>	<u>97,909,688</u>	<u>98,816,867</u>	<u>907,179</u>
Expenditures:				
Operating:				
Personnel	38,237,968	37,588,114	36,637,042	951,072
Operating	56,564,546	71,312,153	45,726,334	25,585,819
Capital outlay	2,252,749	2,569,935	2,378,766	191,169
Capital Improvement Projects:				
Personnel	2,499,951	2,278,695	2,207,054	71,641
Operating	100,101	124,016	86,232	37,784
Capital outlay	119,215	119,215	119,215	-
Total Expenditures	<u>99,774,529</u>	<u>113,992,128</u>	<u>87,154,643</u>	<u>26,837,485</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,060,057)</u>	<u>(16,082,440)</u>	<u>11,662,224</u>	<u>27,744,664</u>
Other financing sources (uses):				
Other Financing Uses	750,000	598,250	-	(598,250)
Transfers in	12,771,050	13,502,548	1,384,023	(12,118,525)
Transfers out	(17,592,019)	(18,323,693)	(5,175,897)	13,147,796
Total Other Financing Sources (Uses)	<u>(4,070,969)</u>	<u>(4,222,895)</u>	<u>(3,791,874)</u>	<u>431,021</u>
Net Change in Fund Balances	<u>\$ (5,131,026)</u>	<u>\$ (20,305,335)</u>	<u>7,870,350</u>	<u>\$ 28,175,685</u>
Fund Balance at Beginning of Year			141,144,916	
Fund Balance at End of Year			<u>\$ 149,015,266</u>	

CITY OF SANTA CLARITA, CALIFORNIA

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
BRIDGE AND THOROUGHFARE SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
Revenues:				
Investment income	\$ 300,118	\$ 300,118	\$ 304,078	\$ 3,960
Developer fees	7,420,000	248,150	283,475	35,325
Total Revenues	<u>7,720,118</u>	<u>548,268</u>	<u>587,553</u>	<u>39,285</u>
Expenditures:				
Operating:				
Personnel	178,920	337,303	103,674	233,629
Operating	16,480	16,480	84,230	(67,750)
Capital outlay	4,458	4,456	4,456	-
Capital Improvement Projects:				
Personnel	-	-	74,001	(74,001)
Operating	3,427,546	9,475,270	1,329,166	8,146,104
Capital outlay	-	-	-	-
Debt service:				
Debt services	6,710,800	258,456	328,926	(70,470)
Total Expenditures	<u>10,338,204</u>	<u>10,091,965</u>	<u>1,924,453</u>	<u>8,167,512</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,618,086)</u>	<u>(9,543,697)</u>	<u>(1,336,900)</u>	<u>8,206,797</u>
Other financing sources (uses):				
Transfers out	(4,132)	(2,540)	(2,500)	40
Net Change in Fund Balances	<u>\$ (2,622,218)</u>	<u>\$ (9,546,237)</u>	<u>(1,339,400)</u>	<u>\$ 8,206,837</u>
Fund Balance at Beginning of Year			4,058,268	
Fund Balance at End of Year			<u>\$ 2,718,868</u>	

CITY OF SANTA CLARITA, CALIFORNIA

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
DEVELOPER FEES SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive/(Negative)
Revenues:				
Investment income (loss)	\$ 4,850	\$ 4,850	\$ (324)	\$ (5,174)
Developer fees	-	1,633,080	2,025,639	392,559
Other revenue	-	9,181	-	(9,181)
Total Revenues	<u>4,850</u>	<u>1,647,111</u>	<u>2,025,315</u>	<u>378,204</u>
Expenditures:				
Operating:				
Operating	-	1,686,467	1,336,467	350,000
Capital Improvement Projects:				
Operating	1,674,713	3,309,781	79,075	3,230,706
Total Expenditures	<u>1,674,713</u>	<u>4,996,248</u>	<u>1,415,542</u>	<u>3,580,706</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,669,863)</u>	<u>(3,349,137)</u>	<u>609,773</u>	<u>3,958,910</u>
Other financing sources (uses):				
Transfer in	-	250,000	250,000	-
Transfer out	(21,500)	(71,780)	(71,779)	1
Total Other Financing Sources (Uses)	<u>(21,500)</u>	<u>178,220</u>	<u>178,221</u>	<u>1</u>
Net Change in Fund Balance	<u>\$ (1,691,363)</u>	<u>\$ (3,170,917)</u>	<u>787,994</u>	<u>\$ 3,958,911</u>
Fund Balance at Beginning of Year			<u>4,751,385</u>	
Fund Balance at End of Year			<u>\$ 5,539,379</u>	

CITY OF SANTA CLARITA, CALIFORNIA

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
PUBLIC LIBRARY SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
Revenues:				
Taxes	\$ 6,251,584	\$ 6,341,584	\$ 6,415,945	\$ 74,361
Charges for services	85,000	85,000	85,000	-
Investment income	-	-	3,451	3,451
Other revenue	150,000	150,000	176,123	26,123
Total Revenues	6,486,584	6,576,584	6,680,519	103,935
Expenditures:				
Operating:				
Personnel	251,039	238,113	185,449	52,664
Operating	4,837,028	5,281,970	5,019,185	262,785
Capital outlay	47,000	47,000	42,945	4,055
Debt service:				
Principal retirement	408,600	408,600	-	408,600
Interest and fiscal charges	91,400	91,400	115,271	(23,871)
Total Expenditures	5,635,067	6,067,083	5,362,850	704,233
Excess (deficiency) of revenues over (under) expenditures	851,517	509,501	1,317,669	808,168
Other financing sources (uses):				
Transfers out	(8,295)	(5,565)	(5,814)	(249)
Net Change in Fund Balances	\$ 843,222	\$ 503,936	\$ 1,311,855	\$ 807,919
Fund Balance at Beginning of Year			(6,935,593)	
Fund Balance at End of Year			<u>\$ (5,623,738)</u>	

CITY OF SANTA CLARITA, CALIFORNIA

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
LANDSCAPE MAINTENANCE DISTRICT #1 SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
Revenues:				
Taxes	\$ 948,650	\$ 948,650	\$ 986,814	\$ 38,164
Special assessments	16,193,398	16,443,398	16,098,524	(344,874)
Investment income	272,791	272,791	68,525	(204,266)
Total Revenues	<u>17,414,839</u>	<u>17,664,839</u>	<u>17,153,863</u>	<u>(510,976)</u>
Expenditures:				
Operating:				
Personnel	806,692	1,879,305	1,768,011	111,294.00
Operating	12,100,008	12,577,378	11,949,102	628,276
Capital outlay	115,985	160,208	160,208	-
Capital Improvement Projects:				
Personnel	-	-	117,184	(117,184)
Operating	3,050,020	7,281,502	3,966,158	3,315,344
Total Expenditures	<u>16,072,705</u>	<u>21,898,393</u>	<u>17,960,663</u>	<u>3,937,730</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,342,134</u>	<u>(4,233,554)</u>	<u>(806,800)</u>	<u>3,426,754</u>
Other financing sources (uses):				
Transfers in	10,000	150,600	150,600	-
Transfers out	(237,183)	(99,362)	(97,062)	2,300
Total Other Financing Sources (Uses)	<u>(227,183)</u>	<u>51,238</u>	<u>53,538</u>	<u>2,300</u>
Net Change in Fund Balances	<u>\$ 1,114,951</u>	<u>\$ (4,182,316)</u>	<u>(753,262)</u>	<u>\$ 3,429,054</u>
Fund Balance at Beginning of Year			<u>32,586,876</u>	
Fund Balance at End of Year			<u>\$ 31,833,614</u>	

CITY OF SANTA CLARITA, CALIFORNIA

**SCHEDULE OF FUNDING PROGRESS
FOR THE YEAR ENDED JUNE 30, 2017**

Other Post-Employment Benefits

The schedule of funding progress presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

The funded status of the City’s other post-employment benefits plan is as follows (in thousands):

Schedule of Funding Progress

	(A)	(B)	(C)	(D)	(E)	(F)
			(Unfunded)			(Unfunded)
Actuarial Valuation Date	Actuarial Asset Value	Actuarial Accrued Liability Entry Age	Actuarial Accrued Liability [(B)-(A)]	Funded Ratio [(A)/(B)]	Annual Covered Payroll	Actuarial Liability as Percentage of Covered Payroll [(C)/(E)]
6/30/2012	\$ 19,928	\$ 30,879	\$ (10,951)	64.54%	\$ 23,880	45.86%
6/30/2014	27,035	28,876	(1,841)	93.62%	27,368	6.73%
6/30/2016	33,073	37,258	(4,185)	88.77%	28,731	14.57%

The plan is comprised of a cash subsidy component and an implied subsidy component. The funded status of the components of the plan is as follows (in thousands):

Schedule of Funding Progress - Cash Subsidy Component

	(A)	(B)	(C)	(D)	(E)	(F)
			(Unfunded)			(Unfunded)
Actuarial Valuation Date	Actuarial Asset Value	Actuarial Accrued Liability Entry Age	Actuarial Accrued Liability [(B)-(A)]	Funded Ratio [(A)/(B)]	Annual Covered Payroll	Actuarial Liability as Percentage of Covered Payroll [(C)/(E)]
6/30/2012	\$ 19,928	\$ 30,879	\$ (10,951)	64.54%	\$ 23,880	45.86%
6/30/2014	27,035	28,876	(1,841)	93.62%	27,368	6.73%
6/30/2016	33,073	31,417	1,656	105.27%	28,731	-5.76%

Schedule of Funding Progress - Implied Subsidy Component

	(A)	(B)	(C)	(D)	(E)	(F)
			(Unfunded)			(Unfunded)
Actuarial Valuation Date*	Actuarial Asset Value	Actuarial Accrued Liability Entry Age	Actuarial Accrued Liability [(B)-(A)]	Funded Ratio [(A)/(B)]	Annual Covered Payroll	Actuarial Liability as Percentage of Covered Payroll [(C)/(E)]
6/30/2016	\$ -	\$ 5,841	\$ (5,841)	0.00%	\$ 28,731	20.33%

* Based on most recent actuarial valuation available

CITY OF SANTA CLARITA, CALIFORNIA

**SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY
AND RELATED RATIOS
LAST TEN YEARS*
AS OF THE FISCAL YEAR ENDED JUNE 30, 2017**

The Schedules of Changes in the City's Net Pension Liability and Related Ratios are as follows:

Measurement Date	June 30, 2016	June 30, 2015	June 30, 2014
Total Pension Liability			
Service cost	\$ 4,409,399	\$ 4,418,053	\$ 4,462,544
Interest	11,315,207	10,443,680	9,588,693
Difference between Expected and Actual Experience	(305,665)	416,626	-
Changes of Assumptions	-	(3,009,808)	-
Benefit Payments, Including Refunds of Employee Contributions	(3,347,335)	(2,971,092)	(2,561,655)
Net Change in Total Pension Liability	<u>12,071,606</u>	<u>9,297,459</u>	<u>11,489,582</u>
Total Pension Liability - Beginning	<u>147,685,835</u>	<u>138,388,376</u>	<u>126,898,794</u>
Total Pension Liability - Ending (a)	<u>\$ 159,757,441</u>	<u>\$ 147,685,835</u>	<u>\$ 138,388,376</u>
Plan Fiduciary Net Postion			
Contributions - Employer	\$ 3,959,503	\$ 3,740,145	\$ 3,562,246
Contributions - Employee	2,252,522	2,164,107	2,339,435
Net Investment Income	622,282	2,506,239	16,243,165
Administrative expenses	(71,202)	(131,529)	-
Benefit Payments, Including Refunds of Employee Contributions	(3,347,335)	(2,971,092)	(2,561,655)
Plan to Plan Resource Movement	-	9,685	-
Net Change in Fiduciary Net Position	<u>3,415,770</u>	<u>5,317,555</u>	<u>19,583,191</u>
Plan Fiduciary Net Postition - Beginning	<u>116,829,771</u>	<u>111,512,216</u>	<u>91,929,025</u>
Plan Fiduciary Net Postion - Ending (b)	<u>\$ 120,245,541</u>	<u>\$ 116,829,771</u>	<u>\$ 111,512,216</u>
Net pension liability - ending (a) - (b)	\$ 39,511,900	\$ 30,856,064	\$ 26,876,160
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.27%	79.11%	80.58%
Covered Payroll	\$ 29,934,377	\$ 27,234,699	\$ 26,879,556
Plan Net Pension Liability as a Percentage of Covered Payroll	132.00%	113.30%	99.99%

Notes:

Benefit Changes: The figures above do not include any liability impact that may have resulted from plan changes that occurred after June 30, 2014. This applies for voluntary benefit changes as well as any offers of two years' Additional Service Credit (a.k.a. Golden Handshakes).

Changes of Assumptions: The discount rate was revised from 7.5% to 7.65% during the measurement period ending June 30, 2015 to be in accordance with GASB 68 paragraph 68.

* Fiscal Year 2014-15 was the first year of implementation; therefore only three years are shown until a full 10-year trend is compiled.

CITY OF SANTA CLARITA, CALIFORNIA

**SCHEDULE OF CITY CONTRIBUTIONS
LAST TEN YEARS*
AS OF THE FISCAL YEAR ENDED JUNE 30, 2017**

The Schedule of City Contributions during the fiscal year is as follows:

	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>June 30, 2015</u>	<u>June 30, 2014</u>
Actuarially determined contribution	\$ 4,484,140	\$ 3,958,892	\$ 3,740,138	\$ 3,562,246
Contributions in relation to the actuarially determined contribution	<u>(4,484,140)</u>	<u>(3,958,892)</u>	<u>(3,740,138)</u>	<u>(3,562,246)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
 Covered Payroll	 \$ 29,966,168	 \$ 27,934,377	 \$ 27,234,699	 \$ 26,879,556
 Contributions as a Percentage of Covered Payroll	 14.96%	 14.17%	 13.73%	 13.25%

Valuation Date:

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2016-17 were from June 30, 2014 public agency valuations.

Actuarial Cost method	Entry Age Normal
Amortization method	Level Percentage of Payroll, Closed
Remaining amortization period	18 years
Asset valuation method	Actuarial Value of Assets
Inflation	2.75%
Salary increase	Varies by Entry Age and Service
Investment rate of return	7.65%
Retirement age	The probabilities of Retirement are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007.
Mortality	The probabilities of mortality are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007. Pre-retirement and post retirement mortality rates include 5 years of projected mortality improvement using Scale AA published by the Society of Actuaries.

<u>June 30, 2013</u>	<u>June 30, 2012</u>	<u>June 30, 2011</u>	<u>June 30, 2010</u>	<u>June 30, 2009</u>	<u>June 30, 2008</u>
\$ 3,319,326	\$ 3,224,628	\$ 2,916,852	\$ 2,919,550	\$ 2,865,328	\$ 2,659,975
<u>(3,319,326)</u>	<u>(3,224,628)</u>	<u>(2,916,852)</u>	<u>(2,919,550)</u>	<u>(2,865,328)</u>	<u>(2,659,975)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 25,256,659	\$ 24,807,314	\$ 24,940,516	\$ 25,336,721	\$ 26,145,818	\$ 23,355,540
13.14%	13.00%	11.70%	11.52%	10.96%	11.39%

CITY OF SANTA CLARITA, CALIFORNIA

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2017**

BUDGETARY INFORMATION

Annual budgets are legally adopted on a basis consistent with generally accepted accounting principles in the United States of America for the General Fund and each of the special revenue funds. All annual appropriations lapse at fiscal year-end.

On or before the last day in January of each year, all operational units submit requests for appropriations to the City Manager for budget preparation purposes. Before April 30, the proposed budget is presented to the City Council for review. The City Council holds public hearings, and a final budget must be prepared and adopted no later than June 30.

The appropriated budget is prepared by fund, function, and department at the category level. The City reports the following categories: personnel, operating and capital outlay. Additionally, the City separately prepares a capital improvement projects budget. The City's Department Heads, with approval of the City Manager, may make transfers of appropriations within certain line-items within a program, but may not exceed the total appropriated amounts for each category. City Manager may approve transfers that do not change the total appropriated amount within the fund. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the category level.

Under encumbrance accounting, purchase orders, contracts, and other commitments for expenditures are recorded to reserve that portion of the applicable appropriation. Encumbrance accounting is employed as an extension of formal budgetary accounting. Since encumbrances do not yet constitute expenditures or liabilities, encumbrances outstanding at year-end are classified as either restricted, committed, or assigned fund balances. Unexpended appropriations lapse at year-end.

CITY OF SANTA CLARITA, CALIFORNIA

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2017**

For the year ended June 30, 2017, expenditures exceeded appropriations in the following categories (legal level of budgetary control) of the respective funds:

Fund	Appropriations	Expenditures	Excess Expenditures Over Appropriations
Major Governmental Funds:			
Bridge and Thoroughfare Special Revenue Fund			
Operating - Operating	\$ 16,480	\$ 84,230	\$ (67,750)
Capital Improvement Projects - Personnel	-	74,001	(74,001)
Debt Service - Debt Services	258,456	328,926	(70,470)
Public Library Special Revenue Fund			
Debt Service - Interest and Fiscal Charges	91,400	115,271	(23,871)
Transfers Out	5,565	5,814	(249)
Landscape Maintenance District #1 Special Revenue Fund			
Capital Improvement Projects - Personnel	-	117,184	(117,184)
Non-Major Governmental Funds:			
Gas Tax Special Revenue Fund			
Capital Improvement Projects - Personnel	-	39,850	(39,850)
TDA Special Revenue Fund			
Capital Improvement Projects - Personnel	-	22,389	(22,389)
Traffic Safety Special Revenue Fund			
Transfers Out	400,000	411,036	(11,036)
Air Quality Management District Special Revenue Fund			
Capital Improvement Projects - Personnel	-	25,166	(25,166)
Stormwater Special Revenue Fund			
Capital Improvement Projects - Personnel	-	4,976	(4,976)
Public Education and Government Special Revenue Fund			
Operating - Operating	50,000	81,153	(31,153)
Proposition C Special Revenue Fund			
Capital Improvement Projects - Personnel	-	67,152	(67,152)
Federal Grants Special Revenue Fund			
Capital Improvement Projects - Personnel	-	131,158	(131,158)
Measure R Special Revenue Fund			
Capital Improvement Projects - Personnel	-	57,004	(57,004)
Tourism Marketing District Special Revenue Fund			
Operating - Personnel	19,328	19,410	(82)
Open Space Preservation District Special Revenue Fund			
Transfers Out	641,112	641,173	(61)
General Capital Projects Fund			
Capital Improvement Projects - Personnel	-	399,216	(399,216)



CITY OF SANTA CLARITA, CALIFORNIA

NON-MAJOR GOVERNMENTAL FUNDS AS OF AND FOR THE YEAR ENDED JUNE 30, 2017

The Special Revenue Funds are used to account for proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

Bikeway – To account for monies received from the State of California restricted for bicycle and pedestrian facilities available under Article 3 of the Transportation Development Act (SB821).

Gas Tax – To account for monies received and expended from the state and county gas tax allocation restricted to fund various street highway improvements, including maintenance.

Proposition A – To account for the City’s share of the one-half percent (0.5 percent) increased sales tax in Los Angeles County as a result of “Proposition A.” This revenue is to be used for transportation-related purposes.

Special Assessment – To account for special assessments received for small assessment districts. These funds may be used for maintenance expenses with the districts.

State Park – To account for grant monies received from the State of California Department of Parks and Recreation for construction or improvements of parkland within the City.

TDA (Transportation Development Act) – To account for monies received from the State of California under Article 8 of the TDA. These funds may be used for local streets and road expenditures when the City’s unmet transportation needs have been satisfied.

Traffic Safety – To account for monies received from vehicle code fines. This fund is used to finance law enforcement expenditures.

CDBG (Community Development Block Grant) – To account for Federal entitlements under the Housing and Community Development Act of 1974, as amended. The City Council annually allocates CDBG funds to various programs.

AQMD (Air Quality Management District) – To account for revenues and expenditures for Air Quality Management.

Stormwater – To account for monies received from assessments restricted for the use of the stormwater and run-off programs.

Surface Transportation Program – To account for receipts and disbursements associated with the Surface Transportation Program restricted for construction, reconstruction, and improvement of highways and bridges on eligible Federal Aid highway routes.

BJA Law Enforcement – To account for receipts and disbursements for the BJA law enforcement grant restricted for police department programs.

Supplemental Law Grant – To account for receipts and disbursements for the supplemental law grant restricted for police department programs.

HOME – To account for receipts and disbursements for the activity for the HOME grant program restricted to expand the supply of affordable housing for very low- and low-income families.

Library Facilities Fees – To account for monies received from the library facilities developer fees, which are restricted for use on library facilities.

CITY OF SANTA CLARITA, CALIFORNIA

NON-MAJOR GOVERNMENTAL FUNDS AS OF AND FOR THE YEAR ENDED JUNE 30, 2017

Special Revenue Funds (Continued)

Public Education and Government – To account for the one-percent (1%), PEG Capital Grant funds received from video service providers pursuant to the Digital Infrastructure and Video Competition Act of 2006.

Proposition C – To account for the City's share of the one-half percent (0.5%) increased sales tax in Los Angeles County as a result of Proposition C. This revenue is to be used for transportation-related purposes.

Federal Grants – To account for receipts and disbursements of miscellaneous federal grant monies not accounted for in other funds. These receipts are restricted for planning, design, improvements, and maintenance of streets, roads and bridges, facility construction and improvements, transit operations, and other transit-related expenditures.

Measure R – To account for the half-cent sales tax revenues that Los Angeles County voters approved in November 2008 to meet the transportation needs of Los Angeles County.

Tourism Marketing District – To account for receipts and disbursements associated with promoting local businesses and tourism in the City of Santa Clarita through the Tourism Marketing District. The Tourism Marketing District was formed to provide financing for public programs to attract tourist visits to areas where tourism is economically important and desired. The Tourism Marketing District was established and is levied pursuant to the Parking and Business Improvement Area Law of 1989, Part 6 of Division 18 of the California Streets and Highways Code (the 1989 Law) and the provisions of the California Constitution Article XIII D (Proposition 218).

OPSD (Open Space Preservation District) – To account for monies received from special assessments for the costs of acquiring open space lands, parks, and parkland in accordance with the City's programs.

Miscellaneous Grants – To account for receipts and disbursements of non-federal miscellaneous grants, which are restricted for planning, design, improvements, and maintenance of streets, roads, and bridges, facility construction and improvements, transit operations, and other transit-related expenditures.

Park Dedication – This fund accounts for monies received from developers restricted to finance the acquisition and develop new parkland space. These monies are restricted under the Quimby Act by ordinance and require the dedication of land or impose a requirement of the payment of fee in lieu.

Housing Successor Agency – To account for the transactions of the Housing Successor Agency for the continuation of the low- and moderate-income programs of the former redevelopment agency.

Tourism Marketing Bureau – To account for monies received from local and regional tourism-related organizations restricted for tourism and business development within the City's boundaries.

The Capital Projects Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other assets.

General Capital Projects – To account for major capital improvement projects not accounted for in other funds.

Public Financing Authority – To account for the construction of all capital projects that utilize public financing authority funds.

CITY OF SANTA CLARITA, CALIFORNIA

**NON-MAJOR GOVERNMENTAL FUNDS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2017**

The Debt Service Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for principal and interest.

Public Financing Authority – To account for principal and interest payments for obligations issued by the Santa Clarita Public Financing Authority.

CITY OF SANTA CLARITA, CALIFORNIA

COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2017

	Special Revenue Funds			
	Bikeway	Gas Tax	Proposition A	Special Assessment
Assets:				
Cash and investments	\$ -	\$ 2,425,945	\$ 1,285,926	\$ 7,713,556
Receivables:				
Accounts, net	-	21,657	-	36,261
Interest	-	9,637	5,507	34,731
Taxes	-	-	-	155,445
Loans	-	-	-	-
Due from other governments	139,785	-	-	-
Land held for resale	-	-	-	-
Restricted assets:				
Cash and investments	-	-	-	-
Cash and investments with fiscal agents	-	-	-	-
Total Assets	\$ 139,785	\$ 2,457,239	\$ 1,291,433	\$ 7,939,993
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities:				
Accounts payable and accrued liabilities	\$ 34,066	\$ 222,322	\$ 400	\$ 187,997
Due to other governments	-	-	-	-
Due to other funds	21,894	-	-	43,232
Total Liabilities	55,960	222,322	400	231,229
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund balances (deficit):				
Restricted	83,825	2,234,917	1,291,033	7,708,764
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances (Deficit)	83,825	2,234,917	1,291,033	7,708,764
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 139,785	\$ 2,457,239	\$ 1,291,433	\$ 7,939,993

(Continued)

CITY OF SANTA CLARITA, CALIFORNIA

COMBINING BALANCE SHEET (CONTINUED)
 NON-MAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2017

	Special Revenue Funds			
	State Park	TDA	Traffic Safety	CDBG
Assets:				
Cash and investments	\$ -	\$ 5,899,518	\$ -	\$ -
Receivables:				
Accounts, net	-	-	-	-
Interest	-	25,264	-	-
Taxes	-	-	-	-
Loans	-	-	-	94,575
Due from other governments	60,260	-	40,977	110,020
Land held for resale	-	-	-	-
Restricted assets:				
Cash and investments	-	-	-	-
Cash and investments with fiscal agents	-	-	-	-
Total Assets	<u>\$ 60,260</u>	<u>\$ 5,924,782</u>	<u>\$ 40,977</u>	<u>\$ 204,595</u>
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities:				
Accounts payable and accrued liabilities	\$ 342	\$ 323,424	\$ -	\$ 64,272
Due to other governments	-	-	-	-
Due to other funds	58,757	-	40,977	45,748
Total Liabilities	<u>59,099</u>	<u>323,424</u>	<u>40,977</u>	<u>110,020</u>
Deferred Inflows of Resources:				
Unavailable revenues	60,260	-	-	94,575
Total Deferred Inflows of Resources	<u>60,260</u>	<u>-</u>	<u>-</u>	<u>94,575</u>
Fund balances (deficit):				
Restricted	-	5,601,358	-	-
Assigned	-	-	-	-
Unassigned	(59,099)	-	-	-
Total Fund Balances (Deficit)	<u>(59,099)</u>	<u>5,601,358</u>	<u>-</u>	<u>-</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 60,260</u>	<u>\$ 5,924,782</u>	<u>\$ 40,977</u>	<u>\$ 204,595</u>

(Continued)

CITY OF SANTA CLARITA, CALIFORNIA

COMBINING BALANCE SHEET (CONTINUED)
 NON-MAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2017

	Special Revenue Funds			
	AQMD	Stormwater	Surface Transportation Program	BJA Law Enforcement
Assets:				
Cash and investments	\$ 585,358	\$ 5,616,495	\$ -	\$ -
Receivables:				
Accounts, net	-	6,345	-	-
Interest	2,507	24,036	-	-
Taxes	-	97,613	-	-
Loans	-	-	-	-
Due from other governments	71,288	-	49,343	-
Land held for resale	-	-	-	-
Restricted assets:				
Cash and investments	-	-	-	-
Cash and investments with fiscal agents	-	-	-	-
Total Assets	\$ 659,153	\$ 5,744,489	\$ 49,343	\$ -
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities:				
Accounts payable and accrued liabilities	\$ 69,946	\$ 134,792	\$ 49,342	\$ -
Due to other governments	-	-	-	-
Due to other funds	-	-	-	-
Total Liabilities	69,946	134,792	49,342	-
Deferred Inflows of Resources:				
Unavailable revenues	-	-	49,343	-
Total Deferred Inflows of Resources	-	-	49,343	-
Fund balances (deficit):				
Restricted	589,207	5,609,697	-	-
Assigned	-	-	-	-
Unassigned	-	-	(49,342)	-
Total Fund Balances (Deficit)	589,207	5,609,697	(49,342)	-
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 659,153	\$ 5,744,489	\$ 49,343	\$ -

(Continued)

CITY OF SANTA CLARITA, CALIFORNIA

**COMBINING BALANCE SHEET (CONTINUED)
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2017**

	Special Revenue Funds			
	Supplemental Law Grant	HOME	Library Facilities Fees	Public Education and Government
Assets:				
Cash and investments	\$ 123,305	\$ 49,835	\$ 1,239,428	\$ 1,709,253
Receivables:				
Accounts, net	-	-	-	-
Interest	528	213	5,308	7,320
Taxes	-	-	-	115,144
Loans	-	2,382,399	-	-
Due from other governments	155,172	-	-	-
Land held for resale	-	-	-	-
Restricted assets:				
Cash and investments	-	-	-	-
Cash and investments with fiscal agents	-	-	-	-
Total Assets	<u>\$ 279,005</u>	<u>\$ 2,432,447</u>	<u>\$ 1,244,736</u>	<u>\$ 1,831,717</u>
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities:				
Accounts payable and accrued liabilities	\$ 64,914	\$ -	\$ -	\$ 20,431
Due to other governments	-	-	-	-
Due to other funds	-	-	-	-
Total Liabilities	<u>64,914</u>	<u>-</u>	<u>-</u>	<u>20,431</u>
Deferred Inflows of Resources:				
Unavailable revenues	-	2,382,399	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>2,382,399</u>	<u>-</u>	<u>-</u>
Fund balances (deficit):				
Restricted	214,091	50,048	1,244,736	1,811,286
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances (Deficit)	<u>214,091</u>	<u>50,048</u>	<u>1,244,736</u>	<u>1,811,286</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 279,005</u>	<u>\$ 2,432,447</u>	<u>\$ 1,244,736</u>	<u>\$ 1,831,717</u>

(Continued)

CITY OF SANTA CLARITA, CALIFORNIA

COMBINING BALANCE SHEET (CONTINUED)
 NON-MAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2017

	Special Revenue Funds			
	Proposition C	Federal Grants	Measure R	Tourism Marketing District
Assets:				
Cash and investments	2,952,975	\$ 161,247	\$ 6,773,210	\$ 940,471
Receivables:				
Accounts, net	-	-	-	-
Interest	12,646	-	29,005	4,027
Taxes	-	-	-	62,258
Loans	-	-	-	-
Due from other governments	3,258,484	996,157	-	-
Land held for resale	-	-	-	-
Restricted assets:				
Cash and investments	-	-	-	-
Cash and investments with fiscal agents	-	-	-	-
Total Assets	<u>\$ 6,224,105</u>	<u>\$ 1,157,404</u>	<u>\$ 6,802,215</u>	<u>\$ 1,006,756</u>
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities:				
Accounts payable and accrued liabilities	\$ 397,700	\$ 734,969	\$ 21,491	\$ 28,784
Due to other governments	-	-	-	-
Due to other funds	2,883,813	-	-	-
Total Liabilities	<u>3,281,513</u>	<u>734,969</u>	<u>21,491</u>	<u>28,784</u>
Deferred Inflows of Resources:				
Unavailable revenues	2,742,295	563,851	-	-
Total Deferred Inflows of Resources	<u>2,742,295</u>	<u>563,851</u>	<u>-</u>	<u>-</u>
Fund balances (deficit):				
Restricted	200,297	-	6,780,724	977,972
Assigned	-	-	-	-
Unassigned	-	(141,416)	-	-
Total Fund Balances (Deficit)	<u>200,297</u>	<u>(141,416)</u>	<u>6,780,724</u>	<u>977,972</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 6,224,105</u>	<u>\$ 1,157,404</u>	<u>\$ 6,802,215</u>	<u>\$ 1,006,756</u>

(Continued)

CITY OF SANTA CLARITA, CALIFORNIA

COMBINING BALANCE SHEET (CONTINUED)
 NON-MAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2017

	Special Revenue Funds			
	OSPD	Miscellaneous Grants	Park Dedication	Housing Successor Agency
Assets:				
Cash and investments	\$ 4,438,909	\$ 168,025	\$ 7,991,186	\$ 347,902
Receivables:				
Accounts, net	-	-	-	-
Interest	19,009	-	34,221	1,490
Taxes	53,080	-	-	-
Loans	-	-	-	-
Due from other governments	-	203,968	-	-
Land held for resale	-	-	-	86,889
Restricted assets:				
Cash and investments	-	-	-	206,386
Cash and investments with fiscal agents	380	-	-	-
Total Assets	\$ 4,511,378	\$ 371,993	\$ 8,025,407	\$ 642,667
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities:				
Accounts payable and accrued liabilities	\$ 65,482	\$ 45,626	\$ 151,451	\$ -
Due to other governments	-	-	-	34,479
Due to other funds	-	-	-	-
Total Liabilities	65,482	45,626	151,451	34,479
Deferred Inflows of Resources:				
Unavailable revenues	-	16,235	-	-
Total Deferred Inflows of Resources	-	16,235	-	-
Fund balances (deficit):				
Restricted	4,445,896	310,132	7,873,956	608,188
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances (Deficit)	4,445,896	310,132	7,873,956	608,188
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 4,511,378	\$ 371,993	\$ 8,025,407	\$ 642,667

(Continued)

CITY OF SANTA CLARITA, CALIFORNIA

COMBINING BALANCE SHEET (CONTINUED)
 NON-MAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2017

	Special Revenue		Debt Service	
	Funds	Capital Projects Funds	Fund	
	Tourism	General	Public	Public
	Marketing	Capital	Financing	Financing
	Bureau	Projects	Authority	Authority
Assets:				
Cash and investments	\$ 41,640	\$ 2,257,550	\$ 10	\$ 3,368
Receivables:				
Accounts, net	-	-	-	-
Interest	178	-	-	-
Taxes	-	-	-	-
Loans	-	-	-	-
Due from other governments	-	-	-	-
Land held for resale	-	-	-	-
Restricted assets:				
Cash and investments	-	-	-	-
Cash and investments with fiscal agents	-	-	-	6,774
Total Assets	\$ 41,818	\$ 2,257,550	\$ 10	\$ 10,142
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities:				
Accounts payable and accrued liabilities	\$ -	\$ 254,966	\$ -	\$ -
Due to other governments	-	-	-	-
Due to other funds	-	-	-	-
Total Liabilities	-	254,966	-	-
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund balances (deficit):				
Restricted	41,818	-	-	10,142
Assigned	-	2,002,584	10	-
Unassigned	-	-	-	-
Total Fund Balances (Deficit)	41,818	2,002,584	10	10,142
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 41,818	\$ 2,257,550	\$ 10	\$ 10,142

(Continued)

CITY OF SANTA CLARITA, CALIFORNIA

**COMBINING BALANCE SHEET (CONTINUED)
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2017**

	Total Non-major Governmental Funds
	<u> </u>
Assets:	
Cash and investments	\$ 52,725,112
Receivables:	
Accounts, net	64,263
Interest	215,627
Taxes	483,540
Loans	2,476,974
Due from other governments	5,085,454
Land held for resale	86,889
Restricted assets:	
Cash and investments	206,386
Cash and investments with fiscal agents	7,154
Total Assets	<u><u>\$ 61,351,399</u></u>
Liabilities, Deferred Inflows of Resources and Fund Balances	
Liabilities:	
Accounts payable and accrued liabilities	\$ 2,872,717
Due to other governments	34,479
Due to other funds	3,094,421
Total Liabilities	<u><u>6,001,617</u></u>
Deferred Inflows of Resources:	
Unavailable revenues	5,908,958
Total Deferred Inflows of Resources	<u><u>5,908,958</u></u>
Fund balances (deficit):	
Restricted	47,688,087
Assigned	2,002,594
Unassigned	(249,857)
Total Fund Balances (Deficit)	<u><u>49,440,824</u></u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u><u>\$ 61,351,399</u></u>

CITY OF SANTA CLARITA, CALIFORNIA

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2017**

	Special Revenue Funds			
	Bikeway	Gas Tax	Proposition A	Special Assessment
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	5,628,388
Intergovernmental	119,875	4,181,240	3,890,902	-
Charges for services	-	-	-	-
Investment income (loss)	(1,149)	5,468	17,177	20,838
Fines and forfeitures	-	-	-	-
Developer fees	-	-	-	-
Other revenue	-	8,958	-	41,474
Total Revenues	118,726	4,195,666	3,908,079	5,690,700
Expenditures:				
Current:				
General government	-	26,921	-	3,120,820
Public safety	-	-	-	-
Recreation and community services	-	-	-	-
Public works	9,736	4,181,078	-	1,321,334
Community development	-	-	-	-
Neighborhood services	60,000	-	-	-
Capital outlay	80,069	174,135	133,424	28,394
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	149,805	4,382,134	133,424	4,470,548
Excess (Deficiency) of Revenues Over (Under) Expenditures	(31,079)	(186,468)	3,774,655	1,220,152
Other Financing Sources (Uses):				
Transfers in	-	242,581	-	20,420
Transfers out	-	(110,591)	(2,483,864)	(6,589)
Total Other Financing Sources (Uses)	-	131,990	(2,483,864)	13,831
Net Change in Fund Balances	(31,079)	(54,478)	1,290,791	1,233,983
Fund Balances (Deficit), Beginning of Year	114,904	2,289,395	242	6,474,781
Fund Balances, End of Year	\$ 83,825	\$ 2,234,917	\$ 1,291,033	\$ 7,708,764

(Continued)

CITY OF SANTA CLARITA, CALIFORNIA

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (CONTINUED)
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2017**

	Special Revenue Funds			
	State Park	TDA	Traffic Safety	CDBG
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-
Intergovernmental	1,162	5,614,065	-	757,732
Charges for services	-	-	-	-
Investment income (loss)	-	(37,871)	286	-
Fines and forfeitures	-	-	410,750	-
Developer fees	-	-	-	-
Other revenue	-	-	-	-
Total Revenues	1,162	5,576,194	411,036	757,732
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Recreation and community services	60,261	-	-	-
Public works	-	7,715,221	-	-
Community development	-	-	-	593,856
Neighborhood services	-	-	-	-
Capital outlay	-	99,377	-	55,271
Debt service:				
Principal	-	-	-	100,000
Interest and fiscal charges	-	-	-	8,605
Total Expenditures	60,261	7,814,598	-	757,732
Excess (Deficiency) of Revenues Over (Under) Expenditures	(59,099)	(2,238,404)	411,036	-
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	-	(411,036)	-
Total Other Financing Sources (Uses)	-	-	(411,036)	-
Net Change in Fund Balances	(59,099)	(2,238,404)	-	-
Fund Balances (Deficit), Beginning of Year	-	7,839,762	-	-
Fund Balances, End of Year	\$ (59,099)	\$ 5,601,358	\$ -	\$ -

(Continued)

CITY OF SANTA CLARITA, CALIFORNIA

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (CONTINUED)
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2017**

	Special Revenue Funds			
	AQMD	Stormwater	Surface Transportation Program	BJA Law Enforcement
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Special assessments	-	3,192,574	-	-
Intergovernmental	280,442	-	826,665	39,292
Charges for services	-	-	-	-
Investment income (loss)	2,994	13,819	-	-
Fines and forfeitures	-	-	-	-
Developer fees	-	-	-	-
Other revenue	-	339,574	-	-
Total Revenues	283,436	3,545,967	826,665	39,292
Expenditures:				
Current:				
General government	-	4,100	-	-
Public safety	-	-	-	39,292
Recreation and community services	-	-	-	-
Public works	405,189	3,347,916	875,308	-
Community development	-	-	-	-
Neighborhood services	-	-	-	-
Capital outlay	6,371	34,464	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	411,560	3,386,480	875,308	39,292
Excess (Deficiency) of Revenues Over (Under) Expenditures	(128,124)	159,487	(48,643)	-
Other Financing Sources (Uses):				
Transfers in	-	3,690	-	845
Transfers out	-	(30,072)	-	-
Total Other Financing Sources (Uses)	-	(26,382)	-	845
Net Change in Fund Balances	(128,124)	133,105	(48,643)	845
Fund Balances (Deficit), Beginning of Year	717,331	5,476,592	(699)	(845)
Fund Balances, End of Year	\$ 589,207	\$ 5,609,697	\$ (49,342)	\$ -

(Continued)

CITY OF SANTA CLARITA, CALIFORNIA

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (CONTINUED)
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2017**

	Special Revenue Funds			
	Supplemental Law Grant	HOME	Library Facilities Fees	Public Education and Government
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ 474,375
Special assessments	-	-	-	-
Intergovernmental	572,317	34,162	-	-
Charges for services	-	-	-	-
Investment income (loss)	490	310	4,547	5,916
Fines and forfeitures	-	-	-	-
Developer fees	-	-	389,332	-
Other revenue	-	-	-	-
Total Revenues	572,807	34,472	393,879	480,291
Expenditures:				
Current:				
General government	-	-	-	271,802
Public safety	389,483	-	-	-
Recreation and community services	-	-	-	-
Public works	-	-	-	-
Community development	-	-	-	-
Neighborhood services	-	-	-	-
Capital outlay	-	-	-	81,153
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	389,483	-	-	352,955
Excess (Deficiency) of Revenues Over (Under) Expenditures	183,324	34,472	393,879	127,336
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	183,324	34,472	393,879	127,336
Fund Balances (Deficit), Beginning of Year	30,767	15,576	850,857	1,683,950
Fund Balances, End of Year	\$ 214,091	\$ 50,048	\$ 1,244,736	\$ 1,811,286

(Continued)

CITY OF SANTA CLARITA, CALIFORNIA

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (CONTINUED)
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2017**

	Special Revenue Funds			
	Proposition C	Federal Grants	Measure R	Tourism Marketing District
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-
Intergovernmental	4,146,628	205,909	2,421,136	-
Charges for services	-	-	-	678,368
Investment income (loss)	5,278	-	19,993	3,933
Fines and forfeitures	-	-	-	-
Developer fees	-	-	-	-
Other revenue	-	-	-	-
Total Revenues	4,151,906	205,909	2,441,129	682,301
Expenditures:				
Current:				
General government	-	-	-	547,550
Public safety	-	-	-	-
Recreation and community services	-	-	-	-
Public works	136,531	887,812	149,327	-
Community development	-	-	-	-
Neighborhood services	-	-	-	-
Capital outlay	2,518,635	141,425	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	2,655,166	1,029,237	149,327	547,550
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,496,740	(823,328)	2,291,802	134,751
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	(1,304,217)	(23,321)	-	-
Total Other Financing Sources (Uses)	(1,304,217)	(23,321)	-	-
Net Change in Fund Balances	192,523	(846,649)	2,291,802	134,751
Fund Balances (Deficit), Beginning of Year	7,774	705,233	4,488,922	843,221
Fund Balances, End of Year	\$ 200,297	\$ (141,416)	\$ 6,780,724	\$ 977,972

(Continued)

CITY OF SANTA CLARITA, CALIFORNIA

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (CONTINUED)
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2017**

	Special Revenue Funds			
	OSPД	Miscellaneous Grants	Park Dedication	Housing Successor Agency
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Special assessments	2,399,530	-	-	-
Intergovernmental	-	588,842	-	-
Charges for services	121,442	-	-	-
Investment income (loss)	7,918	-	27,456	908
Fines and forfeitures	-	-	-	-
Developer fees	-	-	1,513,444	-
Other revenue	1,000	24,024	-	28,033
Total Revenues	2,529,890	612,866	1,540,900	28,941
Expenditures:				
Current:				
General government	570,544	531,688	-	-
Public safety	-	81,851	-	-
Recreation and community services	-	-	-	-
Public works	-	18,441	-	-
Community development	-	-	-	-
Neighborhood services	-	-	503,825	-
Capital outlay	3,074,032	-	245,029	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	3,644,576	631,980	748,854	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,114,686)	(19,114)	792,046	28,941
Other Financing Sources (Uses):				
Transfers in	600	23,321	-	-
Transfers out	(641,173)	-	(250,000)	-
Total Other Financing Sources (Uses)	(640,573)	23,321	(250,000)	-
Net Change in Fund Balances	(1,755,259)	4,207	542,046	28,941
Fund Balances (Deficit), Beginning of Year	6,201,155	305,925	7,331,910	579,247
Fund Balances, End of Year	\$ 4,445,896	\$ 310,132	\$ 7,873,956	\$ 608,188

(Continued)

CITY OF SANTA CLARITA, CALIFORNIA

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (CONTINUED)
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2017**

	Special Revenue		Debt Service	
	Fund	Capital Projects Fund		Fund
	Tourism Marketing Bureau	General Capital Projects	Public Financing Authority	Public Financing Authority
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	7,546	31,000	-	-
Investment income (loss)	123	-	-	18,377
Fines and forfeitures	-	-	-	-
Developer fees	-	-	-	-
Other revenue	10,000	-	-	-
Total Revenues	17,669	31,000	-	18,377
Expenditures:				
Current:				
General government	8,545	-	-	-
Public safety	-	-	-	-
Recreation and community services	-	-	-	-
Public works	-	2,101,691	-	-
Community development	-	-	-	-
Neighborhood services	-	40,853	-	-
Capital outlay	-	275,636	-	-
Debt service:				
Principal	-	-	-	2,013,868
Interest and fiscal charges	-	-	-	784,555
Total Expenditures	8,545	2,418,180	-	2,798,423
Excess (Deficiency) of Revenues Over (Under) Expenditures	9,124	(2,387,180)	-	(2,780,046)
Other Financing Sources (Uses):				
Transfers in	-	2,547,928	635,917	2,786,788
Transfers out	-	-	(635,917)	-
Total Other Financing Sources (Uses)	-	2,547,928	-	2,786,788
Net Change in Fund Balances	9,124	160,748	-	6,742
Fund Balances (Deficit), Beginning of Year	32,694	1,841,836	10	3,400
Fund Balances, End of Year	\$ 41,818	\$ 2,002,584	\$ 10	\$ 10,142

(Continued)

CITY OF SANTA CLARITA, CALIFORNIA

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (CONTINUED)
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2017**

	Total Non-major Governmental Funds
	<u> </u>
Revenues:	
Taxes	\$ 474,375
Special assessments	11,220,492
Intergovernmental	23,680,369
Charges for services	838,356
Investment income (loss)	116,811
Fines and forfeitures	410,750
Developer fees	1,902,776
Other revenue	453,063
Total Revenues	<u>39,096,992</u>
Expenditures:	
Current:	
General government	5,081,970
Public safety	510,626
Recreation and community services	60,261
Public works	21,149,584
Community development	593,856
Neighborhood services	604,678
Capital outlay	6,947,415
Debt service:	
Principal	2,113,868
Interest and fiscal charges	793,160
Total Expenditures	<u>37,855,418</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,241,574</u>
Other Financing Sources (Uses):	
Transfers in	6,262,090
Transfers out	<u>(5,896,780)</u>
Total Other Financing Sources (Uses)	<u>365,310</u>
Net Change in Fund Balances	1,606,884
Fund Balances (Deficit), Beginning of Year	<u>47,833,940</u>
Fund Balances, End of Year	<u>\$ 49,440,824</u>

CITY OF SANTA CLARITA, CALIFORNIA

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
BIKEWAY SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 119,875	\$ 119,875
Investment income (loss)	141,401	139,785	(1,149)	(140,934)
Total Revenues	<u>141,401</u>	<u>139,785</u>	<u>118,726</u>	<u>(21,059)</u>
Expenditures:				
Capital Improvement Projects:				
Operating	141,401	254,689	149,805	104,884
Total Expenditures	<u>141,401</u>	<u>254,689</u>	<u>149,805</u>	<u>104,884</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ (114,904)</u>	<u>(31,079)</u>	<u>\$ 83,825</u>
Fund Balance at Beginning of Year			114,904	
Fund Balance at End of Year			<u>\$ 83,825</u>	

CITY OF SANTA CLARITA, CALIFORNIA

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
GAS TAX SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 4,348,923	\$ 4,181,240	\$ 4,181,240	\$ -
Investment income	2,500	5,467	5,468	1
Other revenue	-	8,958	8,958	-
Total Revenues	<u>4,351,423</u>	<u>4,195,665</u>	<u>4,195,666</u>	<u>1</u>
Expenditures:				
Operating:				
Personnel	2,171,351	2,190,495	1,991,131	199,364
Operating	1,785,794	1,982,542	1,900,881	81,661
Capital outlay	211,840	201,971	176,056	25,915
Capital Improvement Projects:				
Personnel	-	-	39,850	(39,850)
Operating	1,960,306	2,380,493	274,216	2,106,277
Total Expenditures	<u>6,129,291</u>	<u>6,755,501</u>	<u>4,382,134</u>	<u>2,373,367</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,777,868)</u>	<u>(2,559,836)</u>	<u>(186,468)</u>	<u>2,373,368</u>
Other financing sources (uses):				
Transfers in	242,581	242,581	242,581	-
Transfer out	(127,385)	(111,555)	(110,591)	964
Total Other Financing Sources (Uses)	<u>115,196</u>	<u>131,026</u>	<u>131,990</u>	<u>964</u>
Net Change in Fund Balance	<u>\$ (1,662,672)</u>	<u>\$ (2,428,810)</u>	<u>(54,478)</u>	<u>2,374,332</u>
Fund Balance at Beginning of Year			2,289,395	
Fund Balance at End of Year			<u>\$ 2,234,917</u>	

CITY OF SANTA CLARITA, CALIFORNIA

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
PROPOSITION A SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 3,906,881	\$ 3,975,326	\$ 3,890,902	\$ (84,424)
Investment income	-	-	17,177	17,177
Other revenue	-	-	-	-
Total Revenues	<u>3,906,881</u>	<u>3,975,326</u>	<u>3,908,079</u>	<u>(67,247)</u>
Expenditures:				
Capital Improvement Projects:				
Operating	<u>1,002,651</u>	<u>1,351,867</u>	<u>133,424</u>	<u>1,218,443</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>2,904,230</u>	<u>2,623,459</u>	<u>3,774,655</u>	<u>1,151,196</u>
Other financing sources (uses):				
Transfer out	<u>(2,904,230)</u>	<u>(2,637,571)</u>	<u>(2,483,864)</u>	<u>153,707</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ (14,112)</u>	<u>1,290,791</u>	<u>\$ 1,304,903</u>
Fund Balance at Beginning of Year			<u>242</u>	
Fund Balance at End of Year			<u>\$ 1,291,033</u>	

CITY OF SANTA CLARITA, CALIFORNIA

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
SPECIAL ASSESSMENT SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
Revenues:				
Special assessments	\$ 5,381,116	\$ 5,477,856	\$ 5,628,388	\$ 150,532
Charges for services	50,600	50,600	-	(50,600)
Investment income	-	-	20,838	20,838
Other revenue	-	-	41,474	41,474
Total Revenues	<u>5,431,716</u>	<u>5,528,456</u>	<u>5,690,700</u>	<u>162,244</u>
Expenditures:				
Operating:				
Personnel	328,697	288,255	257,828	30,427
Operating	4,584,397	4,576,427	3,859,688	716,739
Capital outlay	400,207	402,545	350,494	52,051
Capital Improvement Projects:				
Operating	-	4,052	2,538	1,514
Total Expenditures	<u>5,313,301</u>	<u>5,271,279</u>	<u>4,470,548</u>	<u>800,731</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>118,415</u>	<u>257,177</u>	<u>1,220,152</u>	<u>962,975</u>
Other financing sources (uses):				
Transfers in	1,173,047	1,073,230	20,420	1,052,810
Transfer out	(1,037,357)	(1,059,257)	(6,589)	(1,052,668)
Total Other Financing Sources (Uses)	<u>135,690</u>	<u>13,973</u>	<u>13,831</u>	<u>142</u>
Net Change in Fund Balance	<u>\$ 254,105</u>	<u>\$ 271,150</u>	<u>1,233,983</u>	<u>\$ 963,117</u>
Fund Balance at Beginning of Year			<u>6,474,781</u>	
Fund Balance at End of Year			<u>\$ 7,708,764</u>	

CITY OF SANTA CLARITA, CALIFORNIA

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
STATE PARK SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 62,393	\$ 62,393	\$ 1,162	\$ (61,231)
Expenditures:				
Operating:				
Personnel	35,493	34,904	34,665	239
Operating	26,900	26,900	25,596	1,304
Total Expenditures	<u>62,393</u>	<u>61,804</u>	<u>60,261</u>	<u>1,543</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ 589</u>	<u>(59,099)</u>	<u>\$ (59,688)</u>
Fund Balance at Beginning of Year			-	
Fund Balance at End of Year			<u>\$ (59,099)</u>	

CITY OF SANTA CLARITA, CALIFORNIA

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
TRANSPORTATION DEVELOPMENT ACT SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 8,009,166	\$ 5,776,433	\$ 5,614,065	\$ (162,368)
Investment income (loss)	-	-	(37,871)	(37,871)
Total Revenues	<u>8,009,166</u>	<u>5,776,433</u>	<u>5,576,194</u>	<u>(200,239)</u>
Expenditures:				
Capital Improvement Projects:				
Personnel	-	-	22,389	(22,389)
Operating	5,153,832	13,612,196	7,792,209	5,819,987
Total Expenditures	<u>5,153,832</u>	<u>13,612,196</u>	<u>7,814,598</u>	<u>5,797,598</u>
Net Change in Fund Balance	<u>\$ 2,855,334</u>	<u>\$ (7,835,763)</u>	<u>(2,238,404)</u>	<u>\$ 5,597,359</u>
Fund Balance at Beginning of Year			7,839,762	
Fund Balance at End of Year			<u>\$ 5,601,358</u>	

CITY OF SANTA CLARITA, CALIFORNIA

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
TRAFFIC SAFETY SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive/(Negative)
Revenues:				
Investment income	\$ -	\$ -	\$ 286	\$ 286
Fines and forfeitures	400,000	400,000	410,750	10,750
Total Revenues	<u>400,000</u>	<u>400,000</u>	<u>411,036</u>	<u>11,036</u>
Other financing sources (uses):				
Transfer out	(400,000)	(400,000)	(411,036)	(11,036)
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund Balance at Beginning of Year			-	
Fund Balance at End of Year			<u>\$ -</u>	

CITY OF SANTA CLARITA, CALIFORNIA

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
COMMUNITY DEVELOPMENT BLOCK GRANT SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive/(Negative)
Revenues:				
Intergovernmental	\$ 1,287,984	\$ 757,732	\$ 757,732	\$ -
Expenditures:				
Operating:				
Personnel	204,688	209,782	199,735	10,047
Operating	5,475	5,475	3,321	2,154
Capital outlay	389,956	464,591	390,800	73,791
Capital Improvement Projects:				
Operating	499,522	554,811	55,271	499,540
Debt Service:				
Debt Services	108,605	108,605	108,605	-
Total Expenditures	<u>1,208,246</u>	<u>1,343,264</u>	<u>757,732</u>	<u>585,532</u>
Net Change in Fund Balance	<u>\$ 79,738</u>	<u>\$ (585,532)</u>	<u>-</u>	<u>\$ 585,532</u>
Fund Balance at Beginning of Year			-	
Fund Balance at End of Year			<u>\$ -</u>	

CITY OF SANTA CLARITA, CALIFORNIA

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
AIR QUALITY MANAGEMENT DISTRICT SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 257,000	\$ 275,700	\$ 280,442	\$ 4,742
Investment income	-	-	2,994	2,994
Total Revenues	<u>257,000</u>	<u>275,700</u>	<u>283,436</u>	<u>7,736</u>
Expenditures:				
Operating:				
Operating	10,778	10,778	7,922	2,856
Capital outlay	8,300	8,675	6,476	2,199
Capital Improvement Projects:				
Personnel	-	-	25,166	(25,166)
Operating	578,931	690,547	371,996	318,551
Total Expenditures	<u>598,009</u>	<u>710,000</u>	<u>411,560</u>	<u>298,440</u>
Net Change in Fund Balance	<u>\$ (341,009)</u>	<u>\$ (434,300)</u>	<u>(128,124)</u>	<u>\$ 306,176</u>
Fund Balance at Beginning of Year			<u>717,331</u>	
Fund Balance at End of Year			<u>\$ 589,207</u>	

CITY OF SANTA CLARITA, CALIFORNIA

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
STORMWATER SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
Revenues:				
Special assessments	\$ 82,359	\$ 82,359	\$ 3,192,574	\$ 3,110,215
Investment income	50,000	50,000	13,819	(36,181)
Charges for services	14,310	14,310	-	(14,310)
Other revenue	3,314,616	3,314,616	339,574	(2,975,042)
Total Revenues	3,461,285	3,461,285	3,545,967	84,682
Expenditures:				
Operating:				
Personnel	1,330,538	1,352,248	1,342,990	9,258
Operating	1,435,703	1,435,703	1,394,129	41,574
Capital outlay	628,976	972,574	353,418	619,156
Capital Improvement Projects:				
Personnel	-	-	4,976	(4,976)
Operating	-	309,838	290,967	18,871
Total Expenditures	3,395,217	4,070,363	3,386,480	683,883
Excess (Deficiency) of Revenues Over (Under) Expenditures	66,068	(609,078)	159,487	768,565
Other financing sources (uses):				
Transfers in	3,690	3,690	3,690	-
Transfer out	(42,951)	(30,131)	(30,072)	(59)
Total Other Financing Sources (Uses)	(39,261)	(26,441)	(26,382)	(59)
Net Change in Fund Balance	\$ 26,807	\$ (635,519)	133,105	\$ 768,506
Fund Balance at Beginning of Year			5,476,592	
Fund Balance at End of Year			<u>\$ 5,609,697</u>	

CITY OF SANTA CLARITA, CALIFORNIA

**SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
 SURFACE TRANSPORTATION PROGRAM SPECIAL REVENUE FUND
 FOR THE YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ 905,259	\$ 826,665	\$ (78,594)
Expenditures:				
Capital Improvement Projects:				
Operating	-	905,259	875,308	29,951
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>(48,643)</u>	<u>\$ (48,643)</u>
Fund Balance at Beginning of Year			<u>(699)</u>	
Fund Balance at End of Year			<u>\$ (49,342)</u>	

CITY OF SANTA CLARITA, CALIFORNIA

**SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
 BJA LAW ENFORCEMENT SPECIAL REVENUE FUND
 FOR THE YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ 40,817	\$ 39,292	\$ (1,525)
Expenditures:				
Operating:				
Operating	-	40,817	39,292	1,525
Other financing sources (uses):				
Transfers in		846	845	1
Net Change in Fund Balance	\$ -	\$ 846	845	\$ -
Fund Balance at Beginning of Year			(845)	
Fund Balance at End of Year			\$ -	

CITY OF SANTA CLARITA, CALIFORNIA

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
SUPPLEMENTAL LAW GRANT SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ 435,949	\$ 572,317	\$ 136,368
Investment income	-	-	490	490
Total Revenues	<u>-</u>	<u>435,949</u>	<u>572,807</u>	<u>136,858</u>
Expenditures:				
Operating:				
Operating	-	466,717	389,483	77,234
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ (30,768)</u>	<u>183,324</u>	<u>\$ 214,092</u>
Fund Balance at Beginning of Year			30,767	
Fund Balance at End of Year			<u>\$ 214,091</u>	

CITY OF SANTA CLARITA, CALIFORNIA

**SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
 HOME SPECIAL REVENUE FUND
 FOR THE YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive/(Negative)
Revenues:				
Intergovernmental	\$ -	\$ 33,000	\$ 34,162	\$ 1,162
Investment income	-	-	310	310
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ 33,000</u>	<u>34,472</u>	<u>\$ 1,472</u>
Fund Balance at Beginning of Year			15,576	
Fund Balance at End of Year			<u>\$ 50,048</u>	

CITY OF SANTA CLARITA, CALIFORNIA

**SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
 LIBRARY FACILITIES FEES SPECIAL REVENUE FUND
 FOR THE YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
Revenues:				
Investment income	\$ -	\$ -	\$ 4,547	\$ 4,547
Developer fees	225,000	225,000	389,332	164,332
Total Revenues	<u>225,000</u>	<u>225,000</u>	393,879	<u>168,879</u>
Fund Balance at Beginning of Year			850,857	
Fund Balance at End of Year			<u>\$ 1,244,736</u>	

CITY OF SANTA CLARITA, CALIFORNIA

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
PUBLIC EDUCATION AND GOVERNMENT SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
Revenues:				
Taxes	\$ 508,000	\$ 508,000	\$ 474,375	\$ (33,625)
Investment income	10,116	10,116	5,916	(4,200)
Total Revenues	<u>518,116</u>	<u>518,116</u>	<u>480,291</u>	<u>(37,825)</u>
Expenditures:				
Operating:				
Operating	190,000	290,000	271,802	18,198
Capital outlay	25,000	50,000	81,153	(31,153)
Total Expenditures	<u>215,000</u>	<u>340,000</u>	<u>352,955</u>	<u>(12,955)</u>
Net Change in Fund Balance	<u>\$ 303,116</u>	<u>\$ 178,116</u>	127,336	<u>\$ (50,780)</u>
Fund Balance at Beginning of Year			<u>1,683,950</u>	
Fund Balance at End of Year			<u>\$ 1,811,286</u>	

CITY OF SANTA CLARITA, CALIFORNIA

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
PROPOSITION C SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 8,443,450	\$ 10,187,004	\$ 4,146,628	\$ (6,040,376)
Investment income	-	-	5,278	5,278
Total Revenues	<u>8,443,450</u>	<u>10,187,004</u>	<u>4,151,906</u>	<u>(6,035,098)</u>
Expenditures:				
Capital Improvement Projects:				
Personnel	-	-	67,152	(67,152)
Operating	5,418,360	6,203,331	2,588,014	3,615,317
Total Expenditures	<u>5,418,360</u>	<u>6,203,331</u>	<u>2,655,166</u>	<u>3,548,165</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>3,025,090</u>	<u>3,983,673</u>	<u>1,496,740</u>	<u>(2,486,933)</u>
Other financing sources (uses):				
Transfer out	(3,024,082)	(2,314,854)	(1,304,217)	1,010,637
Net Change in Fund Balance	<u>\$ 1,008</u>	<u>\$ 1,668,819</u>	<u>192,523</u>	<u>\$ (1,476,296)</u>
Fund Balance at Beginning of Year			7,774	
Fund Balance at End of Year			<u>\$ 200,297</u>	

CITY OF SANTA CLARITA, CALIFORNIA

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FEDERAL GRANTS SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 3,142,131	\$ 14,442,094	\$ 205,909	\$ (14,236,185)
Expenditures:				
Capital Improvement Projects:				
Personnel	-	-	131,158	(131,158)
Operating	3,141,131	15,856,394	898,079	14,958,315
Total Expenditures	3,141,131	15,856,394	1,029,237	14,827,157
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,000	(1,414,300)	(823,328)	590,972
Other financing sources (uses):				
Transfer out	-	-	(23,321)	23,321
Total Other Financing Sources (Uses)	-	-	(23,321)	23,321
Net Change in Fund Balance	\$ 1,000	\$ (1,414,300)	(846,649)	\$ 614,293
Fund Balance at Beginning of Year			705,233	
Fund Balance at End of Year			<u>\$ (141,416)</u>	

CITY OF SANTA CLARITA, CALIFORNIA

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
MEASURE R SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive/(Negative)
Revenues:				
Intergovernmental	\$ 2,430,312	\$ 2,472,892	\$ 2,421,136	\$ (51,756)
Investment income	-	-	19,993	19,993
Total Revenues	<u>2,430,312</u>	<u>2,472,892</u>	<u>2,441,129</u>	<u>(31,763)</u>
Expenditures:				
Capital Improvement Projects:				
Personnel			57,004	(57,004)
Operating	2,587,499	2,781,304	92,323	2,688,981
Total Expenditures	<u>2,587,499</u>	<u>2,781,304</u>	<u>149,327</u>	<u>2,631,977</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	<u>(157,187)</u>	<u>(308,412)</u>	<u>2,291,802</u>	<u>2,600,214</u>
Other financing sources (uses):				
Transfer out	(3,149,384)	-	-	-
Net Change in Fund Balance	<u>\$ (3,306,571)</u>	<u>\$ (308,412)</u>	<u>2,291,802</u>	<u>\$ 2,600,214</u>
Fund Balance at Beginning of Year			4,488,922	
Fund Balance at End of Year			<u>\$ 6,780,724</u>	

CITY OF SANTA CLARITA, CALIFORNIA

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
TOURISM MARKETING DISTRICT SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 653,948	\$ 653,948	\$ 678,368	\$ 24,420
Investment income	1,000	1,000	3,933	2,933
Total Revenues	<u>654,948</u>	<u>654,948</u>	<u>682,301</u>	<u>27,353</u>
Expenditures:				
Operating:				
Personnel	19,539	19,328	19,410	(82)
Operating	570,103	620,103	528,140	91,963
Total Expenditures	<u>589,642</u>	<u>639,431</u>	<u>547,550</u>	<u>91,881</u>
Net Change in Fund Balance	<u>\$ 65,306</u>	<u>\$ 15,517</u>	<u>134,751</u>	<u>\$ 119,234</u>
Fund Balance at Beginning of Year			<u>843,221</u>	
Fund Balance at End of Year			<u>\$ 977,972</u>	

CITY OF SANTA CLARITA, CALIFORNIA

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
OPEN SPACE PRESERVATION DISTRICT SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
Revenues:				
Special assessments	\$ 2,393,297	\$ 2,393,297	\$ 2,399,530	\$ 6,233
Charges for services	86,654	86,654	122,442	35,788
Investment income	5,000	5,000	7,918	2,918
Total Revenues	<u>2,484,951</u>	<u>2,484,951</u>	<u>2,529,890</u>	<u>44,939</u>
Expenditures:				
Operating:				
Personnel	239,395	239,096	208,048	31,048
Operating	317,120	598,556	350,576	247,980
Capital outlay	11,941	3,124,846	3,072,443	52,403
Capital Improvement Projects:				
Operating	-	81,212	13,509	67,703
Total Expenditures	<u>568,456</u>	<u>4,043,710</u>	<u>3,644,576</u>	<u>399,134</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,916,495</u>	<u>(1,558,759)</u>	<u>(1,114,686)</u>	<u>444,073</u>
Other financing sources (uses):				
Transfers in		600	600	-
Transfer out	(884,249)	(641,112)	(641,173)	(61)
Total Other Financing Sources (Uses)	<u>(884,249)</u>	<u>(640,512)</u>	<u>(640,573)</u>	<u>(61)</u>
Net Change in Fund Balance	<u>\$ 1,032,246</u>	<u>\$ (2,199,271)</u>	<u>(1,755,259)</u>	<u>\$ 444,012</u>
Fund Balance at Beginning of Year			6,201,155	
Fund Balance at End of Year			<u>\$ 4,445,896</u>	

CITY OF SANTA CLARITA, CALIFORNIA

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
MISCELLANEOUS GRANTS SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive/(Negative)
Revenues:				
Intergovernmental	\$ 507,208	\$ 684,520	\$ 588,742	\$ (95,778)
Other revenue	54,859	54,859	24,124	(30,735)
Total Revenues	<u>562,067</u>	<u>739,379</u>	<u>612,866</u>	<u>(126,513)</u>
Expenditures:				
Operating:				
Operating	452,208	575,660	532,404	43,256
Capital Outlay	155,000	157,471	92,989	64,482
Capital Improvement Projects:				
Operating	54,859	194,937	6,587	188,350
Total Expenditures	<u>662,067</u>	<u>928,068</u>	<u>631,980</u>	<u>296,088</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(100,000)	(188,689)	(19,114)	169,575
Other financing sources (uses):				
Transfers in	-	23,321	23,321	-
Net Change in Fund Balance	<u>\$ (100,000)</u>	<u>\$ (165,368)</u>	<u>4,207</u>	<u>\$ 169,575</u>
Fund Balance at Beginning of Year			305,925	
Fund Balance at End of Year			<u>\$ 310,132</u>	

CITY OF SANTA CLARITA, CALIFORNIA

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
PARK DEDICATION SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive/(Negative)
Revenues:				
Investment income	\$ -	\$ 2,500	\$ 27,456	\$ 24,956
Developer fees	-	2,601,751	1,513,444	(1,088,307)
Total Revenues	-	2,604,251	1,540,900	(1,063,351)
Expenditures:				
Capital Improvement Projects:				
Personnel	-	-	766	765
Operating	975,700	2,060,339	748,088	1,312,251
Total Expenditures	975,700	2,060,339	748,854	1,313,016
Excess (Deficiency) of Revenues Over (Under) Expenditures	(975,700)	543,912	792,046	249,665
Other financing sources (uses):				
Transfer out	-	(250,000)	(250,000)	-
Net Change in Fund Balance	\$ (975,700)	\$ 293,912	542,046	\$ 249,665
Fund Balance at Beginning of Year			7,331,910	
Fund Balance at End of Year			<u>\$ 7,873,956</u>	

CITY OF SANTA CLARITA, CALIFORNIA

**SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
 HOUSING SUCCESSOR AGENCY SPECIAL REVENUE FUND
 FOR THE YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive/(Negative)
Revenues:				
Investment income	\$ -	\$ -	\$ 908	\$ 908
Other revenue	28,034	28,034	28,033	(1)
Total Revenues	<u>28,034</u>	<u>28,034</u>	<u>28,941</u>	<u>907</u>
Net Change in Fund Balance	<u>\$ 28,034</u>	<u>\$ 28,034</u>	<u>28,941</u>	<u>\$ 907</u>
Fund Balance at Beginning of Year			<u>579,247</u>	
Fund Balance at End of Year			<u>\$ 608,188</u>	

CITY OF SANTA CLARITA, CALIFORNIA

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
TOURISM MARKETING BUREAU SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive/(Negative)
Revenues:				
Charges for services	\$ 11,300	\$ 11,300	\$ 7,546	\$ (3,754)
Investment income	401	401	123	(278)
Other revenue	-	25,000	10,000	(15,000)
Total Revenues	<u>11,701</u>	<u>36,701</u>	<u>17,669</u>	<u>(19,032)</u>
Expenditures:				
Operating:				
Operating	62,600	45,210	7,708	37,502
Capital Outlay	837	837	837	-
Total Expenditures	<u>63,437</u>	<u>46,047</u>	<u>8,545</u>	<u>37,502</u>
Net Change in Fund Balance	<u>\$ (51,736)</u>	<u>\$ (9,346)</u>	<u>9,124</u>	<u>\$ 18,470</u>
Fund Balance at Beginning of Year			<u>32,694</u>	
Fund Balance at End of Year			<u>\$ 41,818</u>	

CITY OF SANTA CLARITA, CALIFORNIA

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
GENERAL CAPITAL PROJECTS FUND
FOR THE YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
Revenues:				
Other revenue	\$ -	\$ -	\$ 31,000	\$ 31,000
Expenditures:				
Capital Improvement Projects:				
Personnel	-	-	399,216	(399,216)
Operating	2,178,235	4,170,761	2,018,964	2,151,797
Total Expenditures	2,178,235	4,170,761	2,418,180	1,752,581
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,178,235)	(4,170,761)	(2,387,180)	1,783,581
Other financing sources (uses):				
Transfers in	2,029,315	2,547,928	2,547,928	-
Net Change in Fund Balance	\$ (148,920)	\$ (1,622,833)	160,748	\$ 1,783,581
Fund Balance at Beginning of Year			1,841,836	
Fund Balance at End of Year			<u>\$ 2,002,584</u>	

CITY OF SANTA CLARITA, CALIFORNIA

**SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
 PUBLIC FINANCING AUTHORITY CAPITAL PROJECTS FUND
 FOR THE YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
Other financing sources (uses):				
Transfers in	\$ 876,751	\$ 635,917	\$ 635,917	\$ -
Transfer out	(876,751)	(635,917)	(635,917)	-
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund Balance at Beginning of Year			<u>10</u>	
Fund Balance at End of Year			<u>\$ 10</u>	

CITY OF SANTA CLARITA, CALIFORNIA

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
PUBLIC FINANCING AUTHORITY DEBT SERVICE FUND
FOR THE YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
Revenues:				
Investment income	\$ -	\$ -	\$ 18,377	\$ 18,377
Expenditures:				
Debt Service:				
Debt Services	-	2,798,424	2,798,423	1
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(2,798,424)	(2,780,046)	18,378
Other financing sources (uses):				
Transfers in	3,167,276	2,798,424	2,786,788	(11,636)
Net Change in Fund Balance	\$ 3,167,276	\$ -	6,742	\$ 6,742
Fund Balance at Beginning of Year			3,400	
Fund Balance at End of Year			<u>\$ 10,142</u>	

CITY OF SANTA CLARITA, CALIFORNIA

**INTERNAL SERVICE FUNDS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2017**

The Internal Service Funds are used to account for goods or services provided by a central service department to other City departments.

Self-Insurance – To account for the City’s self-insurance program.

Computer Replacement – To account for the financing of the replacement of the City’s computer equipment.

Vehicle Replacement – To account for the financing of the replacement of the City’s automotive equipment.

CITY OF SANTA CLARITA, CALIFORNIA

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2017

	Self Insurance	Computer Replacement	Vehicle Replacement	Totals
Assets:				
Current assets:				
Cash and investments	\$ 4,462,216	\$ 2,291,482	\$ 4,052,508	\$ 10,806,206
Receivables:				
Accounts	-	-	2,375	2,375
Interest	20,799	9,813	17,354	47,966
Prepaid costs	-	21,410	-	21,410
Total Current Assets	<u>4,483,015</u>	<u>2,322,705</u>	<u>4,072,237</u>	<u>10,877,957</u>
Noncurrent assets:				
Capital assets:				
Equipment, net of accumulated depreciation	-	153,626	1,090,091	1,243,717
Total Assets	<u>4,483,015</u>	<u>2,476,331</u>	<u>5,162,328</u>	<u>12,121,674</u>
Deferred Outflows of Resources:				
Deferred outflows related to pensions	41,745	-	-	41,745
Liabilities:				
Current liabilities:				
Accounts payable and accrued liabilities	16,921	37,289	-	54,210
Compensated absences	6,368	-	-	6,368
Claims and judgments	1,972,069	-	-	1,972,069
Total Current Liabilities	<u>1,995,358</u>	<u>37,289</u>	<u>-</u>	<u>2,032,647</u>
Noncurrent liabilities:				
Net pension liability	145,116	-	-	145,116
Claims and judgments	1,218,687	-	-	1,218,687
Total Non-current Liabilities	<u>1,363,803</u>	<u>-</u>	<u>-</u>	<u>1,363,803</u>
Total Liabilities	<u>3,359,161</u>	<u>37,289</u>	<u>-</u>	<u>3,396,450</u>
Deferred Inflows of Resources:				
Deferred inflows related to pensions	7,009	-	-	7,009
Net position:				
Net investment in capital assets	-	153,626	1,090,091	1,243,717
Unrestricted	1,158,590	2,285,416	4,072,237	7,516,243
Total Net Position	<u>\$ 1,158,590</u>	<u>\$ 2,439,042</u>	<u>\$ 5,162,328</u>	<u>\$ 8,759,960</u>

CITY OF SANTA CLARITA, CALIFORNIA

**COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2017**

	Self Insurance	Computer Replacement	Vehicle Replacement	Totals
Operating Revenues:				
Charges for services	\$ 1,987,020	\$ 740,220	\$ 154,391	\$ 2,881,631
Other revenues	75,843	-	-	75,843
Total Operating Revenues	2,062,863	740,220	154,391	2,957,474
Operating Expenses:				
Administration and personnel services	198,837	-	-	198,837
Services and supplies	1,344,379	324,539	-	1,668,918
Depreciation and expense	-	48,464	173,450	221,914
Total Operating Expenses	1,543,216	373,003	173,450	2,089,669
Operating Income (Loss)	519,647	367,217	(19,059)	867,805
Nonoperating Revenues:				
Investment income	6,422	7,884	11,860	26,166
Gain (loss) on disposal of fixed assets	-	860	10,851	11,711
Total Net Nonoperating Revenues	6,422	8,744	22,711	37,877
Income before transfers	526,069	375,961	3,652	905,682
Transfers				
Transfers in	79,052	-	-	79,052
Transfers out	(478,376)	-	-	(478,376)
Total Transfers	(399,324)	-	-	(399,324)
Change in net position	126,745	375,961	3,652	506,358
Net Position				
Net Position at Beginning of the Year	1,031,845	2,063,081	5,158,676	8,253,602
Net Position at End of the Year	\$ 1,158,590	\$ 2,439,042	\$ 5,162,328	\$ 8,759,960

CITY OF SANTA CLARITA, CALIFORNIA

**COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2017**

	Self Insurance	Computer Replacement	Vehicle Replacement	Totals
Cash flows from operating activities:				
Cash received from customers and users	\$ 2,062,863	\$ 740,623	\$ 157,122	\$ 2,960,608
Cash paid to suppliers for goods and services	(613,574)	(487,531)	(52)	(1,101,157)
Cash paid to employees for services	(195,088)	-	-	(195,088)
Net Cash Provided by Operating Activities	<u>1,254,201</u>	<u>253,092</u>	<u>157,070</u>	<u>1,664,363</u>
Cash flows from non-capital financing activities:				
Cash transfers out	(478,376)	-	-	(478,376)
Cash transfers in	79,051	-	-	79,051
Net Cash Provided (Used in) Non-capital Financing Activities	<u>(399,325)</u>	<u>-</u>	<u>-</u>	<u>(399,325)</u>
Cash flows from capital and related financing activities:				
Acquisition and construction of capital assets	-	(35,139)	(315,058)	(350,197)
Proceeds from sales of capital assets	-	860	10,851	11,711
Net Cash (Used in) Capital and Related Financing Activities	<u>-</u>	<u>(34,279)</u>	<u>(304,207)</u>	<u>(338,486)</u>
Cash flows from investing activities:				
Interest received	(4,534)	3,195	4,890	3,551
Net Cash Provided by Investing Activities	<u>(4,534)</u>	<u>3,195</u>	<u>4,890</u>	<u>3,551</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>850,342</u>	<u>222,008</u>	<u>(142,247)</u>	<u>930,103</u>
Cash and Cash Equivalents, Beginning of Fiscal Year	3,611,874	2,069,474	4,194,755	9,876,103
Cash and Cash Equivalents, End of Fiscal Year	<u>\$ 4,462,216</u>	<u>\$ 2,291,482</u>	<u>\$ 4,052,508</u>	<u>\$ 10,806,206</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:				
Operating income (loss)	\$ 519,647	\$ 367,217	\$ (19,059)	\$ 867,805
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation	-	48,464	173,450	221,914
Change in deferred amounts related to pensions	(30,146)	-	-	(30,146)
Change in net pension liability	31,796	-	-	31,796
Decrease in accounts receivable	-	403	2,731	3,134
Decrease in prepaid expense	-	51,391	-	51,391
Decrease in accounts payable	(10,136)	(214,383)	(52)	(224,571)
Increase in claims and judgments	740,941	-	-	740,941
Increase in compensated absences	2,099	-	-	2,099
Total Adjustments	<u>734,554</u>	<u>(114,125)</u>	<u>176,129</u>	<u>796,558</u>
Net Cash Provided by Operating Activities	<u>\$ 1,254,201</u>	<u>\$ 253,092</u>	<u>\$ 157,070</u>	<u>\$ 1,664,363</u>



CITY OF SANTA CLARITA, CALIFORNIA

**AGENCY FUNDS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2017**

Agency Funds are used to account for assets held by the City as an agency for individuals.

Assessment District No. 92-2 – To account for monies held to account for debt service requirements of Assessment District No. 92-2.

Assessment District No. 99-1 – To account for monies held to account for debt service requirements of Assessment District No. 99-1.

Community Facilities District No. 2002-1 – To account for monies held to account for debt service requirements for Community Facilities District No. 2002-1.

Santa Clarita Watershed and Recreation Conservancy Authority – To account for monies held for the operations of the Watershed Authority, for which the City performs administrative functions.

Santa Clarita Public Television Authority – To account for monies held for the operations of the Santa Clarita Public Television Authority, for with the City performs administrative functions.

CITY OF SANTA CLARITA, CALIFORNIA

COMBINING STATEMENT OF ASSETS AND LIABILITIES (CONTINUED)
 AGENCY FUNDS
 AS OF AND FOR THE YEAR ENDED JUNE 30, 2017

	Assessment District No. 92-2	Assessment District No. 99-1	Community Facilities District No. 2002-1
Assets:			
Cash and investments	\$ 165,615	\$ 90,214	\$ 869,775
Receivables:			
Interest	710	386	3,718
Taxes	418	3,291	-
Restricted assets:			
Cash and investments with fiscal agents	55,933	59,788	1,645,255
Capital assets:			
Land	-	-	-
Building, net of accumulated depreciation	-	-	-
Total Assets	<u>\$ 222,676</u>	<u>\$ 153,679</u>	<u>\$ 2,518,748</u>
Liabilities:			
Accounts payable	\$ -	\$ 124	\$ -
Due to external parties	222,676	153,555	2,518,748
Total Liabilities	<u>\$ 222,676</u>	<u>\$ 153,679</u>	<u>\$ 2,518,748</u>

CITY OF SANTA CLARITA, CALIFORNIA

**COMBINING STATEMENT OF ASSETS AND LIABILITIES (CONTINUED)
 AGENCY FUNDS
 AS OF AND FOR THE YEAR ENDED JUNE 30, 2017**

Santa Clarita Watershed and Recreation Conservancy Authority	Santa Clarita Public Television Authority	Totals
\$ 3,933	\$ 44,485	\$ 1,174,022
-	-	4,814
-	-	3,709
-	-	1,760,976
9,937,976	-	9,937,976
79,014	-	79,014
<u>\$ 10,020,923</u>	<u>\$ 44,485</u>	<u>\$ 12,960,511</u>
\$ -	\$ -	\$ 124
10,020,923	44,485	12,960,387
<u>\$ 10,020,923</u>	<u>\$ 44,485</u>	<u>\$ 12,960,511</u>

CITY OF SANTA CLARITA, CALIFORNIA

COMBINING STATEMENT OF CHANGES IN ASSETS
AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2017

	Balance July 1, 2016	Additions	Deletions	Balance June 30, 2017
<u>Assessment District No. 92-2</u>				
Assets				
Cash and investments	\$ 147,790	\$ 86,782	\$ 68,957	\$ 165,615
Receivables:				
Interest	366	709	365	710
Taxes	1,815	418	1,815	418
Restricted assets:				
Cash and investments with fiscal agents	55,909	24		55,933
Total Assets	\$ 205,880	\$ 87,933	\$ 71,137	\$ 222,676
Liabilities				
Due to external parties	\$ 205,880	\$ 87,933	\$ 71,137	\$ 222,676
Total Liabilities	\$ 205,880	\$ 87,933	\$ 71,137	\$ 222,676
<u>Assessment District No. 99-1</u>				
Assets				
Cash and investments	\$ 85,031	\$ 79,969	\$ 74,786	\$ 90,214
Receivables:				
Interest	210	386	210	386
Taxes	2,972	3,291	2,972	3,291
Restricted assets:				
Cash and investments with fiscal agents	59,723	54,851	54,786	59,788
Total Assets	\$ 147,936	\$ 138,497	\$ 132,754	\$ 153,679
Liabilities				
Accounts payable	\$ -	\$ 6,318	\$ 6,194	\$ 124
Due to external parties	147,936	132,180	126,561	153,555
Total Liabilities	\$ 147,936	\$ 138,498	\$ 132,755	\$ 153,679

(Continued)

CITY OF SANTA CLARITA, CALIFORNIA

**COMBINING STATEMENT OF CHANGES IN ASSETS
AND LIABILITIES (CONTINUED)
AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2017**

	Balance July 1, 2016	Additions	Deletions	Balance June 30, 2017
<u>Community Facilities District No. 2002-1</u>				
Assets				
Cash and investments	\$ 844,620	\$ 1,220,445	\$ 1,195,290	\$ 869,775
Receivables:				
Interest	2,087	3,718	2,087	3,718
Restricted assets:				
Cash and investments with fiscal agents	1,643,939	2,349,334	2,348,018	1,645,255
Total Assets	<u>\$ 2,490,646</u>	<u>\$ 3,573,497</u>	<u>\$ 3,545,395</u>	<u>\$ 2,518,748</u>
Liabilities				
Due to external parties	\$ 2,490,646	\$ 3,573,497	\$ 3,545,395	\$ 2,518,748
Total Liabilities	<u>\$ 2,490,646</u>	<u>\$ 3,573,497</u>	<u>\$ 3,545,395</u>	<u>\$ 2,518,748</u>
<u>Santa Clarita Watershed Recreation and Conservancy Authority</u>				
Assets				
Cash and investments	\$ 4,431	\$ 2	\$ 500	\$ 3,933
Land	9,937,976	-	-	9,937,976
Building, net of accumulated depreciation	82,776	-	3,762	79,014
Total Assets	<u>\$ 10,025,183</u>	<u>\$ 2</u>	<u>\$ 4,262</u>	<u>\$ 10,020,923</u>
Liabilities				
Accounts payable	\$ 500	\$ 3,750	\$ 4,250	\$ -
Due to external parties	10,024,683	3,748	7,508	10,020,923
Total Liabilities	<u>\$ 10,025,183</u>	<u>\$ 7,498</u>	<u>\$ 11,758</u>	<u>\$ 10,020,923</u>

(Continued)

CITY OF SANTA CLARITA, CALIFORNIA

COMBINING STATEMENT OF CHANGES IN ASSETS
AND LIABILITIES (CONTINUED)
AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2017

	Balance July 1, 2016	Additions	Deletions	Balance June 30, 2017
<u>Santa Clarita Public Television Authority</u>				
Assets				
Cash and investments	\$ 4	\$ 276,783	\$ 232,302	\$ 44,485
Total Assets	\$ 4	\$ 276,783	\$ 232,302	\$ 44,485
Liabilities				
Accounts payable	\$ 3,750	\$ -	\$ 3,750	\$ -
Due to (from) external parties	(3,746)	276,783	228,552	44,485
Total Liabilities	\$ 4	\$ 276,783	\$ 232,302	\$ 44,485
<u>Total Agency Funds</u>				
Assets				
Cash and investments	\$ 1,081,876	\$ 1,663,981	\$ 1,571,835	\$ 1,174,022
Receivables:				
Interest	2,663	4,813	2,662	4,814
Taxes	4,787	3,709	4,787	3,709
Restricted assets:				
Cash and investments with fiscal agents	1,759,571	2,404,209	2,402,804	1,760,976
Capital assets:				
Land	9,937,976	-	-	9,937,976
Building, net of accumulated depreciation	82,776	-	3,762	79,014
Total Assets	\$ 12,869,649	\$ 4,076,712	\$ 3,982,088	\$ 12,960,511
Liabilities				
Accounts payable	\$ 4,250	\$ 10,068	\$ 14,194	\$ 124
Due to external parties	12,865,399	4,074,141	3,979,153	12,960,387
Total Liabilities	\$ 12,869,649	\$ 4,084,209	\$ 3,993,347	\$ 12,960,511

STATISTICAL SECTION



CITY OF SANTA CLARITA, CALIFORNIA

STATISTICAL SECTION



This part of the City of Santa Clarita’s comprehensive annual financial report presents detail information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information say about the government’s overall financial health.

CONTENTS	PAGE
Financial Trends These tables contain trend information that may assist the reader in the City’s current financial performance by placing it in historical perspective.	144-153
Revenue Capacity These tables contain information that may help in assessing the viability of the City’s most significant revenue sources, the property and sales tax.	154-168
Debt Capacity These tables present information that may assist the reader in analyzing the affordability of the City’s current levels of outstanding debt and the City’s ability to issue additional debt in the future.	169-175
Demographic and Economic Information These tables offer demographic and economic indicators to help the reader understand the environment within which the City’s financial activities take place.	176-177
Operating Information These tables contain service and infrastructure indicators that can inform one’s understanding of how the information in the City’s financial statements relates to the services the City provides and the activities it performs.	178-180

City of Santa Clarita
Net Position by Component ⁽¹⁾
Last Ten Fiscal Years Ended June 30, 2017
(accrual basis of accounting)

	FISCAL YEAR			
	16-17	15-16	14-15	13-14
Governmental Activities				
Net investment in capital assets	\$ 867,144,998	\$ 810,324,041	\$ 818,817,043	\$ 799,926,613
Restricted for:				
Capital projects	-	-	-	-
Debt service	-	-	-	-
Specific projects and programs	87,272,724	70,773,322	73,541,304	71,643,713
Total restricted	87,272,724	70,773,322	73,541,304	71,643,713
Unrestricted	104,942,438	115,356,272	79,211,600	52,551,033
Total governmental activities net position	<u>\$ 1,059,360,160</u>	<u>\$ 996,453,635</u>	<u>\$ 971,569,947</u>	<u>\$ 924,121,359</u>
Business-Type Activities				
Net investment in capital assets	\$ 79,589,102	\$ 76,687,260	\$ 78,495,871	\$ 83,296,545
Unrestricted	(1,202,632)	3,101,763	2,766,972	2,250,491
Total business-type activities net position	<u>\$ 78,386,470</u>	<u>\$ 79,789,023</u>	<u>\$ 81,262,843</u>	<u>\$ 85,547,036</u>
Primary Government				
Net investment in capital assets	\$ 946,734,100	\$ 887,011,301	\$ 897,312,914	\$ 883,223,158
Restricted	87,272,724	70,773,322	73,541,304	71,643,713
Unrestricted	103,739,806	118,458,035	81,978,572	54,801,524
Total primary government net position	<u>\$ 1,137,746,630</u>	<u>\$ 1,076,242,658</u>	<u>\$ 1,052,832,790</u>	<u>\$ 1,009,668,395</u>

Note:

(1) Accounting standards require that net position be reported in three components in the financial statements: net investment in capital assets, restricted and unrestricted. Net position is considered restricted only when (a) an external party, such as the State of California or the federal government, places a restriction on how the revenues may be used, or (b) enabling legislation is enacted by the City.

Source: City of Santa Clarita, Administrative Services Department - Finance Division

FISCAL YEAR					
12-13	11-12	10-11	09-10	08-09	07-08
\$ 738,271,282	\$ 743,281,558	\$ 717,613,095	\$ 657,644,168	\$ 629,621,720	\$ 672,306,820
14,292,447	3,275,312	3,452,815	4,769,573	4,769,573	45,993,804
-	-	-	-	-	632,680
54,229,493	46,915,965	30,201,655	85,895,468	92,644,739	61,018,399
68,521,940	50,191,277	33,654,470	90,665,041	97,414,312	107,644,883
65,706,424	79,141,211	67,397,688	63,218,255	98,512,704	66,249,901
\$ 872,499,646	\$ 872,614,046	\$ 818,665,253	\$ 811,527,464	\$ 825,548,736	\$ 846,201,604
\$ 76,561,407	\$ 73,778,640	\$ 75,416,868	\$ 67,911,725	\$ 66,478,547	\$ 63,526,242
3,835,316	3,099,419	503,446	(176,196)	3,603,396	2,957,611
\$ 80,396,723	\$ 76,878,059	\$ 75,920,314	\$ 67,735,529	\$ 70,081,943	\$ 66,483,853
\$ 814,832,689	\$ 817,060,198	\$ 793,029,963	\$ 725,555,893	\$ 696,100,267	\$ 735,833,062
68,521,940	50,191,277	33,654,470	90,665,041	97,414,312	107,644,883
69,541,740	82,240,630	67,901,134	63,042,059	102,116,100	69,207,512
\$ 952,896,369	\$ 949,492,105	\$ 894,585,567	\$ 879,262,993	\$ 895,630,679	\$ 912,685,457

City of Santa Clarita
Changes in Net Position
Last Ten Fiscal Years Ended June 30, 2017
(accrual basis of accounting)

	FISCAL YEAR			
	16-17	15-16	14-15	13-14
Expenses				
Governmental Activities				
General government	\$ 44,390,099	\$ 39,155,006	\$ 46,224,813	\$ 41,807,284
Public safety	25,231,712	23,778,931	22,235,368	22,187,434
Public works	23,563,825	38,223,035	36,103,144	26,183,862
Recreation and community service	16,224,154	15,594,958	22,619,337	22,550,301
Community development	7,057,301	10,505,906	5,720,237	6,193,101
Neighborhood Services	1,815,637	-	-	-
Unallocated infrastructure depreciation	18,833,113	18,342,933	18,072,657	17,561,539
Interest on long-term debt	1,378,888	2,194,181	1,827,094	1,872,832
Total governmental activities expenses	<u>138,494,729</u>	<u>147,794,950</u>	<u>152,802,650</u>	<u>138,356,353</u>
Business-Type Activities				
Transit	29,858,499	28,127,407	28,062,668	26,819,161
Total business-type activities expenses	<u>29,858,499</u>	<u>28,127,407</u>	<u>28,062,668</u>	<u>26,819,161</u>
Total primary government expenses	<u>\$168,353,228</u>	<u>\$175,922,357</u>	<u>\$180,865,318</u>	<u>\$165,175,514</u>
Program Revenues				
Governmental Activities				
Charges for services:				
General government	\$ 6,740,507	\$ 22,914,059	\$ 26,783,616	\$ 31,970,148
Public safety	1,231,974	1,162,551	1,605,059	1,847,403
Public works	11,549,806	16,407,616	13,056,586	12,463,046
Recreation and community service	6,191,011	8,142,336	4,525,662	4,390,686
Community development	1,906,079	1,843,296	1,774,482	1,961,243
Neighborhood Services	25,044,704	-	-	-
Operating grants and contributions	5,977,971	7,687,397	12,561,608	19,421,199
Capital grants and contributions	55,220,052	23,629,474	30,107,231	22,530,841
Total governmental activities program revenues	<u>113,862,104</u>	<u>81,786,729</u>	<u>90,414,244</u>	<u>94,584,566</u>
Business-Type Activities				
Charges for services:				
Transit	7,231,136	7,546,433	6,779,579	7,587,497
Operating grants and contributions	8,459,236	9,153,499	8,228,348	8,984,127
Capital grants and contributions	9,138,643	3,504,305	1,423,440	10,804,747
Total business-type activities program revenues	<u>24,829,015</u>	<u>20,204,237</u>	<u>16,431,367</u>	<u>27,376,371</u>
Total primary government revenues	<u>\$138,691,119</u>	<u>\$101,990,966</u>	<u>\$106,845,611</u>	<u>\$121,960,937</u>

Source: City of Santa Clarita, Administrative Services Department - Finance Division

FISCAL YEAR					
12-13	11-12	10-11	09-10	08-09	07-08
\$ 35,921,943	\$ 33,664,470	\$ 47,048,462	\$ 32,116,335	\$ 30,094,380	\$ 27,488,731
19,940,098	27,391,075	21,280,904	17,912,704	17,489,870	16,482,917
28,651,261	30,623,718	25,799,166	26,758,527	48,514,645	30,549,888
21,809,820	19,282,538	11,281,552	27,835,763	32,747,618	21,817,251
7,214,293	5,896,640	11,547,650	13,831,341	9,761,681	9,257,881
-	-	-	-	-	-
15,163,864	16,844,238	16,392,901	15,545,626	14,405,047	13,128,617
1,992,574	3,391,058	4,650,566	5,476,918	5,786,174	3,127,998
130,693,853	137,093,737	138,001,201	139,477,214	158,799,415	121,853,283
25,653,753	24,930,635	24,127,043	23,348,708	22,299,379	21,506,317
25,653,753	24,930,635	24,127,043	23,348,708	22,299,379	21,506,317
\$156,347,606	\$162,024,372	\$162,128,244	\$162,825,922	\$181,098,794	\$ 143,359,600
\$ 24,323,027	\$ 13,719,117	\$ 398,181	\$ 396,651	\$ 621,624	\$ 2,737,355
2,284,334	2,079,109	2,305,608	2,194,038	1,898,022	2,291,100
9,943,014	7,209,724	4,929,602	3,162,052	260,524	355,817
4,371,888	4,156,386	4,220,977	3,956,933	3,849,699	3,875,539
1,611,184	5,152,484	12,059,509	15,937,913	35,138,334	26,341,684
-	-	-	-	-	-
9,061,950	16,032,433	14,090,686	16,224,269	9,931,109	22,600,793
33,585,797	28,616,388	31,325,725	15,249,634	38,785,576	39,003,536
85,181,194	76,965,641	69,330,288	57,121,490	90,484,888	97,205,824
6,863,086	6,616,778	6,573,879	3,181,614	3,299,263	3,216,239
8,579,209	7,385,264	6,913,534	10,260,579	13,653,177	11,876,720
8,513,238	5,041,992	13,043,418	-	-	617,421
23,955,533	19,044,034	26,530,831	13,442,193	16,952,440	15,710,380
\$109,136,727	\$ 96,009,675	\$ 95,861,119	\$ 70,563,683	\$107,437,328	\$ 112,916,204

(Continued)

City of Santa Clarita
Changes in Net Position
Last Ten Fiscal Years Ended June 30, 2017
(accrual basis of accounting)

	FISCAL YEAR			
	16-17	15-16	14-15	13-14
Net Revenues (expenses):				
Governmental activities	\$ (24,632,625)	\$ (66,008,221)	\$ (62,388,406)	\$ (43,771,787)
Business-type activities	(5,029,484)	(7,923,170)	(11,631,301)	557,210
Total net revenues (expenses)	<u>(29,662,109)</u>	<u>(73,931,391)</u>	<u>\$ (74,019,707)</u>	<u>\$ (43,214,577)</u>
General Revenue and Other Changes in Net Position				
Governmental activities				
Taxes:				
Sales taxes	\$ 36,147,727	\$ 37,807,385	\$ 34,355,412	\$ 33,480,522
Property taxes	39,924,749	40,072,597	38,556,890	35,652,080
Franchise taxes	8,208,347	8,392,789	8,512,818	7,796,070
Real property transfer taxes	1,275,363	1,383,473	1,169,780	947,470
Transient occupancy taxes	3,639,264	3,813,437	3,124,904	2,781,527
Unrestricted revenue in lieu of motor vehicle taxes	144,665	129,053	85,703	86,531
Unrestricted revenue in lieu of sales taxes	-	-	-	-
Grants and contributions not restricted to specific programs	-	-	-	-
Unrestricted investment earnings	1,052,254	4,142,959	2,240,594	2,090,322
Miscellaneous revenue	737,513	1,080,771	678,937	781,986
Gain on sale of capital asset	11,711	459,709	27,410	18,174
Transfers	(3,602,443)	(6,390,264)	(7,329,516)	(5,692,032)
Reversal of Allowance for Notes to RDA Successor Agency	-	-	12,633,832	-
Capital Contributions	-	-	15,780,230	-
Total governmental activities	<u>87,539,150</u>	<u>90,891,909</u>	<u>109,836,994</u>	<u>77,942,650</u>
Business-type activities				
Unrestricted investment earnings	(28,735)	59,086	17,592	4,791
Gain on sale of capital asset	53,223	-	-	-
Miscellaneous revenue	-	-	-	-
Transfers	3,602,443	6,390,264	7,329,516	5,692,032
Total business-type activities	<u>3,626,931</u>	<u>6,449,350</u>	<u>7,347,108</u>	<u>5,696,823</u>
Total primary government	<u>\$ 91,166,081</u>	<u>\$ 97,341,259</u>	<u>\$ 117,184,102</u>	<u>\$ 83,639,473</u>
Extraordinary Item				
Gain from dissolution of former redevelopment agency of the City of Santa Clarita	-	-	\$ -	\$ -
Change in Net Position				
Governmental activities	\$ 62,906,525	\$ 24,883,688	\$ 47,448,588	\$ 34,170,863
Business-type activities	(1,402,553)	(1,473,820)	(4,284,193)	6,254,033
Total primary government	<u>\$ 61,503,972</u>	<u>\$ 23,409,868</u>	<u>\$ 43,164,395</u>	<u>\$ 40,424,896</u>

Source: City of Santa Clarita, Administrative Services Department - Finance Division

FISCAL YEAR					
12-13	11-12	10-11	09-10	08-09	07-08
\$ (68,670,913)	\$ (60,128,096)	\$ (68,670,913)	\$ (82,355,724)	\$ (68,314,527)	\$ (24,647,459)
2,403,788	(5,886,601)	2,403,788	(9,906,515)	(5,346,939)	(5,795,937)
<u>\$ (66,267,125)</u>	<u>\$ (66,014,697)</u>	<u>\$ (66,267,125)</u>	<u>\$ (92,262,239)</u>	<u>\$ (73,661,466)</u>	<u>\$ (30,443,396)</u>

\$ 32,057,358	\$ 28,828,139	\$ 27,701,757	\$ 24,511,238	\$ 27,751,506	\$ 29,076,388
32,341,369	34,818,426	24,996,219	25,126,278	26,820,068	24,482,930
7,141,953	6,920,244	6,697,241	6,407,923	6,704,074	6,028,903
706,180	590,474	3,082,456	4,564,687	4,816,638	836,824
2,556,774	2,380,547	2,106,521	2,050,857	2,260,708	2,433,651
91,062	-	-	-	-	-
-	-	3,316,058	3,221,498	3,083,353	8,490,865
-	87,883	812,475	896,708	1,015,413	1,252,281
(82,870)	1,509,201	3,756,112	4,871,133	6,020,940	4,566,884
310,676	5,372,890	9,148,163	4,161,677	3,193,421	-
-	-	-	-	-	-
(5,187,224)	(6,844,199)	(5,808,300)	(7,477,547)	(8,006,128)	(8,431,120)
-	-	-	-	-	-
-	-	-	-	-	-
<u>69,935,278</u>	<u>73,663,605</u>	<u>75,808,702</u>	<u>68,334,452</u>	<u>73,659,993</u>	<u>68,737,606</u>

29,660	147	(27,303)	82,554	-	48,961
-	-	-	-	-	-
-	-	-	-	938,901	-
5,187,224	6,844,199	5,808,300	7,477,547	8,006,128	8,431,120
<u>5,216,884</u>	<u>6,844,346</u>	<u>5,780,997</u>	<u>7,560,101</u>	<u>8,945,029</u>	<u>8,480,081</u>
<u>\$ 75,152,162</u>	<u>\$ 80,507,951</u>	<u>\$ 81,589,699</u>	<u>\$ 75,894,553</u>	<u>\$ 82,605,022</u>	<u>\$ 77,217,687</u>

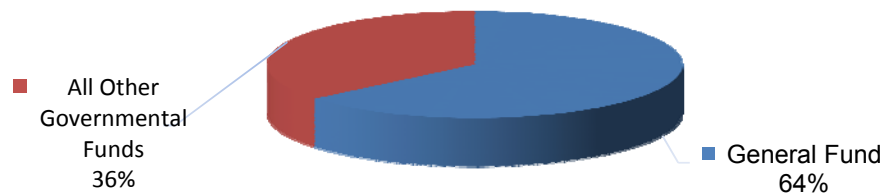
\$ -	\$ 40,413,284	\$ -	\$ -	\$ -	\$ -
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\$ 1,264,365	\$ 53,948,793	\$ 7,137,789	\$ (14,021,272)	\$ 5,345,466	\$ 44,090,147
7,620,672	957,745	8,184,785	(2,346,414)	3,598,090	2,684,144
<u>\$ 8,885,037</u>	<u>\$ 54,906,538</u>	<u>\$ 15,322,574</u>	<u>\$ (16,367,686)</u>	<u>\$ 8,943,556</u>	<u>\$ 46,774,291</u>

**City of Santa Clarita
Fund Balances of Governmental Funds
Last Ten Fiscal Years Ended June 30, 2017
(modified accrual basis of accounting)**

	FISCAL YEAR			
	16-17	15-16	14-15	13-14
General Fund				
Reserved			\$ -	\$ -
Unreserved			-	-
Nonspendable	\$ 15,745,704	\$ 11,108,252	11,024,338	11,519,143
Restricted			-	-
Committed			-	-
Assigned	79,367,084	79,367,084	55,336,807	51,718,096
Unassigned	53,902,478	50,669,580	50,141,486	45,654,640
Total general fund	\$ 149,015,266	\$ 141,144,916	\$ 116,502,631	\$ 108,891,879
All Other Governmental Funds				
Reserved			\$ -	\$ -
Unreserved:				
Special revenue funds			-	-
Debt service fund			-	-
Capital projects fund			-	-
Nonspendable	\$ 108,415	\$ 1,134,103	1,455,067	606,996
Restricted	87,532,962	86,240,243	85,763,293	84,268,720
Committed	14,000	14,000	14,000	612,829
Assigned	2,151,360	1,881,728	1,843,822	3,412,127
Unassigned	(5,897,790)	(6,975,198)	(8,633,303)	(9,300,647)
Total all other governmental funds	\$ 83,908,947	\$ 82,294,876	\$ 80,442,879	\$ 79,600,025

**FUND BALANCES
Fiscal Year Ended June 30, 2017**

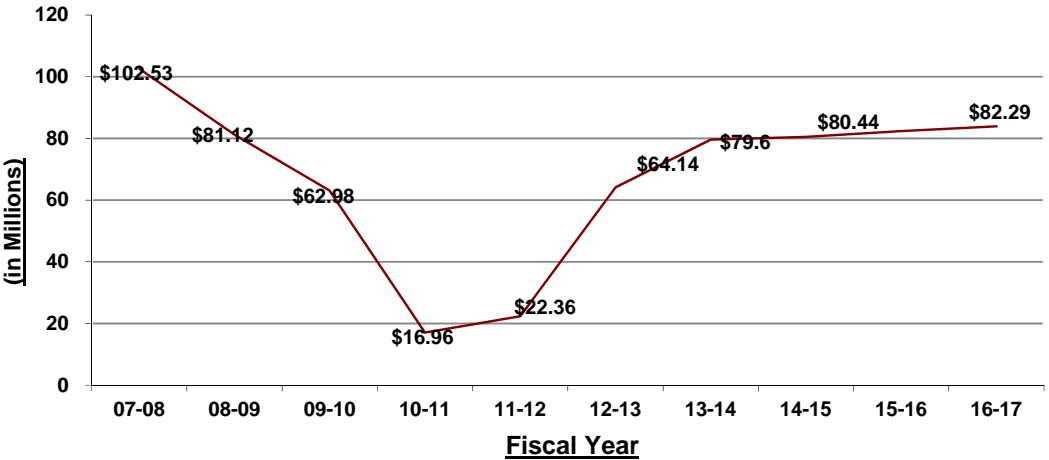


Note: Beginning in fiscal year 2011, the fund balance classification changed in accordance with GASB 54.

Source: City of Santa Clarita, Administrative Services Department - Finance Division

FISCAL YEAR					
12-13	11-12	10-11	09-10	08-09	07-08
\$ -	\$ -	\$ -	\$ 19,546,015	\$ 32,617,139	\$ 34,920,547
-	-	-	58,211,508	41,674,470	31,153,879
11,910,059	18,902,350	23,845,861	-	-	-
-	-	-	-	-	-
-	66,257	12,356,339	-	-	-
47,106,536	309,078	572,781	-	-	-
35,320,706	50,664,338	46,915,238	-	-	-
\$ 94,337,301	\$ 69,942,023	\$ 83,690,219	\$ 77,757,523	\$ 74,291,609	\$ 66,074,426
\$ -	\$ -	\$ -	\$ 51,195,454	\$ 70,667,494	\$ 51,972,970
-	-	-	2,109,198	(7,048,095)	28,377,796
-	-	-	(24,048,962)	(17,004,471)	(15,873,835)
-	-	-	33,725,531	34,502,270	38,050,255
670,612	28,885,983	28,813,152	-	-	-
68,957,999	46,915,965	57,205,072	-	-	-
716,826	-	-	-	-	-
4,466,367	3,275,312	3,637,410	-	-	-
(10,665,597)	(56,718,519)	(72,692,440)	-	-	-
\$ 64,146,207	\$ 22,358,741	\$ 16,963,194	\$ 62,981,221	\$ 81,117,198	\$ 102,527,186

**FUND BALANCES
ALL OTHER GOVERNMENTAL FUNDS
Last Ten Fiscal Years**



City of Santa Clarita
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years Ended June 30, 2017
(modified accrual basis of accounting)

	FISCAL YEAR			
	16-17	15-16	14-15	13-14
Revenues:				
Taxes	\$ 89,340,115	\$ 91,598,734	\$ 85,789,556	\$ 80,285,660
Licenses and permits	7,408,357	7,283,898	5,567,280	5,366,972
Developer fees	4,211,890	6,272,799	10,764,554	2,600,997
Investment income	1,030,146	3,937,618	2,026,507	1,911,491
Intergovernmental	23,922,361	31,380,753	31,953,692	34,355,734
Fines and forfeitures	1,117,620	973,753	1,261,752	1,661,157
Service charges	36,639,646	36,828,067	37,738,754	42,156,582
Other revenues	690,974	1,789,724	511,117	5,943,608
Total Revenues	164,361,109	180,065,346	175,613,212	174,282,201
Expenditures:				
Current:				
General government	41,138,676	35,969,981	43,196,168	36,294,205
Public safety	25,214,091	23,777,171	22,188,641	22,137,338
Public works	43,459,620	21,327,662	36,082,625	24,385,865
Recreation and community service	20,446,596	37,937,050	21,007,651	20,498,108
Community development	6,583,484	10,673,993	5,883,441	6,185,263
Neighborhood services	1,667,058			
Capital outlay	9,759,258	10,562,953	23,224,180	36,580,589
Debt service:				
Principal	2,167,429	2,852,140	1,992,479	1,837,174
Interest, professional services and fiscal charges	1,237,357	4,539,815	1,850,703	1,885,546
Redemption of district credits	-	-	5,105,402	-
Total Expenditures	151,673,569	147,640,765	160,531,290	149,804,088
Excess of Revenues Over (Under) Expenditures	12,687,540	32,424,581	15,081,922	24,478,113
Other Financing Sources (Uses)				
Revenue bonds issued/issuance premium	-	32,997,352	-	-
Proceeds of long-term debt	-	(32,907,353)	-	-
Escrow payment, costs of bonds issuance and others	-	-	-	-
Proceeds from capital lease	-	-	-	-
Transfers in	8,046,713	11,940,563	7,850,640	9,757,447
Transfers out	(11,249,832)	(17,960,861)	(14,478,956)	(15,524,498)
Issuance of district credits	-	-	-	11,297,334
Total Other Financing Sources (Uses)	(3,203,119)	(5,930,299)	(6,628,316)	5,530,283
Extraordinary Item:				
Dissolution of Santa Clarita Redevelopment Agency	-	-	-	-
Net change in fund balances	9,484,421	26,494,282	8,453,606	30,008,396
Fund balances - Beginning of Year	223,439,792	196,945,510	188,491,904	158,483,508
Fund balances - End of Year	\$ 232,924,213	\$ 223,439,792	\$ 196,945,510	\$ 188,491,904
Debt service as percentage of noncapital expenditures	2.24%	5.72%	2.80%	3.26%

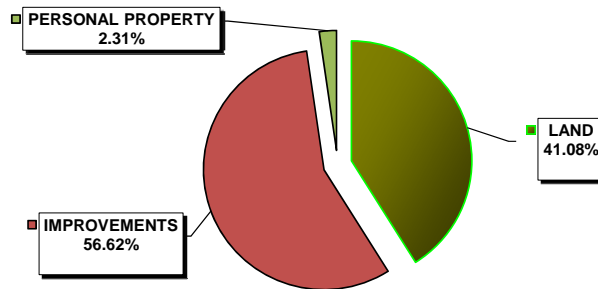
Source: City of Santa Clarita, Administrative Services Department - Finance Division

FISCAL YEAR						
	12-13	11-12	10-11	09-10	08-09	07-08
\$	73,972,006	\$ 73,625,713	\$ 72,474,882	\$ 80,714,829	\$ 87,659,599	\$ 88,088,786
	4,246,957	4,097,709	3,675,424	4,093,250	3,697,218	5,256,748
	15,828,388	7,181,986	282,776	3,053,363	15,763,070	22,290,808
	1,702,006	2,739,794	3,798,498	5,485,925	10,749,728	8,287,441
	27,452,216	28,375,142	19,780,700	33,881,145	28,882,884	24,247,611
	2,114,166	1,674,085	1,891,500	1,936,318	1,759,371	2,121,570
	36,311,324	28,145,012	23,608,272	10,812,521	8,375,771	9,931,041
	332,146	6,425,792	7,685,141	7,234,923	5,077,400	3,368,879
	161,959,209	152,265,233	133,197,193	147,212,274	161,965,041	163,592,884
	35,433,288	50,816,449	42,213,597	27,951,510	27,250,056	25,965,196
	19,894,859	25,412,420	21,230,594	17,862,129	17,439,295	16,342,979
	27,968,407	20,753,607	34,210,327	20,594,575	42,937,168	25,977,763
	19,824,550	19,523,584	21,853,319	20,048,430	20,126,412	20,156,343
	7,252,424	5,923,872	11,575,365	10,849,942	7,095,386	7,583,236
	23,837,533	27,403,439	21,311,885	46,183,268	41,826,511	44,906,802
	1,750,538	2,338,787	2,246,218	2,611,372	2,072,341	1,927,198
	2,039,144	3,743,134	4,796,695	5,411,152	5,279,549	4,632,979
	14,368,419	-	-	-	-	-
	152,369,162	155,915,292	159,438,000	151,512,378	164,026,718	147,492,496
	9,590,047	(3,650,059)	(26,240,807)	(4,300,104)	(2,061,677)	16,100,388
	-	-	-	-	-	-
	-	-	-	-	-	54,235,000
	-	-	-	-	-	(226,682)
	-	252,068	-	-	-	-
	9,069,495	16,538,674	50,869,852	18,953,115	12,150,426	43,112,541
	(14,256,719)	(29,810,448)	(64,714,376)	(28,930,662)	(23,281,554)	(54,668,661)
	12,270,335	-	-	-	-	-
	7,083,111	(13,019,706)	(13,844,524)	(9,977,547)	(11,131,128)	42,452,198
	-	8,317,116	-	-	-	-
	16,673,158	(8,352,649)	(40,085,331)	(14,277,651)	(13,192,805)	58,552,586
	141,810,350	100,653,413	140,738,744	155,016,395	168,601,612	110,049,026
\$	\$ 158,483,508	\$ 92,300,764	\$ 100,653,413	\$ 140,738,744	\$ 155,408,807	\$ 168,601,612
	2.95%	4.40%	5.96%	6.84%	5.54%	5.16%

City of Santa Clarita
 Assessed Values ⁽¹⁾ and Actual Values of Taxable Property
 Last Ten Fiscal Years

Fiscal Year	STATE ASSESSED				LOCALLY ASSESSED				
	SECURED (UTILITY)				SECURED				
	LAND	IMPROVEMENTS	PERSONAL PROPERTY	TOTAL	LAND	IMPROVEMENTS	PERSONAL PROPERTY	OTHER EXEMPTIONS	TOTAL
2007-08	1,515,305	6,727,866	-	8,243,171	9,899,005,161	10,912,016,138	98,107,607	(214,371,451)	20,694,757,455
2008-09	1,515,305	330,866	-	1,846,171	10,259,253,083	11,386,047,165	95,440,322	(203,174,372)	21,537,566,198
2009-10	1,750,395	2,264,780	-	4,015,175	9,416,163,697	11,115,441,327	105,296,475	(323,630,904)	20,313,270,595
2010-11	1,750,395	2,264,780	-	4,015,175	9,160,567,699	11,280,024,994	112,335,544	(330,372,395)	20,222,555,842
2011-12	1,431,971	2,264,780	-	3,696,751	9,097,382,703	11,485,773,659	107,089,927	(372,583,638)	20,317,662,651
2012-13	1,431,971	2,264,780	-	3,696,751	8,882,930,332	11,516,988,299	111,202,431	(400,045,608)	20,111,075,454
2013-14	1,431,971	2,264,780	-	3,696,751	9,989,545,816	13,726,755,146	107,166,367	(412,668,046)	23,410,799,283
2014-15	1,431,971	2,264,780	-	3,696,751	10,820,572,961	14,749,259,449	103,844,310	(453,562,893)	25,220,113,827
2015-16	1,431,971	2,264,780	-	3,696,751	11,358,919,366	15,476,133,167	109,544,613	(471,097,603)	26,473,499,543
2016-17	1,431,971	2,264,780	-	3,696,751	11,931,551,116	16,179,111,473	123,045,242	(348,794,590)	27,884,913,241

ASSESSED VALUATION by CATEGORIES
 (Total Secured and Unsecured)
 Fiscal Year Ended June 30, 2017



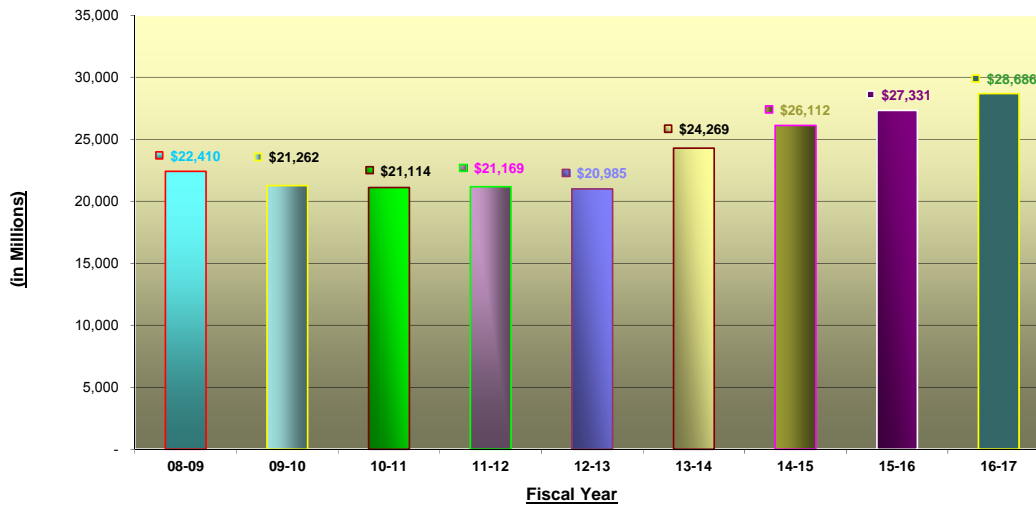
Note:

- (1) Assessed valuation is based on 100% of full value in accordance with Section 135 of the California Revenue and Taxation Code.
- (2) Direct Rate includes Redevelopment Agency areas.

Source: HdL Coren & Cone, County of Los Angeles, Auditor-Controller Office, Combined Tax Rolls 2016-17

LOCALLY ASSESSED				TOTALS				
IMPROVE- MENTS	UNSECURED		TOTAL	BEFORE OTHER EXEMPTIONS	TAXABLE ASSESSED VALUE	% INCR. (DECR.)	TOTAL DIRECT RATE (2)	HOME- OWNER PROPERTY TAX RELIEF
	PERSONAL PROPERTY	OTHER EXEMPTIONS						
264,708,723	558,804,055	(32,916,267)	790,596,511	21,740,884,855	21,493,597,137	13.63%	0.07531%	220,192,568
293,355,474	611,636,166	(33,951,806)	871,039,834	22,647,578,381	22,410,452,203	4.27%	0.07268%	223,396,120
359,543,253	600,420,921	(15,127,698)	944,836,476	21,600,880,848	21,262,122,246	-1.08%	0.07432%	224,731,598
346,874,191	553,829,644	(13,331,377)	887,372,458	21,457,647,247	21,113,942,935	-0.70%	0.07392%	223,277,279
314,286,482	548,430,090	(15,137,342)	847,579,230	21,556,659,612	21,168,938,632	0.26%	0.07291%	220,496,294
349,415,601	534,947,944	(13,693,787)	870,669,758	21,399,181,358	20,985,441,963	-0.87%	0.07183%	216,163,460
329,350,845	541,533,568	(15,907,716)	854,976,697	24,698,048,493	24,269,472,731	15.65%	0.09170%	236,577,388
339,544,656	561,740,289	(13,152,888)	888,132,057	26,578,658,416	26,111,942,635	7.59%	0.09163%	232,799,644
299,024,341	569,926,540	(15,283,837)	853,667,044	27,817,244,778	27,330,863,338	4.67%	0.09169%	230,402,082
265,891,622	547,111,240	(15,791,822)	797,211,040	29,050,407,444	28,685,821,032	4.96%	0.09259%	226,031,427

**TOTAL ASSESSED VALUATION
(Taxable Values)
Last Ten Fiscal Years**



City of Santa Clarita
 Redevelopment Agency ⁽¹⁾
 Assessed Values ⁽²⁾ and Actual Values of Taxable Property
 Last Ten Fiscal Years

FISCAL YEAR	STATE ASSESSED				LOCALLY ASSESSED				
	SECURED (UTILITY)				SECURED				
	LAND	IMPROVE-MENTS	PERSONAL PROPERTY	TOTAL	LAND	IMPROVE-MENTS	PERSONAL PROPERTY	OTHER EXEMPTIONS	TOTAL
2007-08	-	-	-	-	335,974,647	205,086,767	2,346,546	(4,630,171)	538,777,789
2008-09	-	-	-	-	348,100,511	217,393,278	2,064,527	(3,754,719)	563,803,597
2009-10	-	-	-	-	343,043,150	214,695,279	1,775,246	(3,779,814)	555,733,861
2010-11	-	-	-	-	319,869,014	213,093,295	1,850,279	(3,196,475)	531,616,113
2011-12	-	-	-	-	322,803,745	214,686,716	1,933,165	(7,016,751)	532,406,875
2012-13	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2013-14	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2014-15	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2015-16	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2016-17	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

(1) The Redevelopment Agency of the City was established on November 28, 1989, pursuant to the State of California and Safety Code, Section 33000. However, the Agency was not active until fiscal year 1998-99 and the Base Year was calculated in fiscal year 1996-97, which included the Homeowners Tax Relief of that year. Redevelopment agencies were dissolved by the State of California effective February 1, 2012.

(2) Assessed valuation is based on 100% of full value in accordance with Section 135 of the California Revenue and Taxation Code.

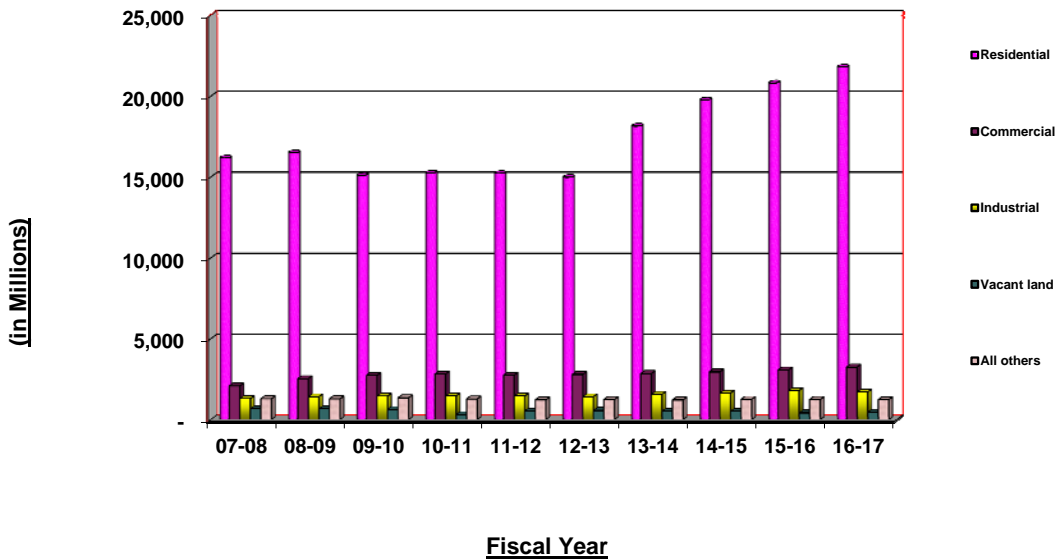
Source: County of Los Angeles, Auditor-Controller/Tax Division

LOCALLY ASSESSED				TOTALS				
IMPROVE- MENTS	UNSECURED		TOTAL	TOTALS BEFORE BASE YEAR	BASE YEAR	TAXABLE ASSESSED VALUE	VALUE GROWTH	HOME- OWNER PROPERTY TAX RELIEF
	PERSONAL PROPERTY	OTHER EXEMPTIONS						
28,204,577	48,299,529	(217,300)	76,286,806	615,064,595	(266,351,517)	348,713,078	84,256,291	2,034,432
39,771,667	48,437,084	(77,000)	88,131,751	651,935,348	(266,351,517)	385,583,831	36,870,753	2,002,848
34,102,838	46,361,945	(84,500)	80,380,283	636,114,144	(266,351,517)	369,762,627	(15,821,204)	1,921,661
21,240,432	62,307,206	(84,500)	83,463,138	615,079,251	(266,351,517)	348,727,734	(21,034,893)	1,871,456
34,353,633	46,665,422	(102,000)	80,917,055	613,323,930	(266,351,517)	346,972,413	(1,755,321)	1,865,922
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

City of Santa Clarita
 Assessed Values—Taxable Property
 Last Ten Fiscal Years

CATEGORY	FISCAL YEAR				
	16-17	15-16	14-15	13-14	12-13
Residential	\$ 21,784,467,001	\$ 20,809,579,112	\$ 19,755,522,402	\$ 18,138,258,224	\$ 14,971,655,728
Commercial	3,248,599,972	3,059,958,633	2,952,772,231	2,847,760,176	2,794,405,083
Industrial	1,706,030,432	1,799,119,742	1,642,718,866	1,561,091,316	1,413,623,056
Irrigated	2,960,760	2,936,120	2,834,466	2,827,311	2,796,388
Dry farm	-	-	-	-	-
Recreational	99,802,827	104,324,505	101,870,300	100,138,918	104,981,278
Institutional	213,333,035	162,056,819	142,862,940	136,824,169	132,119,758
Government	356,714	220,358	216,042	215,066	210,850
Miscellaneous	309,530	348,240	341,421	1,017,342	864,299
Vacant land	449,270,431	419,750,992	507,997,067	509,125,263	565,117,297
SBE Nonunitary	3,696,751	3,696,751	3,696,751	3,696,751	3,696,751
Possessory Int.	117,718,179	115,205,002	112,978,072	113,541,478	125,301,717
Unsecured	797,363,610	853,667,044	888,132,057	854,976,697	870,669,758
Unknown	20	20	20	20	-
TOTALS:	\$ 28,423,909,262	\$ 27,330,863,338	\$ 26,111,942,635	\$ 24,269,472,731	\$ 20,985,441,963

ASSESSED VALUE - TAXABLE PROPERTY
 Last Ten Fiscal Years



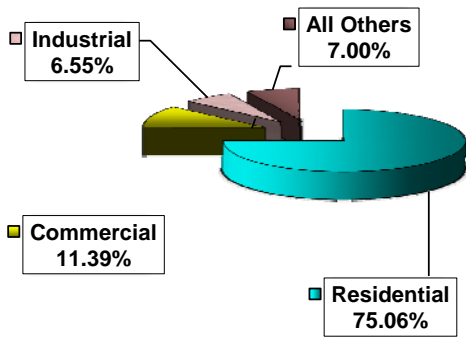
FISCAL YEAR				
11-12	10-11	09-10	08-09	07-08
\$ 15,212,586,674	\$ 15,239,936,469	\$ 15,094,074,637	\$ 16,493,025,013	\$ 16,165,919,271
2,748,247,727	2,820,296,027	2,729,669,423	2,541,908,257	2,081,576,763
1,455,126,754	1,463,696,151	1,451,053,867	1,420,480,569	1,293,080,539
3,016,072	3,004,749	3,630,743	3,559,558	3,489,768
-	-	-	-	-
106,506,146	121,791,852	121,511,353	119,459,165	114,868,032
125,982,002	127,363,481	125,868,861	136,418,924	130,907,129
206,717	205,173	206,850	201,629	197,676
847,359	841,034	843,038	-	810,312
533,608,937	308,820,538	636,182,476	664,562,300	664,792,342
3,696,751	4,015,175	3,573,175	1,073,171	8,243,171
131,534,263	136,599,828	150,671,347	158,723,783	239,115,623
847,579,230	887,372,458	944,836,476	871,039,834	790,596,511
-	-	-	-	-
\$ 21,168,938,632	\$ 21,113,942,935	\$ 21,262,122,246	\$ 22,410,452,203	\$ 21,493,597,137

Notes: In 1978 the voters of the State of California passed Proposition 13, which limited 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 of 2%). With few exceptions, property is only reassessed as a result of new construction activity or at the time it is sold to a new owner. At that point, the property is reassessed based upon the added value of the construction or at the purchase price (market value) or economic value 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 limitation just mentioned.

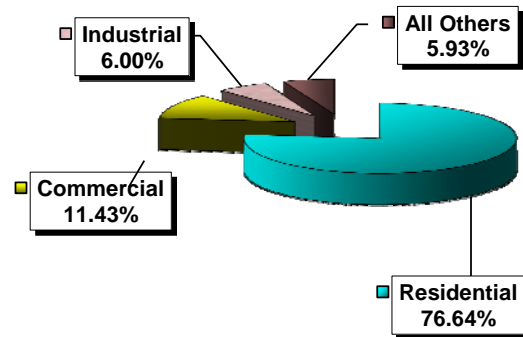
City of Santa Clarita
 Assessed Values—Use Category Summary
 Fiscal Year 2016-17

CATEGORY	PARCELS	ASSESSED VALUE	PERCENT	EXEMPTIONS	NET TAXABLE VALUE	PERCENT
Residential	56,146	\$ 21,804,896,574	75.1%	\$ 20,429,573	\$ 21,784,467,001	76.64%
Commercial	910	3,308,145,028	11.4%	\$ 59,545,056	3,248,599,972	11.43%
Industrial	722	1,903,517,588	6.6%	\$ 197,487,156	1,706,030,432	6.00%
Irrigated	6	2,960,760	0.0%	\$ -	2,960,760	0.01%
Recreational	34	102,696,921	0.4%	\$ 2,894,094	99,802,827	0.35%
Institutional	98	538,719,815	1.9%	\$ 325,386,780	213,333,035	0.75%
Government	5	356,714	0.0%	\$ -	356,714	0.00%
Miscellaneous	6	309,530	0.0%	\$ -	309,530	0.00%
Vacant land	3,818	453,291,202	1.6%	\$ 4,020,771	449,270,431	1.58%
SBE Nonunitary	(13)	3,696,751	0.0%	\$ -	3,696,751	0.01%
Possessory Int.	(2,226)	118,813,679	0.4%	\$ 1,095,500	117,718,179	0.41%
Unsecured	(6,122)	813,155,432	2.8%	\$ 15,791,822	797,363,610	2.81%
Unknown	25	20	0.0%	\$ -	20	0.00%
TOTALS:	53,409	\$ 29,050,560,014	100.00%	\$ 626,650,752	\$ 28,423,909,262	100.00%

ASSESSED VALUE by USE CATEGORY
 Fiscal Year 2016-17



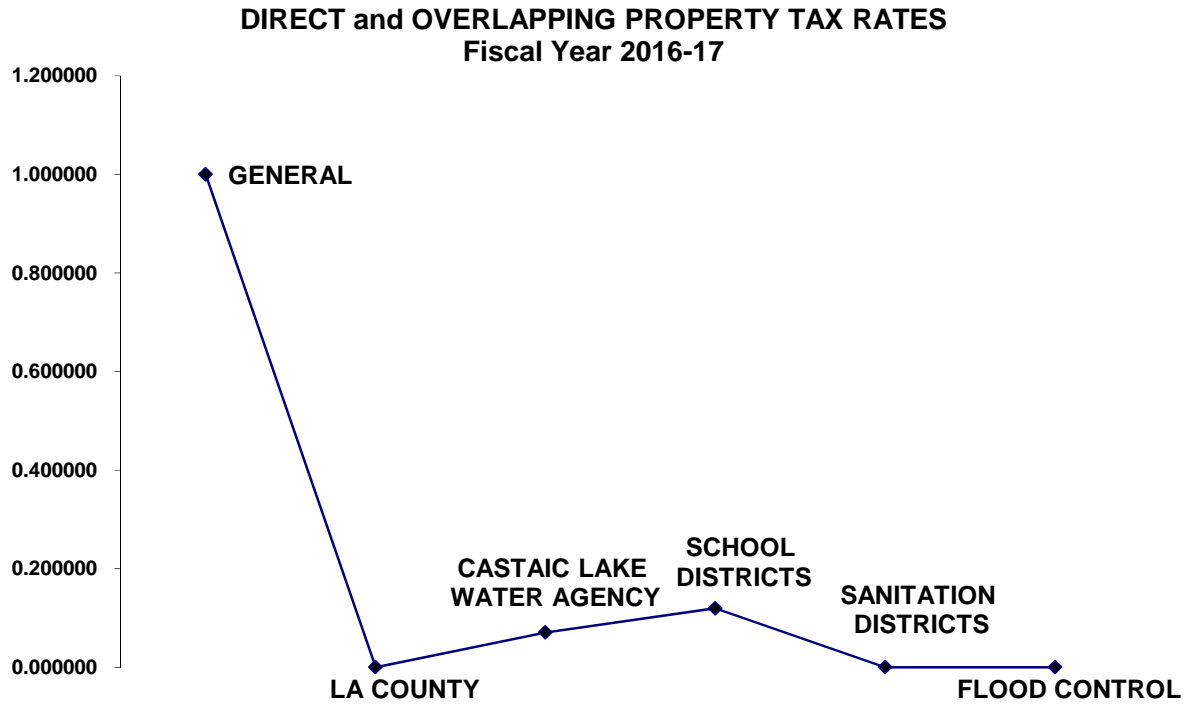
NET TAXABLE VALUE by USE CATEGORY
 Fiscal Year 2016-17



Source: HdL Coren & Cone, Los Angeles County Assessor 2016-17 Combined Tax Rolls.

City of Santa Clarita
 Direct and Overlapping Property Tax Rates
 (rate per \$100 of assessed value)
 Last Ten Fiscal Years

Fiscal Year	GENERAL	LOS ANGELES COUNTY	CASTAIC LAKE WATER AGENCY	SCHOOL DISTRICTS	COUNTY SANITATION DISTRICTS	COUNTY FLOOD CONTROL	TOTAL
2007-08	1.000000	-	0.040000	0.074050	-	-	1.114050
2008-09	1.000000	-	0.040000	0.077110	-	-	1.117110
2009-10	1.000000	-	0.060750	0.089815	-	-	1.150565
2010-11	1.000000	-	0.070600	0.086830	-	-	1.157430
2011-12	1.000000	-	0.070600	0.091457	-	-	1.162057
2012-13	1.000000	-	0.070600	0.112835	-	-	1.183435
2013-14	1.000000	-	0.070600	0.120330	-	-	1.190930
2014-15	1.000000	-	0.070600	0.118570	-	-	1.189170
2015-16	1.000000	-	0.070600	0.116070	-	-	1.186670
2016-17	1.000000	-	0.070600	0.119436	-	-	1.190036



Source: HdL Coren & Cone, Los Angeles County Assessor 2016-17 Tax Rate Table

City of Santa Clarita
Direct and Overlapping Property Tax Rates
(rate per \$100 of assessed value)
One Year Detail of Rates Producing Revenue for City and Associated Redevelopment Agencies

City General Fund Direct Rates				RDA Incremental Rate	Total Direct Rate
Roll Year	City Share of 1% per Prop. 13	Debt Rates	Total City Rates	Prop. 13 plus applicable voter-approved debt	
2016-17	0.122750	0.000000	0.122750	0.00000%	0.09259%

Agency	2016-17
City of Santa Clarita Tax District 1 (249.01)	0.05730
Castaic Lake Water Agency (302.01)	0.05780
Children's Institutional Tuition Fund (400.21)	0.00283
Consolidated Fire Protection District of LA Co. (007.30)	0.16340
County School Service Fund Newhall (581.06)	0.00801
County School Service Hart William S. Hart (757.06)	0.00034
County School Services (400.15)	0.00143
Development Center Handicapped Minor Newhall (581.07)	0.00088
Educational Augmentation Fund Impound (400.01)	0.13380
Educational Revenue Augmentation Fund (ERAF) (400.00)	0.08260
Greater LA Co. Vector Control (061.80)	0.00032
Santa Clarita Library (249.56)	0.02360
LA County Fire - Ffw (007.31)	0.00323
LA County Flood Control Improvement District (030.10)	0.00176
LA County Flood Control Maintenance (030.70)	0.00996
LA County General (001.05)	0.14050
LA County Accum Cap Outlay (001.20)	0.00009
Newhall School District (581.01)	0.08350
Santa Clarita Community College (814.04)	0.03740
Santa Clarita Street Light Maintenance #2 (249.32)	0.02250
Santa Clarita Valley Sanitation Dist. LA Co.	0.02500
Valencia Areawide Landscape T1A S.C.	0.01924
William S. Hart Elementary School Fund (757.07)	0.04290
William S. Hart Union High (757.02)	0.08150
Total Prop. 13 Rate:	1.00000

Notes: General fund tax rates are representative and based upon the direct and overlapping rates for the largest General Fund tax rates area (TRA) by net taxable value. Total Direct Rate is the weighted average of all individual direct rates applied by the government preparing the statistical section information. The percentages presented in the columns above do not sum across rows. In 1978 California voters passed Proposition 13, which set the property tax at a 1.00% fixed amount. This 1.00% is shared by all the 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 any voter-approved bonds.

Castaic Lake Water Agency (302.01)	0.0706000
Newhall Elementary School District Debt Services 1999 Ser. B (581.53)	0.0181400
Newhall Elementary School District Debt Services 1999 Ser. A (581.52)	0.0181400
Santa Clarita Community College Debt Services 2001 Ser. 2005 (814.54)	0.0055160
Santa Clarita Community College Debt Services 2006 Ser. 2007 (814.55)	0.0055160
Santa Clarita Community College Debt Services 2005 Refunding Bonds (814.56)	0.0055160
Santa Clarita Community College Debt Services 2001 Ser. 2003 (814.52)	0.0055160
Santa Clarita Community College Debt Services 2006 Ser. 2012	0.0055160
William S. Hart Un.Hsd Debt Services (757.51)	0.0123775
William S. Hart Un.Hsd Debt Services 2008 Ser. B	0.0123775
William S. Hart Un.Hsd Debt Services 2008 Ser. C	0.0123775
William S. Hart Unified Debt Services 2001 Ser. B (757.52)	0.0123775
William S. Hart Unified Debt Services 2008 Ser. A (757.53)	0.0123775
Total Tax Rate	0.1963475

Source: HdL Coren & Cone, Los Angeles County Assessor 2015/16 Tax Rate Table

City of Santa Clarita
Principal Property Taxpayers
Current Fiscal Year and Nine Fiscal Years Ago

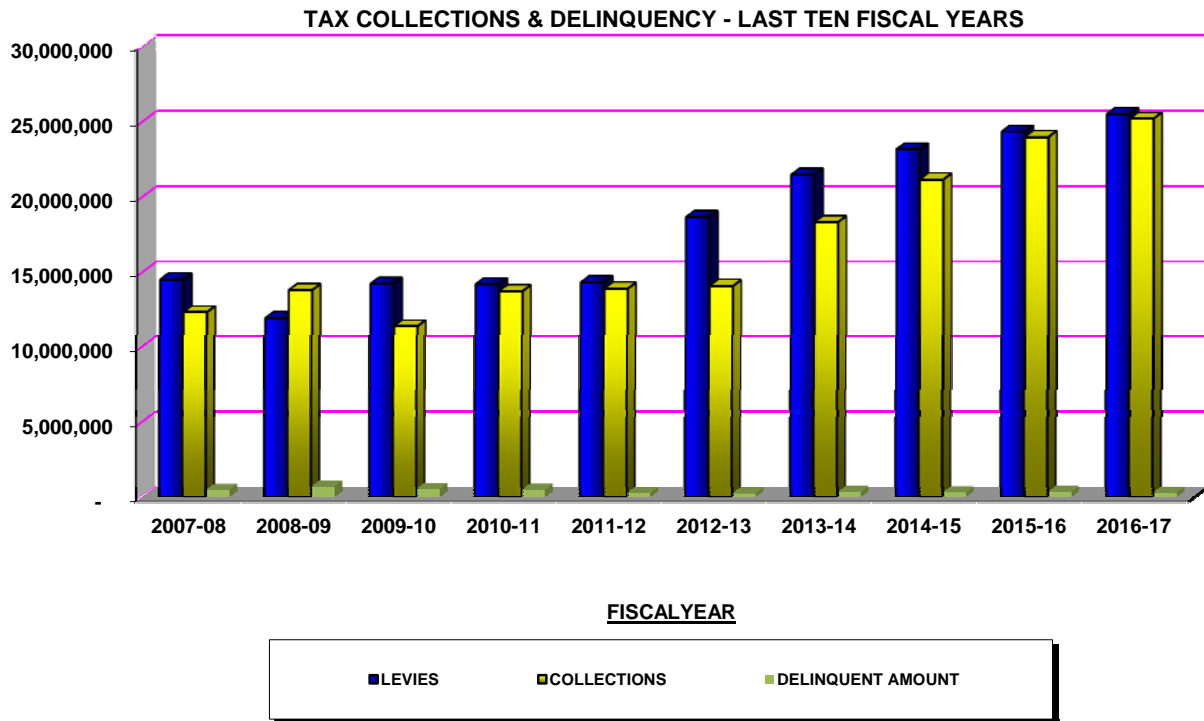
OWNER/TAXPAYER	FISCAL YEAR 2016-17			OWNER/TAXPAYER	FISCAL YEAR 2007-08		
	Number of Parcels	TOTAL ASSESSED VALUE	PERCENT of TOTAL CITY ASSESSED VALUE		Number of Parcels	TOTAL ASSESSED VALUE	PERCENT of TOTAL CITY ASSESSED VALUE
Valencia Town Center Venture LP	17	\$ 373,410,918	1.31 %	Valencia Town Center Venture	33	\$ 283,521,378	1.32 %
PFI Valencia LLC	9	162,999,991	0.57	EQR Valencia LLC	218	91,285,050	0.42
Park Sierra Properties	15	137,221,005	0.48	Thomas Properties Group LLC	33	80,214,294	0.37
Saugus Colony Limited	19	115,920,176	0.41	Casden Santa Clarita LLC	25	78,029,956	0.36
EQR Valencia LLC	218	102,883,391	0.36	RREEF America REIT II Corp	2	72,650,100	0.34
EQR The Oaks LLC	28	100,807,520	0.35	Prado Town Center West LLC	266	72,467,884	0.34
Valencia Biomedical Park LLC	4	99,365,463	0.35	Walmart Real Estate Business Trust	5	66,277,181	0.31
ARC SLSTCCA001 LLC	4	97,464,000	0.34	ERP Operating	5	65,098,719	0.30
RREEF America Reit II Corp	2	82,135,034	0.29	C-Native Exchange I LLC Time Wa	-	61,413,539	0.29
Aerospace Dynamics International In	6	80,817,697	0.28	Prism River Oaks ETAL	7	53,641,335	0.25
Total	322	1,353,025,195	4.76 %		594	924,599,436	4.30 %
All Others		27,070,884,067	95.24			20,568,997,701	95.70
Total Assessed Valuation		\$ 28,423,909,262	100.00 %			\$ 21,493,597,137	100.00 %

NOTE: The amounts shown above include assessed value data for both the City and the Redevelopment Agency.

Source: HdL Coren & Cone, LA County Assessor 2016/17 Combined Tax Rolls

**City of Santa Clarita
Property Tax Levies, Tax Collections and Delinquencies
Last Ten Fiscal Years**

FISCAL YEAR	TAXES LEVIED	PERCENT COLLECTIONS	COLLECTIONS IN SUBSEQUENT YEARS	TOTAL COLLECTIONS TO DATE	PERCENT COLLECTIONS TO DATE	
2007-08	14,483,825	13,754,184	95.0%	32,577	13,786,761	95.19%
2008-09	11,925,285	11,361,604	95.3%	16,722	11,378,326	95.41%
2009-10	14,202,626	13,711,940	96.5%	-	13,711,940	96.55%
2010-11	14,172,030	13,829,640	97.6%	50,605	13,880,246	97.94%
2011-12	14,299,999	13,999,770	97.9%	49,862	14,049,633	98.25%
2012-13	18,634,850	18,297,746	98.2%	-	18,297,746	98.19%
2013-14	21,446,963	21,128,332	98.5%	-	21,128,332	98.51%
2014-15	23,131,317	22,795,838	98.5%	-	22,795,838	98.55%
2015-16	24,304,887	23,957,604	98.6%	-	23,957,604	98.57%
2016-17	25,483,385	25,178,564	98.8%	-	25,178,564	98.80%



NOTES:

Article XIII-A of the Constitution of the State of California, adopted by the electorate in June 1978, precludes the City from a local property tax levy. All general-purpose property taxes are levied by the County and allocated to other governmental entities on a predetermined formula.

The above figures include secured property taxes only.

Prior to the implementation of GASB 44 in FY 2006, collections in subsequent years were not required to be reported by tax year. Beginning in FY 2007, collections in subsequent years are included.

Source: County of Los Angeles, Department of Auditor-Controller

City of Santa Clarita
 Successor Agency
 Top Property Owners Based on Net Values
 Fiscal Year 2016-17

	Owner	Secured			Unsecured			Combined		Primary Use
		Parcels	Value	% of Net AV	Parcels	Values	% of Net AV	Value	% of Net AV	
1	Time Warner Cable	-	\$ -	0.00%	3	\$43,041,370	57.84%	\$ 43,041,370	11.09%	Unsecured
2	Saugus Station LLC	6	18,260,394	3.16%				18,260,394	4.71%	Vacant
3	Casden Santa Clarita LLC <i>(Pending Appeals On Parcels)</i>	20	16,904,000	2.93%				16,904,000	4.36%	Industrial
4	Lyons Properties Limited <i>(Pending Appeals On Parcels)</i>	1	10,276,022	1.78%				10,276,022	2.65%	Residential
5	Telfair Corporation <i>(Pending Appeals On Parcels)</i>	2	8,841,991	1.53%				8,841,991	2.28%	Commercial
6	David Weiswasser Trust	2	8,247,025	1.43%				8,247,025	2.13%	Commercial
7	25805 San Fernando LLC	1	8,205,360	1.42%				8,205,360	2.11%	Residential
8	RFT Sprouts LLC, et. al.	3	7,854,588	1.36%				7,854,588	2.02%	Commercial
9	23801 San Fernando Rd Landco LLC	1	7,416,673	1.28%				7,416,673	1.91%	Residential
10	Peter and Barbara Coeler, et. al. <i>(Pending Appeals On Parcels)</i>	3	7,038,158	1.22%				7,038,158	1.08%	Institutional
	Top Ten Total	39	\$ 93,044,211	16.11%	3	\$43,041,370	57.84%	\$ 136,085,581	34.34%	
	Agency Total		577,741,713			74,419,812		652,161,525		
	Incremental Net AV Total		\$ 331,567,154	28.06%		\$56,488,160	76.20%	\$ 388,055,314	35.07%	

Source: HdL Coren & Cone



**City of Santa Clarita
 Successor Agency
 Project Area Assessment Appeals Summary and Tax Collection History
 Fiscal Years 2009-10 Through 2016-17**

Project Area Assessment Appeals Summary—FY 2016-17

Total No. of Appeals	No. of Resolved Appeals	No. of Successful Appeals	Average Reduction	No. & Value of Appeals Pending	Estimated No. of Appeals Allowed	Estimated Reduction on Pending Appeals Allowed
305	258	213	51%	39 / \$97,919,222	32	\$ 41,457,339

**Tax Collection History
 For Fiscal Years 2009-10 Through 2016-17**

Year	Tax Levy	Current Year Collection	Prior Year Collection	Total	Current Year Collection Percentage	Total Collection Percentage
2009-10	\$ 4,068,572	\$ 3,885,719	\$ 42,260	\$ 3,927,979	96%	97%
2010-11	3,618,835	2,744,263	(204,741)	2,539,523	76%	70%
2011-12 ⁽¹⁾	3,762,457	2,934,904	218,094	3,152,998	78%	84%
2012-13 ⁽²⁾	3,485,808	2,786,791	275,290	3,062,081	80%	88%
2013-14 ⁽²⁾	3,526,463	2,828,495	815,124	3,643,619	80%	103%
2014-15 ⁽²⁾	3,836,835	3,185,967	158,652	3,344,619	83%	87%
2015-16 ⁽²⁾	3,579,829	3,430,748	518,292	3,704,259	96%	103%
2016-17 ⁽²⁾	4,063,020	3,819,731	797,178	3,983,145	94%	98%

Source: Los Angeles County Auditor/Controller, Disbursement/Tax Division “CRA Remittance Advice” from Fiscal Years 1997-98 through 2010-11, and for Fiscal Year 2011-12, November 2011 through January 2012.

(1) Sources: Ledgers and 2011-12 Revenue & Collection from Year-End Adjusted Gross TI Collection by CRA reports from Los Angeles County Auditor-Controller.

(2) Sources: Ledgers and special reports from Los Angeles County Auditor-Controller commencing February 2012 pursuant to AB X 1 26.

City of Santa Clarita
 Charge Detail Report for CFD 2002-1 (Valencia Town Center)
 Fiscal Year 2016-17

ASSESSOR'S PARCEL NUMBER	PROPERTY OWNER	LAND ASSESSED VALUES (\$)	STRUCTURE ASSESSED VALUES (\$)	TOTAL ASSESSED VALUES (\$)	TAXABLE ACREAGE
2861-058-071	Valencia Town Center Venture LP	\$ 1,261,095	\$ 192,163	\$ 1,453,258	0.84
2861-058-072	Valencia Town Center Venture LP	3,495,554	18,172,669	21,668,223	4.81
2861-058-073	Valencia Town Center Venture LP	27,624,175	3,404,070	31,028,245	15.68
2861-058-076	Valencia Town Center Venture LP	879,987	87,398	967,385	1.18
2861-058-077	Valencia Town Center Venture LP	4,751,549	406,423	5,157,972	6.70
2861-058-081	Valencia Town Center Venture LP	16,068,719	169,909,906	185,978,625	14.34
2861-058-084	Valencia Town Center Venture LP	3,314,888	9,608,384	12,923,272	2.05
2861-058-085	Valencia Town Center Venture LP	432,372	216,184	648,556	0.33
Totals:		\$ 57,828,339	\$ 201,997,197	\$ 259,825,536	45.94

CLASS	MAX TAX RATE (\$)	MAX TAX	APPLIED RATE (\$)	CHARGE (\$)
1	\$ 35,630	\$ 30,075	\$ 26,396	\$ 22,281
1	35,630	171,380	26,396	126,966
1	35,630	558,748	26,396	413,947
1	35,630	42,186	26,396	31,253
1	35,630	238,720	26,396	176,855
	35629.885 &			
1&2	239,997.35	510,999	26,400	378,572
1	35,630	73,041	26,396	54,112
1	35,630	11,687	26,396	8,658
				<u>\$ 1,212,644</u>

City of Santa Clarita
Ratio of Outstanding Debt by Type
Last Ten Fiscal Years

GOVERNMENTAL ACTIVITIES									
FISCAL YEAR	CERTIFICATES OF PARTICIPATION (1) (3)		LOANS	BONDS (2)	PRIVATE PLACEMENT LEASE (5)	TAX ALLOCATION BONDS (4)		CAPITAL LEASES	TOTAL
2007-08	15,790,000	15,525,000	3,593,734	13,575,000	-	29,860,000	8,850,000	23,676	87,217,410
2008-09	14,790,000	15,525,000	2,823,907	13,330,000	-	29,860,000	8,850,000	11,370	85,190,277
2009-10	13,760,000	15,525,000	2,017,793	13,075,000	-	29,460,000	8,730,000	1,624	82,569,417
2010-11	12,700,000	15,525,000	1,413,786	12,805,000	-	29,040,000	8,605,000	-	80,088,786
2011-12	11,610,000	15,490,000	1,040,000	12,525,000	-	-	-	242,417	40,907,417
2012-13	10,480,549	15,379,349	810,000	12,316,280	-	-	-	201,880	39,188,058
2013-14	9,323,138	15,291,374	580,000	12,002,622	-	-	-	154,705	37,351,839
2014-15	8,128,138	15,175,988	300,000	11,673,964	-	-	-	217,615	35,495,705
2015-16	-	-	200,000	26,012,352	6,328,411	-	-	138,877	32,679,640
2016-17	-	-	100,000	25,262,456	4,984,543	-	-	60,444	30,407,443

NOTES:

(1) In 1991 the Santa Clarita Public Financing Authority issued \$22,940,000 aggregate principal amount of Local Agency (Redevelopment) Revenue Bonds Series 1991. Simultaneously with the receipt of the Bond proceeds, the Authority acquired \$22,940,000 Certificates of Participation issued by the Santa Clarita Redevelopment Agency, of which the proceeds were transferred to the City to finance and/or refinance the design, acquisition, improvement or construction of land, the City Hall Building and certain road improvements, and to refinance certain debt. The Agency leased back the facilities to the City for lease payments to be made by the City to the Authority equal to the principal and interest due on the revenue bonds. At this point in time, the Agency is not active.

-The 1991 Series certificates were later refunded in fiscal year 1997-98 by the Certificates of Participation Series 1997 of \$19,670,000. As a result, the 1991 Series certificates are considered to be defeased and the liability for those certificates was removed from the general long-term debt.

-On July 1, 2005, the Santa Clarita Public Financing Authority issued \$17,700,000 in Certificates of Participation to advance refund \$17,640,000 of outstanding 1997 Series certificates. As a result, the 1997 Series were considered defeased and the liability for those certificates was removed from the long-term liability.

-On July 15, 2015, the Santa Clarita Public Financing Authority entered into a Private Placement Lease agreement for \$6,985,000 to refinance the outstanding 2005 Series certificates. As a result, the 2005 Series were considered defeased and the liability for those certificates was removed from the long-term liability.

-In November 2001, the Santa Clarita Public Financing Authority issued \$3,200,000 in Certificates of Participation for the acquisition of parkland. In 2006 the COP Series 2001 were considered defeased and the liability for those certificates was removed from the general long-term debt.

(2) On January 16, 2007, the Santa Clarita Public Financing Authority issued \$13,785,000 Lease Revenue Bonds (Golden Valley Road), Series 2007 for the acquisition of right-of-way.

- On June 22, 2016, the Santa Clarita Public Financing Authority issued \$10,320,000 in Series 2016A Lease Revenue Bonds (Golden Valley Road) to advance refund \$11,260,000 of outstanding 2007 Series bonds. As a result, the 2007 Series were considered defeased and the liability for those bonds was removed from the general long-term debt.

-On June 22, 2016, the Santa Clarita Public Financing Authority issued \$14,020,000 in Series 2016B Lease Revenue Refunding Bonds (OSPD) to advance refund \$15,070,000 of outstanding 2007 Series certificates.

(3) On December 1, 2007, the Santa Clarita Public Financing Authority issued \$15,525,000 in Certificates of Participation for the acquisition of open space and parkland.

-On June 22, 2016, the Santa Clarita Public Financing Authority issued \$14,020,000 in Series 2016B Lease Revenue Refunding Bonds (OSPD) to advance refund \$15,070,000 of outstanding 2007 Series certificates. As a result, the 2007 Series were considered defeased and the liability for those bonds was removed from the general long-term debt.

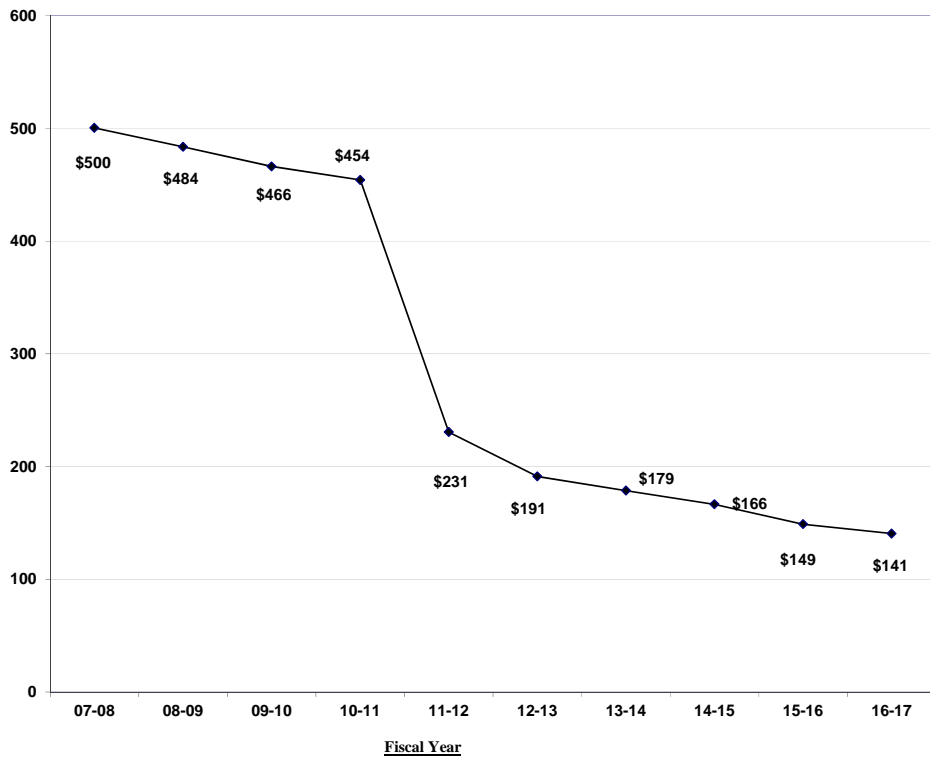
(4) On June 1, 2008, the Santa Clarita Redevelopment Agency issued \$29,860,000 in Non-Housing Tax Allocation Bonds and \$8,850,000 in Low/Mod Housing Tax Allocations Bonds to fund certain redevelopment projects within the Newhall Redevelopment Project area. Upon the dissolution of redevelopment agencies in the State of California effective February 1, 2012, the bonds were transferred to the RDA Successor Agency.

(5) On July 15, 2015, the Santa Clarita Public Financing Authority entered into a Private Placement Lease agreement for \$6,985,000 to refinance the outstanding 2005 Series certificates.

Sources: City of Santa Clarita, Administrative Services Department - Finance Division

BUSINESS-TYPE ACTIVITIES		TOTAL PRIMARY GOVERNMENT	PERCENTAGE OF TAXABLE ASSESSED	DEBT PER CAPITA	OUTSTANDING DEBT TO PERSONAL INCOME
LEASE PAYABLE	TOTAL		VALUE		
870,149	870,149	88,087,559	0.41%	500	6%
485,304	485,304	85,675,581	0.38%	484	5%
248,304	248,304	82,817,721	0.39%	466	5%
-	-	80,088,786	0.38%	454	N/A
-	-	40,907,417	0.19%	231	N/A
-	-	39,188,058	0.19%	191	N/A
-	-	37,351,839	0.15%	179	N/A
-	-	35,495,705	0.14%	166	N/A
-	-	32,679,640	0.12%	149	N/A
-	-	30,407,443	0.11%	141	N/A

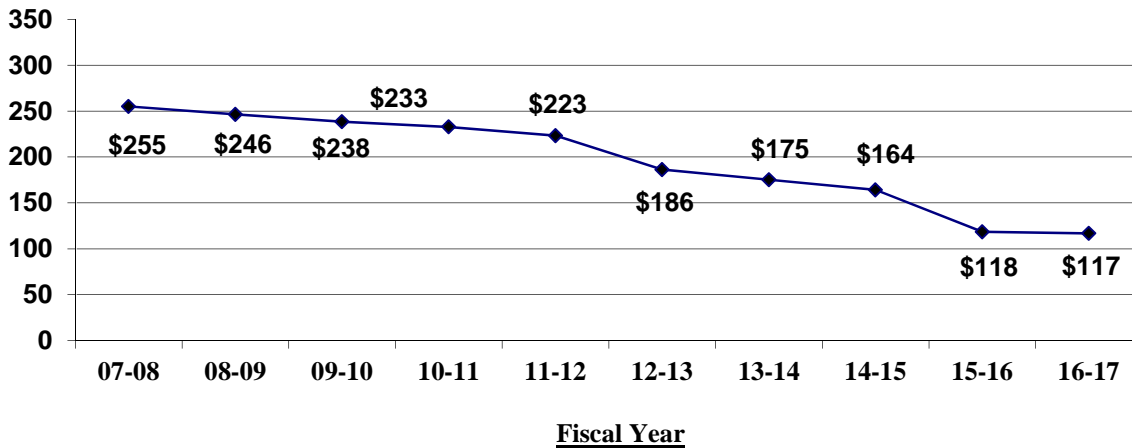
OUTSTANDING DEBT PER CAPITA
Last Ten Fiscal Years



**City of Santa Clarita
Ratio of General Bonded Debt Outstanding
Last Ten Fiscal Years**

FISCAL YEAR	OUTSTANDING GENERAL BONDED DEBT				PERCENTAGE OF TAXABLE ASSESSED VALUE	DEBT PER CAPITA
	POPULATION (1)	REVENUE BONDS	CERTIFICATES OF PARTICIPATION	TOTAL		
2007-08	177,045	13,575,000	31,315,000	44,890,000	0.21%	255
2008-09	177,150	13,330,000	30,315,000	43,645,000	0.19%	246
2009-10	177,641	13,075,000	29,285,000	42,360,000	0.20%	238
2010-11	176,971	12,805,000	28,225,000	41,030,000	0.19%	233
2011-12	177,445	12,525,000	27,100,000	39,625,000	0.19%	223
2012-13	204,951	12,316,280	25,859,898	38,176,178	0.18%	186
2013-14	209,130	12,002,622	24,614,512	36,617,134	0.15%	175
2014-15	213,231	11,673,964	23,304,126	34,978,090	0.13%	164
2015-16	219,611	26,012,352	-	26,012,352	0.10%	118
2016-17	216,350	25,262,456	-	25,262,456	0.09%	117

**GENERAL BONDED DEBT OUTSTANDING
PER CAPITA
Last Ten Fiscal Years**



Source: (1) State of California, Finance Department

**City of Santa Clarita
Direct and Overlapping Tax and Assessment Debt
June 30, 2017**

2016-17 Assessed Valuation: \$28,685,821,032
(Net of Redevelopment Agency Incremental Value of \$388,055,314)

2016-17 Population: 216,350

	Total Debt 06/30/2017	Percent Applicable To City ⁽¹⁾	City's Share of Debt 06/30/2017
DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:			
Santa Clarita Community College District	\$ 262,836,240	71.191%	\$ 187,115,748
William S. Hart Union High School District	359,655,434	71.180%	\$ 256,002,738
William S. Hart Union High School District Community Facilities District No. 87-1	155,000	100.000%	\$ 155,000
William S. Hart Union High School District Community Facilities District No. 90-1	370,000	100.000%	\$ 370,000
William S. Hart Union High School District Community Facilities District No. 2015-1	24,930,000	100.000%	\$ 24,930,000
Los Angeles County Community College and Unified School Districts	13,662,990,000	0.00001%	\$ 1,366
Castaic Union School District	12,649,827	27.406%	\$ 3,466,812
Newhall School District	11,185,000	61.035%	\$ 6,826,765
Newhall School District School Facilities Improvement District No. 2011-1	60,000,000	61.836%	\$ 37,101,600
Saugus Union School District	28,123,928	82.808%	\$ 23,288,862
Saugus Union School District School Facilities Improvement District No. 2014-1	20,000,000	83.833%	\$ 16,766,600
Saugus Union School District Community Facilities District No. 2006-2, Improvement Area Nc	7,415,000	100.000%	\$ 7,415,000
Saugus Union School District Community Facilities District No. 2006-2, Improvement Area Nc	8,165,000	100.000%	\$ 8,165,000
Saugus Union School District Community Facilities District No. 2006-2, Improvement Area Nc	16,120,000	100.000%	\$ 16,120,000
Saugus-Hart School District Community Facilities District No. 2000-1	10,520,000	100.000%	\$ 10,520,000
Sulphur Springs Union School District	48,623,086	92.713%	\$ 45,079,922
Sulphur Springs Union School District Community Facilities District No. 2002-1	25,265,000	100.000%	\$ 25,265,000
City of Santa Clarita Open Space and Parkland Assessment District	14,506,483	100.000%	\$ 14,506,483
City of Santa Clarita Community Facilities District No. 2002-1	14,975,000	100.000%	\$ 14,975,000
City of Santa Clarita 1915 Act Bonds	705,000	100.000%	\$ 705,000
Los Angeles County Regional Park and Open Space Assessment District	38,895,000	2.133%	\$ 829,630
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT			\$ 699,606,526
DIRECT AND OVERLAPPING GENERAL FUND DEBT:			
Los Angeles County General Fund Obligations	\$1,996,576,065	2.133%	\$ 42,586,967
Los Angeles County Superintendent of Schools Certificates of Participation	7,204,988	2.133%	\$ 153,682
Los Angeles County Sanitation District No. 32 Authority	14,104,623	72.647%	\$ 10,246,585
Santa Clarita Community College District Certificates of Participation	9,580,000	71.191%	\$ 6,820,098
William S. Hart Union High School District Certificates of Participation	6,000,000	71.180%	\$ 4,270,800
Castaic Union School District Certificates of Participation	3,665,000	27.406%	\$ 1,004,430
Saugus Union School District Certificates of Participation	24,700,000	82.808%	\$ 20,453,576
Sulphur Springs Union School District Certificates of Participation	25,375,000	92.713%	\$ 23,525,924
Los Angeles Unified School District Certificates of Participation	239,440,000	0.00001%	\$ 24
City of Santa Clarita Obligations	15,900,960	100.000%	\$ 15,900,960
Total Gross Direct and Overlapping General Fund Debt			\$ 124,963,046
Total Net Direct and Overlapping General Fund Debt			\$ 124,963,046
OVERLAPPING TAX INCREMENT DEBT (Successor Agency):	35,647,868	100.000%	35,647,868
Total Direct Debt			\$ 30,407,443
Gross Total Overlapping Debt			844,316,481
Net Total Overlapping Debt			\$ 844,316,481
GROSS COMBINED TOTAL DEBT			\$ 860,217,440
NET COMBINED TOTAL DEBT			\$ 860,217,440

(1) Percentage of overlapping debt applicable to the city is estimated using taxable assessed property value. Applicable percentages were estimated determining the portion of the overlapping district's assessed value that is within the boundaries of the city divided by the district's total taxable

(2) Includes \$100,000 HUD Loans, \$4,984,543 Private Placement Lease, \$10,755,973 Series 2016A GVR Lease Revenue Bonds, and \$60,443.7 lease obligations.

(3) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.

Ratios to 2016-17 Assessed Valuation:

Direct Debt (\$14,506,483)	0.05%
Total Overlapping Tax and Assessment Debt.....	2.44%
Total Direct Debt (\$30,407,443)	0.11%
Gross Combined Total Debt.....	3.00%
Net Combined Total Debt.....	3.00%

Ratios to Redevelopment Successor Agency Incremental Valuation (\$388,055,314):

Total Overlapping Tax Increment Debt.....	9.19%
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Source: MuniServices, LLC

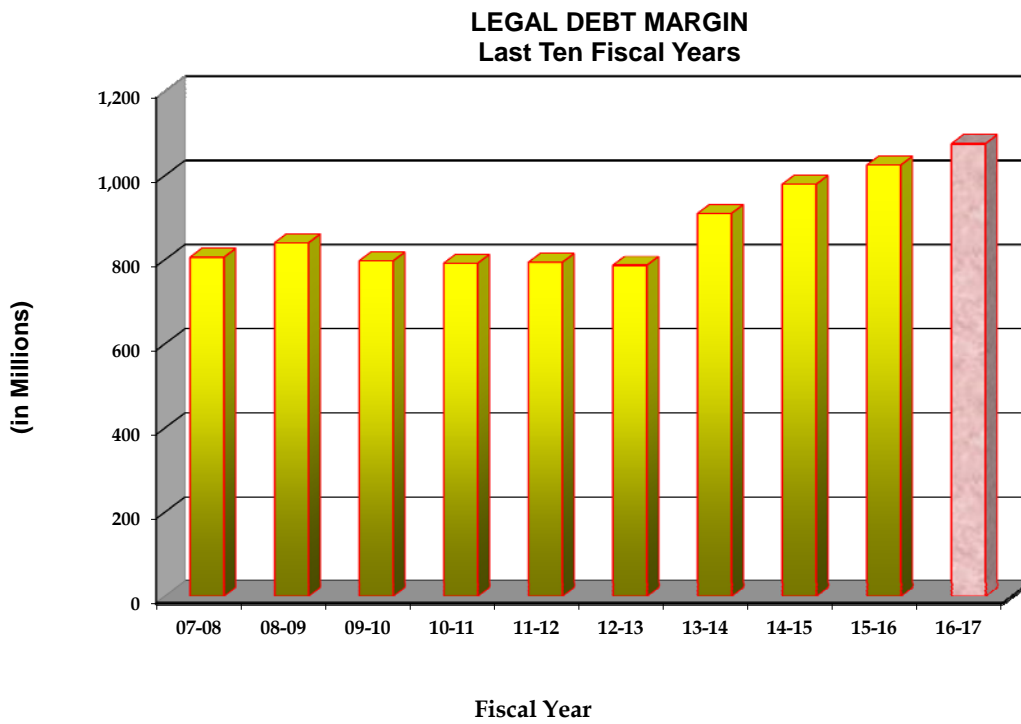
**City of Santa Clarita
 Legal Debt Margin Information
 Last Ten Fiscal Years**

	FISCAL YEAR				
	16-17	15-16	14-15	13-14	12-13
Assessed valuation	\$ 28,685,821,032	\$ 27,330,863,338	\$ 26,111,942,635	\$ 24,269,472,731	\$ 20,985,441,963
Conversion percentage	25%	25%	25%	25%	25%
Adjusted assessed valuation	7,171,455,258	6,832,715,835	6,527,985,659	6,067,368,183	5,246,360,491
Debt limit percentage	15%	15%	15%	15%	15%
Debt limit	1,075,718,289	1,024,907,375	979,197,849	910,105,227	786,954,074
Total net debt applicable to limit: General obligation bonds	-	-	-	-	-
Legal debt margin	\$ 1,075,718,289	\$ 1,024,907,375	\$ 979,197,849	\$ 910,105,227	\$ 786,954,074
Total debt applicable to the limit as a percentage of debt limit	0%	0%	0%	0%	0%

Section 43605 of 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% 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 current full valuation perspective to the 25% level that was in effect at the time the legal debt margin was enacted by the State of California for local governments located within the State.

Source: City of Santa Clarita, Administrative Services Department - Finance Division

FISCAL YEAR				
11-12	10-11	09-10	08-09	07-08
\$ 21,168,938,632	\$ 21,113,942,935	\$ 21,262,122,246	\$ 22,410,452,203	\$ 21,493,597,137
25%	25%	25%	25%	25%
5,292,234,658	5,278,485,734	5,315,530,562	5,602,613,051	5,373,399,284
15%	15%	15%	15%	15%
793,835,199	791,772,860	797,329,584	840,391,958	806,009,893
-	-	-	-	-
\$ 793,835,199	\$ 791,772,860	\$ 797,329,584	\$ 840,391,958	\$ 806,009,893
0%	0%	0%	0%	0%



**City of Santa Clarita
Pledged Revenue Coverage
Last Ten Fiscal Years**

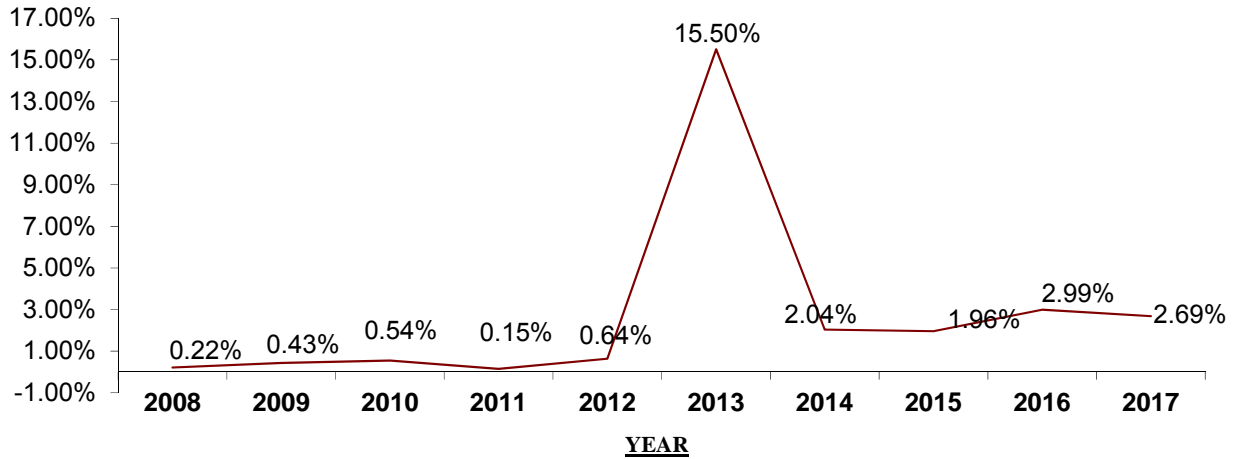
TRANSIT						
Fiscal Year	TRANSIT REVENUES (1)	LESS OPERATING EXPENSES (2)	NET AVAILABLE REVENUES	DEBT SERVICE		COVERAGE
				Principal	Interest	
2007-08	24,888,921	22,204,777	2,684,144	366,720	60,298	1.72%
2008-09	26,612,418	23,014,324	3,598,094	384,846	42,172	1.60%
2009-10	21,179,438	23,525,855	(2,346,417)	236,999	23,149	1.23%
2010-11	32,507,582	24,270,533	8,237,048	248,304	11,844	0.80%
2011-12	26,133,433	25,175,688	957,745	-	-	-
2012-13	29,420,486	25,901,822	3,518,664	-	-	-
2013-14	33,298,907	27,044,874	6,254,034	-	-	-
2014-15	24,008,186	28,292,380	(4,284,194)	-	-	-
2015-16	26,853,481	28,327,301	(1,473,820)	-	-	-
2016-17	28,670,319	30,072,872	(1,402,553)	-	-	-

NOTE: (1) Includes Other revenues, Transfers in and Capital contributions
(2) Includes Transfers out and Other expenses

**City of Santa Clarita
Demographic and Economic Statistics
Last Ten Calendar Years**

YEAR	CITY OF SANTA CLARITA POPULATION (1)	AVERAGE ANNUAL PERCENTAGE INCREASE	LOS ANGELES COUNTY POPULATION (1)	AVERAGE ANNUAL PERCENTAGE INCREASE	PER CAPITA PERSONAL INCOME (2)	TOTAL PERSONAL INCOME (2)	UNEMPLOYMENT RATE (3)
2008	177,045	0.22%	9,785,474	0.05%	44,727	567,707,000	4.70%
2009	177,150	0.43%	9,801,096	0.16%	43,119	550,832,000	7.70%
2010	177,641	0.54%	9,822,121	0.21%	43,999	565,365,000	7.70%
2011	176,971	0.15%	9,818,605	-0.04%	44,423	575,044,998	7.60%
2012	177,445	0.64%	9,884,632	0.67%	46,337	604,831,837	6.90%
2013	204,951	15.50%	9,958,091	0.74%	48,425	635,891,798	6.60%
2014	209,130	2.04%	10,041,797	0.84%	50,751	673,073,539	4.70%
2015	213,231	1.96%	10,136,559	0.94%	54,526	727,377,241	6.40%
2016	219,611	2.99%	10,241,335	1.03%	N/A	N/A	4.70%
2017	225,512	2.69%	10,241,278	0.00%	N/A	N/A	4.40%

**POPULATION INCREASE
Last Ten Fiscal Years**



Sources: (1) State of California, Finance Department, as of 1/1/2017
 (2) U.S. Department of Commerce, Bureau of Economic Analysis (BEA)
 Personal Income and Unemployment rates are for the regional area, Los Angeles. The City's related information is not available. Information lags two years.
 (3) State of California, Department of Employment Development (EDD), Oct 30, 2017

Note: Reduction in 2017 population numbers due to change in the county controls. The primary factor was a lowering of the estimated school enrollment.

**City of Santa Clarita
Principal Employers
Current Fiscal Year and Nine Fiscal Years Ago**

EMPLOYER	2017*		EMPLOYER	2008	
	NUMBER of EMPLOYEES	PERCENT of TOTAL EMPLOYMENT		NUMBER of EMPLOYEES	PERCENT of TOTAL EMPLOYMENT
Six Flags Magic Mountain	3,200	11.07%	Mountain	3,689	14.62%
Princess Cruises	2,026	7.01%	Princess Cruises	2,100	8.32%
Henry Mayo Newhall			Henry Mayo Newhall		
Memorial Hospital	1,948	6.74%	Memorial Hospital	1,212	4.80%
Boston Scientific	900	3.11%	HR Textron	845	3.35%
The Master's College	760	2.63%	The Master's College	755	2.99%
Cal Arts	700	2.42%	Speciality Laboratories	725	2.87%
Woodward HRT (formerly HR Textron)	650	2.25%	Arvato Services	586	2.32%
Walmart	624	2.16%	Cal Arts	500	1.98%
Aerospace Dynamics	608	2.10%	Aerospace Dynamics	450	1.78%
Quest Diagnostics (formerly Speciality	594	2.06%	Fanfare Media Works	407	1.61%
Largest firms ⁽¹⁾	12,010	41.55%	Largest firms ⁽¹⁾	11,269	44.66%
All others	16,893	58.45%	All others	13,963	55.34%
Grand total	28,903	100.00%	Grand total	25,232	100.00%

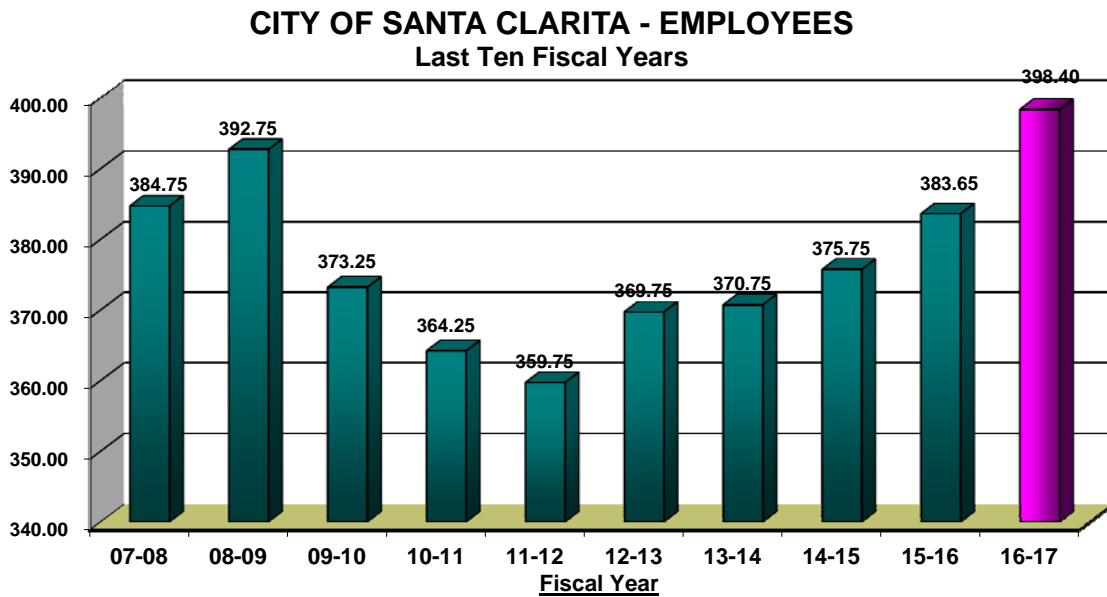
* As of March 2017

NOTE: (1) Non-governmental employers

Source: 2017 Economic Outlook Santa Clarita Valley Economic Dev Corp & College of the Canyons
2008 CAFR

**City of Santa Clarita
Full-Time and Part-Time City Employees by Function
Last Ten Fiscal Years**

Function	FISCAL YEAR									
	16-17	15-16	14-15	13-14	12-13	11-12	10-11	09-10	08-09	07-08
General government	150.00	91.00	87.60	87.60	89.60	84.35	85.75	89.75	95.75	91.75
Public safety (1)	-	-	-	-	-	-	-	-	-	-
Public works	128.50	131.50	125.00	122.00	129.00	126.00	127.00	128.00	135.50	136.50
Community developmen	44.00	37.00	41.00	41.00	32.00	30.50	33.00	33.00	36.00	35.00
Parks and Recreation	63.90	112.15	111.15	109.15	108.15	105.90	106.50	110.50	111.50	110.50
Transit	12.00	12.00	11.00	11.00	11.00	13.00	12.00	12.00	14.00	11.00
Totals	398.40	383.65	375.75	370.75	369.75	359.75	364.25	373.25	392.75	384.75



(1) Police and Fire services have been provided by the County

Source: City of Santa Clarita, Administrative Services Department - Finance Division

**Operating Indicators by Function
Last Ten Fiscal Years**

Function	FISCAL YEAR									
	16-17	15-16	14-15	13-14	12-13	11-12	10-11	09-10	08-09	07-08
Police:										
Parking citations issued ⁽¹⁾	13,133	9,035	4,765	4,786	5,726	5,521	6,577	5,114	4,126	5,257
Parking revenue collected	\$ 470,843	\$ 379,384	\$ 320,682	\$ 323,040	\$ 341,607	\$ 335,663	\$ 323,408	\$ 238,478	\$ 235,634	\$ 288,076
Public works:										
Street resurfacing (miles)	45.0	15.5	80.0	20.9	18.0	24.0	24.0	33.8	14.0	15.4
Parks and Recreation:										
Number of recreation classes	2,992	2,918	2,189	2,557	2,548	2,106	2,080	2,447	2,284	2,393
Number of facility rentals (times)	19,924	13,390	19,018	14,604	13,000	11,042	10,754	10,239	9,801	9,767
Transit:										
Number of customers served ⁽²⁾	2,864,351	3,167,021	3,422,015	3,540,969	3,661,302	3,612,060	3,724,490	3,922,052	4,210,842	3,821,299

NOTE: (1) The City contracts the Los Angeles County Sheriff Department for its police services. The number of citations issued and money collected are within the City's boundaries.

(2) Number of customers served includes those outside of the City boundaries.

Source: City of Santa Clarita, Administrative Services Department - Finance Division

**City of Santa Clarita
Capital Assets Statistics by Function
Last Ten Fiscal Years**

Function	FISCAL YEAR									
	16-17	15-16	14-15	13-14	12-13	11-12	10-11	09-10	08-09	07-08
Public works:										
Streets (miles)	537	516	497	496	496	496	496	496	496	496
Street lights ⁽¹⁾	17,843	17,843	17,843	17,843	17,843	15,081	14,963	14,939	14,739	14,429
Traffic signals (City Jurisdiction)	186	180	180	177	177	171	170	166	172	176
Traffic signals (Joint Jurisdiction)	5	5	5	5	5	6	1	6	5	4
Parks and recreation:										
Number of parks	32	32	32	29	29	24	23	20	20	20
Community centers	2	2	2	2	1	1	1	1	1	1
Transit:										
Stations	4	4	4	4	4	4	4	4	4	4

(1) All of the above referred streetlights are/were owned and maintained by Edison Company. The Highway Safety Lights (HSL) are the streetlights attached to traffic signals (989) and those are City owned and maintained through a contract with the County. The City took over the streetlights from the County in 1998 and the City Engineering division established the inventory reports since 2001.

Source: City of Santa Clarita, Administrative Services Department - Finance Division





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santa-clarita.com