

# CITY OF SANTA CLARITA, CALIFORNIA



## COMPREHENSIVE ANNUAL FINANCIAL REPORT

Fiscal Year Ended June 30, 2016

**CITY OF SANTA CLARITA, CALIFORNIA**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

**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, 2016**

**TABLE OF CONTENTS**

**INTRODUCTORY SECTION**

Letter of Transmittal .....	i
GFOA Certificate of Achievement for Excellence in Financial Reporting .....	viii
Officials of the City of Santa Clarita .....	ix
Organizational Chart .....	x
Map of the City of Santa Clarita .....	xi

**FINANCIAL SECTION**

Independent Auditors' Report.....	1
Management's Discussion and Analysis.....	4

Basic Financial Statements:

Government-wide Financial Statements:

Statement of Net Position.....	14
Statement of Activities .....	16

Fund Financial Statements:

Governmental Fund Financial Statements:

Balance Sheet.....	18
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position .....	20
Statement of Revenues, Expenditures and Changes in Fund Balances .....	21
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities.....	23

Proprietary Fund Financial Statements:

Statement of Net Position .....	24
Statement of Revenues, Expenses and Changes in Fund Net Position .....	25
Statement of Cash Flows .....	26

Fiduciary Fund Financial Statements:

Statement of Fiduciary Net Position .....	27
Statement of Changes in Fiduciary Net Position .....	28

Notes to the Financial Statements .....	29
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**CITY OF SANTA CLARITA, CALIFORNIA  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 YEAR ENDED JUNE 30, 2016**

**TABLE OF CONTENTS**

**FINANCIAL SECTION (CONTINUED)**

**REQUIRED SUPPLEMENTARY INFORMATION**

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

General Fund.....	77
Bridge and Thoroughfare Special Revenue Fund.....	78
Developer Fees Special Revenue Fund.....	79
Public Library Special Revenue Fund .....	80
Landscape Maintenance District #1 Special Revenue Fund.....	81
Schedule of Funding Progress .....	82
Schedule of Changes in the City’s Net Pension Liability and Related Ratios.....	83
Schedule of City Contributions.....	84
Notes to Required Supplementary Information .....	86

**SUPPLEMENTARY INFORMATION**

Non-major Governmental Funds:

Description of Non-major Governmental Funds .....	88
Combining Balance Sheet.....	91
Combining Statement of Revenues, Expenditures and Changes in Fund Balances .....	99
Schedules of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual:	
Bikeway Special Revenue Fund .....	107
Gas Tax Special Revenue Fund.....	108
Proposition A Special Revenue Fund .....	109
Special Assessment Special Revenue Fund.....	110
State Park Special Revenue Fund .....	111
Transportation Development Act Special Revenue Fund.....	112
Traffic Safety Special Revenue Fund.....	113
Community Development Block Grant Special Revenue Fund .....	114
Air Quality Management District Special Revenue Fund .....	115
Stormwater Special Revenue Fund.....	116
Surface Transportation Program Special Revenue Fund.....	117
BJA Law Enforcement Special Revenue Fund.....	118
Supplemental Law Grant Special Revenue Fund .....	119
HOME Special Revenue Fund.....	120
Library Facilities Fees Special Revenue Fund .....	121
Public Education and Government Special Revenue Fund .....	122
Proposition C Special Revenue Fund .....	123
Federal Grants Special Revenue Fund.....	124
Measure R Special Revenue Fund .....	125
Tourism Marketing District Special Revenue Fund .....	126
Open Space Preservation District Special Revenue Fund .....	127
Miscellaneous Grants Special Revenue Fund.....	128
Park Dedication Special Revenue Fund .....	129

**CITY OF SANTA CLARITA, CALIFORNIA  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 YEAR ENDED JUNE 30, 2016**

**TABLE OF CONTENTS**

**FINANCIAL SECTION (CONTINUED)**

Housing Successor Agency Special Revenue Fund .....	130
Tourism Marketing Bureau Special Revenue Fund.....	131
General Capital Projects Fund .....	132
Public Financing Authority Capital Projects Fund .....	133
Public Financing Authority Debt Service Fund.....	134

Internal Service Funds:

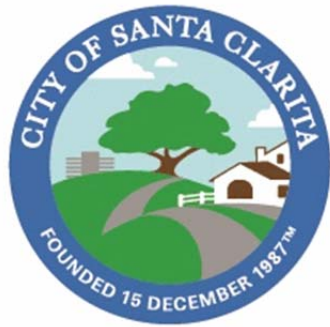
Description of Internal Service Funds .....	135
Combining Statement of Net Position .....	136
Combining Statement of Revenues, Expenses and Changes in Net Position .....	137
Combining Statement of Cash Flows .....	138

Agency Funds

Description of Agency Funds .....	139
Combining Statement of Assets and Liabilities.....	142
Combining Statement of Changes in Assets and Liabilities.....	142

**STATISTICAL SECTION**

Table of Contents .....	145
Net Position by Component .....	146
Changes in Net Position.....	148
Fund Balances of Governmental Funds .....	152
Changes in Fund Balances of Governmental Funds.....	154
Assessed Values and Actual Values of Taxable Property .....	156
Assessed Values and Actual Values of Taxable Property—Redevelopment Agency .....	158
Assessed Values—Taxable Property .....	160
Assessed Values—Use Category Summary .....	162
Direct and Overlapping Property Tax Rates.....	164
Principal Property Taxpayers .....	165
Property Tax Levies, Tax Collections and Delinquencies .....	166
Top Property Owners Based on Net Values—Successor Agency.....	167
Project Area Assessment Appeals Summary and Tax Collection History—Successor Agency .....	168
Charge Detail Report for CFD 2002-1 (Valencia Town Center)—Successor Agency .....	169
Ratio of Outstanding Debt by Type .....	171
Ratio of General Bonded Debt Outstanding .....	173
Direct and Overlapping Tax and Assessment Debt .....	174
Legal Debt Margin Information .....	175
Pledged Revenue Coverage .....	177
Demographic and Economic Statistics .....	178
Principal Employers .....	179
Full-Time and Part-Time City Employees by Function .....	180
Operating Indicators by Function .....	181
Capital Asset Statistics by Function .....	182





City of  
**SANTA CLARITA**

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December 22, 2016

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, 2016, 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, 2016. 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 17<sup>th</sup> largest in the State of California. Santa Clarita offers an expansive parks and recreation network, with 33 beautiful park facilities, more than 8,745 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 2015-16 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 Logix Federal Credit Union announced the relocation of their headquarters to the Santa Clarita Valley and we welcomed the opening of Sunkist headquarters, providing high quality jobs for our community. A number of restaurants have signed leases including the Cheesecake Factory and Saddle Ranch Chop House. City Council also approved a purchase and sale agreement with a development partner to bring a 7-screen Laemmle Theatre, 20,000+ square feet of retail space and a parking structure with 374 parking spaces.

Retail vacancy rates are steady, currently at 4.3 percent compared to 4.8 percent in the 2nd Quarter of 2015. The same is true for industrial vacancy rates, which are at 3.1 percent, a slight increase from 3 percent in the 2nd Quarter of 2015. Office space in the City is currently a 9 percent vacancy rate in the 2nd Quarter of 2016.

The City's Film Office enjoyed another strong year. In Fiscal Year 2015-16, filming in Santa Clarita meant an economic impact of \$30.9 million to the local economy from location filming. Santa Clarita is home to more than 20 sound stages, 10 movie ranches, and hundreds of film-related businesses. Network television shows like "NCIS," "Switched at Birth," "Westworld," "Recovery Road," "Blunt Talk," and "Stitchers," are based in Santa Clarita and regularly film on location within the City. Popular locally-based show, NCIS celebrated its 300<sup>th</sup> episode.

Tourism continues to be one of the City of Santa Clarita's largest economic generators contributing more than \$3.8 million to the general fund from Transient Occupancy Tax (TOT) in Fiscal Year 2015-16. The sixth 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 \$725,000 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 Collegiate Golf Tournament, Valencia Trail Race, Real So Cal SCV Cup, Triple Crown Softball, Junior Olympic Swim Meet, US Bowling California Association Tournament, Under Armor Alison Lee Jr. Golf Championship and the Bonspiel Curling Tournament. The City also attracted the return of two internationally sanctioned events, including the Amgen Tour of California, returning to the City for the 8<sup>th</sup> year, and the 3<sup>rd</sup> 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 College. 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 more than 70 percent of adults over age 25 and older having attained some college or higher, as compared to Los Angeles County, which averages 56.2 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, property taxes, and property taxes in lieu of vehicle license fees. However, 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 2015-16**

- ❖ The Santa Clarita Film Office had another strong year, processing 528 permits in Fiscal Year 2015-16 with a recorded 1,305 film days. The estimated total economic impact from location filming was \$30.9 million .
- ❖ Improving, maintaining, and adding to the City's infrastructure continues to be a high priority and focus for the City. During Fiscal Year 2015-16, the City completed the beautification and improvement project of Sierra Highway from Via Princessa to Soledad Canyon Road, updating medians and adding a triple turn pocket from northbound Sierra Highway onto westbound Soledad Canyon Road to improve traffic flow at the intersection; finished the widening of the Lost Canyon Road Bridge next to the Santa Clara River, adding 4-foot shoulders along both sides of the existing travel lanes; completed another successful year of the slurry seal and overlay project, resurfacing over 180 streets; and completed the Golden Valley Road bridge widening project at the 14 Freeway, widening the bridge from two through lanes to four lanes, adding left turn lanes for both directions of the 14 Freeway and adding a protected bike and pedestrian path.
- ❖ Santa Clarita continues to be proactive in addressing teen drug use. To raise awareness about drug availability and use, the City continued to reach out to parents and families and provide assistance to those in need. The City's Drug Free Youth In Town (DFYIT) program continues to grow, with a total of over 2,600 teens pledging to stay sober and engaged in meaningful, healthy activities on every junior and senior high school campus in the Santa Clarita Valley.
- ❖ Santa Clarita Public Library continues to thrive in its fifth year of operation. The three branches saw over 819,000 patron visits, issued 14,290 new library cards, circulated more than 1.4 million books and materials, and the library website had over 600,00 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 second year in Old Town Newhall and adjacent Hart Park with high attendance.

## **AWARDS AND ACKNOWLEDGEMENTS**

The City of Santa Clarita was recognized many times throughout the year, being ranked by Parenting.com as the third safest city in America. SafeWise.com named Santa Clarita as one of the 50 safest cities in California, and 24/7 Wall St. named the City "America's 20th Best City to Live", the only California city to rank in the top 20. Additionally, Only in Your State named Santa Clarita the No. 1 Best City for Retirement in Southern California stating, "Santa Clarita offers the perfect blend of refined living in a community that still has a small town feel."

The City of Santa Clarita also won various awards including: the 2015 Helen Putnam Award of Excellence from the League of California Cities in Economic Development through the Arts category for the revitalization of Old Town Newhall, and the Bronze Level Bicycle Friendly Community Award was received in 2015 for the City's extensive bike paths, trails, and paseos established around the City with access year round and the Bike Santa Clarita website.

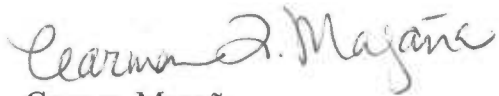
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Santa Clarita for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2015. This was the 27th consecutive 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 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 21 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, Financial Analysts, Susan Cromsigt, Mary Ann Ruprecht, Jan Downey, Brittany Houston, Blanca Gomez, and Lisett Bautista. 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, Frank Oviedo; Deputy City Manager, Darren Hernández, Director of Public Works, Robert Newman; Director of Community Development, Tom Cole; and Director of Recreation, Community Services, Arts, and Open Space, Rick Gould, 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 A. Magaña".

Carmen Magaña  
Director of Administrative Services/City Treasurer

CM:SC:hds  
Carmen\Correspondence



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, 2015**

Executive Director/CEO

**OFFICIALS OF THE CITY OF SANTA CLARITA  
As of June 30, 2016**

**City Council**

Bob Kellar	MAYOR
Dante Acosta	MAYOR PRO TEM
Marsha McLean	COUNCILMEMBER
TimBen Boydston	COUNCILMEMBER
Laurene Weste	COUNCILMEMBER

**City Officials**

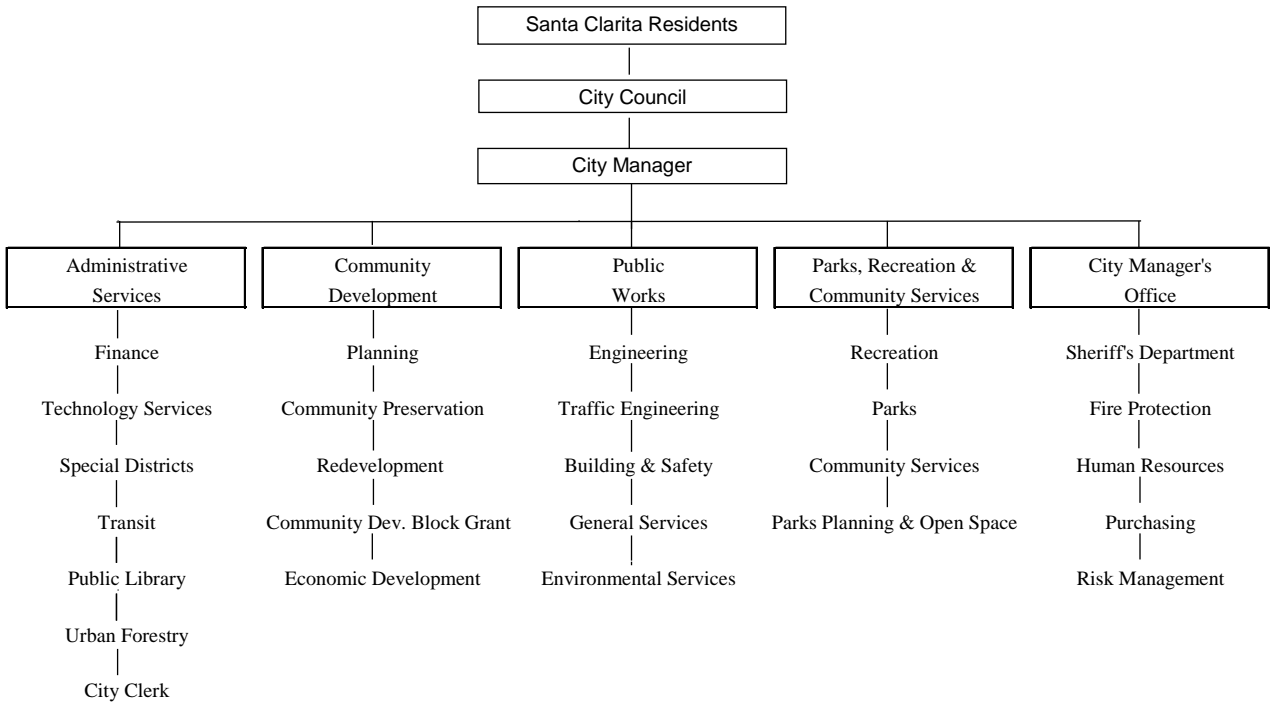
Ken Striplin	CITY MANAGER
Frank Oviedo	ASSISTANT CITY MANAGER
Darren Hernández	DEPUTY CITY MANAGER
Joseph Montes	CITY ATTORNEY
Tom Cole	DIRECTOR OF COMMUNITY DEVELOPMENT
Richard Gould	DIRECTOR OF PARKS, RECREATION & COMMUNITY SERVICES
Robert Newman	DIRECTOR OF PUBLIC WORKS/CITY ENGINEER

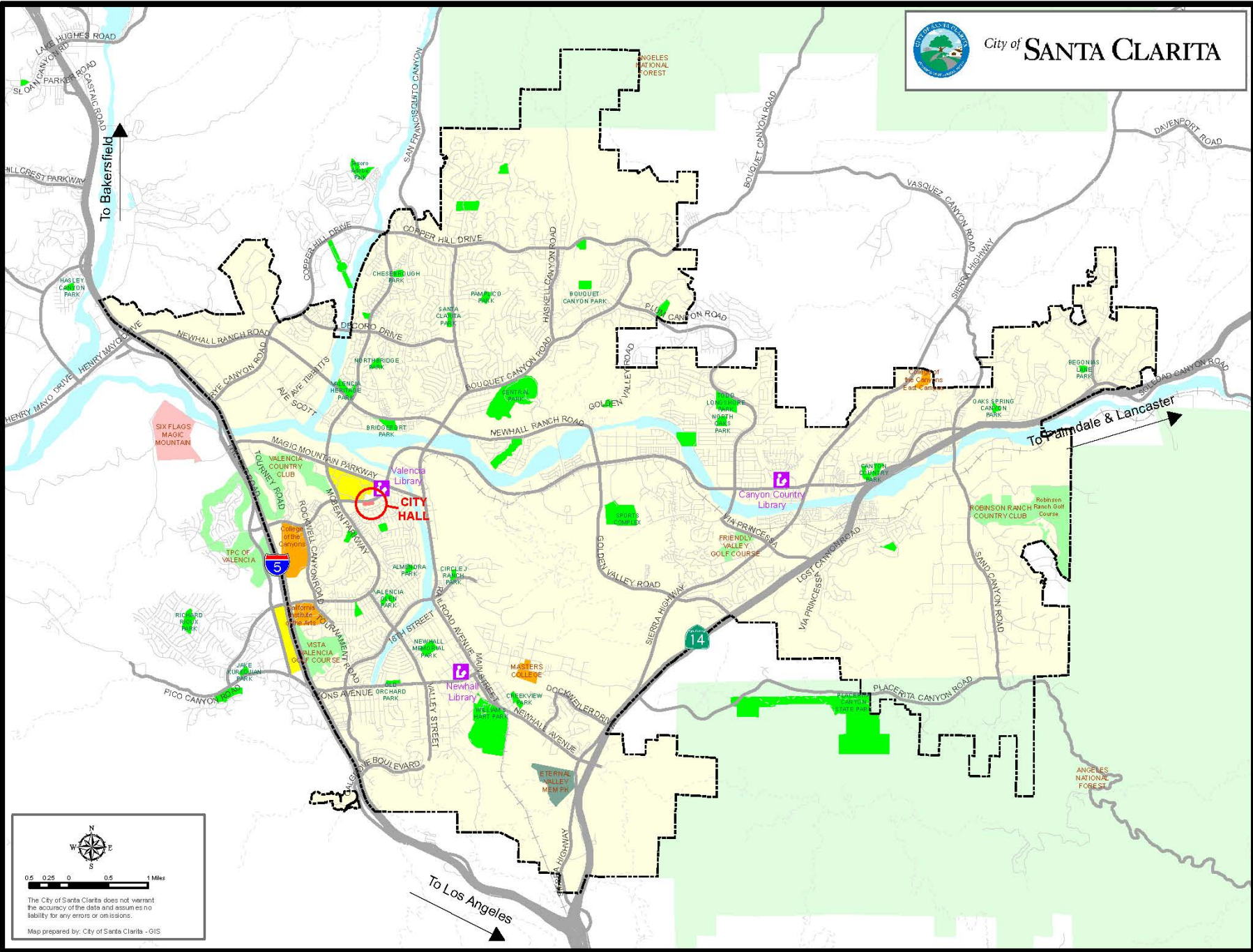


**City of Santa Clarita**

**ORGANIZATION CHART**

**As of June 30, 2016**



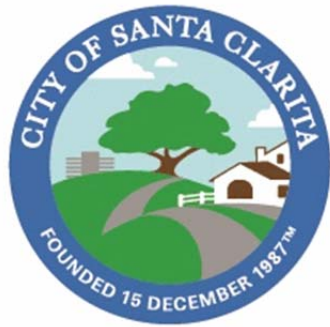


0.5 0.25 0 0.5 1 Miles

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

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## 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, 2016, 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 auditor's 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, 2016, 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.

## ***Emphasis of Matter***

As described in Note 1 to the financial statements, the City adopted Governmental Accounting Standards Board (GASB) Statement No. 72, *Fair Value Measurement and Application*, and GASB Statement No. 82, *Pension Issues – An Amendment of GASB Statements No. 67, No. 68 and No. 73*, effective July 1, 2015. Our opinion is not modified with respect to this matter.

## ***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 77 through 81), schedule of funding progress (page 82), schedule of changes in the City's net pension liability and related ratios (page 83), and schedule of contributions (pages 84 through 85) 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 fund 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 fund 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 fund 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 21, 2016, 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 21, 2016





## MANAGEMENT'S DISCUSSION AND ANALYSIS

### Fiscal Year Ended June 30, 2016

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, 2016. 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 \$1.08 billion. Of this amount, \$102.1 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 \$23.4 million. Net position of the business-type activities decreased by \$1.5 million, or 1.8%, and the net position of the governmental activities increased by \$24.9 million (Table 2).
- The net capital assets of the City's governmental activities decreased by \$4.8 million, or 0.5% over last fiscal year. The decrease was in part due to reductions in construction in progress and infrastructure of \$4.2 million, and the transfer of land for the development of affordable housing of \$1.1 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 \$223.4 million. This represents an increase of \$26.5 million as compared to the prior year.
- Within governmental funds, the General Fund reported a fund balance of \$141.1 million, an increase of \$24.6 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) and deferred outflows of resources as well as all liabilities (including long-term debt) and deferred inflows of resources.

## 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 and 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 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 \$23.4 million, increasing from \$1.05 billion to \$1.08 billion.

**THE CITY AS A WHOLE (CONTINUED)**

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

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
<b>ASSETS:</b>						
Current and Other Assets	\$ 259,492,495	\$ 228,301,801	\$ 7,388,268	\$ 7,302,688	\$ 266,880,763	\$ 235,604,489
Capital assets, net	844,844,011	847,862,095	76,687,260	78,495,871	921,531,271	926,357,966
Noncurrent Assets	26,412,670	29,892,432	-	-	26,412,670	29,892,432
<b>TOTAL ASSETS</b>	<b>1,130,749,176</b>	<b>1,106,056,328</b>	<b>84,075,528</b>	<b>85,798,559</b>	<b>1,214,824,704</b>	<b>1,191,854,887</b>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>	<b>6,023,063</b>	<b>3,608,702</b>	<b>151,201</b>	<b>131,436</b>	<b>6,174,264</b>	<b>3,740,138</b>
<b>LIABILITIES:</b>						
Noncurrent Liabilities	107,339,614	101,114,219	1,115,278	981,976	108,454,892	102,096,195
Other Liabilities	30,053,700	29,826,359	3,215,168	3,424,596	33,268,868	33,250,955
<b>TOTAL LIABILITIES</b>	<b>137,393,314</b>	<b>130,940,578</b>	<b>4,330,446</b>	<b>4,406,572</b>	<b>141,723,760</b>	<b>135,347,150</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>	<b>2,925,290</b>	<b>7,154,505</b>	<b>107,260</b>	<b>260,580</b>	<b>3,032,550</b>	<b>7,415,085</b>
<b>NET POSITION:</b>						
Net investment in capital assets	810,324,041	818,817,043	76,687,260	78,495,871	887,011,301	897,312,914
Restricted	87,150,698	73,541,304	-	-	87,150,698	73,541,304
Unrestricted	98,978,896	79,211,600	3,101,763	2,766,972	102,080,659	81,978,572
<b>TOTAL NET POSITION</b>	<b>\$ 996,453,635</b>	<b>\$ 971,569,947</b>	<b>\$ 79,789,023</b>	<b>\$ 81,262,843</b>	<b>\$ 1,076,242,658</b>	<b>\$ 1,052,832,790</b>

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, 2016, assets exceeded liabilities by \$1.08 billion. The largest component of the City's net position, 82.4%, is represented by its \$887.0 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, 8.1%, represents resources subject to external restrictions on how they may be used. The remaining 9.5% of unrestricted net position, \$102.1 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 \$24.9 million over the prior year. The unrestricted net position of the business-type activities increased by \$334,791.



## THE CITY AS A WHOLE (CONTINUED)

### Governmental Activities

Revenues from governmental activities decreased by \$28.5 million or 13.7% due in part to the one-time reversal of the allowance for notes to the RDA Successor Agency of \$12.6M in the prior year, as well as a decrease of \$11.4 million in operating and capital grants and contributions. The cost of all governmental activities this year was \$147.8 million, a decrease of 3.3% over the past year. As shown in the Statement of Activities, the governmental activities expenditures were ultimately financed in part by the taxpayers, as \$50.5 million in revenues were generated by service revenues received from the performance of these activities; another \$7.7 million was received from government agencies and other organizations that subsidized certain programs with operating grants and contributions; and another \$23.6 million in revenues was generated from capital grants and contributions. Overall, the City's governmental program and general revenues amounted to \$179.1 million, which funded the expenditures and resulted in a \$24.9 million increase in net position.

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

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
<b>Program Revenues:</b>						
Charges for services	\$ 50,478,658	\$ 47,745,405	\$ 7,546,433	\$ 6,779,579	\$ 58,025,091	\$ 54,524,984
Operating grants and contributions	7,705,545	12,561,608	9,153,499	8,128,227	16,859,044	20,689,835
Capital grants and contributions	23,602,526	30,107,231	3,504,305	1,523,561	27,106,831	31,630,792
<b>General Revenues:</b>						
<b>Taxes:</b>						
Property taxes	40,072,597	38,556,890	-	-	40,072,597	38,556,890
Other taxes	51,526,137	47,248,617	-	-	51,526,137	47,248,617
Other	5,683,439	2,946,941	59,086	17,592	5,742,525	2,964,533
Capital Contributions	-	15,780,230	-	-	-	15,780,230
Reversal of Allowance for Notes to RDA Successor Agency	-	12,633,832	-	-	-	12,633,832
<b>Total Revenues</b>	<b>179,068,902</b>	<b>207,580,754</b>	<b>20,263,323</b>	<b>16,448,959</b>	<b>199,332,225</b>	<b>224,029,713</b>
<b>General government</b>	<b>39,155,006</b>	<b>46,224,813</b>	<b>-</b>	<b>-</b>	<b>39,155,006</b>	<b>46,224,813</b>
Public safety	23,778,931	22,235,368	-	-	23,778,931	22,235,368
Parks, recreation and community services	23,350,273	22,619,337	-	-	23,350,273	22,619,337
Public works	30,467,720	36,103,144	-	-	30,467,720	36,103,144
Community development	10,505,906	5,720,237	-	-	10,505,906	5,720,237
Unallocated infrastructure depreciation	18,342,933	18,072,657	-	-	18,342,933	18,072,657
Interest and fiscal charges	2,194,181	1,827,094	-	-	2,194,181	1,827,094
Transit	-	-	28,127,407	28,062,668	28,127,407	28,062,668
<b>Total Expenses</b>	<b>147,794,950</b>	<b>152,802,650</b>	<b>28,127,407</b>	<b>28,062,668</b>	<b>175,922,357</b>	<b>180,865,318</b>
<b>Increase/Decrease in Net Position Before Transfers</b>	<b>31,273,952</b>	<b>54,778,104</b>	<b>(7,864,084)</b>	<b>(11,613,709)</b>	<b>23,409,868</b>	<b>43,164,395</b>
Transfers	(6,390,264)	(7,329,516)	6,390,264	7,329,516	-	-
<b>Changes in Net Position</b>	<b>24,883,688</b>	<b>47,448,588</b>	<b>(1,473,820)</b>	<b>(4,284,193)</b>	<b>23,409,868</b>	<b>43,164,395</b>
<b>Net Position – Beginning of Year</b>	<b>971,569,947</b>	<b>954,425,101</b>	<b>81,262,843</b>	<b>86,650,756</b>	<b>1,052,832,790</b>	<b>1,052,832,790</b>
Restatements	-	(30,303,742)	-	(1,103,720)	-	(31,407,462)
<b>Net Position – Beginning of Year, as restated</b>	<b>971,569,947</b>	<b>924,121,359</b>	<b>81,262,843</b>	<b>85,547,036</b>	<b>1,052,832,790</b>	<b>1,021,425,328</b>
<b>Net Position – End of Year</b>	<b>\$ 996,453,635</b>	<b>\$ 971,569,947</b>	<b>\$ 79,789,023</b>	<b>\$ 81,262,843</b>	<b>\$ 1,076,242,658</b>	<b>\$ 1,064,589,723</b>

### Business-Type Activities

Business-type activities decreased the City's net position by \$1.5 million for the current year. Business-type activities revenues increased by \$3.8 million during the year for a total of \$20.3 million in revenues, not including the \$6.4 million of transfers in from other governmental activities. The increased revenue was largely due to an increase in capital grants and contributions of \$2.0 million that included federal funds for the purchase of 5 replacement CNG commuter buses. Related transit activity expenses increased by \$64,743.

## **THE CITY'S FUNDS**

The governmental funds reported a combined fund balance at the end of the current fiscal year of \$223.4 million, an increase of \$26.5 million over the prior year. Approximately \$87.2 million is restricted and already committed for specific restricted purposes.

The total governmental fund balance includes the general fund balance of \$141.1 million, which increased by \$24.6 million over the prior year. The General Fund is the chief operating fund of the City of Santa Clarita. The fund balance increase of \$24.6 million is due in part to increases in tax revenues of \$5.8 million, licenses and permit revenues of \$1.7 million, and \$1.1 million in investment income. General government expenditures decreased by \$7.8 million due to the one-time recording of a contingent liability of \$7.7 million in the prior fiscal year to the Redevelopment Successor Agency. The unassigned fund balance of \$50.7 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 \$3.3 million from the prior year due in part to expenditures of \$3 million for the Golden Valley Road Bridge widening project.
- The Developer Fee Fund has realized an increase of \$1.1 million due to an increase in developer fees.
- The Public Library Fund has realized an increase of \$1.1 million in its fund balance from the prior year.
- The Landscape Maintenance District's fund balance increased \$2.5 million from the prior year.

In addition to the major funds, the fund balances for the other governmental funds experienced an aggregate increase of \$385,439.

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 \$1.5 million or 1.8%. The unrestricted portion of the business-type activities net position increased by \$334,791 from the prior year.

The Internal Service Funds net position decreased by \$111,001 or 1.3%. The ending fund balance for Internal Service Funds is \$8.3 million, of which \$7.1 million is unrestricted.

### **General Fund Budgetary Highlights**

Comparison of the fiscal year 2015-2016 original (adopted) general fund budgeted expenditures and transfers of \$87.5 million to the final budgeted expenditures of \$101.7 million results in a net increase of \$14.2 million.

Included in this net increase is \$350,855 in committed purchase orders and contracts from the prior June 30 balance, as well as \$3,954,265 of prior fiscal year operating and capital improvement projects approved for carryover into fiscal year 2015-2016.

## THE CITY'S FUNDS (CONTINUED)

<b>Original Budget +</b>	<b>Continued Appropriations +</b>	<b>Encumbrances =</b>	<b>Beg. Balance +</b>	<b>Supplemental Changes =</b>	<b>Final Budget</b>
\$88,242,504 +	\$3,954,265 +	\$350,855 =	\$92,547,624 +	\$9,871,088 =	\$102,418,712

Comparing the beginning budget of \$92.5 million with the final budget of \$102.4 million indicates the General Fund had supplemental budgetary appropriations of \$9.9 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 a net increase of \$3,352,608. Included in the net increase are \$660,000 in sales tax revenue; \$300,000 increase in property tax; \$312,095 in franchise fees; \$300,000 in real property transfer tax; \$298,000 in transient occupancy tax; \$150,000 in zone code fines; \$172,000 in parks and recreation revenues; and a one-time reimbursement of \$824,000 for Golden Valley Road water and sewers.

At year-end, the City's actual revenues were \$4.5 million more than the final budgetary estimates. Actual expenditures were less than the final budgetary estimates by \$21.3 million.

## CAPITAL ASSETS AND DEBT ADMINISTRATION

### Capital Assets

The City had \$921.5 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	
	2016	2015	2016	2015	2016	2015
Land	\$147,141,106	\$141,193,369	\$15,087,880	\$15,087,880	\$162,228,986	\$156,281,249
Construction in progress	5,922,009	18,351,762	1,736	-	5,923,745	18,351,762
Infrastructure, net	604,831,025	600,894,423	-	-	604,831,025	600,894,423
Depreciable site improvements, net	30,042,019	30,173,283	10,245,906	10,814,127	40,287,925	40,987,410
Depreciable buildings and improvements, net	52,730,777	53,534,783	30,441,413	31,324,760	83,172,190	84,859,543
Depreciable equipment, net	4,177,075	3,714,475	20,910,325	21,269,104	25,087,400	24,983,579
<b>TOTALS</b>	<b>\$844,844,011</b>	<b>\$847,862,095</b>	<b>\$76,687,260</b>	<b>\$78,495,871</b>	<b>\$921,531,271</b>	<b>\$926,357,966</b>

Major capital asset events during the year included:

- Acquisitions and contributions of land totaling \$7.0 million
- Infrastructure additions totaling \$7.8 million that included \$5.1 million for pavement projects, \$1.7 million for trails, and \$1.2 million for sewers and storm drains.
- Equipment additions in the Transit fund of \$3.7 million for five 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 \$38.5 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	
	2016	2015	2016	2015	2016	2015
Refunding Certificates of Participation, net	-	\$8,084,126	\$ -	\$ -	\$0	\$8,084,126
Certificates of Participation	-	15,220,000	-	-	-	15,220,000
Lease Revenue Bonds	26,012,352	11,673,964	-	-	26,012,352	11,673,964
Contract and Leases	138,877	217,615	-	-	138,877	217,615
Private Placement Lease	6,328,411	-	-	-	6,328,411	-
Loans	200,000	300,000	-	-	200,000	300,000
Compensated Absences	3,249,285	3,313,500	82,397	75,251	3,331,682	3,388,751
Claims Payable	2,449,815	1,993,915	-	-	2,449,815	1,993,915
<b>TOTAL</b>	<b>\$38,378,740</b>	<b>\$40,803,120</b>	<b>\$82,397</b>	<b>\$75,251</b>	<b>\$38,461,137</b>	<b>\$40,878,371</b>

The City's governmental activities had \$38.4 million in debt at year-end. Governmental activities long-term debt decreased overall by \$2.4 million. During the fiscal year, the City issued Lease Revenue Bonds totaling \$24.3 million and entered into a Private Placement Lease for \$6.9 million. Proceeds were used to refund Lease Revenue Bonds, Certificates of Participation, and Refunding Certificates of Participation. Principal payments totaled \$2.8 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, 2016, 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, 2016 was \$1,024,907,375. 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 35.9% or \$37.0 million as projected in the 2016-2017 budget. This is 4.3% higher than 2015-2016 budget.
- Property tax revenues account for 32.9% of the General Fund budget or \$34.0 million in 2016-2017. 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.

Budgeted General Fund revenues for fiscal year 2016-2017 are \$103.1 million and operating and capital expenditures are budgeted at \$102.8 million. The City's 2016-2017 operating and capital budget for all funds is \$220.0 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 2016-2017 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 2016-2017 budget can be obtained by contacting the City Finance Division or visiting the web at [www.santa-clarita.com/cityhall/departments/cmo/citybudget](http://www.santa-clarita.com/cityhall/departments/cmo/citybudget).

# **GOVERNMENT-WIDE FINANCIAL STATEMENTS**



CITY OF SANTA CLARITA, CALIFORNIA

STATEMENT OF NET POSITION  
JUNE 30, 2016

	Governmental Activities	Business-type Activities	Total
<b>Assets:</b>			
Current assets:			
Cash and investments	\$ 238,204,314	\$ 4,270,156	\$ 242,474,470
Receivables:			
Accounts, net	636,295	308	636,603
Interest	649,794	11,646	661,440
Taxes	9,816,572	-	9,816,572
Prepaid costs	499,218	215,582	714,800
Due from other governments	9,686,302	2,890,576	12,576,878
<b>Total Current Assets</b>	<b>259,492,495</b>	<b>7,388,268</b>	<b>266,880,763</b>
Noncurrent assets:			
Restricted assets:			
Cash and investments	206,386	-	206,386
Cash and investments with fiscal agents	366	-	366
Loans receivable	2,457,631	-	2,457,631
Land held for resale	910,455	-	910,455
Notes to RDA Successor Agency	15,687,058	-	15,687,058
Other post-employment benefits asset	7,150,774	-	7,150,774
Capital assets:			
Nondepreciable assets	153,063,115	15,089,616	168,152,731
Depreciable assets, net	691,780,896	61,597,644	753,378,540
<b>Total Noncurrent Assets</b>	<b>871,256,681</b>	<b>76,687,260</b>	<b>947,943,941</b>
<b>Total Assets</b>	<b>1,130,749,176</b>	<b>84,075,528</b>	<b>1,214,824,704</b>
<b>Deferred Outflows of Resources:</b>			
Deferred outflows related to pensions	4,131,733	151,201	4,282,934
Unamortized loss on refundings	1,891,330	-	1,891,330
<b>Total Deferred Outflows of Resources</b>	<b>6,023,063</b>	<b>151,201</b>	<b>6,174,264</b>
<b>Liabilities:</b>			
Current liabilities:			
Accounts payable and accrued liabilities	12,913,573	3,163,708	16,077,281
Interest payable	58,345	-	58,345
Deposits payable	2,944,401	-	2,944,401
Due to other governments	7,734,478	-	7,734,478
Unearned revenues	605,545	-	605,545
Compensated absences	2,011,570	51,460	2,063,030
Claims and judgments	1,515,623	-	1,515,623
Bonds, loans and capital leases	2,270,165	-	2,270,165
<b>Total Current Liabilities</b>	<b>30,053,700</b>	<b>3,215,168</b>	<b>33,268,868</b>
Noncurrent liabilities:			
Compensated absences	1,237,715	30,937	1,268,652
Claims and judgments	934,192	-	934,192
Bonds, loans and capital leases	30,409,475	-	30,409,475
Developer credits	44,986,509	-	44,986,509
Net pension liability	29,771,723	1,084,341	30,856,064
<b>Total Noncurrent Liabilities</b>	<b>107,339,614</b>	<b>1,115,278</b>	<b>108,454,892</b>
<b>Total Liabilities</b>	<b>137,393,314</b>	<b>4,330,446</b>	<b>141,723,760</b>
<b>Deferred Inflows of Resources:</b>			
Deferred inflows related to pensions	2,925,290	107,260	3,032,550

See accompanying notes to financial statements.





**CITY OF SANTA CLARITA, CALIFORNIA**

**STATEMENT OF NET POSITION (CONTINUED)  
JUNE 30, 2016**

	Governmental Activities	Business-type Activities	Total
<b>Net Position:</b>			
Net investment in capital assets	\$ 810,324,041	\$ 76,687,260	\$ 887,011,301
Restricted:			
Landscape maintenance	37,875,311	-	37,875,311
Transportation	14,740,999	-	14,740,999
Open Space preservation	6,390,594	-	6,390,594
Public safety	1,774,060	-	1,774,060
Public library	850,857	-	850,857
Air quality management	717,331	-	717,331
Stormwater	5,476,592	-	5,476,592
Public education and government	1,683,950	-	1,683,950
Tourism marketing	875,915	-	875,915
Low and moderate-income housing	594,823	-	594,823
Capital improvements	16,170,266	-	16,170,266
Unrestricted	98,978,896	3,101,763	102,080,659
<b>Total Net Position</b>	<b>\$ 996,453,635</b>	<b>\$ 79,789,023</b>	<b>\$ 1,076,242,658</b>

See accompanying notes to financial statements.

**CITY OF SANTA CLARITA, CALIFORNIA**

**STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2016**

<b>Functions/Programs</b>	Expenses	Program Revenues		
		Charges for Services	Operating Contributions and Grants	Capital Contributions and Grants
Governmental activities:				
General government	\$ 39,155,006	\$ 21,977,246	\$ 602,043	-
Public safety	23,778,931	1,162,551	746,471	1,706,964
Parks, recreation and community service	23,350,273	8,142,336	11,954	78,851
Public works	30,467,720	17,339,507	4,911,946	21,816,711
Community development	10,505,906	1,857,018	1,433,131	-
Unallocated infrastructure depreciation	18,342,933	-	-	-
Interest and fiscal changes	2,194,181	-	-	-
<b>Total governmental activities</b>	<b>147,794,950</b>	<b>50,478,658</b>	<b>7,705,545</b>	<b>23,602,526</b>
Business-type activities:				
Transit enterprise	28,127,407	7,546,433	9,153,499	3,504,305
<b>Total primary government</b>	<b>\$ 175,922,357</b>	<b>\$ 58,025,091</b>	<b>\$ 16,859,044</b>	<b>\$ 27,106,831</b>

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

Miscellaneous

Gain on sales 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
\$ (16,575,717)	\$ -	\$ (16,575,717)
(20,162,945)	-	(20,162,945)
(15,117,132)	-	(15,117,132)
13,600,444	-	13,600,444
(7,215,757)	-	(7,215,757)
(18,342,933)	-	(18,342,933)
(2,194,181)	-	(2,194,181)
<u>(66,008,221)</u>	<u>-</u>	<u>(66,008,221)</u>
-	(7,923,170)	(7,923,170)
<u>(66,008,221)</u>	<u>(7,923,170)</u>	<u>(73,931,391)</u>
40,072,597	-	40,072,597
37,807,385	-	37,807,385
8,392,789	-	8,392,789
3,813,437	-	3,813,437
1,383,743	-	1,383,743
128,783	-	128,783
4,142,959	59,086	4,202,045
1,080,771	-	1,080,771
459,709	-	459,709
<u>97,282,173</u>	<u>59,086</u>	<u>97,341,259</u>
(6,390,264)	6,390,264	-
24,883,688	(1,473,820)	23,409,868
<u>971,569,947</u>	<u>81,262,843</u>	<u>1,052,832,790</u>
<u>\$ 996,453,635</u>	<u>\$ 79,789,023</u>	<u>\$ 1,076,242,658</u>

CITY OF SANTA CLARITA, CALIFORNIA

**BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2016**

	Special Revenue Funds		
	General Fund	Bridge and Thoroughfare	Developer Fees
<b>Assets:</b>			
Cash and investments	\$ 130,261,818	\$ 6,458,372	\$ 5,279,667
Receivables:			
Accounts, net	480,986	11,532	-
Interest	384,607	15,964	16,146
Taxes	9,017,822	-	-
Loans	-	-	-
Notes to RDA Successor Agency	9,254,794	-	6,432,264
Prepaid costs	202,769	-	-
Due from other governments	4,760,873	-	-
Due from other funds	3,117,635	-	-
Advances to other funds	11,054,805	-	120,185
Land held for resale	-	-	703,345
Restricted assets:			
Cash and investments	-	-	-
Cash and investments with fiscal agents	99	-	-
<b>Total assets</b>	<b>\$ 168,536,208</b>	<b>\$ 6,485,868</b>	<b>\$ 12,551,607</b>
<b>Liabilities, deferred inflows of resources, and fund balances (deficit):</b>			
Liabilities:			
Accounts payable and accrued liabilities	\$ 5,216,293	380,940	1,247,773
Deposits payable	2,944,401	-	-
Due to other governments	7,700,000	-	-
Unearned revenues	605,545	-	-
Due to other funds	-	-	-
Advances from other funds	-	2,035,128	-
<b>Total Liabilities</b>	<b>16,466,239</b>	<b>2,416,068</b>	<b>1,247,773</b>
Deferred inflows of resources:			
Unavailable revenues	10,925,053	11,532	6,552,449
<b>Total deferred inflows of resources</b>	<b>10,925,053</b>	<b>11,532</b>	<b>6,552,449</b>
Fund balances (deficit):			
Nonspendable	11,108,252	-	-
Restricted	-	4,058,268	4,686,628
Committed	-	-	14,000
Assigned	79,367,084	-	50,757
Unassigned	50,669,580	-	-
<b>Total fund balances (deficit)</b>	<b>141,144,916</b>	<b>4,058,268</b>	<b>4,751,385</b>
<b>Total liabilities, deferred inflows of of resources and fund balances (deficit)</b>	<b>\$ 168,536,208</b>	<b>\$ 6,485,868</b>	<b>\$ 12,551,607</b>

See accompanying notes to financial statements.

Special Revenue Funds			
Public Library	Landscape Maintenance District #1	Non-major Governmental Funds	Total Governmental Funds
\$ 2,356,714	\$ 33,389,438	\$ 50,582,202	\$ 228,328,211
12	76,659	61,596	630,785
5,838	83,028	118,861	624,444
125,024	275,918	397,808	9,816,572
-	-	2,457,631	2,457,631
-	-	-	15,687,058
38,061	168,441	17,146	426,417
-	-	4,925,429	9,686,302
-	-	-	3,117,635
-	-	-	11,174,990
-	-	207,110	910,455
-	-	206,386	206,386
-	-	267	366
<u>\$ 2,525,649</u>	<u>\$ 33,993,484</u>	<u>\$ 58,974,436</u>	<u>\$ 283,067,252</u>
321,380	1,406,608	\$ 4,061,795	\$ 12,634,789
-	-	-	2,944,401
-	-	34,478	7,734,478
-	-	-	605,545
-	-	3,117,635	3,117,635
9,139,862	-	-	11,174,990
<u>9,461,242</u>	<u>1,406,608</u>	<u>7,213,908</u>	<u>38,211,838</u>
-	-	3,926,588	21,415,622
-	-	3,926,588	21,415,622
38,061	168,441	17,146	11,331,900
-	32,418,435	45,987,367	87,150,698
-	-	-	14,000
-	-	1,830,971	81,248,812
(6,973,654)	-	(1,544)	43,694,382
<u>(6,935,593)</u>	<u>32,586,876</u>	<u>47,833,940</u>	<u>223,439,792</u>
<u>\$ 2,525,649</u>	<u>\$ 33,993,484</u>	<u>\$ 58,974,436</u>	<u>\$ 283,067,252</u>



**CITY OF SANTA CLARITA, CALIFORNIA**

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET POSITION  
JUNE 30, 2016**

Fund balances of governmental funds		\$ 223,439,792
Amounts reported for governmental activities in the statement of pet 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	\$ 153,063,115	
Depreciable assets, net of accumulated depreciation	<u>690,665,462</u>	843,728,577
Revenues reported as deferred inflows in the governmental funds do not provide current financial resources but are recognized in the Statement of Activities		21,415,622
Other post-employment benefit assets are not available to pay for current-period expenditures and therefore are not reported in the government funds.		7,150,774
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	(29,658,403)	
Deferred outflows of resources related to pensions	4,116,005	
Deferred inflows of resources related to pensions	<u>(2,914,154)</u>	(28,456,552)
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	(26,012,352)	
Private placement lease payable	(6,328,411)	
Capital leases	(138,877)	
Loans payable	(200,000)	
Deferred outflow of resources related to loss on refunding	1,891,330	
Compensated absences	(3,245,016)	
Bridge and Thoroughfare developer payables	<u>(44,986,509)</u>	(79,019,835)
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.		(58,345)
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>8,253,602</u>
<b>Net Position of Governmental Activities</b>		<u><u>\$ 996,453,635</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, 2016

	Special Revenue Funds		
	General	Bridge and Thoroughfare	Developer Fees
<b>Revenues:</b>			
Taxes	\$ 84,035,464	\$ -	\$ -
Special assessments	-	-	-
Licenses and permits	7,283,898	-	-
Intergovernmental	292,869	-	-
Charges for services	9,376,146	-	-
Investment income	2,211,873	315,665	91,643
Fines and forfeitures	528,836	-	-
Developer fees	-	658,588	1,960,002
Other revenue	589,553	-	453,834
<b>Total revenues</b>	<b>104,318,639</b>	<b>974,253</b>	<b>2,505,479</b>
<b>Expenditures:</b>			
Current:			
General government	13,520,450	-	-
Public safety	22,003,693	-	1,242,645
Parks, recreation and community service	21,103,557	-	-
Public works	12,043,887	3,344,760	-
Community development	5,959,372	-	-
Capital outlay	703,663	700,193	36,032
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	216,983	-
Cost of issuance	-	-	-
<b>Total expenditures</b>	<b>75,334,622</b>	<b>4,261,936</b>	<b>1,278,677</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>28,984,017</b>	<b>(3,287,683)</b>	<b>1,226,802</b>
<b>Other financing sources (uses):</b>			
Bonds issued	-	-	-
Premium on bonds issued	-	-	-
Payment to refunding bond escrow agent	-	-	-
Transfers in	1,491,715	-	-
Transfers out	(5,833,447)	(4,136)	(86,596)
<b>Total other financing sources (uses)</b>	<b>(4,341,732)</b>	<b>(4,136)</b>	<b>(86,596)</b>
<b>Net change in fund balances</b>	<b>24,642,285</b>	<b>(3,291,819)</b>	<b>1,140,206</b>
<b>Fund balances (deficit), beginning of year</b>	<b>116,502,631</b>	<b>7,350,087</b>	<b>3,611,179</b>
<b>Fund balances (deficit), end of year</b>	<b>\$ 141,144,916</b>	<b>\$ 4,058,268</b>	<b>\$ 4,751,385</b>

See accompanying notes to financial statements.

Special Revenue Funds			
Public Library	Landscape Maintenance District #1	Non-major Governmental Funds	Total Governmental Funds
\$ 6,113,602	\$ 939,937	\$ 509,731	\$ 91,598,734
-	15,923,892	10,578,549	26,502,441
-	-	-	7,283,898
-	-	31,087,884	31,380,753
85,000	-	864,480	10,325,626
30,896	538,796	748,745	3,937,618
-	-	444,917	973,753
-	-	3,654,209	6,272,799
184,269	32,210	529,858	1,789,724
<u>6,413,767</u>	<u>17,434,835</u>	<u>48,418,373</u>	<u>180,065,346</u>
5,135,419	12,251,659	\$ 5,062,453	\$ 35,969,981
-	-	530,833	23,777,171
-	145,254	78,851	21,327,662
-	689	22,547,714	37,937,050
46,558	-	4,668,063	10,673,993
-	2,264,628	6,858,437	10,562,953
57,904	-	2,794,236	2,852,140
99,545	-	3,622,377	3,938,905
-	-	600,910	600,910
<u>5,339,426</u>	<u>14,662,230</u>	<u>46,763,874</u>	<u>147,640,765</u>
<u>1,074,341</u>	<u>2,772,605</u>	<u>1,654,499</u>	<u>32,424,581</u>
-	-	31,325,000	31,325,000
-	-	1,672,352	1,672,352
-	-	(32,907,353)	(32,907,353)
-	10,000	10,438,848	11,940,563
(2,760)	(236,015)	(11,797,907)	(17,960,861)
(2,760)	(226,015)	(1,269,060)	(5,930,299)
<u>1,071,581</u>	<u>2,546,590</u>	<u>385,439</u>	<u>26,494,282</u>
(8,007,174)	30,040,286	47,448,501	196,945,510
<u>\$ (6,935,593)</u>	<u>\$ 32,586,876</u>	<u>\$ 47,833,940</u>	<u>\$ 223,439,792</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, 2016**

Net changes in fund balances - total governmental funds	\$	26,494,282
<p>Amounts reported for governmental activities in the statement of activities are different because:</p> <p>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.</p>		
Capital outlay	\$	10,562,953
Depreciation expense		(21,995,853)
Disposal of capital assets		<u>8,182,302</u>
		(3,250,598)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.		1,541,395
<p>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 debt 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:</p>		
Changes in compensated absences		66,031
Bond proceeds		(31,325,000)
Bond premium		(1,672,352)
Lease revenue bonds		11,595,000
Certificates of participation bonds		23,350,000
Private placement lease payable		656,589
Capital leases		78,648
Loans payable		100,000
Loss on refundings		1,891,330
Amortization of premiums of long-term liabilities		78,964
Amortization of discounts of long-term liabilities		<u>(45,784)</u>
		4,773,426
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		(5,868,927)
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. These expenses consists of the following:</p>		
Changes in interest payable for long-term liabilities		400,380
Changes and amortization of other post-employment benefit asset		(4,000)
Changes in net pension liabilities		<u>908,731</u>
		1,305,111
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>(111,001)</u>
Change in net position of governmental activities	\$	<u><u>24,883,688</u></u>

See accompanying notes to financial statements.

CITY OF SANTA CLARITA, CALIFORNIA

STATEMENT OF NET POSITION  
 PROPRIETARY FUNDS  
 JUNE 30, 2016

	Business-type Activities <u>Transit Enterprise</u>	Governmental Activities <u>Internal Service Funds</u>
<b>Assets:</b>		
Current assets:		
Cash and investments	\$ 4,270,156	\$ 9,876,103
Receivables:		
Accounts	308	5,510
Interest	11,646	25,350
Prepaid costs	215,582	72,801
Due from other governments	2,890,576	-
<b>Total current assets</b>	<u>7,388,268</u>	<u>9,979,764</u>
Noncurrent assets:		
Capital assets:		
Land and construction in progress	15,089,616	-
Site improvements, net of accumulated depreciation	10,245,906	-
Building and improvements, net of accumulated depreciation	30,441,413	-
Equipment, net of accumulated depreciation	20,910,325	1,115,434
<b>Total noncurrent assets</b>	<u>76,687,260</u>	<u>1,115,434</u>
<b>Total assets</b>	<u>84,075,528</u>	<u>11,095,198</u>
<b>Deferred outflows of resources:</b>		
Deferred outflows related to pensions	<u>151,201</u>	<u>15,728</u>
<b>Liabilities:</b>		
Current liabilities:		
Accounts payable and accrued liabilities	3,163,708	278,784
Compensated absences	51,460	4,269
Claims and judgements	-	1,515,623
<b>Total current liabilities</b>	<u>3,215,168</u>	<u>1,798,676</u>
Noncurrent liabilities:		
Compensated absences payable	30,937	-
Claims and judgments	-	934,192
Net pension liability	1,084,341	113,320
<b>Total noncurrent liabilities</b>	<u>1,115,278</u>	<u>1,047,512</u>
<b>Total liabilities</b>	<u>4,330,446</u>	<u>2,846,188</u>
<b>Deferred inflows of resources:</b>		
Deferred amounts related to pensions	<u>107,260</u>	<u>11,136</u>
<b>Net Position:</b>		
Net investment in capital assets	76,687,260	1,115,434
Unrestricted	3,101,763	7,138,168
<b>Total net position</b>	<u>\$ 79,789,023</u>	<u>\$ 8,253,602</u>

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, 2016

	Business-type Activities	Governmental Activities
	Transit Enterprise	Internal Service Funds
<b>Operating revenues:</b>		
Charges for services	\$ 6,557,530	\$ 2,689,415
Other revenues	988,903	15,412
<b>Total operating revenues</b>	<u>7,546,433</u>	<u>2,704,827</u>
<b>Operating expenses:</b>		
Administration and personnel services	2,209,975	175,313
Transportation services	18,458,987	-
Services and supplies	1,974,903	2,249,464
Depreciation expense	5,483,542	220,359
<b>Total operating expenses</b>	<u>28,127,407</u>	<u>2,645,136</u>
<b>Operating income (loss)</b>	<u>(20,580,974)</u>	<u>59,691</u>
<b>Nonoperating revenues (expenses):</b>		
Intergovernmental revenue	9,153,499	-
Investment income	59,086	166,552
Gain on disposal of capital assets	-	32,722
<b>Total nonoperating revenues (expenses)</b>	<u>9,212,585</u>	<u>199,274</u>
<b>Income (loss) before transfers and capital contributions</b>	<u>(11,368,389)</u>	<u>258,965</u>
<b>Transfers and capital contributions:</b>		
Transfers in	6,590,158	76,219
Transfers out	(199,894)	(446,185)
Capital contributions	3,504,305	-
<b>Total transfers and capital contributions</b>	<u>9,894,569</u>	<u>(369,966)</u>
<b>Change in net position</b>	<u>(1,473,820)</u>	<u>(111,001)</u>
<b>Net position</b>		
Net position, beginning of year	81,262,843	8,364,603
Net position, end of year	<u>\$ 79,789,023</u>	<u>\$ 8,253,602</u>

See accompanying notes to financial statements.

CITY OF SANTA CLARITA, CALIFORNIA

STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2016

	Business-type Activities	Governmental Activities
	Transit Enterprise	Internal Service Funds
<b>Cash flows from operating activities:</b>		
Cash received from customers and users	\$ 6,557,222	\$ 2,754,947
Cash paid to suppliers for goods and services	(21,514,402)	(1,700,125)
Cash paid to employees for services	(1,253,472)	(176,969)
Cash received from other services	988,903	-
<b>Net cash provided by (used in) operating activities</b>	<u>(15,221,749)</u>	<u>877,853</u>
<b>Cash flows from noncapital financing activities:</b>		
Cash transfers out	(199,894)	(446,185)
Cash transfers in	6,590,158	76,219
Intergovernmental revenues	8,980,968	-
<b>Net cash (used in) provided by noncapital financing activities</b>	<u>15,371,232</u>	<u>(369,966)</u>
<b>Cash flows from capital and related financing activities:</b>		
Capital contributions	3,504,305	-
Acquisition and construction of capital assets	(3,674,931)	(452,873)
Proceeds from disposal of capital assets	-	32,722
<b>Net cash provided (used) for capital and related financing activities</b>	<u>(170,626)</u>	<u>(420,151)</u>
<b>Cash flows from investing activities:</b>		
Interest received	56,189	161,770
<b>Net increase in cash and cash equivalents</b>	<u>35,046</u>	<u>249,506</u>
<b>Cash and cash equivalents at beginning of the year</b>	<u>4,235,110</u>	<u>9,626,597</u>
<b>Cash and cash equivalents at end of year</b>	<u>\$ 4,270,156</u>	<u>\$ 9,876,103</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>		
Operating income (loss)	\$ (20,580,974)	\$ 59,691
Adjustments to reconcile operating income (loss) to net cash provide by (used in) operating activities:		
Depreciation	5,483,542	220,359
Pension Expense	106,537	11,066
(Increase)/Decrease in accounts receivable	(308)	50,120
Decrease in prepaid expense	125,202	67,212
Payments related to deferred outflows for contributions subsequent to measurement date	(139,761)	(14,538)
Increase/(Decrease) in accounts payable	(223,133)	26,227
Increase in claims and judgments	-	455,900
Increase in compensated absences	7,146	1,816
<b>Total adjustments</b>	<u>5,359,225</u>	<u>818,162</u>
<b>Net cash provided by (used in) operating activities</b>	<u>\$ (15,221,749)</u>	<u>\$ 877,853</u>

See accompanying notes to financial statements.

CITY OF SANTA CLARITA, CALIFORNIA

STATEMENT OF NET POSITION  
 FIDUCIARY FUNDS  
 JUNE 30, 2016

	Agency Funds	Private-purpose Trust Fund Redevelopment Successor Agency
<b>Assets:</b>		
Cash and investments	\$ 1,081,876	\$ 1,568,537
Receivables:		
Interest	2,663	3,825
Taxes	4,787	-
Due from other governments	3,746	7,734,479
Land held for resale	-	222,579
Restricted assets:		
Cash and investments	-	10,224
Cash and investments with fiscal agents	1,759,571	1,166,084
Capital assets:		
Land	9,937,976	-
Site improvements, net of accumulated depreciation	-	90,454
Building and improvements, net of accumulated depreciation	82,776	-
Infrastructure, net of accumulated depreciation	-	3,806,244
<b>Total assets</b>	<b>\$ 12,873,395</b>	<b>14,602,426</b>
<b>Liabilities:</b>		
Accounts payable	4,250	51
Interest payable	-	405,717
Due to external parties	12,869,145	-
Bonds, due within on year	-	679,670
Bonds and notes, due in more than one year	-	49,480,722
<b>Total liabilities</b>	<b>\$ 12,873,395</b>	<b>50,566,160</b>
<b>Net position (deficit):</b>		
Trust deficit		<b>\$ (35,963,734)</b>

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, 2016

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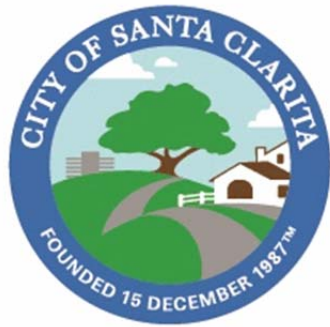
	<b>Private-purpose Trust Fund Redevelopment Successor Agency</b>
<b>Additions:</b>	
Property taxes	\$ 2,533,101
Investment income	22,591
<b>Total Additions</b>	<u>2,555,692</u>
<b>Deductions:</b>	
Administrative expenses	40,743
Contractual services	88,098
Interest expense	6,128,168
Depreciation expense	90,159
<b>Total Deductions</b>	<u>6,347,168</u>
<b>Change in Net Position</b>	(3,791,476)
<b>Net Position (deficit):</b>	
Trust deficit, beginning of year	<u>(32,172,258)</u>
Trust deficit, end of year	<u>\$ (35,963,734)</u>

See accompanying notes to financial statements.





**NOTES TO BASIC FINANCIAL STATEMENTS**



**CITY OF SANTA CLARITA, CALIFORNIA**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2016**

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***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, 2016

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*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 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, 2016

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*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. Effective July 1, 2015, the City has reclassified this fund as a major governmental fund.

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, 2016

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*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 RDA 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, 2016

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*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

As of July 1, 2015, the City adopted Governmental Accounting Standards Board ("GASB") Statement No. 72, *Fair Value Measurements and Application*. GASB Statement No. 72 provides guidance for determining a fair value measurement for reporting purposes, applying fair value to investments, and disclosures related to the fair value hierarchy established by generally accepted accounting principles. 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, 2016**

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***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. 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, 2016**

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***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, 2017.

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, 2016

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*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, 2016

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*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, 2016, the balance totaled \$15,800,000, 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, 2016

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**S. Pronouncements Adopted in the Current Year**

**GASB Statement No. 72** – In February 2015, GASB issued statement No. 72, *Fair Value Measurement and Application*. The primary objective of this statement is to define fair value and describe how fair value should be measured, define what assets and liabilities should be measured at fair value, and determine what information about fair value should be disclosed in the notes to the financial statements. The pronouncement was implemented effective July 1, 2015.

**GASB Statement No. 76** – In June 2015, GASB issued Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. The objective of this statement is to reduce the GAAP hierarchy to two categories of authoritative GAAP from four categories under GASB Statement No. 55. The pronouncement was implemented effective July 1, 2015.

**GASB Statement No. 82** – In March 2016, GASB issued Statement No. 82, *Pension Issues – An Amendment of GASB Statements No. 67, No. 68, and No. 73*. The objective of the Statement is to address certain issues that have been raised with respect to Statements No. 67, *Financial Reporting for Pension Plans*, No. 68, *Accounting and Financial Reporting for Pensions*, and No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. Specifically, the Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. The Statement is effective for the reporting periods beginning after June 15, 2016, or the 2016-2017 fiscal year. The pronouncement was implemented effective July 1, 2015.

**T. Pronouncements Issued But Not Yet Adopted**

The GASB has issued pronouncements that have an effective date subsequent to June 30, 2016, which may impact future financial presentations. Except as noted below, 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. 73** – In June 2015, GASB issued Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets that are Not within the Scope of GASB Statement No. 68, and Amendments to Certain Provisions of GASB Statements No. 67 and No. 68*. The objective of this statement establishes requirements for those pensions and pension plans that are not administered through a trust meeting specified criteria. The requirements of the Statement that address accounting and financial reporting by employers and governmental nonemployer contributing entities for pensions that are not within the scope of Statement 68 are effective for financial statements for fiscal years beginning after June 15, 2016, or FY 2016-17. The City has not determined the effect of the statement.

**GASB Statement No. 74** – In June 2015, GASB issued Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. The objective of the Statement is to address the financial reports of defined benefit OPEB plans that are administered through trusts that meet specified criteria. The Statement requires more extensive note disclosures and RSI related to the measurement of the OPEB liabilities for which assets have been accumulated. The Statement is effective for periods beginning after June 15, 2016, or the 2016-2017 fiscal year.

CITY OF SANTA CLARITA, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2016

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*NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)*

**T. Pronouncements Issued But Not Yet Adopted (Continued)**

**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 the Statement is to replace the requirements of GASB Statement No. 45. In addition, the Statement requires governments to report a liability on the face of the financial statements for the OPEB provided and requires governments to present more extensive note disclosures and required supplementary information about their OPEB liabilities. The Statement is effective for the periods beginning June 15, 2017, or the 2017-2018 fiscal year. The City has not determined the effect of the statement.

**GASB Statement No. 77** – In August 2015, GASB issued Statement No. 77, *Tax Abatement Disclosures*. The Statement requires state and local governments to disclose information about tax abatement agreements. The Statement is effective for the periods beginning after December 15, 2015, or the 2016-2017 fiscal year. The City has not determined the effect of the statement.

**GASB Statement No. 78** – In December 2015, GASB issued Statement No. 78, *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*. The Statement amends the scope and applicability of GASB Statement No. 68 to exclude certain types of cost-sharing multiple employer plans. The Statement is effective for the periods beginning after December 15, 2015, or the 2016-2017 fiscal year. The City has not determined the effect of the statement.

**GASB Statement No. 79** – In December 2015, GASB issued Statement No. 79, *Certain External Investment Pools and Pool Participants*. The Statement addresses accounting and financial reporting for certain external investment pools and pool participants. The Statement establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. The Statement establishes additional note disclosure requirements for qualifying external investment pools that measure all of their investments at amortized cost for financial reporting purposes and for governments that participate in those pools. Both the qualifying external investment pools and their participants are required to disclose information about any limitations or restrictions on participant withdrawals. Certain provisions of the Statement are effective for the periods beginning after December 15, 2015, or the 2016-2017 fiscal year. The City has not determined the effect of those provisions.

**GASB Statement No. 80** – In January 2016, GASB issued Statement No. 80, *Blending Requirements for Certain Component Units – An Amendment of GASB Statement No. 14*. The objective of the Statement is to improve financial reporting by clarifying the financial statement presentation requirements for certain component units. This Statement amends the blending requirements established in paragraph 53 of Statement No. 14, *The Financial Reporting Entity, as amended*. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. The Statement is effective for the reporting periods beginning after June 15, 2016, or the 2016-2017 fiscal year. The City has not determined the effect of the statement.

**CITY OF SANTA CLARITA, CALIFORNIA**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2016**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**T. Pronouncements Issued But Not Yet Adopted (Continued)**

**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 2017-2018 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, 2016, are classified in the accompanying financial statements as follows:

	Governmental Activities	Business-Type Activities	Fiduciary Funds	Total
Cash and investments	\$ 238,204,314	\$ 4,270,156	\$ 2,650,413	\$ 245,124,883
Restricted assets:				
Cash and investments	206,386	-	10,224	216,610
Cash and investments with fiscal agents	366	-	2,925,655	2,926,021
Totals	<u>\$ 238,411,066</u>	<u>\$ 4,270,156</u>	<u>\$ 5,586,292</u>	<u>\$ 248,267,514</u>



**CITY OF SANTA CLARITA, CALIFORNIA**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2016**

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**NOTE 2 – CASH AND INVESTMENTS**

**A. Cash and Investments (Continued)**

Cash and investments consisted of the following at June 30, 2016:

Cash on hand and deposits:	
Cash on hand	\$ 4,588
Deposits with financial institutions	3,074,414
Certificates of deposit	549,998
Total Cash on Hand and Deposits	<u>3,629,000</u>
Investments:	
U.S. Treasury Securities	34,767,531
U.S. Government-Sponsored Enterprise Securities	81,493,988
Supranational	13,343,280
Commercial Paper	10,972,700
Medium-Term Notes	40,891,362
Money Market Funds	237,027
Asset Backed	11,208,413
State of California Local Agency Investment Fund (LAIF)	47,058,001
L.A. County Pooled Investment Fund (LACPIF)	1,523,581
Total Investments	<u>241,495,883</u>
Restricted investments:	
Money Market Funds	<u>216,610</u>
Restricted investments with fiscal agent:	
Money Market Funds	2,926,021
Total cash and investments	<u>\$ 248,267,514</u>

The carrying amounts of the City's deposits were \$3,629,000 at June 30, 2016. Bank balances before reconciling items were \$6,894,232 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, 2016**

**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	No Limit
U.S. Treasury Obligations	5 years	No Limit	No Limit
State of California Obligations	5 years	No Limit	No Limit
California Local Agency Obligations	5 years	No Limit	No Limit
U.S. Governmental-Sponsored Enterprise Securities	5 years	No Limit	No Limit
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%	No Limit
Repurchase Agreements	1 year	No Limit	No Limit
Medium-Term Notes	5 years	30%	No Limit
Money Market Funds	5 years	15%	10%
Mortgage Pass-Through Securities	5 years	20%	No Limit
Asset Backed	5 years	20%	No Limit
Los Angeles County Pooled Investment Fund (LACPIF)	Not Applicable	No Limit	No Limit
State of California Local Agency Investment Fund (LAIF)	Not Applicable	\$50,000,000	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, 2016**

**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, 2016, 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
<b>Investments:</b>						
U.S. Treasury Securities	\$ 34,767,531	\$ -	\$ 8,047,563	\$ 5,082,325	\$ 9,133,604	\$ 12,504,039
U.S. Government-Sponsored Enterprise Securities	81,493,988	22,445,173	14,825,969	16,728,290	15,182,098	12,312,458
Supranational	13,343,280	10,018,650	-	3,324,630	-	-
Commercial Paper	10,972,700	10,972,700	-	-	-	-
Medium-Term Notes	40,891,362	7,323,903	10,859,779	11,233,544	5,551,385	5,922,751
Money Market Funds	237,027	237,027	-	-	-	-
Asset Backed	11,208,413	-	3,752,179	5,551,393	1,904,841	-
Local Agency Investment Fund (LAIF)	47,058,001	47,058,001	-	-	-	-
Los Angeles County Pooled Investments Fund (LACPIF)	1,523,581	1,523,581	-	-	-	-
<b>Total Investments</b>	<b>241,495,883</b>	<b>99,579,035</b>	<b>37,485,490</b>	<b>41,920,182</b>	<b>31,771,928</b>	<b>30,739,248</b>
<b>Restricted investments:</b>						
Money Market Funds	216,610	216,610	-	-	-	-
<b>Restricted investments with fiscal agent:</b>						
Money Market Funds	2,926,021	2,926,021	-	-	-	-
<b>Total Investments Subject to Interest Rate Risk</b>	<b>\$ 244,638,514</b>	<b>\$ 102,721,666</b>	<b>\$ 37,485,490</b>	<b>\$ 41,920,182</b>	<b>\$ 31,771,928</b>	<b>\$ 30,739,248</b>

**CITY OF SANTA CLARITA, CALIFORNIA**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2016**

**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	Investment Maturities (In Years)				Unrated
			AAA	AA+ to AA-	A+ to A-	A-1 to A-1+	
<b>Investments:</b>							
U.S. Treasury Securities	None	\$ 34,767,531	\$ -	\$ 34,767,531	\$ -	\$ -	\$ -
U.S. Government-Sponsored Enterprise Securities	None	81,493,988	-	72,404,361	-	9,089,627	-
Supranational	AA	13,343,280	13,343,280	-	-	-	-
Commercial Paper	A-1	10,972,700	-	-	-	10,972,700	-
Medium-Term Notes*	A-1	40,891,362	1,974,661	17,075,215	21,686,486	-	155,000
Money Market Funds	None	237,027	-	-	-	-	237,027
Asset Backed	AA	11,208,413	7,076,196	-	-	-	4,132,217
Local Agency Investment Fund (LAIF)	None	47,058,001	-	-	-	-	47,058,001
Los Angeles County Pooled Investments Fund (LACPIF)	None	1,523,581	1,523,581	-	-	-	-
<b>Total Investments</b>		<b>241,495,883</b>	<b>23,917,718</b>	<b>124,247,107</b>	<b>21,686,486</b>	<b>20,062,327</b>	<b>51,582,245</b>
<b>Restricted investments:</b>							
Money Market Funds	None	216,610	-	-	-	-	216,610
<b>Restricted investments with fiscal agent:</b>							
Money Market Funds	None	2,926,021	-	-	-	-	2,926,021
<b>Total Investments Subject to Interest Rate Risk</b>		<b>\$ 244,638,514</b>	<b>\$ 23,917,718</b>	<b>\$ 124,247,107</b>	<b>\$ 21,686,486</b>	<b>\$ 20,062,327</b>	<b>\$ 54,724,876</b>

\* Included in the medium-term notes is an investment in Lehman Brothers, which is not rated as of June 30, 2016. 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, 2016, this investment is recorded at \$155,000.

**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	\$ 26,756,554	11.08%
Federal Home Loan Bank	U.S. Government-Sponsored Enterprise Securities	\$ 29,402,510	12.18%
Federal Home Loan Mortgage Corporation	U.S. Government-Sponsored Enterprise Securities	\$ 17,779,700	7.36%

**CITY OF SANTA CLARITA, CALIFORNIA**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2016**

**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, 2016, 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, 2016:

Investment Type	Fair Value	Level 1	Level 2	Level 3
Investments:				
U.S. Treasury Securities	\$ 34,767,531	\$ -	\$ 34,767,531	\$ -
U.S. Government-Sponsored Enterprise Securities	81,493,988	-	81,493,988	-
Supranational	13,343,280	-	13,343,280	-
Commercial Paper	10,972,700	-	10,972,700	-
Medium-Term Notes	40,891,362	-	40,891,362	-
Asset Backed	11,208,413	-	11,208,413	-
Total Levelled Investments	192,677,274	\$ -	\$ 192,677,274	\$ -
Uncategorized Investments:				
Local Agency Investment Fund (LAIF)	47,058,001			
Los Angeles County Pooled Investments Fund (LACPIF)	1,523,581			
Money Market Funds	237,027			
Restricted investments:				
Money Market Funds	216,610			
Restricted investments with fiscal agent:				
Money Market Funds	2,926,021			
Total Investment Portfolio	\$ 244,638,514			

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, 2016**

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***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 \$50,000,000 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, 2016 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, 2016, the City had \$47,058,001 invested in LAIF, which had invested 2.81 percent of the pool investment funds in structured notes and asset-backed securities. The LAIF fair value factor of 1.000621222 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, 2016, the City had \$1,523,581 invested in the LACPIF.

**CITY OF SANTA CLARITA, CALIFORNIA**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2016**

**NOTE 3 – LAND HELD FOR RESALE**

As of June 30, 2016, the City had \$910,455 of land held for resale, which is reported at fair value. During the year, the City transferred land of \$466,078 from the City to the Successor Agency. Further, the allowance was reduced by \$187,564 due to the City’s reassessment of value during the year.

	Non-Major Governmental Funds
Land held for resale, cost	\$ 2,885,510
Less: cumulative allowance for the decline in value	(1,975,055)
Land held for resale, net	\$ 910,455

**NOTE 4 – ACCOUNTS RECEIVABLE**

Accounts receivable as of June 30, 2016, including allowances for uncollectible accounts, is as follows:

	General Fund	Bridge and Thoroughfare	Public Library	Landscape Maintenance District #1	Non-Major Governmental Funds	Internal Service Funds
Gross receivables	\$ 1,050,442	\$ 11,532	\$ 12	\$ 120,277	\$ 97,172	\$ 5,510
Less: allowance for uncollectibles	(569,456)	-	-	(43,618)	(35,576)	-
Net Total Receivables	\$ 480,986	\$ 11,532	\$ 12	\$ 76,659	\$ 61,596	\$ 5,510

**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 \$2,457,631 at June 30, 2016, 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 the prior fiscal year, 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. As such, the City increased the amounts reported as of June 30, 2016 in the General Fund and Developer Fees Special Revenue Fund to \$9,254,794 and \$6,432,264, respectively. The unpaid accrued interest of these notes is \$2,341,208 and \$1,112,378, respectively.

CITY OF SANTA CLARITA, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2016

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, 2016:

	Governmental Activities				Balance June 30, 2016
	Balance June 30, 2015	Additions	Deletions	Transfers	
Governmental activities:					
Non-depreciable assets:					
Land	\$ 141,193,369	\$ 7,043,137	\$ (1,095,400)	\$ -	\$ 147,141,106
Construction in progress	18,351,762	6,740,052	(1,569,018)	(17,600,787)	5,922,009
Total Non-Depreciable Assets	159,545,131	13,783,189	(2,664,418)	(17,600,787)	153,063,115
Depreciable assets:					
Site improvements	43,705,649	1,388,827	-	-	45,094,476
Building and improvements	71,176,563	193,841	-	571,792	71,942,196
Equipment	13,330,284	1,246,149	(567,223)	-	14,009,210
Infrastructure	904,271,781	7,841,187	(2,670,770)	17,028,995	926,471,193
Total Depreciable Assets	1,032,484,277	10,670,004	(3,237,993)	17,600,787	1,057,517,075
Less accumulated depreciation:					
Site improvements	13,532,366	1,520,091	-	-	15,052,457
Building and improvements	17,641,780	1,569,639	-	-	19,211,419
Equipment	9,615,809	783,549	(567,223)	-	9,832,135
Infrastructure	303,377,358	18,342,933	(80,123)	-	321,640,168
Total Accumulated Depreciation	344,167,313	22,216,212	(647,346)	-	365,736,179
Total Depreciable Assets, Net	688,316,964	(11,546,208)	(2,590,647)	17,600,787	691,780,896
Total Capital Assets, Net	\$ 847,862,095	\$ 2,236,981	\$ (5,255,065)	\$ -	\$ 844,844,011

Depreciation expense was charged to functions/programs of governmental activities for the fiscal year ended June 30, 2016, as follows:

Governmental Activities:	
General government	\$ 993,023
Public safety	2,485
Parks, recreation and community service	2,316,687
Public works	338,087
Community development	2,638
Internal service funds depreciation	220,359
Allocated Depreciation	3,873,279
Unallocated infrastructure depreciation	18,342,933
Total Depreciation Expense	\$ 22,216,212



**CITY OF SANTA CLARITA, CALIFORNIA**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2016**

**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, 2016:

	Business-Type Activities			Balance June 30, 2016
	Balance June 30, 2015	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	15,087,880	1,736	-	15,089,616
Depreciable assets:				
Site improvements	12,941,276	-	-	12,941,276
Building and improvements	41,483,799	-	-	41,483,799
Equipment	45,877,133	3,673,195	(10,036)	49,540,292
Total Depreciable Assets	100,302,208	3,673,195	(10,036)	103,965,367
Less accumulated depreciation:				
Site improvements	2,127,149	568,221	-	2,695,370
Building and improvements	10,159,039	883,347	-	11,042,386
Equipment	24,608,029	4,031,974	(10,036)	28,629,967
Total Accumulated Depreciation	36,894,217	5,483,542	(10,036)	42,367,723
Total Depreciable Assets, Net	63,407,991	(1,810,347)	-	61,597,644
Total Capital Assets, Net	\$ 78,495,871	\$ (1,808,611)	\$ -	\$ 76,687,260

Depreciation expense for business-type activities for the fiscal year ended June 30, 2016 was charged as follows:

Business-type Activities:	
Transit enterprise fund	<u>\$ (5,483,542)</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, 2016:

	Balance June 30, 2015	Additions	Deletions	Balance June 30, 2016	Classification	
					Due Within One Year	Due More Than One Year
Lease Revenue Bonds:						
Series 2007	\$ 11,595,000	\$ -	\$ (11,595,000)	\$ -	\$ -	\$ -
Series 2016A (Golden Valley Road)	-	10,320,000	-	10,320,000	375,000	9,945,000
Series 2016B (OSPD)	-	14,020,000	-	14,020,000	295,000	13,725,000
Plus deferred amount for issuance premium	78,964	1,672,352	(78,964)	1,672,352	77,864	1,594,488
Total Lease Revenue Bonds	11,673,964	26,012,352	(11,673,964)	26,012,352	747,864	25,264,488
Certificates of Participation:						
Refunding, Series 2005	8,130,000	-	(8,130,000)	-	-	-
Series 2007	15,220,000	-	(15,220,000)	-	-	-
Less deferred amount for issuance discount	(45,874)	-	45,874	-	-	-
Total Certificates of Participation	23,304,126	-	(23,304,126)	-	-	-
Private Placement Lease:						
Refunding, Series 2015	-	6,985,000	(656,589)	6,328,411	1,343,868	4,984,543
Loans	300,000	-	(100,000)	200,000	100,000	100,000
Capital Leases	217,615	-	(78,738)	138,877	78,433	60,444
Compensated absences	3,313,500	1,953,217	(2,017,432)	3,249,285	2,011,570	1,237,715
Claims and judgments	1,993,915	1,410,261	(954,361)	2,449,815	1,515,623	934,192
Total	\$ 40,803,120	\$ 36,360,830	\$ (38,785,210)	\$ 38,378,740	\$ 5,797,358	\$ 32,581,382

**NOTE 8 – LONG-TERM DEBT**

CITY OF SANTA CLARITA, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2016

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A. *Governmental Activities*

**Lease Revenue Bonds – Series 2007 and Certificates of Participation – Refunding Series 2005 and Series 2007**

As described under Lease Revenue Bonds – Series 2016A and 2016B below, in June 2016 the Authority refunded the Lease Revenue Bonds Series 2007 of \$11,595,000, Certificates of Participation, Refunding Series 2005 of \$8,130,000, and Certificate of Participation Series 2007 of \$15,220,000. 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, 2016, totaling \$1,891,330. This amount will be amortized over the life of the refunding debt, as a component of interest expense.

**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, 2016, was \$10,320,000 for Series 2016A and \$14,020,000 for Series 2016B.

Proceeds from the Lease Revenue Refunding Bonds, Series 2016A, along with other funds, were used to redeem and defease through advance refunding all the outstanding balance of the Lease Revenue Bonds, Series 2007. The refunding provided for a cumulative savings of \$2,254,566 over the life of the bonds, resulting in an economic gain of \$1,824,403 net of other funds to fund the redemption, or 15.7 percent of the refunded principal. As of June 30, 2016, the outstanding amount of the refunded Lease Revenue Bonds, Series 2007 was \$11,260,000, and \$11,701,841 was held in escrow to fund the redemption. These amounts are considered defeased for financial reporting purposes.

CITY OF SANTA CLARITA, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS  
 JUNE 30, 2016

NOTE 8 – LONG-TERM DEBT (CONTINUED)

A. *Governmental Activities (Continued)*

Proceeds from the Lease Revenue Refunding Bonds, 2016B, along with other funds, were used to pay in full the outstanding principal balance of the Certificates of Participation, Series 2007. The refunding provided for a cumulative savings of \$3,592,541 over the life of the bonds, resulting in a net present value savings of \$2,976,635 net of other funds to fund the redemption, or 19.6 percent of the refunded principal. As of June 30, 2016, the outstanding amount of the refunded Certificates of Participation, Series 2007, was \$15,070,000, and \$15,925,852 was held in escrow to fund the redemption. These amounts are considered defeased for financial reporting purposes.

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

Series 2016A:

Year Ending June 30,	Principal	Interest	Total
2017	\$ 375,000	\$ 321,236	\$ 696,236
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
2022-2026	2,355,000	1,126,600	3,481,600
2027-2031	2,785,000	698,225	3,483,225
2032-2036	3,225,000	260,975	3,485,975
	\$ 10,320,000	\$ 3,620,036	\$ 13,940,036

Series 2016B:

Year Ending June 30,	Principal	Interest	Total
2017	\$ 295,000	\$ 340,917	\$ 635,917
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
2022-2026	2,430,000	1,692,131	4,122,131
2027-2031	3,435,000	1,213,610	4,648,610
2032-2036	4,430,000	711,488	5,141,488
2037-2038	2,135,000	64,875	2,199,875
	\$ 14,020,000	\$ 5,668,945	\$ 19,688,945

**CITY OF SANTA CLARITA, CALIFORNIA**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2016**

**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, 2016, was \$6,328,411.

Proceeds from the private placement lease along with other funds, were used to redeem and defease through advance refunding all the outstanding balance of the Refunding Certificates of Participation – Series 2005. The refunding provided for a cumulative debt service savings of \$306,714 over the life of the bonds, resulting in an economic gain of \$249,784 net of other funds to fund the redemption, or 3.1 percent of the refunded principal. On October 1, 2015, the Refunding Certificates of Participation, Series 2005 were fully redeemed.

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>
2017	\$ 1,343,868	\$ 122,402	\$ 1,466,270
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>\$ 6,328,411</u>	<u>\$ 327,834</u>	<u>\$ 6,656,245</u>

**Loans**

	<u>Balance June 30, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2016</u>	<u>Due Within One Year</u>	<u>Due More Than One Year</u>
HUD Loans:						
Boys & Girls Club	\$ 74,000	\$ -	\$ (23,000)	\$ 51,000	\$ 23,000	\$ 28,000
Scherzinger Lane	226,000	-	(77,000)	149,000	77,000	72,000
Total Loans	<u>\$ 300,000</u>	<u>\$ -</u>	<u>\$ (100,000)</u>	<u>\$ 200,000</u>	<u>\$ 100,000</u>	<u>\$ 100,000</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, 2016, is \$51,000.

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, 2016, is \$149,000.

**CITY OF SANTA CLARITA, CALIFORNIA**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2016**

**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
2017	\$ 100,000	\$ 8,605	\$ 108,605
2018	100,000	2,885	102,885
Total	<u>\$ 200,000</u>	<u>\$ 11,490</u>	<u>\$ 211,490</u>

**Capital Leases**

On February 28, 2012, the City Council approved a lease-purchase agreement with One Source Financial Corporation for two seven-bin sorters for the Canyon Country and Valencia Library branches in the amount of \$251,455. The lease agreement has 60 monthly payments of \$4,825 with an interest rate of 6 percent. The final payment is due May 15, 2017. The lease was assigned by One Source Financial Corp. to Bank of the West.

The assets acquired through the capital lease are as follows:

Equipment	\$ 252,068
Less: accumulated depreciation	(159,643)
Total	<u>\$ 92,425</u>

Future capital lease payment requirements are as follows:

Year Ending June 30,	Total
2017	<u>\$ 53,078</u>
Net minimum lease payments	53,078
Less: amount representing interest	(1,544)
Present value of net minimum lease payments	<u>\$ 51,534</u>

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	(2,463)
Total	<u>\$ 10,970</u>

**CITY OF SANTA CLARITA, CALIFORNIA**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2016**

**NOTE 8 – LONG-TERM DEBT (CONTINUED)**

**A. Governmental Activities (Continued)**

Future capital lease payment requirements are as follows:

Year Ending June 30,	Total
2017	\$ 3,348
2018	3,348
2019	3,348
2020	279
Net minimum lease payments	<u>10,323</u>
Less: amount representing interest	(1,341)
Present value of net minimum lease payments	<u>\$ 8,982</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	(22,359)
Total	<u>\$ 99,597</u>

Future capital lease payment requirements are as follows:

Year Ending June 30,	Total
2017	\$ 27,235
2018	27,235
2019	27,235
2020	2,270
Net minimum lease payments	<u>83,975</u>
Less: amount representing interest	(5,614)
Present value of net minimum lease payments	<u>\$ 78,361</u>

**Compensated Absences**

The City's liability for accrued and unpaid compensated absences in the governmental activities totaled \$3,249,285 at June 30, 2016. The majority of compensated absences are liquidated through the General Fund.

**CITY OF SANTA CLARITA, CALIFORNIA**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2016**

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**NOTE 8 – LONG-TERM DEBT (CONTINUED)**

**A. Governmental Activities (Continued)**

**Claims and Judgments**

The City’s liability for outstanding claims and judgments is \$2,449,815 at June 30, 2016 (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, 2016, is as follows:

	Balance June 30, 2015	Additions	Deletions	Balance June 30, 2016	Due Within One Year	Due More Than One Year
Compensated absences	\$ 75,251	\$ 52,745	\$ (45,599)	\$ 82,397	\$ 51,460	\$ 30,937

**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, 2016, deposits payable were as follows:

General Fund:

Deposits from developers	\$ 2,629,168
Other deposits payable	315,233
Total Deposits Payable	<u>\$ 2,944,401</u>

**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, 2016, the City accrued a liability of \$44,986,509 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.

**CITY OF SANTA CLARITA, CALIFORNIA**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2016**

**NOTE 10 – DEVELOPER CREDITS (CONTINUED)**

The following is a summary of developer credits by district for the year ended June 30, 2016:

	Balance June 30, 2015	Additions	Deletions	Balance June 30, 2016
Bridge and Thoroughfare Credits:				
Bouquet District	\$ 9,907,721	\$ 9,818,408	\$ (2,409,947)	\$ 17,316,182
Eastside District	13,603,430	-	(1,675,542)	11,927,888
Via Princessa District	35,256	136,008	-	171,264
Valencia District	15,571,175	-	-	15,571,175
Total Bridge and Thoroughfare Credits	<u>39,117,582</u>	<u>9,954,416</u>	<u>(4,085,489)</u>	<u>44,986,509</u>

**NOTE 11 – INTERFUND TRANSACTIONS**

**A. Due To/Due From**

At June 30, 2016, the City had the following short-term interfund receivables and payables:

	Due From Other Funds General
Due to Other Funds:	
Non-Major Governmental Funds	<u>\$ 3,117,635</u>

**B. Advances**

At June 30, 2016, the City had the following interfund advances:

	Advances To Other Funds		
	General	Developer Fees	
Advances From Other Funds:			
Major Governmental Funds:			
Bridge and Thoroughfare	\$ 1,914,943	\$ 120,185	\$ 2,035,128
Public Library	9,139,862	-	9,139,862
Total	<u>\$ 11,054,805</u>	<u>\$ 120,185</u>	<u>\$ 11,174,990</u>

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, 2016, the amount of the advance outstanding is \$549,004.



**CITY OF SANTA CLARITA, CALIFORNIA**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2016**

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***NOTE 11 – INTERFUND TRANSACTIONS (CONTINUED)***

***B. Advances (Continued)***

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, 2016, the amount of the advance outstanding is \$962,524.

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, 2016, the amount of the advance outstanding is \$403,415.

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, 2016, the amount of the advance outstanding is \$120,185.

The General Fund advanced the Public Library Special Revenue Fund \$9,139,862, 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, 2016, the principal amount of the advance of \$679,945 is outstanding.

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, 2016, 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, 2016, the principal amount of the advance of \$8,071,594 is outstanding.

CITY OF SANTA CLARITA, CALIFORNIA

NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2016

NOTE 11 – INTERFUND TRANSACTIONS (CONTINUED)

C. Transfers

At June 30, 2016, the City had the following transfers:

	Transfers Out			
	General Fund	Bridge and Thoroughfare	Developer Fees	Public Library
Transfers in:				
General Fund	\$ -	\$ 4,136	\$ 86,596	\$ 2,760
Landscape Maintenance District #1	10,000	-	-	-
Non-Major Governmental Funds	5,747,228	-	-	-
Transit Enterprise	-	-	-	-
Internal Service Funds	76,219	-	-	-
Total	<u>\$ 5,833,447</u>	<u>\$ 4,136</u>	<u>\$ 86,596</u>	<u>\$ 2,760</u>

	Transfers Out				Total
	Landscape Maintenance District #1	Non-Major Governmental Funds	Transit Enterprise Fund	Internal Service Funds	
Transfers in:					
General Fund	\$ 113,041	\$ 642,793	\$ 196,204	\$ 446,185	\$ 1,491,715
Landscape Maintenance District #1	-	-	-	-	10,000
Non-Major Governmental Funds	122,974	4,564,956	3,690	-	10,438,848
Transit Enterprise	-	6,590,158	-	-	6,590,158
Internal Service Funds	-	-	-	-	76,219
Total	<u>\$ 236,015</u>	<u>\$ 11,797,907</u>	<u>\$ 199,894</u>	<u>\$ 446,185</u>	<u>\$ 18,606,940</u>

The General Fund made transfers to non-major governmental funds for operating and capital improvement projects for \$1,955,384 and current year debt service payments for \$3,801,844, totaling \$5,757,228. Transfers from the General Fund to the Self-Insurance Internal Service Fund of \$76,219 were for risk management operations. Transfers to the General Fund from the Self-Insurance Internal Service Fund for \$440,674 consist primarily of 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 \$221,427.

The Landscape Maintenance District #1 Special Revenue Fund made transfers to the General Fund and the non-major governmental fund for operating costs for \$189,096.

The non-major governmental funds made transfers to the General Fund for operating and replacement costs for \$613,492. Transfers from non-major governmental funds to non-major governmental funds of \$4,565,956 represents debt service payments for the 2007 Certificates of Participation (OSPD). Transfers from the non-major governmental funds to the Transit Enterprise Fund totaling \$6,590,158 were to transfer Proposition A and Proposition C non-operating 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, 2016

NOTE 12 – FUND BALANCES AND NET POSITION

A. Fund Balance Classification

The details of fund balance of the governmental funds as of June 30, 2016, 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	\$ 202,769	\$ -	\$ -	\$ 38,061	\$ 168,441	\$ 17,146	\$ 426,417
Advances to other funds	10,905,483 *	-	-	-	-	-	10,905,483
Total Nonspendable	11,108,252	-	-	38,061	168,441	17,146	11,331,900
Restricted:							
Landscape maintenance	-	-	-	-	32,418,435	5,456,876	37,875,311
Capital improvements	-	4,058,268	3,249,260	-	-	8,862,738	16,170,266
Transportation	-	-	-	-	-	14,740,999	14,740,999
Open space preservation	-	-	-	-	-	6,390,594	6,390,594
Public safety	-	-	1,437,368	-	-	336,692	1,774,060
Public library	-	-	-	-	-	850,857	850,857
Air quality improvement	-	-	-	-	-	717,331	717,331
Stormwater	-	-	-	-	-	5,476,592	5,476,592
Public education and government	-	-	-	-	-	1,683,950	1,683,950
Tourism marketing	-	-	-	-	-	875,915	875,915
Low- and moderate-income housing	-	-	-	-	-	594,823	594,823
Total Restricted	-	4,058,268	4,686,628	-	32,418,435	45,987,367	87,150,698
Committed:							
Capital improvements	-	-	14,000	-	-	-	14,000
Assigned:							
Capital projects	21,500,000	-	50,757	-	-	1,830,971	23,381,728
Claims and settlements	5,156,328	-	-	-	-	-	5,156,328
Public facilities replacement	52,710,756	-	-	-	-	-	52,710,756
Total Assigned	79,367,084	-	50,757	-	-	1,830,971	81,248,812
Unassigned	50,669,580	-	-	(6,973,654)	-	(1,544)	43,694,382
Total Fund Balances	\$ 141,144,916	\$ 4,058,268	\$ 4,751,385	\$ (6,935,593)	\$ 32,586,876	\$ 47,833,940	\$ 223,439,792

\* Accrued interest on General Fund advances to other funds of \$149,322, do not provide current financial resources and are reported as deferred inflows of resources for unavailable revenues.

NOTE 13 – AGENT MULTIPLE-EMPLOYER PLAN

General Information about the Pension 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, 2016**

**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, 2016 are summarized as follows:

	Miscellaneous		
	Tier 1	Tier 2	Tier 3
Formula	2.7% at 55	2% at 60	2% at 62
Benefit vesting schedule	5 years of service	5 years of service	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%	6.25%
Required employer contribution rates	14.185%	14.185%	14.185%
	Tier 1	Tier 2	Tier 3
Applies to:	Employees hired before April 9, 2011**	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 Classific reciprocal plan within the last 6 months). **	Employees hired January 1, 2013, or later **

\* For unrepresented Tier 1 participants, the City pays 4% 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.

**CITY OF SANTA CLARITA, CALIFORNIA**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2016**

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**NOTE 13 – AGENT MULTIPLE-EMPLOYER PLAN (CONTINUED)**

**C. Employees Covered by Benefit Terms**

At June 30, 2014, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	133
Employees entitled to but not yet receiving benefits	347
Active employees	386
	<hr/>
	866
	<hr/>

The information was obtained from the CalPers Annual Valuation Report as of June 30, 2014, and is the most recent information available.

**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, 2016, including amounts paid by the City related to employees' required contribution rates. The employer contributions during the year ended June 30, 2016 were \$3,958,892.

**E. Actuarial Assumptions**

The total pension liability in the June 30, 2014 actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	June 30, 2014
Measurement Date	June 30, 2015
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.

**CITY OF SANTA CLARITA, CALIFORNIA**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2016**

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**NOTE 13 – AGENT MULTIPLE-EMPLOYER PLAN (CONTINUED)**

**E. Actuarial Assumptions (Continued)**

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. 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	19.0%	0.99	2.43
Inflation Assets	6.0%	0.45	3.36
Private Equity	10.0%	6.83	6.95
Real Assets	10.0%	4.50	5.13
Infrastructure and Forestland	2.0%	4.50	5.09
Liquidity	2.0%	-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

**CITY OF SANTA CLARITA, CALIFORNIA**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2016**

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***NOTE 13 – AGENT MULTIPLE-EMPLOYER PLAN (CONTINUED)***

***F. Changes of Assumptions***

GASB 68, paragraph 68, states that the long-term expected rate of return should be determined net of pension plan investment expense but without reduction for pension plan administrative expense. The discount rate of 7.50 percent used for the June 30, 2014 measurement date was net of administrative expenses. The discount rate of 7.65 percent used for the June 30, 2015 measurement date is without reduction of pension plan administrative expense.

***G. 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, 2016

NOTE 13 – AGENT MULTIPLE-EMPLOYER PLAN (CONTINUED)

H. 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, 2014	\$ 138,388,376	\$ 111,512,216	\$ 26,876,160
Changes recognized for the measurement period:			
Service cost	4,418,053	-	4,418,053
Interest	10,443,680	-	10,443,680
Changes of benefit terms	-	-	-
Differences between expected and actual experience	416,626	-	416,626
Changes in assumptions	(3,009,808)	-	(3,009,808)
Plan to Plan Resource Movement	-	9,685	(9,685)
Contributions from the employer	-	3,740,145	(3,740,145)
Contributions from the employees	-	2,164,107	(2,164,107)
Net investment income	-	2,506,239	(2,506,239)
Benefit payments, including refunds of employee contributions	(2,971,092)	(2,971,092)	-
Administrative expense	-	(131,529)	131,529
Net changes	9,297,459	5,317,555	3,979,904
Balances at June 30, 2015	<u>\$ 147,685,835</u>	<u>\$ 116,829,771</u>	<u>\$ 30,856,064</u>

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, 2016, the total net pension liability was proportionately allocated as follows:

	Government Activities	Transit Enterprise Fund	Total Net Pension Liability
Net pension liability	\$ 29,771,723	\$ 1,084,341	\$ 30,856,064

I. 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	\$ 54,743,102	\$ 30,856,064	\$ 11,408,802



**CITY OF SANTA CLARITA, CALIFORNIA**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2016**

**NOTE 13 – AGENT MULTIPLE-EMPLOYER PLAN (CONTINUED)**

**J. Pension Plan Fiduciary Net Position**

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

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

For the year ended June 30, 2016, the City recognized pension expenses of \$3,013,471. At June 30, 2016, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources.

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Net difference between projected and actual earnings on pension plan investments	\$ -	\$ (691,589)
Changes in assumptions	-	(2,340,961)
Differences between expected and actual experience	324,042	-
City contributions subsequent to the measurement date	3,958,892	
Total	<u>\$ 4,282,934</u>	<u>\$ (3,032,550)</u>

At June 30, 2016, the total deferred outflow of resources and deferred inflow of resources related to the net pension liability was proportionately allocated as follows:

	<u>Governmental Activities</u>	<u>Transit Enterprise Fund</u>	<u>Total</u>
Deferred outflows of resources	\$ 4,131,733	\$ 151,201	\$ 4,282,934
Deferred inflows of resources	(2,925,290)	(107,260)	(3,032,550)

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 \$3,958,892, which will be recognized as a reduction of the net pension liability during the fiscal year ending June 30, 2017. 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, 2015 measurement date, the expected average remaining service lifetime is 4.5 years. Deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Fiscal Year Ending</u>	<u>Deferred Outflows/(Inflows) of Resources</u>
2017	\$ (1,212,601)
2018	(1,212,601)
2019	(1,212,603)
2020	929,297
Total	<u>(2,708,508)</u>

**CITY OF SANTA CLARITA, CALIFORNIA**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2016**

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**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 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 after 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, 2014, the total participants in the Plan are as follows:

<u>Participants</u>	<u>Total</u>
Active employees	359
Retirees	78
Total	<u>437</u>

**C. Funding Policy**

The City pays an allowance toward the healthcare benefits paid to retirees, spouses, and eligible dependents under a City resolution that can be amended by the City Council. During the year ended June 30, 2016, the City contributed \$1,370,000 to the irrevocable OPEB Trust fund.

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, 2016**

**NOTE 14 – POST-EMPLOYMENT HEALTH BENEFITS (CONTINUED)**

**C. Funding Policy (Continued)**

For fiscal year 2015-2016, 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	\$ 15,072
SEIU Local 347	12,199	15,072

**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>Total</u>
Annual required contribution	\$ 1,295,000
Interest on OPEB asset	(465,000)
Adjustment to annual required contribution	544,000
Annual OPEB cost (expense)	<u>1,374,000</u>
Contributions made	<u>1,370,000</u>
Decrease in OPEB asset	4,000
OPEB asset - beginning of year	7,154,774
OPEB asset - end of year	<u><u>\$ 7,150,774</u></u>

The City’s annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB asset as of June 30, 2016, were as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Annual Contribution</u>	<u>% of Annual OPEB Cost Contributed</u>	<u>OPEB Asset (Obligation)</u>
June 30, 2014	\$ 2,312,000	\$ 2,303,000	99.6%	\$ 6,214,930
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

**CITY OF SANTA CLARITA, CALIFORNIA**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2016**

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**NOTE 14 – POST-EMPLOYMENT HEALTH BENEFITS (CONTINUED)**

**E. Funded Status and Funding Progress**

As of the most recent actuarial valuation date on June 30, 2014, the Plan was 93.6 percent funded. The actuarial accrued liability for benefits was \$28.9 million, and the actuarial value of assets was \$27.0 million, resulting in a UAAL of \$1.9 million. The covered payroll (annual payroll of active employees covered by the Plan) was \$27.4 million, and the ratio of UAAL to the covered payroll was 6.71 percent.

The schedule of funding progress, presented as required supplementary information following the notes to financial statements, presents multi-year 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.

**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, 2014, 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 of 7.80 percent initially and reduced by decrements of 0.6 percent to an ultimate rate of 5.0 percent thereafter. 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, 2014 was 19 years.

**NOTE 15 – INDIVIDUAL FUND DISCLOSURES – DEFICIT FUND BALANCE**

Funds that have a deficit fund balance at June 30, 2016, are as follows:

Fund	Deficit Fund Balance
Major Funds:	
Public Library Special Revenue Fund	\$ (6,935,593)
Non-Major Governmental Funds:	
Surface Transportation Program	(699)
BJA Law Enforcement Special Revenue Fund	(845)

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, 2016**

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***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, 2016, there were 990 participants in the plans. The City's contributions totaled \$192,071, and employees' contributions totaled \$2,259,212.

***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 \$1,415,444 for the property/liability program and the workers' compensation program (based on estimated wages).

At June 30, 2016, \$80,000 was accrued by the City for general liability claims, and \$2,369,815 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, 2014, resulted in the following:

Claims liability as of June 30, 2014	\$ 2,157,763
Claims and changes in estimates during the year ended June 30, 2015	1,028,290
Claims and payments during the year ended June 30, 2015	<u>(1,192,138)</u>
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	<u><u>\$ 2,449,815</u></u>

**CITY OF SANTA CLARITA, CALIFORNIA**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2016**

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***NOTE 18 – NON-COMMITMENT DEBT***

***A. 1915 Act Limited Obligation Improvements Bonds***

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, 2016, was \$330,000.

***B. 1915 Act Limited Obligation Improvements Bonds***

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, 2016, was \$430,000.

***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, 2016 was \$15,420,000.

***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, 2016, 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, 2016**

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**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, 2016, the City contributed \$124,724. 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, 2016. 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, 2016	Remaining Commitments
Pavement	\$ 575,440	\$ 349,658	\$ 225,782
Bridges	1,251,191	1,158,686	92,505
Sidewalks	3,911,892	2,140,158	1,771,734
Medians	958,210	532,392	425,818
Trails	439,301	190,307	248,994
Traffic Signals	10,000	9,497	503

**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, 2016, as follows:

	Amount
General Fund	\$ 756,319
Other governmental funds	15,476,396

**CITY OF SANTA CLARITA, CALIFORNIA**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2016**

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**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, 2016.

**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, 2016, classified in the accompanying financial statements as follows:

	RDA Successor Agency
Cash and investments pooled with City	\$ 1,568,537
Restricted:	
Cash and investments	10,224
Cash and investments with fiscal agent	1,166,084
Total	<u>\$ 2,744,845</u>

**B. Land Held for Resale**

As of June 30, 2016, the Successor Agency has \$222,579 of land held for resale, which is reported at net realizable value. There were no changes in the book value during the current year.



**CITY OF SANTA CLARITA, CALIFORNIA**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2016**

**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, 2016, \$7,734,479 of these unallowable transfers remains due from the City to the Successor Agency.

**D. Capital Assets**

	Balance June 30, 2015	Additions	Deletions	Balance June 30, 2016
RDA Successor Agency:				
Non-depreciable assets:				
Land	\$ 532,878	\$ -	\$ (532,878)	\$ -
Depreciable assets:				
Site improvements	110,310	-	-	110,310
Infrastructure	4,287,341	-	-	4,287,341
Total Depreciable Assets	4,397,651	-	-	4,397,651
Less accumulated depreciation:				
Site improvements	15,443	4,413	-	19,856
Infrastructure	395,351	85,746	-	481,097
Total Accumulated Depreciation	410,794	90,159	-	500,953
Total Depreciable Assets, Net	3,986,857	(90,159)	-	3,896,698
Total Capital Assets, Net	\$ 4,519,735	\$ (90,159)	\$ (532,878)	\$ 3,896,698

The total depreciation expense charged to the RDA Successor Agency as of June 30, 2016, was \$90,159.

**E. Long-Term Debt**

	Balance June 30, 2015	Additions	Deletions	Balance June 30, 2016	Classification	
					Due Within One Year	Due More Than One Year
RDA Successor Agency:						
Loans from the City of Santa Clarita	\$ 12,633,832	\$ 3,153,532	\$ (100,306)	\$ 15,687,058	\$ -	\$ 15,687,058
Tax Allocation Bonds:						
Series 2008	27,195,000	-	(510,000)	26,685,000	530,000	26,155,000
Housing Set-Aside	8,060,000	-	(150,000)	7,910,000	155,000	7,755,000
Less deferred amounts for unamortized discounts	(127,196)	5,530	-	(121,666)	(5,330)	(116,336)
Total Tax Allocation Bonds	35,127,804	5,530	(660,000)	34,473,334	679,670	33,793,664
Total	\$ 47,761,636	\$ 3,159,062	\$ (760,306)	\$ 50,160,392	\$ 679,670	\$ 49,480,722

**CITY OF SANTA CLARITA, CALIFORNIA**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2016**

**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 reported as of June 30, 2016 in the General Fund and Developer Fees Special Revenue Fund to \$9,254,794 and \$6,432,264, respectively. The unpaid accrued interest of these notes is \$2,341,208 and \$1,112,378, 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**

On June 12, 2008, the former redevelopment agency issued the Santa Clarita Redevelopment Agency Tax Allocation Bonds, Series 2008, in the amount of \$29,860,000. Proceeds of the bonds were used to finance certain projects of the former redevelopment agency, fund a debt service reserve account, and pay for costs of the bond issuance. The bonds were issued at a net discount of \$165,906, which will be amortized and recognized as interest expense over the life of the debt on a straight-line basis. This bond issue comprises \$12,065,000 serial bonds maturing annually, commencing on October 1, 2011, through 2028, and three term bonds (totaling \$17,795,000) maturing on October 1, 2032, October 1, 2037, and October 1, 2042, that are payable in annual sinking fund installments commencing on October 1, 2029. Interest on the bonds is payable semi-annually on October 1 and April 1 at rates ranging from 4.00 percent to 4.75 percent for the serial bonds and from 4.75 percent to 5.00 percent for the term bonds.

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

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 530,000	\$ 1,250,548	\$ 1,780,548
2018	550,000	1,228,948	1,778,948
2019	575,000	1,206,448	1,781,448
2020	595,000	1,183,048	1,778,048
2021	620,000	1,158,360	1,778,360
2022-2026	3,510,000	5,360,143	8,870,143
2027-2031	4,390,000	4,454,894	8,844,894
2032-2036	5,545,000	3,274,450	8,819,450
2037-2041	7,040,000	1,742,941	8,782,941
2042-2043	3,330,000	168,500	3,498,500
Total	<u>\$ 26,685,000</u>	<u>\$ 21,028,280</u>	<u>\$ 47,713,280</u>

**CITY OF SANTA CLARITA, CALIFORNIA**

**NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2016**

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

**E. Long-Term Debt (Continued)**

**Tax Allocation Bonds – Housing Set-Aside**

On June 12, 2008, the former redevelopment agency issued the Santa Clarita Redevelopment Agency Housing Set-Aside Tax Allocation Bonds, Series 2008, in the amount of \$8,850,000. Proceeds of the bonds were used to finance low- and moderate-income housing projects and programs, fund a reserve fund, and pay for costs of the bond issuance. The bond issue comprises \$3,550,000 of serial bonds maturing annually on October 1 through 2028, and three term bonds (totaling \$5,300,000) maturing on October 1, 2032, October 1, 2037, and October 1, 2042, that are payable in annual sinking fund installments commencing on October 1, 2029. Interest on the bonds is payable semi-annually on October 1 and April 1 at rates ranging from 4.00 percent to 4.875 percent for the serial bonds and at 5.00 percent for the term bonds.

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

Year Ending June 30,	Principal	Interest	Total
2017	\$ 155,000	\$ 376,856	\$ 531,856
2018	160,000	370,556	530,556
2019	170,000	363,956	533,956
2020	175,000	357,056	532,056
2021	180,000	349,844	529,844
2022-2026	1,030,000	1,622,322	2,652,322
2027-2031	1,295,000	1,352,350	2,647,350
2032-2036	1,650,000	987,500	2,637,500
2037-2041	2,100,000	521,250	2,621,250
2042-2043	995,000	50,375	1,045,375
Total	<u>\$ 7,910,000</u>	<u>\$ 6,352,065</u>	<u>\$ 14,262,065</u>

**F. Deficit Net Position**

As of June 30, 2016, the RDA Successor Agency Private-Purpose Trust Fund had a deficit net position of \$35,963,734. This will be reduced with future receipt of distributions from the Redevelopment Property Tax Trust Fund from the County and potential asset sales.

**NOTE 23 – SUBSEQUENT EVENTS**

**A. Tax Allocation Bonds Series 2008 Refunding – Successor Agency Trust**

On September 13, 2016, the Successor Agency approved the refunding of the Tax Allocation Bonds, Series 2008, The Oversight Board approved the refunding on September 15, 2016, and the Department of Finance approved the resolution on issuance of refunding bonds on October 14, 2016. The bond sale has not yet been scheduled.

## **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, 2016**

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 78,597,811	\$ 83,166,703	\$ 84,035,464	\$ 868,761
Licenses and permits	5,354,577	6,064,130	7,283,898	1,219,768
Intergovernmental	268,968	260,136	292,869	32,733
Charges for services	7,178,476	8,641,368	9,376,146	734,778
Investment income	828,834	828,834	2,211,873	1,383,039
Fines and forfeitures	423,000	420,300	528,836	108,536
Other revenue	302,550	394,550	589,553	195,003
<b>Total Revenues</b>	<u>92,954,216</u>	<u>99,776,021</u>	<u>104,318,639</u>	<u>4,542,618</u>
<b>Expenditures:</b>				
Operating:				
Personnel	39,923,299	39,696,148	38,285,084	1,411,064
Operating	39,351,114	44,232,242	34,218,723	10,013,519
Capital outlay	2,262,153	5,822,853	2,284,544	3,538,309
Capital Improvement Projects:				
Personnel	-	-	42,352	(42,352)
Operating	1,625,000	6,920,504	503,919	6,416,585
<b>Total Expenditures</b>	<u>83,161,566</u>	<u>96,671,747</u>	<u>75,334,622</u>	<u>21,337,125</u>
Excess (deficiency) of revenues over (under) expenditures	<u>9,792,650</u>	<u>3,104,274</u>	<u>28,984,017</u>	<u>25,879,743</u>
<b>Other financing sources (uses):</b>				
Other Financing Uses	(750,000)	(739,653)	-	739,653
Transfers in	1,332,631	1,467,136	1,491,715	24,579
Transfers out	(4,330,938)	(5,007,313)	(5,833,447)	(826,134)
<b>Total Other Financing Sources (Uses)</b>	<u>(2,998,307)</u>	<u>(3,540,177)</u>	<u>(4,341,732)</u>	<u>(801,555)</u>
<b>Net Change in Fund Balances</b>	<u>\$ 6,794,343</u>	<u>\$ (435,903)</u>	<u>24,642,285</u>	<u>\$ 25,078,188</u>
Fund Balance at Beginning of Year			116,502,631	
Fund Balance at End of Year			<u>\$ 141,144,916</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, 2016**

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
<b>Revenues:</b>				
Investment income	\$ 275,952	\$ 275,952	\$ 315,665	\$ 39,713
Developer fees	7,050,000	908,255	658,588	(249,667)
<b>Total Revenues</b>	<u>7,325,952</u>	<u>1,184,207</u>	<u>974,253</u>	<u>(209,954)</u>
<b>Expenditures:</b>				
Operating:				
Personnel	117,273	117,660	95,207	22,453
Capital outlay	4,080	297,280	297,280	-
Capital Improvement Projects:				
Personnel	-	-	130,648	(130,648)
Operating	1,549,984	6,720,985	3,370,123	3,350,862
Capital outlay	-	158,000	151,694	6,306
Debt service:				
Debt services	174,000	174,000	216,984	(42,984)
<b>Total Expenditures</b>	<u>1,845,337</u>	<u>7,467,925</u>	<u>4,261,936</u>	<u>3,205,989</u>
Excess (deficiency) of revenues over (under) expenditures	<u>5,480,615</u>	<u>(6,283,718)</u>	<u>(3,287,683)</u>	<u>2,996,035</u>
<b>Other financing sources (uses):</b>				
Transfers out	(4,136)	(4,136)	(4,136)	-
<b>Net Change in Fund Balances</b>	<u>\$ 5,476,479</u>	<u>\$ (6,287,854)</u>	<u>(3,291,819)</u>	<u>\$ 2,996,035</u>
Fund Balance at Beginning of Year			7,350,087	
Fund Balance at End of Year			<u>\$ 4,058,268</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, 2016**

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
<b>Revenues:</b>				
Investment income	\$ 15,293	\$ 15,293	\$ 91,643	\$ 76,350
Developer fees	-	1,490,842	1,960,002	469,160
Other revenue	-	-	453,834	453,834
<b>Total Revenues</b>	<u>15,293</u>	<u>1,506,135</u>	<u>2,505,479</u>	<u>999,344</u>
<b>Expenditures:</b>				
Operating:				
Operating	-	1,242,645	1,242,645	-
Capital Improvement Projects:				
Operating	1,837,510	2,847,713	36,032	2,811,681
<b>Total Expenditures</b>	<u>1,837,510</u>	<u>4,090,358</u>	<u>1,278,677</u>	<u>2,811,681</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(1,822,217)</u>	<u>(2,584,223)</u>	<u>1,226,802</u>	<u>3,811,025</u>
<b>Other financing sources (uses):</b>				
Transfer out	(26,000)	(86,596)	(86,596)	-
<b>Net Change in Fund Balance</b>	<u>\$ (1,848,217)</u>	<u>\$ (2,670,819)</u>	<u>1,140,206</u>	<u>\$ 3,811,025</u>
Fund Balance at Beginning of Year			3,611,179	
Fund Balance at End of Year			<u>\$ 4,751,385</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, 2016**

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 5,765,190	\$ 6,050,190	\$ 6,113,602	\$ 63,412
Charges for services	85,000	85,000	85,000	-
Investment income	-	-	30,896	30,896
Other revenue	150,000	150,000	184,269	34,269
<b>Total Revenues</b>	<u>6,000,190</u>	<u>6,285,190</u>	<u>6,413,767</u>	<u>128,577</u>
<b>Expenditures:</b>				
Operating:				
Personnel	88,483	138,062	137,160	902
Operating	5,049,341	5,108,691	5,056,163	52,528
Capital Improvement Projects:				
Operating	-	46,558	46,558	-
Debt service:				
Debt services	500,000	500,000	99,545	400,455
<b>Total Expenditures</b>	<u>5,637,824</u>	<u>5,793,311</u>	<u>5,339,426</u>	<u>453,885</u>
Excess (deficiency) of revenues over (under) expenditures	<u>362,366</u>	<u>491,879</u>	<u>1,074,341</u>	<u>582,462</u>
<b>Other financing sources (uses):</b>				
Transfers out	(2,760)	(2,760)	(2,760)	-
<b>Net Change in Fund Balances</b>	<u>\$ 359,606</u>	<u>\$ 489,119</u>	<u>\$ 1,071,581</u>	<u>\$ 582,462</u>
Fund Balance at Beginning of Year			(8,007,174)	
Fund Balance at End of Year			<u>\$ (6,935,593)</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, 2016**

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 853,438	\$ 853,438	\$ 939,937	\$ 86,499
Special assessments	16,177,339	16,177,339	15,923,892	(253,447)
Investment income	229,618	229,618	538,796	309,178
Other revenue	-	10,000	32,210	22,210
<b>Total Revenues</b>	<u>17,260,395</u>	<u>17,270,395</u>	<u>17,434,835</u>	<u>164,440</u>
<b>Expenditures:</b>				
Operating:				
Personnel	1,630,566	1,655,380	1,610,148	45,232.00
Operating	11,044,406	11,245,484	9,662,099	1,583,385
Capital outlay	171,030	171,030	173,328	(2,298)
Capital Improvement Projects:				
Personnel	-	-	205,615	(205,615)
Operating	3,091,100	7,205,116	3,011,040	4,194,076
<b>Total Expenditures</b>	<u>15,937,102</u>	<u>20,277,010</u>	<u>14,662,230</u>	<u>5,614,780</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,323,293</u>	<u>(3,006,615)</u>	<u>2,772,605</u>	<u>5,779,220</u>
<b>Other financing sources (uses):</b>				
Transfers in	10,000	10,000	10,000	-
Transfers out	(209,893)	(236,015)	(236,015)	-
<b>Total Other Financing Sources (Uses)</b>	<u>(199,893)</u>	<u>(226,015)</u>	<u>(226,015)</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	<u>\$ 1,123,400</u>	<u>\$ (3,232,630)</u>	<u>2,546,590</u>	<u>\$ 5,779,220</u>
Fund Balance at Beginning of Year			30,040,286	
Fund Balance at End of Year			<u>\$ 32,586,876</u>	

**CITY OF SANTA CLARITA, CALIFORNIA**

**SCHEDULE OF FUNDING PROGRESS  
FOR THE YEAR ENDED JUNE 30, 2016**

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**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):

	(A)	(B)	(C)	(D)	(E)	(F)
			(Unfunded)			(Unfunded)
Actuarial	Actuarial	Actuarial	Actuarial	Funded	Covered	Actuarial
Valuation	Asset	Accrued	Accrued	Ratio	Payroll	Liability as
Date*	Value	Liability	Liability	[ (A) / (B) ]		Percentage of
		Entry Age	[ (B) - (A) ]			Covered Payroll
						[ (C) / (E) ]
7/1/2010	\$ -	\$ 41,425	\$ (41,425)	0.00%	\$ 25,094	165.08%
7/1/2012	19,928	30,879	(10,951)	64.54%	23,880	45.86%
7/1/2014	27,035	28,876	(1,841)	93.62%	27,368	6.73%

\*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, 2016**

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

Measurement Date	June 30, 2015	June 30, 2014
<b>Total Pension Liability</b>		
Service cost	\$ 4,418,053	\$ 4,462,544
Interest	10,443,680	9,588,693
Changes in Benefit Terms	-	-
Difference between Expected and Actual Experience	416,626	-
Changes of Assumptions	(3,009,808)	-
Benefit Payments, Including Refunds of Employee Contributions	(2,971,092)	(2,561,655)
<b>Net Change in Total Pension Liability</b>	<u>9,297,459</u>	<u>11,489,582</u>
<b>Total Pension Liability - Beginning</b>	<u>138,388,376</u>	<u>126,898,794</u>
<b>Total Pension Liability - Ending (a)</b>	<u>\$ 147,685,835</u>	<u>\$ 138,388,376</u>
<b>Plan Fiduciary Net Postion</b>		
Contributions - Employer	\$ 3,740,145	\$ 3,562,246
Contributions - Employee	2,164,107	2,339,435
Net Investment Income	2,506,239	16,243,165
Administrative expenses	(131,529)	-
Benefit Payments, Including Refunds of Employee Contributions	(2,971,092)	(2,561,655)
Plan to Plan Resource Movement	9,685	-
<b>Net Change in Fiduciary Net Position</b>	<u>5,317,555</u>	<u>19,583,191</u>
<b>Plan Fiduciary Net Postition - Beginning</b>	<u>111,512,216</u>	<u>91,929,025</u>
<b>Plan Fiduciary Net Postion - Ending (b)</b>	<u>\$ 116,829,771</u>	<u>\$ 111,512,216</u>
<b>Net pension liability - ending (a) - (b)</b>	\$ 30,856,064	\$ 26,876,160
<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>	79.11%	80.58%
<b>Covered Payroll</b>	\$ 27,234,699	\$ 26,879,556
<b>Plan Net Pension Liability/(Asset) as a Percentage of Covered Payroll</b>	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.

Covered Payroll: In accordance with GASB Statement No. 82, *Pension Issues – An Amendment of GASB Statements No. 67, No. 68, and No. 73*, we have restated to show covered payroll based on pensionable earnings.

\* Fiscal Year 2014-15 was the first year of implementation; therefore only two 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, 2016**

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

	<u>June 30, 2016</u>	<u>June 30, 2015</u>	<u>June 30, 2014</u>	<u>June 30, 2013</u>
Actuarially determined contribution	\$ 3,958,892	\$ 3,740,138	\$ 3,562,246	\$ 3,319,326
Contributions in relation to the actuarially determined contribution	(3,958,892)	(3,740,138)	(3,562,246)	(3,319,326)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
 Covered Payroll	 \$ 27,934,377	 \$ 27,234,699	 \$ 26,879,556	 \$ 25,256,659
 Contributions as a Percentage of Covered Payroll	 14.17%	 13.73%	 13.25%	 13.14%

*Valuation Date:*

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2015-16 were from June 30, 2014 public agency valuations.

Actuarial Cost method	Entry Age Normal
Amortization method	Level Percentage of Payroll, Closed
Remaining amortization period	19 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.

Note:

Covered Payroll: In accordance with GASB Statement No. 82, *Pension Issues – An Amendment of GASB Statements No. 67, No. 68, and No. 73*, we have restated to show covered payroll based on pensionable earnings.

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<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>	<u>June 30, 2007</u>
\$ 3,224,628	\$ 2,916,852	\$ 2,919,550	\$ 2,865,328	\$ 2,659,975	\$ 2,470,285
(3,224,628)	(2,916,852)	(2,919,550)	(2,865,328)	(2,659,975)	(2,470,285)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 24,807,314	\$ 24,940,516	\$ 25,336,721	\$ 26,145,818	\$ 23,355,540	\$ 21,540,546
13.00%	11.70%	11.52%	10.96%	11.39%	11.47%

**CITY OF SANTA CLARITA, CALIFORNIA**

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2016**

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**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, 2016**

For the year ended June 30, 2016, 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:			
General Fund			
Capital Improvement Projects - Personnel	\$ -	\$ 42,352	\$ (42,352)
Bridge and Thoroughfare Special Revenue Fund			
Capital Improvement Projects - Personnel	-	130,648	(130,648)
Debt Service - Debt Services	174,000	216,984	(42,984)
Landscape Maintenance District #1 Special Revenue Fund			
Operating - Capital Outlay	171,030	173,328	(2,298)
Capital Improvement Projects - Personnel	-	205,615	(205,615)
Non-Major Governmental Funds:			
Bikeway Special Revenue Fund			
Capital Improvement Projects - Personnel	-	5,312	(5,312)
Gas Tax Special Revenue Fund			
Capital Improvement Projects - Personnel	-	108,141	(108,141)
Proposition A Special Revenue Fund			
Transfers Out	3,401,396	3,757,974	(356,578)
State Park Special Revenue Fund			
Operating - Personnel	44,410	52,901	(8,491)
TDA Special Revenue Fund			
Capital Improvement Projects - Personnel	-	141,942	(141,942)
Traffic Safety Special Revenue Fund			
Transfers Out	420,522	445,101	(24,579)
Community Development Block Grant Special Revenue Fund			
Operating - Operating	683,107	777,798	(94,691)
Capital Improvement Projects - Personnel	-	14,699	(14,699)
Air Quality Management District Special Revenue Fund			
Capital Improvement Projects - Personnel	-	5,818	(5,818)
Stormwater Special Revenue Fund			
Capital Improvement Projects - Personnel	-	4,612	(4,612)
Public Education and Government Special Revenue Fund			
Operating - Operating	144,433	148,165	(3,732)
Proposition C Special Revenue Fund			
Capital Improvement Projects - Personnel	-	14,566	(14,566)
Federal Grants Special Revenue Fund			
Capital Improvement Projects - Personnel	-	189,024	(189,024)
Open Space Preservation District Special Revenue Fund			
Operating - Personnel	178,542	179,182	(640)
Transfers Out	869,433	2,303,460	(1,434,027)
Housing Successor Agency Special Revenue Fund			
Operating - Operating	3,700,000	4,432,349	(732,349)
General Capital Projects Fund			
Capital Improvement Projects - Personnel	-	50,551	(50,551)
Public Financing Authority Capital Projects Fund			
Transfers Out	848,451	2,282,478	(1,434,027)
Public Financing Authority Debt Service Fund			
Bond Retirement	-	32,907,353	(32,907,353)



**CITY OF SANTA CLARITA, CALIFORNIA**

**NON-MAJOR GOVERNMENTAL FUNDS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2016**

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**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, 2016**

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**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, 2016**

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**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, 2016

	Special Revenue Funds			
	Bikeway	Gas Tax	Proposition A	Special Assessment
<b>Assets:</b>				
Cash and investments	\$ 196,006	\$ 2,496,209	\$ 26,361	\$ 6,723,474
Receivables:				
Accounts, net	-	32,271	-	35,386
Interest	485	5,756	65	17,739
Taxes	-	-	-	104,344
Loans	-	-	-	-
Prepaid costs	-	-	-	6,271
Due from other governments	11,102	-	-	1,177
Land held for resale	-	-	-	-
Restricted assets:				
Cash and investments	-	-	-	-
Cash and investments with fiscal agents	-	-	-	-
<b>Total Assets</b>	<b>\$ 207,593</b>	<b>\$ 2,534,236</b>	<b>\$ 26,426</b>	<b>\$ 6,888,391</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>				
Liabilities:				
Accounts payable and accrued liabilities	\$ 92,689	\$ 244,841	\$ 26,184	\$ 413,610
Due to other governments	-	-	-	-
Due to other funds	-	-	-	-
<b>Total Liabilities</b>	<b>92,689</b>	<b>244,841</b>	<b>26,184</b>	<b>413,610</b>
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Fund balances (deficit):				
Nonspendable	-	-	-	6,271
Restricted	114,904	2,289,395	242	6,468,510
Assigned	-	-	-	-
Unassigned	-	-	-	-
<b>Total Fund Balances (Deficit)</b>	<b>114,904</b>	<b>2,289,395</b>	<b>242</b>	<b>6,474,781</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 207,593</b>	<b>\$ 2,534,236</b>	<b>\$ 26,426</b>	<b>\$ 6,888,391</b>

(Continued)

CITY OF SANTA CLARITA, CALIFORNIA

COMBINING BALANCE SHEET (CONTINUED)  
 NON-MAJOR GOVERNMENTAL FUNDS  
 JUNE 30, 2016

	Special Revenue Funds			
	State Park	TDA	Traffic Safety	CDBG
<b>Assets:</b>				
Cash and investments	\$ -	\$ 9,246,522	\$ -	\$ -
Receivables:				
Accounts, net	-	-	-	-
Interest	-	22,891	-	-
Taxes	-	-	-	-
Loans	-	-	-	92,175
Prepaid costs	-	-	-	-
Due from other governments	78,848	-	29,666	385,506
Land held for resale	-	-	-	-
Restricted assets:				
Cash and investments	-	-	-	-
Cash and investments with fiscal agents	-	-	-	-
<b>Total Assets</b>	<b>\$ 78,848</b>	<b>\$ 9,269,413</b>	<b>\$ 29,666</b>	<b>\$ 477,681</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>				
Liabilities:				
Accounts payable and accrued liabilities	\$ 7,047	\$ 1,429,651	\$ -	\$ 283,469
Due to other governments	-	-	-	-
Due to other funds	71,801	-	29,666	102,037
<b>Total Liabilities</b>	<b>78,848</b>	<b>1,429,651</b>	<b>29,666</b>	<b>385,506</b>
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	92,175
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>92,175</b>
Fund balances (deficit):				
Nonspendable	-	-	-	-
Restricted	-	7,839,762	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
<b>Total Fund Balances (Deficit)</b>	<b>-</b>	<b>7,839,762</b>	<b>-</b>	<b>-</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 78,848</b>	<b>\$ 9,269,413</b>	<b>\$ 29,666</b>	<b>\$ 477,681</b>

(Continued)

CITY OF SANTA CLARITA, CALIFORNIA

COMBINING BALANCE SHEET (CONTINUED)  
 NON-MAJOR GOVERNMENTAL FUNDS  
 JUNE 30, 2016

	Special Revenue Funds			
	AQMD	Stormwater	Surface Transportation Program	BJA Law Enforcement
<b>Assets:</b>				
Cash and investments	\$ 647,624	\$ 5,713,586	\$ -	\$ -
Receivables:				
Accounts, net	-	(6,949)	-	-
Interest	1,603	13,425	-	-
Taxes	-	53,845	-	-
Loans	-	-	-	-
Prepaid costs	-	-	-	-
Due from other governments	72,955	-	204,339	19,918
Land held for resale	-	-	-	-
Restricted assets:				
Cash and investments	-	-	-	-
Cash and investments with fiscal agents	-	-	-	-
<b>Total Assets</b>	<b>\$ 722,182</b>	<b>\$ 5,773,907</b>	<b>\$ 204,339</b>	<b>\$ 19,918</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>				
Liabilities:				
Accounts payable and accrued liabilities	\$ 4,851	\$ 297,315	\$ 2,399	\$ 12,333
Due to other governments	-	-	-	-
Due to other funds	-	-	201,939	8,430
<b>Total Liabilities</b>	<b>4,851</b>	<b>297,315</b>	<b>204,338</b>	<b>20,763</b>
Deferred Inflows of Resources:				
Unavailable revenues	-	-	700	-
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>700</b>	<b>-</b>
Fund balances (deficit):				
Nonspendable	-	-	-	-
Restricted	717,331	5,476,592	-	-
Assigned	-	-	-	-
Unassigned	-	-	(699)	(845)
<b>Total Fund Balances (Deficit)</b>	<b>717,331</b>	<b>5,476,592</b>	<b>(699)</b>	<b>(845)</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 722,182</b>	<b>\$ 5,773,907</b>	<b>\$ 204,339</b>	<b>\$ 19,918</b>

(Continued)

CITY OF SANTA CLARITA, CALIFORNIA

COMBINING BALANCE SHEET (CONTINUED)  
 NON-MAJOR GOVERNMENTAL FUNDS  
 JUNE 30, 2016

	Special Revenue Funds			
	Supplemental Law Grant	HOME	Library Facilities Fees	Public Education and Government
<b>Assets:</b>				
Cash and investments	\$ 16,596	\$ 15,538	\$ 857,734	\$ 1,565,341
Receivables:				
Accounts, net	-	-	-	-
Interest	41	38	2,123	3,875
Taxes	-	-	-	124,966
Loans	-	2,365,456	-	-
Prepaid costs	-	-	-	-
Due from other governments	44,714	-	-	-
Land held for resale	-	-	-	-
Restricted assets:				
Cash and investments	-	-	-	-
Cash and investments with fiscal agents	-	-	-	-
<b>Total Assets</b>	<b>\$ 61,351</b>	<b>\$ 2,381,032</b>	<b>\$ 859,857</b>	<b>\$ 1,694,182</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>				
Liabilities:				
Accounts payable and accrued liabilities	\$ 30,584	\$ -	\$ 9,000	\$ 10,232
Due to other governments	-	-	-	-
Due to other funds	-	-	-	-
<b>Total Liabilities</b>	<b>30,584</b>	<b>-</b>	<b>9,000</b>	<b>10,232</b>
Deferred Inflows of Resources:				
Unavailable revenues	-	2,365,456	-	-
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>2,365,456</b>	<b>-</b>	<b>-</b>
Fund balances (deficit):				
Nonspendable	-	-	-	-
Restricted	30,767	15,576	850,857	1,683,950
Assigned	-	-	-	-
Unassigned	-	-	-	-
<b>Total Fund Balances (Deficit)</b>	<b>30,767</b>	<b>15,576</b>	<b>850,857</b>	<b>1,683,950</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 61,351</b>	<b>\$ 2,381,032</b>	<b>\$ 859,857</b>	<b>\$ 1,694,182</b>

(Continued)

CITY OF SANTA CLARITA, CALIFORNIA

COMBINING BALANCE SHEET (CONTINUED)  
 NON-MAJOR GOVERNMENTAL FUNDS  
 JUNE 30, 2016

	Special Revenue Funds			
	Proposition C	Federal Grants	Measure R	Tourism Marketing District
<b>Assets:</b>				
Cash and investments	1,304,689	\$ 382,645	\$ 4,485,943	\$ 827,958
Receivables:				
Accounts, net	-	-	-	-
Interest	3,230	-	11,105	2,050
Taxes	-	-	-	82,605
Loans	-	-	-	-
Prepaid costs	-	-	-	-
Due from other governments	3,121,542	718,313	-	-
Land held for resale	-	-	-	-
Restricted assets:				
Cash and investments	-	-	-	-
Cash and investments with fiscal agents	-	-	-	-
<b>Total Assets</b>	<b>\$ 4,429,461</b>	<b>\$ 1,100,958</b>	<b>\$ 4,497,048</b>	<b>\$ 912,613</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>				
Liabilities:				
Accounts payable and accrued liabilities	\$ 485,122	\$ 193,946	\$ 8,126	\$ 69,392
Due to other governments	-	-	-	-
Due to other funds	2,703,762	-	-	-
<b>Total Liabilities</b>	<b>3,188,884</b>	<b>193,946</b>	<b>8,126</b>	<b>69,392</b>
Deferred Inflows of Resources:				
Unavailable revenues	1,232,803	201,779	-	-
<b>Total Deferred Inflows of Resources</b>	<b>1,232,803</b>	<b>201,779</b>	<b>-</b>	<b>-</b>
Fund balances (deficit):				
Nonspendable	-	-	-	-
Restricted	7,774	705,233	4,488,922	843,221
Assigned	-	-	-	-
Unassigned	-	-	-	-
<b>Total Fund Balances (Deficit)</b>	<b>7,774</b>	<b>705,233</b>	<b>4,488,922</b>	<b>843,221</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 4,429,461</b>	<b>\$ 1,100,958</b>	<b>\$ 4,497,048</b>	<b>\$ 912,613</b>

(Continued)



CITY OF SANTA CLARITA, CALIFORNIA

COMBINING BALANCE SHEET (CONTINUED)  
 NON-MAJOR GOVERNMENTAL FUNDS  
 JUNE 30, 2016

	Special Revenue Funds			
	OSP	Miscellaneous Grants	Park Dedication	Housing Successor Agency
<b>Assets:</b>				
Cash and investments	\$ 6,181,819	\$ 222,524	\$ 7,482,736	\$ 199,735
Receivables:				
Accounts, net	-	-	-	-
Interest	15,339	-	18,523	494
Taxes	32,048	-	-	-
Loans	-	-	-	-
Prepaid costs	-	-	-	-
Due from other governments	-	237,349	-	-
Land held for resale	-	-	-	207,110
Restricted assets:				
Cash and investments	-	-	-	206,386
Cash and investments with fiscal agents	235	-	-	-
<b>Total Assets</b>	<b>\$ 6,229,441</b>	<b>\$ 459,873</b>	<b>\$ 7,501,259</b>	<b>\$ 613,725</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>				
Liabilities:				
Accounts payable and accrued liabilities	\$ 28,286	\$ 120,273	\$ 169,349	\$ -
Due to other governments	-	-	-	34,478
Due to other funds	-	-	-	-
<b>Total Liabilities</b>	<b>28,286</b>	<b>120,273</b>	<b>169,349</b>	<b>34,478</b>
Deferred Inflows of Resources:				
Unavailable revenues	-	33,675	-	-
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>33,675</b>	<b>-</b>	<b>-</b>
Fund balances (deficit):				
Nonspendable	-	-	-	-
Restricted	6,201,155	305,925	7,331,910	579,247
Assigned	-	-	-	-
Unassigned	-	-	-	-
<b>Total Fund Balances (Deficit)</b>	<b>6,201,155</b>	<b>305,925</b>	<b>7,331,910</b>	<b>579,247</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 6,229,441</b>	<b>\$ 459,873</b>	<b>\$ 7,501,259</b>	<b>\$ 613,725</b>

(Continued)

CITY OF SANTA CLARITA, CALIFORNIA

COMBINING BALANCE SHEET (CONTINUED)  
 NON-MAJOR GOVERNMENTAL FUNDS  
 JUNE 30, 2016

	Special Revenue Funds	Capital Projects Funds		Debt Service Fund
	Tourism Marketing Bureau	General Capital Projects	Public Financing Authority	Public Financing Authority
<b>Assets:</b>				
Cash and investments	\$ 31,727	\$ 1,954,057	\$ 10	\$ 3,368
Receivables:				
Accounts, net	888	-	-	-
Interest	79	-	-	-
Taxes	-	-	-	-
Loans	-	-	-	-
Prepaid costs	-	10,875	-	-
Due from other governments	-	-	-	-
Land held for resale	-	-	-	-
Restricted assets:				
Cash and investments	-	-	-	-
Cash and investments with fiscal agents	-	-	-	32
<b>Total Assets</b>	<b>\$ 32,694</b>	<b>\$ 1,964,932</b>	<b>\$ 10</b>	<b>\$ 3,400</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>				
Liabilities:				
Accounts payable and accrued liabilities	\$ -	\$ 123,096	\$ -	\$ -
Due to other governments	-	-	-	-
Due to other funds	-	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>123,096</b>	<b>-</b>	<b>-</b>
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Fund balances (deficit):				
Nonspendable	-	10,875	-	-
Restricted	32,694	-	-	3,400
Assigned	-	1,830,961	10	-
Unassigned	-	-	-	-
<b>Total Fund Balances (Deficit)</b>	<b>32,694</b>	<b>1,841,836</b>	<b>10</b>	<b>3,400</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 32,694</b>	<b>\$ 1,964,932</b>	<b>\$ 10</b>	<b>\$ 3,400</b>

(Continued)

CITY OF SANTA CLARITA, CALIFORNIA

COMBINING BALANCE SHEET (CONTINUED)  
 NON-MAJOR GOVERNMENTAL FUNDS  
 JUNE 30, 2016

	Total Non-major Governmental Funds
<b>Assets:</b>	
Cash and investments	\$ 50,582,202
Receivables:	
Accounts, net	61,596
Interest	118,861
Taxes	397,808
Loans	2,457,631
Prepaid costs	17,146
Due from other governments	4,925,429
Land held for resale	207,110
Restricted assets:	
Cash and investments	206,386
Cash and investments with fiscal agents	267
<b>Total Assets</b>	<u>\$ 58,974,436</u>
 <b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>	
Liabilities:	
Accounts payable and accrued liabilities	\$ 4,061,795
Due to other governments	34,478
Due to other funds	<u>3,117,635</u>
<b>Total Liabilities</b>	<u>7,213,908</u>
Deferred Inflows of Resources:	
Unavailable revenues	<u>3,926,588</u>
<b>Total Deferred Inflows of Resources</b>	<u>3,926,588</u>
Fund balances (deficit):	
Nonspendable	17,146
Restricted	45,987,367
Assigned	1,830,971
Unassigned	(1,544)
<b>Total Fund Balances (Deficit)</b>	<u>47,833,940</u>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<u>\$ 58,974,436</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, 2016**

	Special Revenue Funds			
	Bikeway	Gas Tax	Proposition A	Special Assessment
<b>Revenues:</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	5,307,772
Intergovernmental	141,615	4,568,328	3,774,849	-
Charges for services	-	-	-	-
Investment income	2,205	40,870	4,912	113,522
Fines and forfeitures	-	-	-	-
Developer fees	-	-	-	-
Other revenue	-	103,870	4,240	31,641
<b>Total Revenues</b>	<b>143,820</b>	<b>4,713,068</b>	<b>3,784,001</b>	<b>5,452,935</b>
<b>Expenditures:</b>				
Current:				
General government	-	19,930	-	3,440,102
Public safety	-	-	-	-
Parks, recreation and community services	-	-	-	-
Public works	-	4,980,527	-	1,340,426
Community development	-	-	-	-
Capital outlay	204,713	666,937	25,784	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Cost of issuance	-	-	-	-
<b>Total Expenditures</b>	<b>204,713</b>	<b>5,667,394</b>	<b>25,784</b>	<b>4,780,528</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(60,893)</b>	<b>(954,326)</b>	<b>3,758,217</b>	<b>672,407</b>
<b>Other Financing Sources (Uses):</b>				
Bonds issued	-	-	-	-
Premium on bonds issued	-	-	-	-
Payment to refunding bond escrow agent	-	-	-	-
Transfers in	-	237,755	-	126,394
Transfers out	-	(127,173)	(3,757,974)	(9,674)
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>110,582</b>	<b>(3,757,974)</b>	<b>116,720</b>
<b>Net Change in Fund Balances</b>	<b>(60,893)</b>	<b>(843,744)</b>	<b>243</b>	<b>789,127</b>
Fund Balances (Deficit), Beginning of Year	175,797	3,133,139	(1)	5,685,654
Fund Balances, End of Year	\$ 114,904	\$ 2,289,395	\$ 242	\$ 6,474,781

(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, 2016**

	Special Revenue Funds			
	State Park	TDA	Traffic Safety	CDBG
<b>Revenues:</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-
Intergovernmental	78,851	7,715,025	-	1,433,131
Charges for services	-	-	-	-
Investment income	-	127,443	184	-
Fines and forfeitures	-	-	444,917	-
Developer fees	-	-	-	-
Other revenue	-	-	-	-
<b>Total Revenues</b>	<b>78,851</b>	<b>7,842,468</b>	<b>445,101</b>	<b>1,433,131</b>
<b>Expenditures:</b>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Parks, recreation and community services	78,851	-	-	-
Public works	-	6,794,555	-	93,933
Community development	-	-	-	968,063
Capital outlay	-	674,771	-	256,915
Debt service:				
Principal	-	-	-	100,000
Interest and fiscal charges	-	-	-	14,220
Cost of issuance	-	-	-	-
<b>Total Expenditures</b>	<b>78,851</b>	<b>7,469,326</b>	<b>-</b>	<b>1,433,131</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>-</b>	<b>373,142</b>	<b>445,101</b>	<b>-</b>
<b>Other Financing Sources (Uses):</b>				
Bonds issued	-	-	-	-
Premium on bonds issued	-	-	-	-
Payment to refunding bond escrow agent	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	(445,101)	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>(445,101)</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>-</b>	<b>373,142</b>	<b>-</b>	<b>-</b>
Fund Balances (Deficit), Beginning of Year	-	7,466,620	-	-
Fund Balances, End of Year	\$ -	\$ 7,839,762	\$ -	\$ -

(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, 2016**

	Special Revenue Funds			
	AQMD	Stormwater	Surface Transportation Program	BJA Law Enforcement
<b>Revenues:</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Special assessments	-	2,997,026	-	-
Intergovernmental	272,762	-	203,640	50,982
Charges for services	-	-	-	-
Investment income	10,193	89,296	-	-
Fines and forfeitures	-	-	-	-
Developer fees	-	-	-	-
Other revenue	-	268,046	-	-
<b>Total Revenues</b>	<b>282,955</b>	<b>3,354,368</b>	<b>203,640</b>	<b>50,982</b>
<b>Expenditures:</b>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	50,981
Parks, recreation and community services	-	-	-	-
Public works	15,461	3,273,813	189,448	-
Community development	-	-	-	-
Capital outlay	62,349	27,181	700	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Cost of issuance	-	-	-	-
<b>Total Expenditures</b>	<b>77,810</b>	<b>3,300,994</b>	<b>190,148</b>	<b>50,981</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>205,145</b>	<b>53,374</b>	<b>13,492</b>	<b>1</b>
<b>Other Financing Sources (Uses):</b>				
Bonds issued	-	-	-	-
Premium on bonds issued	-	-	-	-
Payment to refunding bond escrow agent	-	-	-	-
Transfers in	-	9,590	-	-
Transfers out	-	(39,863)	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>(30,273)</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>205,145</b>	<b>23,101</b>	<b>13,492</b>	<b>1</b>
Fund Balances (Deficit), Beginning of Year	512,186	5,453,491	(14,191)	(846)
Fund Balances, End of Year	\$ 717,331	\$ 5,476,592	\$ (699)	\$ (845)

(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, 2016**

	Special Revenue Funds			
	Supplemental Law Grant	HOME	Library Facilities Fees	Public Education and Government
<b>Revenues:</b>				
Taxes	\$ -	\$ -	\$ -	\$ 509,731
Special assessments	-	-	-	-
Intergovernmental	381,579	-	-	-
Charges for services	-	-	-	-
Investment income	242	258	12,736	25,437
Fines and forfeitures	-	-	-	-
Developer fees	-	-	392,923	-
Other revenue	-	-	-	-
<b>Total Revenues</b>	<b>381,821</b>	<b>258</b>	<b>405,659</b>	<b>535,168</b>
<b>Expenditures:</b>				
Current:				
General government	-	-	9,000	226,579
Public safety	367,004	-	-	-
Parks, recreation and community services	-	-	-	-
Public works	-	-	-	-
Community development	-	-	-	-
Capital outlay	-	-	-	29,171
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Cost of issuance	-	-	-	-
<b>Total Expenditures</b>	<b>367,004</b>	<b>-</b>	<b>9,000</b>	<b>255,750</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>14,817</b>	<b>258</b>	<b>396,659</b>	<b>279,418</b>
<b>Other Financing Sources (Uses):</b>				
Bonds issued	-	-	-	-
Premium on bonds issued	-	-	-	-
Payment to refunding bond escrow agent	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>14,817</b>	<b>258</b>	<b>396,659</b>	<b>279,418</b>
Fund Balances (Deficit), Beginning of Year	15,950	15,318	454,198	1,404,532
Fund Balances, End of Year	\$ 30,767	\$ 15,576	\$ 850,857	\$ 1,683,950

(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, 2016**

	Special Revenue Funds			
	Proposition C	Federal Grants	Measure R	Tourism Marketing District
<b>Revenues:</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-
Intergovernmental	7,148,098	2,235,464	2,349,773	-
Charges for services	-	-	-	725,191
Investment income	23,121	-	68,826	12,786
Fines and forfeitures	-	-	-	-
Developer fees	-	-	-	-
Other revenue	-	-	-	-
<b>Total Revenues</b>	<b>7,171,219</b>	<b>2,235,464</b>	<b>2,418,599</b>	<b>737,977</b>
<b>Expenditures:</b>				
Current:				
General government	-	-	-	484,986
Public safety	-	-	-	-
Parks, recreation and community services	-	-	-	-
Public works	3,132,438	237,079	2,464,069	-
Community development	-	-	-	-
Capital outlay	587,732	1,560,031	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Cost of issuance	-	-	-	-
<b>Total Expenditures</b>	<b>3,720,170</b>	<b>1,797,110</b>	<b>2,464,069</b>	<b>484,986</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>3,451,049</b>	<b>438,354</b>	<b>(45,470)</b>	<b>252,991</b>
<b>Other Financing Sources (Uses):</b>				
Bonds issued	-	-	-	-
Premium on bonds issued	-	-	-	-
Payment to refunding bond escrow agent	-	-	-	-
Transfers in	-	-	-	-
Transfers out	(2,832,184)	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>(2,832,184)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>618,865</b>	<b>438,354</b>	<b>(45,470)</b>	<b>252,991</b>
Fund Balances (Deficit), Beginning of Year	(611,091)	266,879	4,534,392	590,230
Fund Balances, End of Year	\$ 7,774	\$ 705,233	\$ 4,488,922	\$ 843,221

(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, 2016**

	Special Revenue Funds			
	OSP	Miscellaneous Grants	Park Dedication	Housing Successor Agency
<b>Revenues:</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Special assessments	2,273,751	-	-	-
Intergovernmental	-	733,787	-	-
Charges for services	86,655	-	-	-
Investment income	98,711	-	115,172	2,378
Fines and forfeitures	-	-	-	-
Developer fees	-	-	3,261,286	-
Other revenue	-	-	-	22,061
<b>Total Revenues</b>	<b>2,459,117</b>	<b>733,787</b>	<b>3,376,458</b>	<b>24,439</b>
<b>Expenditures:</b>				
Current:				
General government	420,439	436,053	-	-
Public safety	-	112,848	-	-
Parks, recreation and community services	-	-	-	-
Public works	-	3,500	-	-
Community development	-	-	-	3,700,000
Capital outlay	506,804	261,307	269,896	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	732,349
Cost of issuance	-	-	-	-
<b>Total Expenditures</b>	<b>927,243</b>	<b>813,708</b>	<b>269,896</b>	<b>4,432,349</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>1,531,874</b>	<b>(79,921)</b>	<b>3,106,562</b>	<b>(4,407,910)</b>
<b>Other Financing Sources (Uses):</b>				
Bonds issued	-	-	-	-
Premium on bonds issued	-	-	-	-
Payment to refunding bond escrow agent	-	-	-	-
Transfers in	-	-	-	-
Transfers out	(2,303,460)	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>(2,303,460)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>(771,586)</b>	<b>(79,921)</b>	<b>3,106,562</b>	<b>(4,407,910)</b>
Fund Balances (Deficit), Beginning of Year	6,972,741	385,846	4,225,348	4,987,157
Fund Balances, End of Year	\$ 6,201,155	\$ 305,925	\$ 7,331,910	\$ 579,247

(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, 2016**

	Special Revenue Fund	Capital Projects Fund		Debt Service Fund
	Tourism Marketing Bureau	General Capital Projects	Public Financing Authority	Public Financing Authority
<b>Revenues:</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	52,634	-	-	-
Investment income	423	-	-	30
Fines and forfeitures	-	-	-	-
Developer fees	-	-	-	-
Other revenue	-	100,000	-	-
<b>Total Revenues</b>	<b>53,057</b>	<b>100,000</b>	<b>-</b>	<b>30</b>
<b>Expenditures:</b>				
Current:				
General government	25,364	-	-	-
Public safety	-	-	-	-
Parks, recreation and community services	-	-	-	-
Public works	-	22,465	-	-
Community development	-	-	-	-
Capital outlay	-	1,724,146	-	-
Debt service:				
Principal	-	-	-	2,694,236
Interest and fiscal charges	-	-	-	2,875,808
Cost of issuance	-	-	-	600,910
<b>Total Expenditures</b>	<b>25,364</b>	<b>1,746,611</b>	<b>-</b>	<b>6,170,954</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>27,693</b>	<b>(1,646,611)</b>	<b>-</b>	<b>(6,170,924)</b>
<b>Other Financing Sources (Uses):</b>				
Bonds issued	-	-	-	31,325,000
Premium on bonds issued	-	-	-	1,672,352
Payment to refunding bond escrow agent	-	-	-	(32,907,353)
Transfers in	-	1,698,309	2,282,478	6,084,322
Transfers out	-	-	(2,282,478)	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>1,698,309</b>	<b>-</b>	<b>6,174,321</b>
<b>Net Change in Fund Balances</b>	<b>27,693</b>	<b>51,698</b>	<b>-</b>	<b>3,397</b>
Fund Balances (Deficit), Beginning of Year	5,001	1,790,138	10	3
Fund Balances, End of Year	<b>\$ 32,694</b>	<b>\$ 1,841,836</b>	<b>\$ 10</b>	<b>\$ 3,400</b>

(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, 2016**

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	Total Non-major Governmental Funds
	<u>                    </u>
<b>Revenues:</b>	
Taxes	\$ 509,731
Special assessments	10,578,549
Intergovernmental	31,087,884
Charges for services	864,480
Investment income	748,745
Fines and forfeitures	444,917
Developer fees	3,654,209
Other revenue	529,858
<b>Total Revenues</b>	<u>48,418,373</u>
<b>Expenditures:</b>	
Current:	
General government	5,062,453
Public safety	530,833
Parks, recreation and community services	78,851
Public works	22,547,714
Community development	4,668,063
Capital outlay	6,858,437
Debt service:	
Principal	2,794,236
Interest and fiscal charges	3,622,377
Cost of issuance	600,910
<b>Total Expenditures</b>	<u>46,763,874</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>1,654,499</u>
<b>Other Financing Sources (Uses):</b>	
Bonds issued	31,325,000
Premium on bonds issued	1,672,352
Payment to refunding bond escrow agent	(32,907,353)
Transfers in	10,438,848
Transfers out	(11,797,907)
<b>Total Other Financing Sources (Uses)</b>	<u>(1,269,060)</u>
<b>Net Change in Fund Balances</b>	385,439
Fund Balances (Deficit), Beginning of Year	47,448,501
Fund Balances, End of Year	<u>\$ 47,833,940</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, 2016**

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 137,977	\$ 143,138	\$ 141,615	\$ (1,523)
Investment income	-	-	2,205	2,205
<b>Total Revenues</b>	<u>137,977</u>	<u>143,138</u>	<u>143,820</u>	<u>682</u>
<b>Expenditures:</b>				
Capital Improvement Projects:				
Personnel	-	-	5,312	(5,312)
Operating	137,977	318,001	199,401	118,600
<b>Total Expenditures</b>	<u>137,977</u>	<u>318,001</u>	<u>204,713</u>	<u>113,288</u>
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ (174,863)</u>	<u>(60,893)</u>	<u>\$ 113,970</u>
Fund Balance at Beginning of Year			175,797	
Fund Balance at End of Year			<u>\$ 114,904</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, 2016**

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 4,406,396	\$ 4,564,642	\$ 4,568,328	\$ 3,686
Investment income	-	-	40,870	40,870
Other revenue	-	58,180	103,870	45,690
<b>Total Revenues</b>	<u>4,406,396</u>	<u>4,622,822</u>	<u>4,713,068</u>	<u>90,246</u>
<b>Expenditures:</b>				
Operating:				
Personnel	2,059,138	2,004,088	1,988,228	15,860
Operating	1,792,619	1,772,954	1,746,634	26,320
Capital outlay	228,500	695,600	550,948	144,652
Capital Improvement Projects:				
Personnel	-	-	108,141	(108,141)
Operating	766,399	2,276,788	1,273,443	1,003,345
<b>Total Expenditures</b>	<u>4,846,656</u>	<u>6,749,430</u>	<u>5,667,394</u>	<u>1,082,036</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(440,260)</u>	<u>(2,126,608)</u>	<u>(954,326)</u>	<u>1,172,282</u>
<b>Other financing sources (uses):</b>				
Transfers in	237,755	237,755	237,755	-
Transfer out	(127,173)	(127,173)	(127,173)	-
<b>Total Other Financing Sources (Uses)</b>	<u>110,582</u>	<u>110,582</u>	<u>110,582</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	<u>\$ (329,678)</u>	<u>\$ (2,016,026)</u>	<u>(843,744)</u>	<u>1,172,282</u>
Fund Balance at Beginning of Year			3,133,139	
Fund Balance at End of Year			<u>\$ 2,289,395</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, 2016**

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 3,732,157	\$ 3,776,396	\$ 3,774,849	\$ (1,547)
Investment income	-	-	4,912	4,912
Other revenue	-	-	4,240	4,240
<b>Total Revenues</b>	<u>3,732,157</u>	<u>3,776,396</u>	<u>3,784,001</u>	<u>7,605</u>
<b>Expenditures:</b>				
Capital Improvement Projects:				
Operating	-	302,283	25,784	276,499
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>3,732,157</u>	<u>3,474,113</u>	<u>3,758,217</u>	<u>284,104</u>
<b>Other financing sources (uses):</b>				
Transfer out	(3,732,157)	(3,401,396)	(3,757,974)	(356,578)
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ 72,717</u>	<u>243</u>	<u>\$ (72,474)</u>
Fund Balance at Beginning of Year			(1)	
Fund Balance at End of Year			<u>\$ 242</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, 2016**

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
<b>Revenues:</b>				
Special assessments	5,223,166	5,223,166	\$ 5,307,772	\$ 84,606
Charges for services	5,000	-	-	-
Investment income	38,321	38,321	113,522	75,201
Other revenue	-	-	31,641	31,641
<b>Total Revenues</b>	<u>5,266,487</u>	<u>5,261,487</u>	<u>5,452,935</u>	<u>191,448</u>
<b>Expenditures:</b>				
Operating:				
Personnel	297,442	295,148	288,706	6,442
Operating	4,984,857	5,043,734	4,460,569	583,165
Capital outlay	29,640	29,640	29,640	-
Capital Improvement Projects:				
Operating	4,800	5,665	1,613	4,052
<b>Total Expenditures</b>	<u>5,316,739</u>	<u>5,374,187</u>	<u>4,780,528</u>	<u>593,659</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(50,252)</u>	<u>(112,700)</u>	<u>672,407</u>	<u>785,107</u>
<b>Other financing sources (uses):</b>				
Transfers in	126,394	126,394	126,394	-
Transfer out	(9,634)	(9,674)	(9,674)	-
<b>Total Other Financing Sources (Uses)</b>	<u>116,760</u>	<u>116,720</u>	<u>116,720</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	<u>\$ 66,508</u>	<u>\$ 4,020</u>	<u>789,127</u>	<u>\$ 785,107</u>
Fund Balance at Beginning of Year			5,685,654	
Fund Balance at End of Year			<u>\$ 6,474,781</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, 2016**

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 83,130	\$ 83,130	\$ 78,851	\$ (4,279)
<b>Expenditures:</b>				
Operating:				
Personnel	56,230	44,410	52,901	(8,491)
Operating	26,900	26,900	25,950	950
<b>Total Expenditures</b>	<u>83,130</u>	<u>71,310</u>	<u>78,851</u>	<u>(7,541)</u>
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ 11,820</u>	<u>-</u>	<u>\$ (11,820)</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  
TRANSPORTATION DEVELOPMENT ACT SPECIAL REVENUE FUND  
FOR THE YEAR ENDED JUNE 30, 2016**

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 8,334,482	\$ 8,703,742	\$ 7,715,025	\$ (988,717)
Investment income	-	-	127,443	127,443
<b>Total Revenues</b>	<u>8,334,482</u>	<u>8,703,742</u>	<u>7,842,468</u>	<u>(861,274)</u>
<b>Expenditures:</b>				
Capital Improvement Projects:				
Personnel	-	-	141,942	(141,942)
Operating	8,356,374	16,262,839	7,327,384	8,935,455
<b>Total Expenditures</b>	<u>8,356,374</u>	<u>16,262,839</u>	<u>7,469,326</u>	<u>8,793,513</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(21,892)</u>	<u>(7,559,097)</u>	<u>373,142</u>	<u>7,932,239</u>
<b>Other financing sources (uses):</b>				
Transfer out	(86,023)	-	-	-
<b>Net Change in Fund Balance</b>	<u>\$ (107,915)</u>	<u>\$ (7,559,097)</u>	<u>373,142</u>	<u>\$ 7,932,239</u>
Fund Balance at Beginning of Year			7,466,620	
Fund Balance at End of Year			<u>\$ 7,839,762</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, 2016**

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
<b>Revenues:</b>				
Investment income	\$ -	\$ -	\$ 184	\$ 184
Fines and forfeitures	380,000	380,000	444,917	64,917
<b>Total Revenues</b>	<u>380,000</u>	<u>380,000</u>	<u>445,101</u>	<u>65,101</u>
<b>Other financing sources (uses):</b>				
Transfer out	(380,000)	(420,522)	(445,101)	(24,579)
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ (40,522)</u>	<u>-</u>	<u>\$ 40,522</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, 2016**

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 1,405,643	\$ 1,501,839	\$ 1,433,131	\$ (68,708)
<b>Expenditures:</b>				
Operating:				
Personnel	198,316	202,949	190,265	12,684
Operating	783,107	683,107	777,798	(94,691)
Capital Improvement Projects:				
Personnel	-	-	14,699	(14,699)
Operating	310,000	506,196	336,149	170,047
Debt Service:				
Debt Services	114,220	114,220	114,220	-
<b>Total Expenditures</b>	<u>1,405,643</u>	<u>1,506,472</u>	<u>1,433,131</u>	<u>73,341</u>
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ (4,633)</u>	<u>-</u>	<u>\$ 4,633</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, 2016**

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 257,000	\$ 257,000	\$ 272,762	\$ 15,762
Investment income	697	697	10,193	9,496
<b>Total Revenues</b>	<u>257,697</u>	<u>257,697</u>	<u>282,955</u>	<u>25,258</u>
<b>Expenditures:</b>				
Operating:				
Operating	18,590	20,532	15,051	5,481
Capital outlay	410	410	410	-
Capital Improvement Projects:				
Personnel	-	-	5,818	(5,818)
Operating	746,296	746,296	56,531	689,765
<b>Total Expenditures</b>	<u>765,296</u>	<u>767,238</u>	<u>77,810</u>	<u>689,428</u>
<b>Net Change in Fund Balance</b>	<u>\$ (507,599)</u>	<u>\$ (509,541)</u>	<u>205,145</u>	<u>\$ 714,686</u>
Fund Balance at Beginning of Year			512,186	
Fund Balance at End of Year			<u>\$ 717,331</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, 2016**

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
<b>Revenues:</b>				
Special assessments	\$ 3,192,440	\$ 2,974,640	\$ 2,983,426	\$ 8,786
Investment income	50,642	50,642	89,296	38,654
Charges for services	14,310	14,410	13,600	(810)
Other revenue	-	280,647	268,036	(12,611)
<b>Total Revenues</b>	<b>3,257,392</b>	<b>3,320,339</b>	<b>3,354,358</b>	<b>34,019</b>
<b>Expenditures:</b>				
Operating:				
Personnel	1,311,674	1,283,230	1,251,906	31,324
Operating	1,637,903	2,207,943	1,686,783	521,160
Capital outlay	65,190	81,415	81,415	-
Capital Improvement Projects:				
Personnel	-	-	4,612	(4,612)
Operating	285,000	589,250	276,268	312,982
<b>Total Expenditures</b>	<b>3,299,767</b>	<b>4,161,838</b>	<b>3,300,984</b>	<b>860,854</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(42,375)</b>	<b>(841,499)</b>	<b>53,374</b>	<b>894,873</b>
<b>Other financing sources (uses):</b>				
Transfers in	3,690	9,590	9,590	-
Transfer out	(47,393)	(39,863)	(39,863)	-
<b>Total Other Financing Sources (Uses)</b>	<b>(43,703)</b>	<b>(30,273)</b>	<b>(30,273)</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>\$ (86,078)</b>	<b>\$ (871,772)</b>	<b>23,101</b>	<b>\$ 894,873</b>
Fund Balance at Beginning of Year			5,453,491	
Fund Balance at End of Year			<u>\$ 5,476,592</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, 2016**

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 905,959	\$ 1,109,234	\$ 203,640	\$ (905,594)
<b>Expenditures:</b>				
Capital Improvement Projects:				
Operating	905,959	969,266	190,148	779,118
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ 139,968</u>	<u>13,492</u>	<u>\$ (126,476)</u>
Fund Balance at Beginning of Year			(14,191)	
Fund Balance at End of Year			<u>\$ (699)</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, 2016**

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ -	\$ 67,121	\$ 50,982	\$ (16,139)
<b>Expenditures:</b>				
Operating:				
Operating	-	67,121	50,981	16,140
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ -</u>	<u>1</u>	<u>\$ 1</u>
Fund Balance at Beginning of Year			(846)	
Fund Balance at End of Year			<u>\$ (845)</u>	

**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, 2016**

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ -	\$ 381,579	\$ 381,579	\$ -
Investment income	-	-	242	242
<b>Total Revenues</b>	<u>-</u>	<u>381,579</u>	<u>381,821</u>	<u>242</u>
<b>Expenditures:</b>				
Operating:				
Operating	-	397,529	367,004	30,525
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ (15,950)</u>	<u>14,817</u>	<u>\$ 30,767</u>
Fund Balance at Beginning of Year			15,950	
Fund Balance at End of Year			<u>\$ 30,767</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, 2016**

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
<b>Revenues:</b>				
Investment income	\$ -	\$ -	\$ 258	\$ 258
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ -</u>	<u>258</u>	<u>\$ 258</u>
Fund Balance at Beginning of Year			15,318	
Fund Balance at End of Year			<u>\$ 15,576</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, 2016**

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
<b>Revenues:</b>				
Investment income	\$ -	\$ -	\$ 12,736	\$ 12,736
Developer fees	225,000	225,000	392,923	167,923
<b>Total Revenues</b>	<u>225,000</u>	<u>225,000</u>	<u>405,659</u>	<u>180,659</u>
<b>Expenditures:</b>				
Operating:				
Operating	-	50,000	9,000	41,000
<b>Net Change in Fund Balance</b>	<u>\$ 225,000</u>	<u>\$ 175,000</u>	<u>396,659</u>	<u>\$ 221,659</u>
Fund Balance at Beginning of Year			454,198	
Fund Balance at End of Year			<u>\$ 850,857</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, 2016**

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 470,000	\$ 508,000	\$ 509,731	\$ 1,731
Investment income	6,552	6,552	25,437	18,885
<b>Total Revenues</b>	<u>476,552</u>	<u>514,552</u>	<u>535,168</u>	<u>20,616</u>
<b>Expenditures:</b>				
Operating:				
Operating	167,549	144,433	148,165	(3,732)
Capital outlay	122,290	151,461	107,585	43,876
<b>Total Expenditures</b>	<u>289,839</u>	<u>295,894</u>	<u>255,750</u>	<u>40,144</u>
<b>Net Change in Fund Balance</b>	<u>\$ 186,713</u>	<u>\$ 218,658</u>	279,418	<u>\$ 60,760</u>
Fund Balance at Beginning of Year			1,404,532	
Fund Balance at End of Year			<u>\$ 1,683,950</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, 2016**

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 6,160,480	\$ 7,658,932	\$ 7,148,098	\$ (510,834)
Investment income	-	-	23,121	23,121
<b>Total Revenues</b>	<u>6,160,480</u>	<u>7,658,932</u>	<u>7,171,219</u>	<u>(487,713)</u>
<b>Expenditures:</b>				
Capital Improvement Projects:				
Personnel	-	-	14,566	(14,566)
Operating	3,193,906	6,840,889	3,705,604	3,135,285
<b>Total Expenditures</b>	<u>3,193,906</u>	<u>6,840,889</u>	<u>3,720,170</u>	<u>3,120,719</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>2,966,574</u>	<u>818,043</u>	<u>3,451,049</u>	<u>2,633,006</u>
<b>Other financing sources (uses):</b>				
Transfer out	(2,966,574)	(4,153,005)	(2,832,184)	1,320,821
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ (3,334,962)</u>	<u>618,865</u>	<u>\$ 3,953,827</u>
Fund Balance at Beginning of Year			(611,091)	
Fund Balance at End of Year			<u>\$ 7,774</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, 2016**

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 2,874,756	\$ 2,495,062	\$ 2,235,464	\$ (259,598)
<b>Expenditures:</b>				
Capital Improvement Projects:				
Personnel	-	-	189,024	(189,024)
Operating	2,874,756	5,207,871	1,608,086	3,599,785
<b>Total Expenditures</b>	<u>2,874,756</u>	<u>5,207,871</u>	<u>1,797,110</u>	<u>3,410,761</u>
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ (2,712,809)</u>	<u>438,354</u>	<u>\$ 3,151,163</u>
Fund Balance at Beginning of Year			266,879	
Fund Balance at End of Year			<u>\$ 705,233</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, 2016**

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 2,321,823	\$ 2,349,345	\$ 2,349,773	\$ 428
Investment income	-	-	68,826	68,826
<b>Total Revenues</b>	<u>2,321,823</u>	<u>2,349,345</u>	<u>2,418,599</u>	<u>69,254</u>
<b>Expenditures:</b>				
Capital Improvement Projects:				
Operating	-	2,657,874	2,464,069	193,805
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>2,321,823</u>	<u>(308,529)</u>	<u>(45,470)</u>	<u>263,059</u>
<b>Other financing sources (uses):</b>				
Transfer out	(3,594,712)	(320,147)	-	320,147
<b>Net Change in Fund Balance</b>	<u>\$ (1,272,889)</u>	<u>\$ (628,676)</u>	<u>(45,470)</u>	<u>\$ 583,206</u>
Fund Balance at Beginning of Year			4,534,392	
Fund Balance at End of Year			<u>\$ 4,488,922</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, 2016**

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
<b>Revenues:</b>				
Charges for services	\$ 540,651	\$ 593,151	\$ 725,191	\$ 132,040
Investment income	2,406	2,406	12,786	10,380
<b>Total Revenues</b>	<u>543,057</u>	<u>595,557</u>	<u>737,977</u>	<u>142,420</u>
<b>Expenditures:</b>				
Operating:				
Personnel	19,103	19,140	16,588	2,552
Operating	499,200	589,200	460,618	128,582
Capital outlay	7,780	7,780	7,780	-
<b>Total Expenditures</b>	<u>526,083</u>	<u>616,120</u>	<u>484,986</u>	<u>131,134</u>
<b>Net Change in Fund Balance</b>	<u>\$ 16,974</u>	<u>\$ (20,563)</u>	<u>252,991</u>	<u>\$ 273,554</u>
Fund Balance at Beginning of Year			590,230	
Fund Balance at End of Year			<u>\$ 843,221</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, 2016**

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
<b>Revenues:</b>				
Special assessments	\$ 2,271,466	\$ 2,271,466	\$ 2,273,751	\$ 2,285
Charges for services	10,000	52,260	86,655	34,395
Investment income	2,892	2,892	98,711	95,819
<b>Total Revenues</b>	<u>2,284,358</u>	<u>2,326,618</u>	<u>2,459,117</u>	<u>132,499</u>
<b>Expenditures:</b>				
Operating:				
Personnel	179,592	178,542	179,182	(640)
Operating	303,560	335,471	231,537	103,934
Capital outlay	9,720	1,602,040	497,736	1,104,304
Capital Improvement Projects:				
Operating	100,000	100,000	18,788	81,212
<b>Total Expenditures</b>	<u>592,872</u>	<u>2,216,053</u>	<u>927,243</u>	<u>1,288,810</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>1,691,486</u>	<u>110,565</u>	<u>1,531,874</u>	<u>1,421,309</u>
<b>Other financing sources (uses):</b>				
Transfer out	(854,638)	(869,433)	(2,303,460)	(1,434,027)
<b>Net Change in Fund Balance</b>	<u>\$ 1,691,486</u>	<u>\$ (758,868)</u>	<u>(771,586)</u>	<u>\$ (12,718)</u>
Fund Balance at Beginning of Year			6,972,741	
Fund Balance at End of Year			<u>\$ 6,201,155</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, 2016**

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 833,464	\$ 1,157,265	\$ 733,787	\$ (423,478)
<b>Expenditures:</b>				
Operating:				
Operating	751,264	629,929	552,401	77,528
Capital Outlay	148,337	314,011	261,307	52,704
Capital Improvement Projects:				
Operating	300,000	140,078	-	140,078
<b>Total Expenditures</b>	<u>1,199,601</u>	<u>1,084,018</u>	<u>813,708</u>	<u>270,310</u>
<b>Net Change in Fund Balance</b>	<u>\$ (366,137)</u>	<u>\$ 73,247</u>	<u>(79,921)</u>	<u>\$ (153,168)</u>
Fund Balance at Beginning of Year			385,846	
Fund Balance at End of Year			<u>\$ 305,925</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, 2016**

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
<b>Revenues:</b>				
Investment income	\$ 668	\$ 668	\$ 115,172	\$ 114,504
Developer fees	3,368,959	2,870,385	3,261,286	390,901
<b>Total Revenues</b>	<u>3,369,627</u>	<u>2,871,053</u>	<u>3,376,458</u>	<u>505,405</u>
<b>Expenditures:</b>				
Capital Improvement Projects:				
Operating	1,654,950	1,654,950	269,896	1,385,054
<b>Net Change in Fund Balance</b>	<u>\$ 1,714,677</u>	<u>\$ 1,216,103</u>	<u>3,106,562</u>	<u>\$ 1,890,459</u>
Fund Balance at Beginning of Year			4,225,348	
Fund Balance at End of Year			<u>\$ 7,331,910</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, 2016**

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
<b>Revenues:</b>				
Investment income	\$ -	\$ -	\$ 2,378	\$ 2,378
Other revenue	-	-	22,061	22,061
<b>Total Revenues</b>	<u>-</u>	<u>-</u>	<u>24,439</u>	<u>24,439</u>
<b>Expenditures:</b>				
Operating:				
Operating	-	3,700,000	4,432,349	(732,349)
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ (3,700,000)</u>	<u>(4,407,910)</u>	<u>\$ (707,910)</u>
Fund Balance at Beginning of Year			4,987,157	
Fund Balance at End of Year			<u>\$ 579,247</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, 2016**

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
<b>Revenues:</b>				
Charges for services	\$ 13,500	\$ 11,300	\$ 11,180	\$ (120)
Investment income	630	630	423	(207)
Other revenue	-	25,000	41,454	16,454
<b>Total Revenues</b>	<u>14,130</u>	<u>36,930</u>	<u>53,057</u>	<u>16,127</u>
<b>Expenditures:</b>				
Operating:				
Operating	15,500	40,500	23,934	16,566
Capital Outlay	1,430	1,430	1,430	-
<b>Total Expenditures</b>	<u>16,930</u>	<u>41,930</u>	<u>25,364</u>	<u>16,566</u>
<b>Net Change in Fund Balance</b>	<u>\$ (2,800)</u>	<u>\$ (5,000)</u>	<u>27,693</u>	<u>\$ 32,693</u>
Fund Balance at Beginning of Year			5,001	
Fund Balance at End of Year			<u>\$ 32,694</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, 2016**

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
<b>Revenues:</b>				
Other revenue	\$ 100,000	\$ 100,000	\$ 100,000	\$ -
<b>Expenditures:</b>				
Capital Improvement Projects:				
Personnel	-	-	50,551	(50,551)
Operating	2,618,509	3,556,405	1,696,060	1,860,345
<b>Total Expenditures</b>	<b>2,618,509</b>	<b>3,556,405</b>	<b>1,746,611</b>	<b>1,809,794</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(2,518,509)</b>	<b>(3,456,405)</b>	<b>(1,646,611)</b>	<b>1,809,794</b>
<b>Other financing sources (uses):</b>				
Transfers in	1,658,309	1,698,309	1,698,309	-
<b>Net Change in Fund Balance</b>	<b>\$ (860,200)</b>	<b>\$ (1,758,096)</b>	<b>51,698</b>	<b>\$ 1,809,794</b>
Fund Balance at Beginning of Year			1,790,138	
Fund Balance at End of Year			<u>\$ 1,841,836</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, 2016**

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive/(Negative)
<b>Other financing sources (uses):</b>				
Transfers in	\$ 848,451	\$ 848,451	\$ 2,282,478	\$ 1,434,027
Transfer out	(848,451)	(848,451)	(2,282,478)	(1,434,027)
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund Balance at Beginning of Year			10	
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, 2016**

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
<b>Revenues:</b>				
Investment income	\$ -	\$ -	\$ 30	\$ 30
<b>Expenditures:</b>				
Debt Service:				
Debt Services	3,193,686	10,809,161	6,170,954	4,638,207
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(3,193,686)</b>	<b>(10,809,161)</b>	<b>(6,170,924)</b>	<b>4,638,237</b>
<b>Other financing sources (uses):</b>				
Bonds issued	-	-	31,325,000	31,325,000
Premium on bonds issued			1,672,352	1,672,352
Payment to refunding bond escrow agent	-	-	(32,907,353)	(32,907,353)
Transfers in	3,193,686	3,824,161	6,084,322	2,260,161
<b>Total Other Financing Sources (Uses)</b>	<b>3,193,686</b>	<b>3,824,161</b>	<b>6,174,321</b>	<b>2,350,160</b>
<b>Net Change in Fund Balance</b>	<b>\$ -</b>	<b>\$ (6,985,000)</b>	<b>3,397</b>	<b>\$ 6,988,397</b>
Fund Balance at Beginning of Year			3	
Fund Balance at End of Year			\$ 3,400	

**CITY OF SANTA CLARITA, CALIFORNIA**

**INTERNAL SERVICE FUNDS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2016**

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**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, 2016

	Self Insurance	Computer Replacement	Vehicle Replacement	Totals
<b>Assets:</b>				
Current assets:				
Cash and investments	\$ 3,611,874	\$ 2,069,474	\$ 4,194,755	\$ 9,876,103
Receivables:				
Accounts	-	404	5,106	5,510
Interest	9,843	5,123	10,384	25,350
Prepaid costs	-	72,801	-	72,801
Total Current Assets	<u>3,621,717</u>	<u>2,147,802</u>	<u>4,210,245</u>	<u>9,979,764</u>
Noncurrent assets:				
Capital assets:				
Equipment, net of accumulated depreciation	-	166,951	948,483	1,115,434
<b>Total Assets</b>	<u>3,621,717</u>	<u>2,314,753</u>	<u>5,158,728</u>	<u>11,095,198</u>
<b>Deferred Outflows of Resources:</b>				
Deferred outflows of net pension liability	15,728	-	-	15,728
<b>Liabilities:</b>				
Current liabilities:				
Accounts payable and accrued liabilities	27,060	251,672	52	278,784
Compensated absences	4,269	-	-	4,269
Claims and judgments	1,515,623	-	-	1,515,623
Total Current Liabilities	<u>1,546,952</u>	<u>251,672</u>	<u>52</u>	<u>1,798,676</u>
Noncurrent liabilities:				
Net pension liability	113,320	-	-	113,320
Claims and judgments	934,192	-	-	934,192
Total Non-current Liabilities	<u>1,047,512</u>	<u>-</u>	<u>-</u>	<u>1,047,512</u>
<b>Total Liabilities</b>	<u>2,594,464</u>	<u>251,672</u>	<u>52</u>	<u>2,846,188</u>
<b>Deferred Inflows of Resources:</b>				
Deferred inflows of net pension liability	11,136	-	-	11,136
<b>Net position:</b>				
Net investment in capital assets	-	166,951	948,483	1,115,434
Unrestricted	1,031,845	1,896,130	4,210,193	7,138,168
<b>Total Net Position</b>	<u>\$ 1,031,845</u>	<u>\$ 2,063,081</u>	<u>\$ 5,158,676</u>	<u>\$ 8,253,602</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, 2016**

	Self Insurance	Computer Replacement	Vehicle Replacement	Totals
<b>Operating Revenues:</b>				
Charges for services	\$ 1,945,990	\$ 601,321	\$ 142,104	\$ 2,689,415
Other revenues	-	15,412	-	15,412
<b>Total Operating Revenues</b>	<u>1,945,990</u>	<u>616,733</u>	<u>142,104</u>	<u>2,704,827</u>
<b>Operating Expenses:</b>				
Administration and personnel services	175,313	-	-	175,313
Services and supplies	1,466,892	782,572	-	2,249,464
Depreciation and expense	-	68,382	151,977	220,359
<b>Total Operating Expenses</b>	<u>1,642,205</u>	<u>850,954</u>	<u>151,977</u>	<u>2,645,136</u>
<b>Operating Income (Loss)</b>	<u>303,785</u>	<u>(234,221)</u>	<u>(9,873)</u>	<u>59,691</u>
<b>Nonoperating Revenues (Expenses):</b>				
Investment income	59,434	35,329	71,789	166,552
Gain (loss) on disposal of fixed assets	-	2,639	30,083	32,722
<b>Total Net Nonoperating Revenues (Expenses)</b>	<u>59,434</u>	<u>37,968</u>	<u>101,872</u>	<u>199,274</u>
<b>Income (loss) before transfers</b>	<u>363,219</u>	<u>(196,253)</u>	<u>91,999</u>	<u>258,965</u>
<b>Transfers</b>				
Transfers in	76,219	-	-	76,219
Transfers out	(446,185)	-	-	(446,185)
<b>Total Transfers</b>	<u>(369,966)</u>	<u>-</u>	<u>-</u>	<u>(369,966)</u>
<b>Change in net position</b>	<u>(6,747)</u>	<u>(196,253)</u>	<u>91,999</u>	<u>(111,001)</u>
<b>Net Position</b>				
Net Position at Beginning of the Year	1,038,592	2,259,334	5,066,677	8,364,603
Net Position at End of the Year	<u>\$ 1,031,845</u>	<u>\$ 2,063,081</u>	<u>\$ 5,158,676</u>	<u>\$ 8,253,602</u>

**CITY OF SANTA CLARITA, CALIFORNIA**

**COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016**

	Self Insurance	Computer Replacement	Vehicle Replacement	Totals
<b>Cash flows from operating activities:</b>				
Cash received from customers and users	\$ 2,001,620	\$ 616,329	\$ 136,998	\$ 2,754,947
Cash paid to suppliers for goods and services	(1,084,088)	(563,401)	(52,636)	(1,700,125)
Cash paid to employees for services	(176,969)	-	-	(176,969)
<b>Net Cash Provided by Operating Activities</b>	<b>740,563</b>	<b>52,928</b>	<b>84,362</b>	<b>877,853</b>
<b>Cash flows from non-capital financing activities:</b>				
Cash transfers out	(446,185)	-	-	(446,185)
Cash transfers in	76,219	-	-	76,219
<b>Net Cash Provided (Used in) Non-capital Financing Activities</b>	<b>(369,966)</b>	<b>-</b>	<b>-</b>	<b>(369,966)</b>
<b>Cash flows from capital and related financing activities:</b>				
Acquisition and construction of capital assets	-	(96,415)	(356,458)	(452,873)
Proceeds from sales of capital assets	-	2,639	30,083	32,722
<b>Net Cash (Used in) Capital and Related Financing Activities</b>	<b>-</b>	<b>(93,776)</b>	<b>(326,375)</b>	<b>(420,151)</b>
<b>Cash flows from investing activities:</b>				
Interest received	57,314	34,346	70,110	161,770
<b>Net Cash Provided by Investing Activities</b>	<b>57,314</b>	<b>34,346</b>	<b>70,110</b>	<b>161,770</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>427,911</b>	<b>(6,502)</b>	<b>(171,903)</b>	<b>249,506</b>
Cash and Cash Equivalents, Beginning of Fiscal Year	3,183,963	2,075,976	4,366,658	9,626,597
Cash and Cash Equivalents, End of Fiscal Year	\$ 3,611,874	\$ 2,069,474	\$ 4,194,755	\$ 9,876,103
<b>Reconciliation of operating income (loss) to net cash provided by operating activities:</b>				
Operating income (loss)	\$ 303,785	\$ (234,221)	\$ (9,873)	\$ 59,691
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation	-	68,382	151,977	220,359
Pension Expense	11,066	-	-	11,066
(Increase)/decrease in accounts receivable	55,630	(404)	(5,106)	50,120
Decrease in prepaid expense	-	67,212	-	67,212
Payments related to deferred outflows for contributions subsequ	(14,538)	-	-	(14,538)
Increase/(decrease) in accounts payable	(73,096)	151,959	(52,636)	26,227
Increase in claims and judgments	455,900	-	-	455,900
Increase in compensated absences	1,816	-	-	1,816
<b>Total Adjustments</b>	<b>436,778</b>	<b>287,149</b>	<b>94,235</b>	<b>818,162</b>
<b>Net Cash Provided by Operating Activities</b>	<b>\$ 740,563</b>	<b>\$ 52,928</b>	<b>\$ 84,362</b>	<b>\$ 877,853</b>
<b>Non-cash investing, capital and financing activities</b>				
Disposal of capital assets	\$ -	\$ -	\$ -	\$ -

**CITY OF SANTA CLARITA, CALIFORNIA**

**AGENCY FUNDS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2016**

---

**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  
 AGENCY FUNDS  
 AS OF AND FOR THE YEAR ENDED JUNE 30, 2016**

	Assessment District No. 92-2	Assessment District No. 99-1	Community Facilities District No. 2002-1
<b>Assets:</b>			
Cash and investments	\$ 147,790	\$ 85,031	\$ 844,620
Receivables:			
Interest	366	210	2,087
Taxes	1,815	2,972	-
Due from external parties	-	-	-
Restricted assets:			
Cash and investments with fiscal agents	55,909	59,723	1,643,939
Capital assets:			
Land	-	-	-
Building, net of accumulated depreciation	-	-	-
<b>Total Assets</b>	<b>\$ 205,880</b>	<b>\$ 147,936</b>	<b>\$ 2,490,646</b>
<b>Liabilities:</b>			
Accounts payable	\$ -	\$ -	\$ -
Due to external parties	205,880	147,936	2,490,646
<b>Total Liabilities</b>	<b>\$ 205,880</b>	<b>\$ 147,936</b>	<b>\$ 2,490,646</b>

**CITY OF SANTA CLARITA, CALIFORNIA**

**COMBINING STATEMENT OF ASSETS AND LIABILITIES  
 AGENCY FUNDS  
 AS OF AND FOR THE YEAR ENDED JUNE 30, 2016**

---

Santa Clarita Watershed and Recreation Conservancy Authority	Santa Clarita Public Television Authority	Totals
\$ 4,431	\$ 4	\$ 1,081,876
-	-	2,663
-	-	4,787
-	3,746	3,746
-	-	1,759,571
9,937,976	-	9,937,976
82,776	-	82,776
<u>\$ 10,025,183</u>	<u>\$ 3,750</u>	<u>\$ 12,873,395</u>
\$ 500	\$ 3,750	\$ 4,250
10,024,683	-	12,869,145
<u>\$ 10,025,183</u>	<u>\$ 3,750</u>	<u>\$ 12,873,395</u>

CITY OF SANTA CLARITA, CALIFORNIA

COMBINING STATEMENT OF CHANGES IN ASSETS  
AND LIABILITIES  
AGENCY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016

	Balance July 1, 2015	Additions	Deletions	Balance June 30, 2016
<b><u>Assessment District No. 92-2</u></b>				
<b>Assets</b>				
Cash and investments	\$ 134,597	\$ 82,960	\$ 69,767	\$ 147,790
Receivables:				
Interest	268	366	268	366
Taxes	417	1,814	416	1,815
Prepaid costs	944	-	944	-
Restricted assets:				
Cash and investments with fiscal agents	55,909	-	-	55,909
<b>Total Assets</b>	<b><u>\$ 192,135</u></b>	<b><u>\$ 85,140</u></b>	<b><u>\$ 71,395</u></b>	<b><u>\$ 205,880</u></b>
<b>Liabilities</b>				
Accounts payable	\$ 965	\$ 5,800	\$ 6,765	\$ -
Due to external parties	191,170	79,341	64,631	205,880
<b>Total Liabilities</b>	<b><u>\$ 192,135</u></b>	<b><u>\$ 85,141</u></b>	<b><u>\$ 71,396</u></b>	<b><u>\$ 205,880</u></b>
<b><u>Assessment District No. 99-1</u></b>				
<b>Assets</b>				
Cash and investments	\$ 76,552	\$ 76,363	\$ 67,884	\$ 85,031
Receivables:				
Interest	153	210	153	210
Taxes	1,750	2,972	1,750	2,972
Prepaid costs	903	-	903	-
Restricted assets:				
Cash and investments with fiscal agents	59,715	8	-	59,723
<b>Total Assets</b>	<b><u>\$ 139,073</u></b>	<b><u>\$ 79,553</u></b>	<b><u>\$ 70,690</u></b>	<b><u>\$ 147,936</u></b>
<b>Liabilities</b>				
Accounts payable	\$ 987	\$ 4,858	\$ 5,845	\$ -
Due to external parties	138,086	74,696	64,846	147,936
<b>Total Liabilities</b>	<b><u>\$ 139,073</u></b>	<b><u>\$ 79,554</u></b>	<b><u>\$ 70,691</u></b>	<b><u>\$ 147,936</u></b>

(Continued)

CITY OF SANTA CLARITA, CALIFORNIA

COMBINING STATEMENT OF CHANGES IN ASSETS  
AND LIABILITIES (CONTINUED)  
AGENCY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016

	Balance July 1, 2015	Additions	Deletions	Balance June 30, 2016
<b><u>Community Facilities District No. 2002-1</u></b>				
<b>Assets</b>				
Cash and investments	\$ 802,888	\$ 1,207,704	\$ 1,165,972	\$ 844,620
Receivables:				
Interest	1,601	2,087	1,601	2,087
Restricted assets:				
Cash and investments with fiscal agents	1,643,488	2,294,323	2,293,872	1,643,939
<b>Total Assets</b>	<b>\$ 2,447,977</b>	<b>\$ 3,504,114</b>	<b>\$ 3,461,445</b>	<b>\$ 2,490,646</b>
<b>Liabilities</b>				
Accounts payable	\$ -	\$ 2,185	\$ 2,185	\$ -
Due to other governments	635	-	635	-
Due to external parties	2,447,342	3,501,929	3,458,625	2,490,646
<b>Total Liabilities</b>	<b>\$ 2,447,977</b>	<b>\$ 3,504,114</b>	<b>\$ 3,461,445</b>	<b>\$ 2,490,646</b>
<b><u>Santa Clarita Watershed Recreation and Conservancy Authority</u></b>				
<b>Assets</b>				
Cash and investments	\$ 17,856	\$ 715,043	\$ 728,468	\$ 4,431
Due from other governments	715,000	-	715,000	-
Capital assets:				
Land	9,937,976	-	-	9,937,976
Building, net of accumulated depreciation	86,538	-	3,762	82,776
<b>Total Assets</b>	<b>\$ 10,757,370</b>	<b>\$ 715,043</b>	<b>\$ 1,447,230</b>	<b>\$ 10,025,183</b>
<b>Liabilities</b>				
Accounts payable	\$ -	\$ 500	\$ -	\$ 500
Due to external parties	10,757,370	714,543	1,447,230	10,024,683
<b>Total Liabilities</b>	<b>\$ 10,757,370</b>	<b>\$ 715,043</b>	<b>\$ 1,447,230</b>	<b>\$ 10,025,183</b>

(Continued)

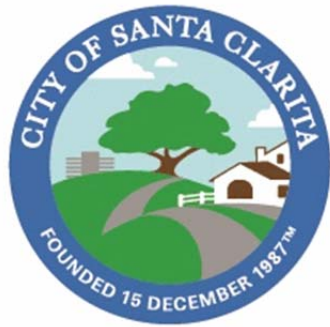


CITY OF SANTA CLARITA, CALIFORNIA

COMBINING STATEMENT OF CHANGES IN ASSETS  
AND LIABILITIES (CONTINUED)  
AGENCY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016

	Balance July 1, 2015	Additions	Deletions	Balance June 30, 2016
<b><u>Santa Clarita Public Television Authority</u></b>				
<b>Assets</b>				
Cash and investments	\$ 3	\$ 149,726	\$ 149,725	\$ 4
<b>Total Assets</b>	<b>\$ 3</b>	<b>\$ 149,726</b>	<b>\$ 149,725</b>	<b>\$ 4</b>
<b>Liabilities</b>				
Accounts payable	\$ -	\$ 3,750	\$ -	\$ 3,750
Due to (from) external parties	3	95,976	99,725	(3,746)
<b>Total Liabilities</b>	<b>\$ 3</b>	<b>\$ 99,726</b>	<b>\$ 99,725</b>	<b>\$ 4</b>
<b><u>Total Agency Funds</u></b>				
<b>Assets</b>				
Cash and investments	\$ 1,031,896	\$ 2,231,796	\$ 2,181,816	\$ 1,081,876
Receivables:				
Interest	2,022	2,663	2,022	2,663
Taxes	2,167	4,786	2,166	4,787
Prepaid costs	1,847	-	1,847	-
Due from other governments	715,000	-	715,000	-
Restricted assets:				
Cash and investments with fiscal agents	1,759,112	2,294,331	2,293,872	1,759,571
Capital assets:				
Land	9,937,976	-	-	9,937,976
Building, net of accumulated depreciation	86,538	-	3,762	82,776
<b>Total Assets</b>	<b>\$ 13,536,558</b>	<b>\$ 4,533,576</b>	<b>\$ 5,196,723</b>	<b>\$ 12,869,649</b>
<b>Liabilities</b>				
Accounts payable	\$ 1,952	\$ 17,093	\$ 14,795	\$ 4,250
Due to other governments	635	-	635	-
Due to external parties	13,533,971	4,466,485	5,135,057	12,865,399
<b>Total Liabilities</b>	<b>\$ 13,536,558</b>	<b>\$ 4,483,578</b>	<b>\$ 5,150,487</b>	<b>\$ 12,869,649</b>

# **STATISTICAL SECTION**



CITY OF SANTA CLARITA, CALIFORNIA

STATISTICS



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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.

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CONTENTS	PAGE
<b>Financial Trends</b> These tables contain trend information that may assist the reader in the City’s current financial performance by placing it in historical perspective.	146-155
<b>Revenue Capacity</b> These tables contain information that may help in assessing the viability of the City’s most significant revenue sources, the property and sales tax.	156-170
<b>Debt Capacity</b> 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.	171-177
<b>Demographic and Economic Information</b> These tables offer demographic and economic indicators to help the reader understand the environment within which the City’s financial activities take place.	178-179
<b>Operating Information</b> 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.	180-182

**City of Santa Clarita**  
**Net Position by Component <sup>(1)</sup>**  
**Last Ten Fiscal Years Ended June 30, 2016**  
**(accrual basis of accounting)**

	FISCAL YEAR			
	15-16	14-15	13-14	12-13
Governmental Activities				
Net investment in capital assets	\$ 810,324,041	\$ 818,817,043	\$ 799,926,613	\$ 738,271,282
Restricted for:				
Capital projects			-	14,292,447
Debt service			-	-
Specific projects and programs	87,150,698	73,541,304	71,643,713	54,229,493
Total restricted	87,150,698	73,541,304	71,643,713	68,521,940
Unrestricted	98,978,896	79,211,600	52,551,033	65,706,424
Total governmental activities net position	\$ 996,453,635	\$ 971,569,947	\$ 924,121,359	\$ 872,499,646
Business-Type Activities				
Net investment in capital assets	\$ 76,687,260	\$ 78,495,871	\$ 83,296,545	\$ 76,561,407
Unrestricted	3,101,763	2,766,972	2,250,491	3,835,316
Total business-type activities net position	\$ 79,789,023	\$ 81,262,843	\$ 85,547,036	\$ 80,396,723
Primary Government				
Net investment in capital assets	\$ 887,011,301	\$ 897,312,914	\$ 883,223,158	\$ 814,832,689
Restricted	87,150,698	73,541,304	71,643,713	68,521,940
Unrestricted	102,080,659	81,978,572	54,801,524	69,541,740
Total primary government net position	\$1,076,242,658	\$1,052,832,790	\$1,009,668,395	\$ 952,896,369

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					
11-12	10-11	09-10	08-09	07-08	06-07
\$ 743,281,558	\$ 717,613,095	\$ 657,644,168	\$ 629,621,720	\$ 672,306,820	\$ 661,210,117
3,275,312	3,452,815	4,769,573	4,769,573	45,993,804	18,134,924
-	-	-	-	632,680	-
46,915,965	30,201,655	85,895,468	92,644,739	61,018,399	34,441,539
50,191,277	33,654,470	90,665,041	97,414,312	107,644,883	52,576,463
79,141,211	67,397,688	63,218,255	98,512,704	66,249,901	87,737,817
\$ 872,614,046	\$ 818,665,253	\$ 811,527,464	\$ 825,548,736	\$ 846,201,604	\$ 801,524,397
\$ 73,778,640	\$ 75,416,868	\$ 67,911,725	\$ 66,478,547	\$ 63,526,242	\$ 62,246,621
3,099,419	503,446	(176,196)	3,603,396	2,957,611	1,553,088
\$ 76,878,059	\$ 75,920,314	\$ 67,735,529	\$ 70,081,943	\$ 66,483,853	\$ 63,799,709
\$ 817,060,198	\$ 793,029,963	\$ 725,555,893	\$ 696,100,267	\$ 735,833,062	\$ 723,456,738
50,191,277	33,654,470	90,665,041	97,414,312	107,644,883	52,576,463
82,240,630	67,901,134	63,042,059	102,116,100	69,207,512	89,290,905
\$ 949,492,105	\$ 894,585,567	\$ 879,262,993	\$ 895,630,679	\$ 912,685,457	\$ 865,324,106

**City of Santa Clarita**  
**Changes in Net Position <sup>(1)</sup>**  
**Last Ten Fiscal Years Ended June 30, 2016**  
**(accrual basis of accounting)**

	FISCAL YEAR			
	15-16	14-15	13-14	12-13
<b>Expenses</b>				
Governmental Activities				
General government	\$ 39,155,006	\$ 46,224,813	\$ 41,807,284	\$ 35,921,943
Public safety	23,778,931	22,235,368	22,187,434	19,940,098
Public works	30,467,720	36,103,144	26,183,862	28,651,261
Parks, recreation and community service	23,350,273	22,619,337	22,550,301	21,809,820
Community development	10,505,906	5,720,237	6,193,101	7,214,293
Unallocated infrastructure depreciation	18,342,933	18,072,657	17,561,539	15,163,864
Interest on long-term debt	2,194,181	1,827,094	1,872,832	1,992,574
Total governmental activities expenses	<u>147,794,950</u>	<u>152,802,650</u>	<u>138,356,353</u>	<u>130,693,853</u>
Business-Type Activities				
Transit	28,127,407	28,062,668	26,819,161	25,653,753
Total business-type activities expenses	<u>28,127,407</u>	<u>28,062,668</u>	<u>26,819,161</u>	<u>25,653,753</u>
Total primary government expenses	<u>\$175,922,357</u>	<u>\$180,865,318</u>	<u>\$165,175,514</u>	<u>\$156,347,606</u>
<b>Program Revenues</b>				
Governmental Activities				
Charges for services:				
General government	\$ 21,977,246	\$ 26,783,616	\$ 31,970,148	\$ 24,323,027
Public safety	1,162,551	1,605,059	1,847,403	2,284,334
Public works	17,339,507	13,056,586	12,463,046	9,943,014
Parks, recreation and community service	8,142,336	4,525,662	4,390,686	4,371,888
Community development	1,857,018	1,774,482	1,961,243	1,611,184
Operating grants and contributions	7,705,545	12,561,608	19,421,199	9,061,950
Capital grants and contributions	23,602,526	30,107,231	22,530,841	33,585,797
Total governmental activities program revenues	<u>81,786,729</u>	<u>90,414,244</u>	<u>94,584,566</u>	<u>85,181,194</u>
Business-Type Activities				
Charges for services:				
Transit	7,546,433	6,779,579	7,587,497	6,863,086
Operating grants and contributions	9,153,499	8,228,348	8,984,127	8,579,209
Capital grants and contributions	3,504,305	1,423,440	10,804,747	8,513,238
Total business-type activities program revenues	<u>20,204,237</u>	<u>16,431,367</u>	<u>27,376,371</u>	<u>23,955,533</u>
Total primary government revenues	<u>\$101,990,966</u>	<u>\$106,845,611</u>	<u>\$121,960,937</u>	<u>\$109,136,727</u>

Note:

(1) The City implemented the GASB 34 reporting module for the fiscal year ended June 30, 2003.

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

**FISCAL YEAR**

<b>11-12</b>	<b>10-11</b>	<b>09-10</b>	<b>08-09</b>	<b>07-08</b>	<b>06-07</b>
\$ 33,664,470	\$ 47,048,462	\$ 32,116,335	\$ 30,094,380	\$ 27,488,731	\$ 26,029,070
27,391,075	21,280,904	17,912,704	17,489,870	16,482,917	14,398,408
30,623,718	25,799,166	26,758,527	48,514,645	30,549,888	19,273,980
19,282,538	11,281,552	27,835,763	32,747,618	21,817,251	20,573,077
5,896,640	11,547,650	13,831,341	9,761,681	9,257,881	8,985,449
16,844,238	16,392,901	15,545,626	14,405,047	13,128,617	12,920,310
3,391,058	4,650,566	5,476,918	5,786,174	3,127,998	2,087,949
137,093,737	138,001,201	139,477,214	158,799,415	121,853,283	104,268,243
24,930,635	24,127,043	23,348,708	22,299,379	21,506,317	18,315,106
24,930,635	24,127,043	23,348,708	22,299,379	21,506,317	18,315,106
\$162,024,372	\$162,128,244	\$162,825,922	\$181,098,794	\$143,359,600	\$122,583,349
\$ 13,719,117	\$ 398,181	\$ 396,651	\$ 621,624	\$ 2,737,355	\$ 302,075
2,079,109	2,305,608	2,194,038	1,898,022	2,291,100	2,131,060
7,209,724	4,929,602	3,162,052	260,524	355,817	3,575,546
4,156,386	4,220,977	3,956,933	3,849,699	3,875,539	3,895,422
5,152,484	12,059,509	15,937,913	35,138,334	26,341,684	20,182,722
16,032,433	14,090,686	16,224,269	9,931,109	22,600,793	26,641,145
28,616,388	31,325,725	15,249,634	38,785,576	39,003,536	24,770,306
76,965,641	69,330,288	57,121,490	90,484,888	97,205,824	81,498,276
6,616,778	6,573,879	3,181,614	3,299,263	3,216,239	5,827,778
7,385,264	6,913,534	10,260,579	13,653,177	11,876,720	12,616,641
5,041,992	13,043,418	-	-	617,421	750,200
19,044,034	26,530,831	13,442,193	16,952,440	15,710,380	19,194,619
\$ 96,009,675	\$ 95,861,119	\$ 70,563,683	\$107,437,328	\$112,916,204	\$100,692,895

(Continued)



**City of Santa Clarita**  
**Changes in Net Position <sup>(1)</sup>**  
**Last Ten Fiscal Years Ended June 30, 2016**  
**(accrual basis of accounting)**

	FISCAL YEAR			
	15-16	14-15	13-14	12-13
<b>Net Revenues (expenses):</b>				
Governmental activities	(66,008,221)	\$ (62,388,406)	\$ (43,771,787)	\$ (45,512,659)
Business-type activities	(7,923,170)	(11,631,301)	557,210	(1,698,220)
Total net revenues (expenses)	<u>(73,931,391)</u>	<u>\$ (73,931,391)</u>	<u>\$ (74,019,707)</u>	<u>\$ (43,214,577)</u>
<b>General Revenue and Other Changes in Net Position</b>				
Governmental activities				
Taxes:				
Sales taxes	\$ 37,807,385	\$ 34,355,412	\$ 33,480,522	\$ 32,057,358
Property taxes	40,072,597	38,556,890	35,652,080	32,341,369
Franchise taxes	8,392,789	8,512,818	7,796,070	7,141,953
Real property transfer taxes	1,383,743	1,169,780	947,470	706,180
Transient occupancy taxes	3,813,437	3,124,904	2,781,527	2,556,774
Unrestricted revenue in lieu of motor vehicle taxes	128,783	85,703	86,531	91,062
Unrestricted revenue in lieu of sales taxes	-	-	-	-
Grants and contributions not restricted to specific programs	-	-	-	-
Unrestricted investment earnings	4,142,959	2,240,594	2,090,322	(82,870)
Miscellaneous revenue	1,080,771	678,937	781,986	310,676
Gain on sale of capital asset	459,709	27,410	18,174	-
Transfers	(6,390,264)	(7,329,516)	(5,692,032)	(5,187,224)
Reversal of Allowance for Notes to RDA Successor Agency		12,633,832		
Capital Contributions		15,780,230		
Total governmental activities	<u>90,891,909</u>	<u>109,836,994</u>	<u>77,942,650</u>	<u>69,935,278</u>
Business-type activities				
Unrestricted investment earnings	59,086	17,592	4,791	29,660
Miscellaneous revenue			-	-
Transfers	6,390,264	7,329,516	5,692,032	5,187,224
Total business-type activities	<u>6,449,350</u>	<u>7,347,108</u>	<u>5,696,823</u>	<u>5,216,884</u>
Total primary government	<u>\$ 97,341,259</u>	<u>\$ 117,184,102</u>	<u>\$ 83,639,473</u>	<u>\$ 75,152,162</u>
<b>Extraordinary Item</b>				
Gain from dissolution of former redevelopment agency of the City of Santa Clarita	-	\$ -	\$ -	\$ -
<b>Change in Net Position</b>				
Governmental activities	\$ 24,883,688	\$ 47,448,588	\$ 34,170,863	\$ 24,422,619
Business-type activities	(1,473,820)	(4,284,193)	6,254,033	3,518,664
Total primary government	<u>\$ 23,409,868</u>	<u>\$ 43,164,395</u>	<u>\$ 40,424,896</u>	<u>\$ 27,941,283</u>

Note:

(1) The City implemented the GASB 34 reporting module for the fiscal year ended June 30, 2003.

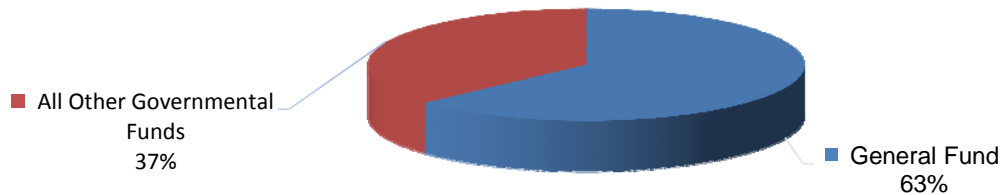
Source: City of Santa Clarita, Administrative Services Department - Finance Division

FISCAL YEAR					
11-12	10-11	09-10	08-09	07-08	06-07
\$ (60,128,096)	\$ (68,670,913)	\$ (82,355,724)	\$ (68,314,527)	\$ (24,647,459)	\$ (22,769,967)
(5,886,601)	2,403,788	(9,906,515)	(5,346,939)	(5,795,937)	879,513
\$ -	\$ -	\$ (66,267,125)	\$ (92,262,239)	\$ (73,661,466)	\$ (30,443,396)
\$ 28,828,139	\$ 27,701,757	\$ 24,511,238	\$ 27,751,506	\$ 29,076,388	\$ 23,790,825
34,818,426	24,996,219	25,126,278	26,820,068	24,482,930	27,891,202
6,920,244	6,697,241	6,407,923	6,704,074	6,028,903	6,248,912
590,474	3,082,456	4,564,687	4,816,638	836,824	1,073,774
2,380,547	2,106,521	2,050,857	2,260,708	2,433,651	1,804,923
-	-	-	-	-	-
-	3,316,058	3,221,498	3,083,353	8,490,865	8,156,017
87,883	812,475	896,708	1,015,413	1,252,281	1,862,901
1,509,201	3,756,112	4,871,133	6,020,940	4,566,884	4,970,193
5,372,890	9,148,163	4,161,677	3,193,421	-	-
-	-	-	-	-	-
(6,844,199)	(5,808,300)	(7,477,547)	(8,006,128)	(8,431,120)	441,376
73,663,605	75,808,702	68,334,452	73,659,993	68,737,606	76,240,123
147	(27,303)	82,554	-	48,961	26,367
-	-	-	938,901	-	-
6,844,199	5,808,300	7,477,547	8,006,128	8,431,120	(441,376)
6,844,346	5,780,997	7,560,101	8,945,029	8,480,081	(415,009)
\$ 80,507,951	\$ 81,589,699	\$ 75,894,553	\$ 82,605,022	\$ 77,217,687	\$ 75,825,114
\$ 40,413,284	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 53,948,793	\$ 7,137,789	\$ (14,021,272)	\$ 5,345,466	\$ 44,090,147	\$ 53,470,156
957,745	8,184,785	(2,346,414)	3,598,090	2,684,144	464,504
\$ 54,906,538	\$ 15,322,574	\$ (16,367,686)	\$ 8,943,556	\$ 46,774,291	\$ 53,934,660

**City of Santa Clarita**  
**Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years Ended June 30, 2016**  
**(modified accrual basis of accounting)**

	<b>FISCAL YEAR</b>			
	<b>15-16</b>	<b>14-15</b>	<b>13-14</b>	<b>12-13</b>
<b>General Fund</b>				
Reserved	\$ -	\$ -	\$ -	\$ -
Unreserved				
Nonspendable	11,108,252	11,024,338	11,519,143	11,910,059
Restricted	-	-	-	-
Committed				
Assigned	79,367,084	55,336,807	51,718,096	47,106,536
Unassigned	50,669,580	50,141,486	45,654,640	35,320,706
<b>Total general fund</b>	<b>\$ 141,144,916</b>	<b>\$ 116,502,631</b>	<b>\$ 108,891,879</b>	<b>\$ 94,337,301</b>
<b>All Other Governmental Funds</b>				
Reserved	\$ -	\$ -	\$ -	\$ -
Unreserved:				
Special revenue funds	-	-	-	-
Debt service fund	-	-	-	-
Capital projects fund	-	-	-	-
Nonspendable	223,648	1,455,067	606,996	670,612
Restricted	87,150,698	85,763,293	84,268,720	68,957,999
Committed	14,000	14,000	612,829	716,826
Assigned	1,881,728	1,843,822	3,412,127	4,466,367
Unassigned	(6,975,198)	(8,633,303)	(9,300,647)	(10,665,597)
<b>Total all other governmental funds</b>	<b>\$ 82,294,876</b>	<b>\$ 80,442,879</b>	<b>\$ 79,600,025</b>	<b>\$ 64,146,207</b>

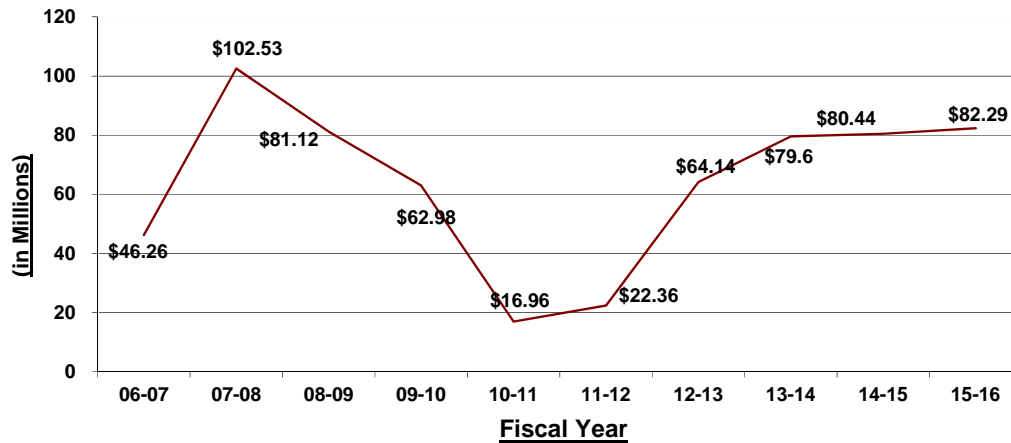
**FUND BALANCES**  
**Fiscal Year Ended June 30, 2016**



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

FISCAL YEAR					
11-12	10-11	09-10	08-09	07-08	06-07
\$ -	\$ -	\$ 19,546,015	\$ 32,617,139	\$ 34,920,547	\$ 34,699,034
-	-	58,211,508	41,674,470	31,153,879	28,500,824
18,902,350	23,845,861	-	-	-	-
-	-	-	-	-	-
66,257	12,356,339	-	-	-	-
309,078	572,781	-	-	-	-
50,664,338	46,915,238	-	-	-	-
<b>\$ 69,942,023</b>	<b>\$ 83,690,219</b>	<b>\$ 77,757,523</b>	<b>\$ 74,291,609</b>	<b>\$ 66,074,426</b>	<b>\$ 63,199,858</b>
\$ -	\$ -	\$ 51,195,454	\$ 70,667,494	\$ 51,972,970	\$ 48,303,588
-	-	2,109,198	(7,048,095)	28,377,796	3,827,570
-	-	(24,048,962)	(17,004,471)	(15,873,835)	(10,461,382)
-	-	33,725,531	34,502,270	38,050,255	4,592,332
28,885,983	28,813,152	-	-	-	-
46,915,965	57,205,072	-	-	-	-
-	-	-	-	-	-
3,275,312	3,637,410	-	-	-	-
(56,718,519)	(72,692,440)	-	-	-	-
<b>\$ 22,358,741</b>	<b>\$ 16,963,194</b>	<b>\$ 62,981,221</b>	<b>\$ 81,117,198</b>	<b>\$ 102,527,186</b>	<b>\$ 46,262,108</b>

**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, 2016**  
**(modified accrual basis of accounting)**

	FISCAL YEAR			
	15-16	14-15	13-14	12-13
<b>Revenues:</b>				
Taxes	\$ 91,598,734	\$ 85,789,556	\$ 80,285,660	\$ 73,972,006
Licenses and permits	7,283,898	5,567,280	5,366,972	4,246,957
Developer fees	6,272,799	10,764,554	2,600,997	15,828,388
Investment income	3,937,618	2,026,507	1,911,491	1,702,006
Intergovernmental	31,380,753	31,953,692	34,355,734	27,452,216
Fines and forfeitures	973,753	1,261,752	1,661,157	2,114,166
Service charges	36,828,067	37,738,754	42,156,582	36,311,324
Other revenues	1,789,724	511,117	5,943,608	332,146
<b>Total Revenues</b>	<b>180,065,346</b>	<b>175,613,212</b>	<b>174,282,201</b>	<b>161,959,209</b>
<b>Expenditures:</b>				
Current:				
General government	35,969,981	43,196,168	36,294,205	35,433,288
Public safety	23,777,171	22,188,641	22,137,338	19,894,859
Public works	37,937,050	36,082,625	24,385,865	27,968,407
Parks and recreation	21,327,662	21,007,651	20,498,108	19,824,550
Community development	10,673,993	5,883,441	6,185,263	7,252,424
Capital outlay	10,562,953	23,224,180	36,580,589	23,837,533
Debt service:				
Principal	2,852,140	1,992,479	1,837,174	1,750,538
Interest, professional services and fiscal charges	4,539,815	1,850,703	1,885,546	2,039,144
Redemption of district credits	-	5,105,402	-	14,368,419
<b>Total Expenditures</b>	<b>147,640,765</b>	<b>160,531,290</b>	<b>149,804,088</b>	<b>152,369,162</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>32,424,581</b>	<b>15,081,922</b>	<b>24,478,113</b>	<b>9,590,047</b>
<b>Other Financing Sources (Uses)</b>				
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	11,940,563	7,850,640	9,757,447	9,069,495
Transfers out	(17,960,861)	(14,478,956)	(15,524,498)	(14,256,719)
Issuance of district credits	-	-	11,297,334	12,270,335
<b>Total Other Financing Sources (Uses)</b>	<b>(5,930,299)</b>	<b>(6,628,316)</b>	<b>5,530,283</b>	<b>7,083,111</b>
<b>Extraordinary Item:</b>				
Dissolution of Santa Clarita Redevelopment Agency	-	-	-	-
<b>Net change in fund balances</b>	<b>26,494,282</b>	<b>8,453,606</b>	<b>30,008,396</b>	<b>16,673,158</b>
Fund balances - Beginning of Year	196,945,510	188,491,904	158,483,508	141,810,350
<b>Fund balances - End of Year</b>	<b>\$ 223,439,792</b>	<b>\$ 196,945,510</b>	<b>\$ 188,491,904</b>	<b>\$ 158,483,508</b>
Debt service as percentage of noncapital expenditures	5.72%	2.80%	3.26%	2.95%

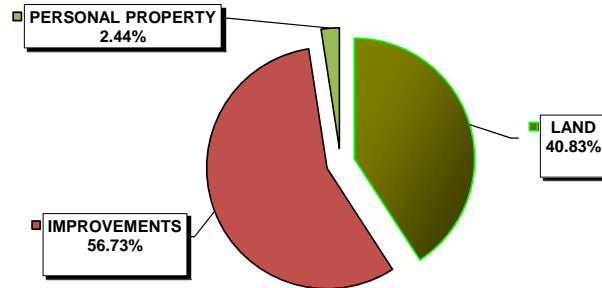
Source: City of Santa Clarita, Administrative Services Department - Finance Division

FISCAL YEAR						
	11-12	10-11	09-10	08-09	07-08	06-07
\$	73,625,713	\$ 72,474,882	\$ 80,714,829	\$ 87,659,599	\$ 88,088,786	\$ 70,576,755
	4,097,709	3,675,424	4,093,250	3,697,218	5,256,748	4,203,933
	7,181,986	282,776	3,053,363	15,763,070	22,290,808	6,747,767
	2,739,794	3,798,498	5,485,925	10,749,728	8,287,441	7,926,763
	28,375,142	19,780,700	33,881,145	28,882,884	24,247,611	37,300,213
	1,674,085	1,891,500	1,936,318	1,759,371	2,121,570	1,918,954
	28,145,012	23,608,272	10,812,521	8,375,771	9,931,041	13,463,673
	6,425,792	7,685,141	7,234,923	5,077,400	3,368,879	4,356,961
	152,265,233	133,197,193	147,212,274	161,965,041	163,592,884	146,495,019
	50,816,449	42,213,597	27,951,510	27,250,056	25,965,196	23,411,750
	25,412,420	21,230,594	17,862,129	17,439,295	16,342,979	14,347,833
	20,753,607	34,210,327	20,594,575	42,937,168	25,977,763	19,511,097
	19,523,584	21,853,319	20,048,430	20,126,412	20,156,343	18,943,146
	5,923,872	11,575,365	10,849,942	7,095,386	7,583,236	9,051,652
	27,403,439	21,311,885	46,183,268	41,826,511	44,906,802	57,926,955
	2,338,787	2,246,218	2,611,372	2,072,341	1,927,198	2,374,870
	3,743,134	4,796,695	5,411,152	5,279,549	4,632,979	2,298,974
	-	-	-	-	-	-
	155,915,292	159,438,000	151,512,378	164,026,718	147,492,496	147,866,277
	(3,650,059)	(26,240,807)	(4,300,104)	(2,061,677)	16,100,388	(1,371,258)
	-	-	-	-	-	13,894,752
	-	-	-	-	54,235,000	-
	-	-	-	-	(226,682)	-
	252,068	-	-	-	-	-
	16,538,674	50,869,852	18,953,115	12,150,426	43,112,541	27,468,089
	(29,810,448)	(64,714,376)	(28,930,662)	(23,281,554)	(54,668,661)	(29,881,193)
	-	-	-	-	-	-
	(13,019,706)	(13,844,524)	(9,977,547)	(11,131,128)	42,452,198	11,481,648
	8,317,116	-	-	-	-	-
	(8,352,649)	(40,085,331)	(14,277,651)	(13,192,805)	58,552,586	10,110,390
	100,653,413	140,738,744	155,016,395	168,601,612	110,049,026	99,351,576
\$	\$ 92,300,764	\$ 100,653,413	\$ 140,738,744	\$ 155,408,807	\$ 168,601,612	\$ 109,461,966
	4.40%	5.96%	6.84%	5.54%	5.16%	4.27%

City of Santa Clarita  
 Assessed Values <sup>(1)</sup> 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
2006-07	2,156,981	8,312,011	197,013	10,666,005	8,556,960,792	9,766,997,767	104,509,489	(253,946,364)	18,174,521,684
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

ASSESSED VALUATION by CATEGORIES  
 (Total Secured and Unsecured)  
 Fiscal Year Ended June 30, 2016



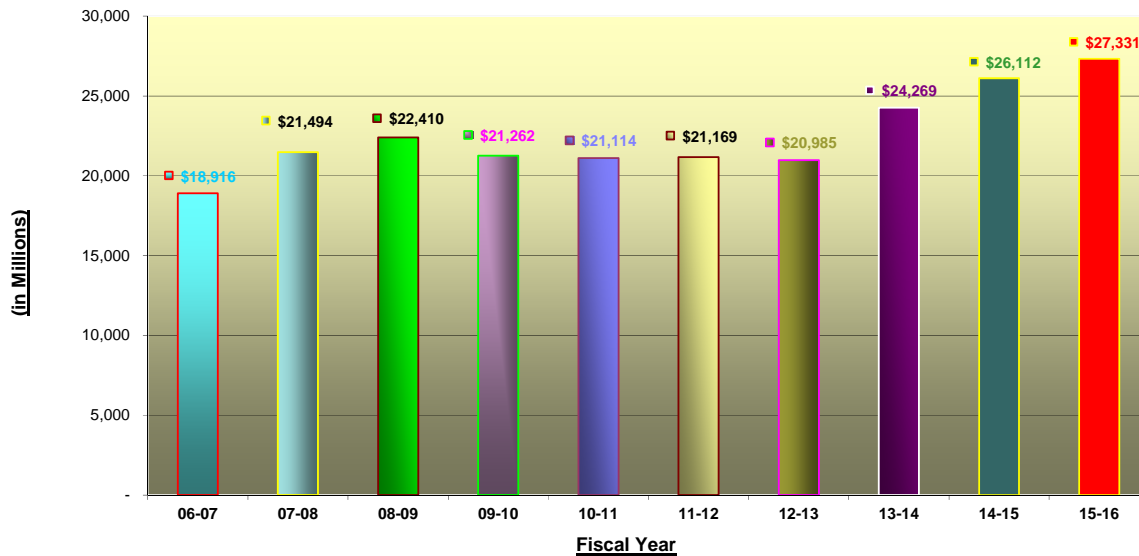
Note:

- (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 2015-16

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						
255,417,833	482,574,856	(7,299,585)	730,693,104	19,177,126,742	18,915,880,793	11.67%	0.06948%	206,464,204
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

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





City of Santa Clarita  
 Redevelopment Agency <sup>(1)</sup>  
 Assessed Values <sup>(2)</sup> 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
2006-07	50,158	37,657	21,558	109,373	295,792,467	185,299,271	2,545,972	(5,085,710)	478,552,000
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

(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.

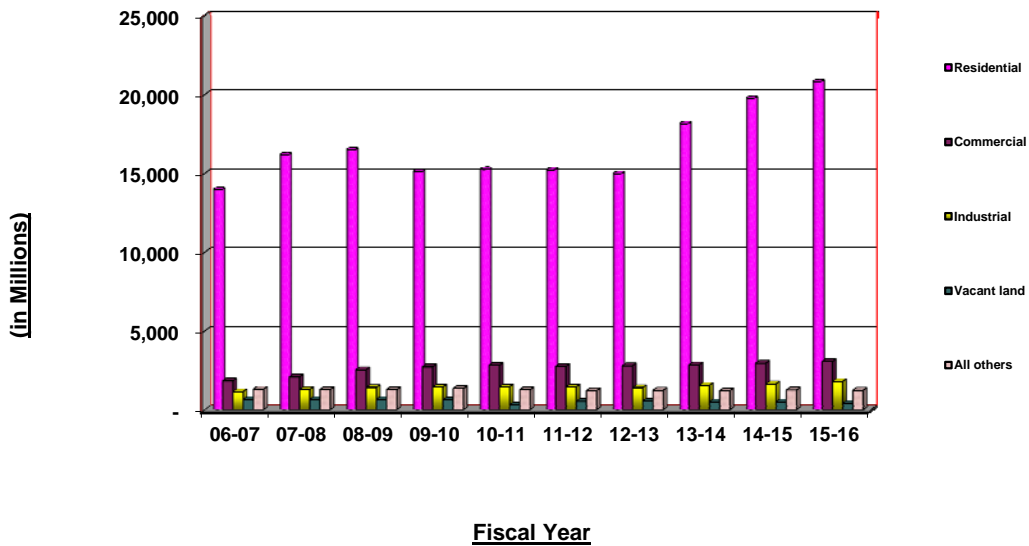
Source: County of Los Angeles, Auditor-Controller/Tax Division

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							
26,593,269	25,569,962	(16,300)	52,146,931	530,808,304	(266,351,517)	264,456,787	54,429,376	1,971,567	
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	

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

CATEGORY	FISCAL YEAR				
	15-16	14-15	13-14	12-13	11-12
Residential	\$ 20,809,579,112	\$ 19,755,522,402	\$ 18,138,258,224	\$ 14,971,655,728	\$ 15,212,586,674
Commercial	3,059,958,633	2,952,772,231	2,847,760,176	2,794,405,083	2,748,247,727
Industrial	1,799,119,742	1,642,718,866	1,561,091,316	1,413,623,056	1,455,126,754
Irrigated	2,936,120	2,834,466	2,827,311	2,796,388	3,016,072
Dry farm	-	-	-	-	-
Recreational	104,324,505	101,870,300	100,138,918	104,981,278	106,506,146
Institutional	162,056,819	142,862,940	136,824,169	132,119,758	125,982,002
Government	220,358	216,042	215,066	210,850	206,717
Miscellaneous	348,240	341,421	1,017,342	864,299	847,359
Vacant land	419,750,992	507,997,067	509,125,263	565,117,297	533,608,937
SBE Nonunitary	3,696,751	3,696,751	3,696,751	3,696,751	3,696,751
Possessory Int.	115,205,002	112,978,072	113,541,478	125,301,717	131,534,263
Unsecured	853,667,044	888,132,057	854,976,697	870,669,758	847,579,230
Unknown	20	20	20	-	-
<b>TOTALS:</b>	<b>\$ 27,330,863,338</b>	<b>\$ 26,111,942,635</b>	<b>\$ 24,269,472,731</b>	<b>\$ 20,985,441,963</b>	<b>\$ 21,168,938,632</b>

**ASSESSED VALUE - TAXABLE PROPERTY  
Last Ten Fiscal Years**



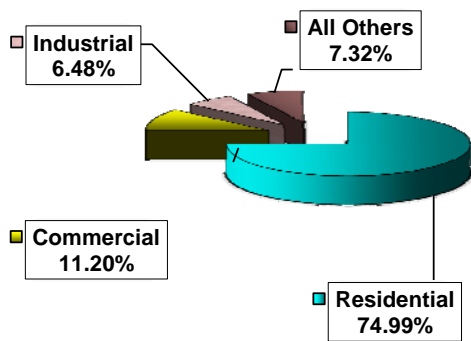
<b>FISCAL YEAR</b>				
<b>10-11</b>	<b>09-10</b>	<b>08-09</b>	<b>07-08</b>	<b>06-07</b>
\$ 15,239,936,469	\$ 15,094,074,637	\$ 16,493,025,013	\$ 16,165,919,271	\$ 13,962,275,972
2,820,296,027	2,729,669,423	2,541,908,257	2,081,576,763	1,836,340,797
1,463,696,151	1,451,053,867	1,420,480,569	1,293,080,539	1,148,469,489
3,004,749	3,630,743	3,559,558	3,489,768	29,374,674
-	-	-	-	49,088,244
121,791,852	121,511,353	119,459,165	114,868,032	90,435,287
127,363,481	125,868,861	136,418,924	130,907,129	94,705,673
205,173	206,850	201,629	197,676	194,922
841,034	843,038	-	810,312	795,449
308,820,538	636,182,476	664,562,300	664,792,342	656,660,955
4,015,175	3,573,175	1,073,171	8,243,171	10,666,005
136,599,828	150,671,347	158,723,783	239,115,623	222,654,730
887,372,458	944,836,476	871,039,834	790,596,511	730,697,804
-	-	-	-	83,525,492
<b>\$ 21,113,942,935</b>	<b>\$ 21,262,122,246</b>	<b>\$ 22,410,452,203</b>	<b>\$ 21,493,597,137</b>	<b>\$ 18,915,885,493</b>

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.

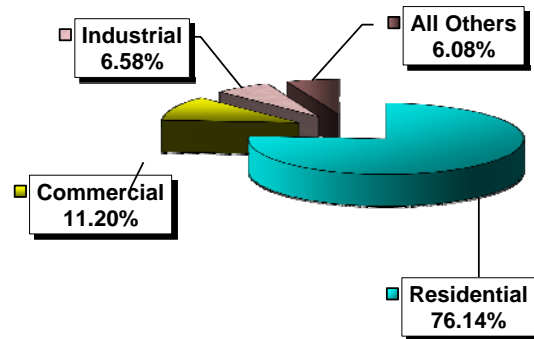
City of Santa Clarita  
 Assessed Values—Use Category Summary  
 Fiscal Year 2015-16

CATEGORY	PARCELS	ASSESSED VALUE	PERCENT	EXEMPTIONS	NET TAXABLE VALUE	PERCENT
Residential	55,644	\$ 20,861,002,565	75.0%	\$ 51,423,453	\$ 20,809,579,112	76.14%
Commercial	912	3,115,762,703	11.2%	\$ 55,804,070	3,059,958,633	11.20%
Industrial	725	1,802,878,508	6.5%	\$ 3,758,766	1,799,119,742	6.58%
Irrigated	6	2,936,120	0.0%	\$ -	2,936,120	0.01%
Recreational	34	107,194,763	0.4%	\$ 2,870,258	104,324,505	0.38%
Institutional	94	515,971,722	1.9%	\$ 353,914,903	162,056,819	0.59%
Government	5	221,627	0.0%	\$ 1,269	220,358	0.00%
Miscellaneous	6	348,240	0.0%	\$ -	348,240	0.00%
Vacant land	3,721	421,215,373	1.5%	\$ 1,464,381	419,750,992	1.54%
SBE Nonunitary	(13)	3,696,751	0.0%	\$ -	3,696,751	0.01%
Possessory Int.	(2,202)	117,065,505	0.4%	\$ 1,860,503	115,205,002	0.42%
Unsecured	(6,260)	868,950,881	3.1%	\$ 15,283,837	853,667,044	3.12%
Unknown	25	20	0.0%	\$ -	20	0.00%
<b>TOTALS:</b>	<b>52,697</b>	<b>\$ 27,817,244,778</b>	<b>100.00%</b>	<b>\$ 486,381,440</b>	<b>\$ 27,330,863,338</b>	<b>100.00%</b>

ASSESSED VALUE by USE CATEGORY  
 Fiscal Year 2015-16



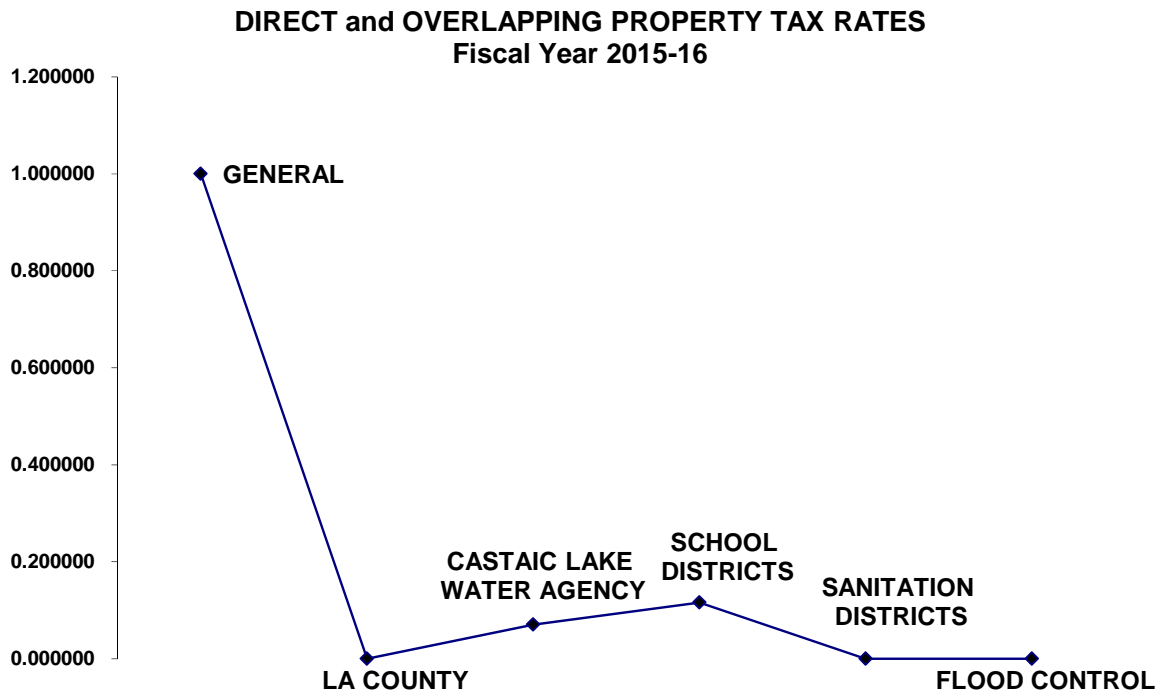
NET TAXABLE VALUE by USE CATEGORY  
 Fiscal Year 2015-16



Source: HdL Coren & Cone, Los Angeles County Assessor 2015/16 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
2006-07	1.000000	0.000660	0.040000	0.060360	-	0.000050	1.101070
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



Source: HdL Coren & Cone, Los Angeles County Assessor 2015-16 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	
2015-16	0.122750	0.000000	0.122750	0.00000%	0.09169%

Agency	2014-15
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
<b>Total Prop. 13 Rate:</b>	<b>1.00000</b>

**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)	0.07060
Newhall Elementary School District Debt Services 1999 Ser. B (581.53)	0.01920
Newhall Elementary School District Debt Services 1999 Ser. A (581.52)	0.01961
Santa Clarita Community College Debt Services 2001 Ser. 2005 (814.54)	0.00730
Santa Clarita Community College Debt Services 2006 Ser. 2007 (814.55)	0.00694
Santa Clarita Community College Debt Services 2005 Refunding Bonds (814.56)	0.00787
Santa Clarita Community College Debt Services 2001 Ser. 2003 (814.52)	0.00451
Santa Clarita Community College Debt Services 2006 Ser. 2012	0.00151
William S. Hart Un.Hsd Debt Services (757.51)	0.01263
William S. Hart Un.Hsd Debt Services 2008 Ser. B	0.01009
William S. Hart Un.Hsd Debt Services 2008 Ser. C	0.01010
William S. Hart Unified Debt Services 2001 Ser. B (757.52)	0.00811
William S. Hart Unified Debt Services 2008 Ser. A (757.53)	0.00821
<b>Total Tax Rate</b>	<b>0.18667</b>

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

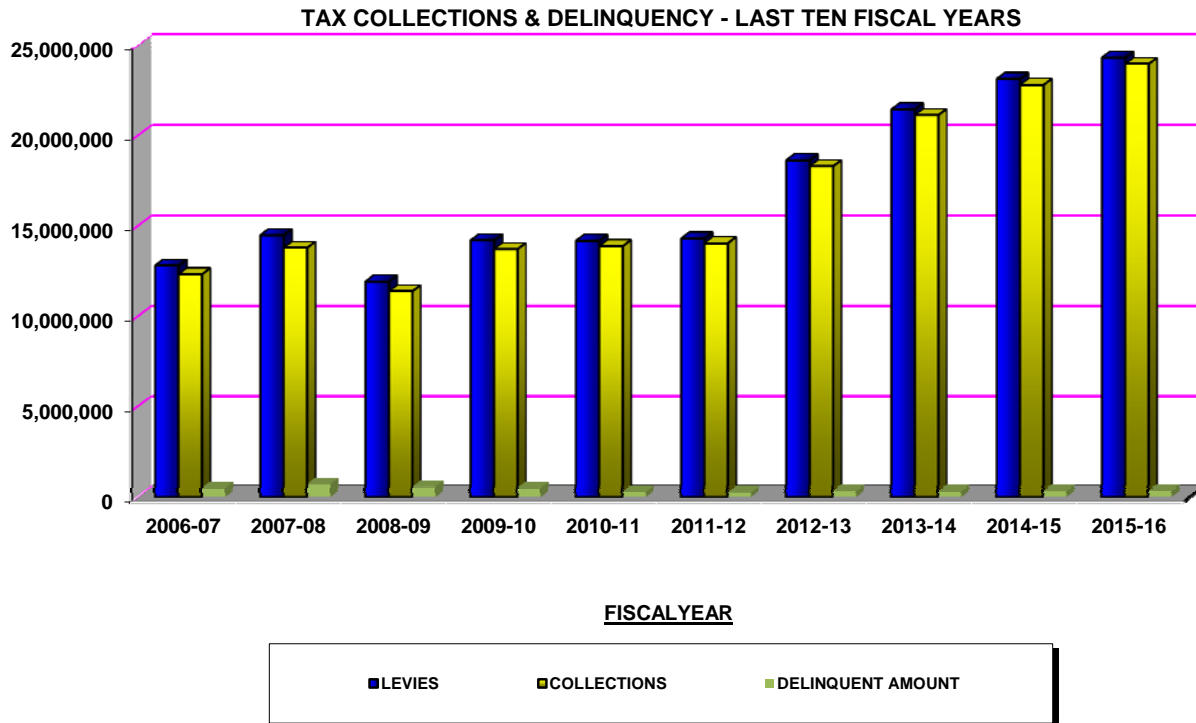
OWNER/TAXPAYER	FISCAL YEAR 2015-16			FISCAL YEAR 2005-06			
	Number of Parcels	TOTAL ASSESSED VALUE	PERCENT of TOTAL CITY ASSESSED VALUE	Number of Parcels	TOTAL ASSESSED VALUE	PERCENT of TOTAL CITY ASSESSED VALUE	
Valencia Town Center Venture LP	17	\$ 367,936,798	1.35 %	Valencia Town Center Venture	30	\$ 272,336,100	1.44 %
Packard Humanities Institute	1	208,435,089	0.76	Prado Town Center West LLC	8	79,879,058	0.42
Saugus Colony Limited	20	144,010,414	0.53	Thomas Properties Group LLC	34	78,813,675	0.42
PFI Valencia LLC	9	138,800,017	0.51	Casden Santa Clarita LLC	25	76,499,959	0.40
Park Sierra Properties	15	135,206,123	0.49	Walmart Real Estate Business	5	63,157,630	0.33
EQR Valencia LLC	218	101,364,875	0.37	Lennar Homes of California Inc	3	60,676,231	0.32
EQR The Oaks LLC	28	99,293,291	0.36	EQR Valencia LLC	217	55,970,730	0.30
Valencia Biomedical Park LLC	5	98,603,931	0.36	EQR Town Center LLC	3	51,689,867	0.27
ARC SLSTCCA001 LLC	4	96,000,000	0.35	Palmer Saugus Limited	22	50,048,598	0.26
RREEF America Reit II Corp	2	80,968,282	0.30	Newhall Land and Farming Co	131	49,778,590	0.26
Total	319	1,470,618,820	5.38 %		478	838,850,438	4.43 %
All Others		25,860,244,518	94.62			18,077,035,055	95.57
Total Assessed Valuation		<u>\$ 27,330,863,338</u>	100.00 %			<u>\$ 18,915,885,493</u>	100.00 %

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



**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
2006-07	12,804,630	96.2%	2,689	12,320,303	96.22%
2007-08	14,483,825	95.0%	32,577	13,786,761	95.19%
2008-09	11,925,285	95.3%	16,722	11,378,326	95.41%
2009-10	14,202,626	96.5%	-	13,711,940	96.55%
2010-11	14,172,030	97.6%	50,605	13,880,246	97.94%
2011-12	14,299,999	97.9%	49,862	14,049,633	98.25%
2012-13	18,634,850	98.2%	-	18,297,746	98.19%
2013-14	21,446,963	98.5%	-	21,128,332	98.51%
2014-15	23,131,317	98.5%	-	22,795,838	98.55%
2015-16	24,304,887	98.6%	-	23,957,604	98.57%



**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.

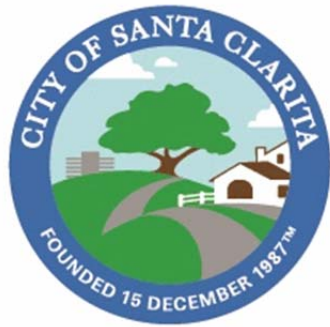
Prior to the implementation of GASB 44 in FY 2006, collections in subsequent years were not required to be reported by tax year. Beginning in FY 2007, collections in subsequent years are included.

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

City of Santa Clarita  
 Successor Agency  
 Top Property Owners Based on Net Values  
 Fiscal Year 2015-16

Owner	Secured			Unsecured			Combined		Primary Use
	Parcels	Value	% of Net AV	Parcels	Values	% of Net AV	Value	% of Net AV	
1 Time Warner Cable				5	\$40,927,946	58.86%	\$ 40,927,946	6.53%	Unsecured
2 Casden Santa Clarita LLC <i>(Pending Appeals On Parcels)</i>	24	\$ 20,800,000	3.73%				20,800,000	3.32%	Vacant
3 Saugus Station LLC	6	17,986,112	3.23%				17,986,112	2.87%	Industrial
4 Peter and Barbara Coeler, et. al. <i>(Pending Appeals On Parcels)</i>	4	11,768,482	2.11%	1	7,733	0.01%	11,776,215	1.88%	Residential
5 Lyons Properties Limited <i>(Pending Appeals On Parcels)</i>	1	10,121,667	1.82%				10,121,667	1.61%	Commercial
6 Telfair Corporation <i>(Pending Appeals On Parcels)</i>	2	8,709,178	1.56%				8,709,178	1.39%	Commercial
7 David Weiswasser Trust	2	8,123,149	1.46%				8,123,149	1.30%	Residential
8 25805 San Fernando LLC	1	8,082,109	1.45%				8,082,109	1.29%	Commercial
9 RFT Sprouts LLC, et. al.	3	7,736,730	1.39%				7,736,730	1.23%	Residential
10 23801 San Fernando Rd Landco LLC	1	7,305,268	1.31%				7,305,268	1.17%	Institutional
Top Ten Total	44	\$ 100,632,695	18.06%	6	\$40,935,679	58.87%	\$ 141,568,374	22.59%	
Agency Total		557,399,484			69,533,688		626,933,172		
Incremental Net AV Total		\$ 311,224,922	32.33%		\$51,602,036	79.33%	\$ 362,826,958	39.02%	

Source: HdL Coren & Cone



**City of Santa Clarita  
 Successor Agency  
 Project Area Assessment Appeals Summary and Tax Collection History  
 Fiscal Years 2009-10 Through 2015-16**

**Project Area Assessment Appeals Summary—FY 2015-16**

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
171	96	80	66%	75 / \$303,073,194	80	\$ 135,509,040

**Tax Collection History  
 For Fiscal Years 2009-10 Through 2015-16**

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 <sup>(1)</sup>	3,762,457	2,934,904	218,094	3,152,998	78%	84%
2012-13 <sup>(2)</sup>	3,485,808	2,786,791	275,290	3,062,081	80%	88%
2013-14 <sup>(2)</sup>	3,526,463	2,828,495	815,124	3,643,619	80%	103%
2014-15 <sup>(2)</sup>	3,836,835	3,185,967	158,652	3,344,619	83%	87%
2015-16 <sup>(2)</sup>	3,579,829	3,430,748	518,292	3,704,259	96%	103%

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 2015-16

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	\$ 1,217,797	\$ 185,567	\$ 1,403,364	0.84
2861-058-072	Valencia Town Center Venture LP	3,375,538	17,548,725	20,924,263	4.81
2861-058-073	Valencia Town Center Venture LP	26,675,721	3,287,195	29,962,916	15.68
2861-058-076	Valencia Town Center Venture LP	849,774	84,398	934,172	1.18
2861-058-077	Valencia Town Center Venture LP	4,588,409	392,469	4,980,878	6.70
2861-058-081	Valencia Town Center Venture LP	15,517,013	164,076,179	179,593,192	14.34
2861-058-084	Valencia Town Center Venture LP	3,201,075	9,278,489	12,479,564	2.05
2861-058-085	Valencia Town Center Venture LP	417,528	208,763	626,291	0.33
<b>Totals:</b>		<b>\$ 55,842,855</b>	<b>\$ 195,061,785</b>	<b>\$ 250,904,640</b>	<b>45.93</b>

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<b>CLASS</b>	<b>MAX TAX RATE (\$)</b>	<b>MAX TAX</b>	<b>APPLIED RATE (\$)</b>	<b>CHARGE (\$)</b>
1	\$ 34,931	\$ 29,485	\$ 25,944	\$ 21,899
1	34,931	168,019	25,944	124,790
1	34,931	547,792	25,944	406,852
1	34,931	41,359	25,944	30,718
1	34,931	234,039	25,944	173,824
	34,931.26 &			
1&2	235,291.52	500,979	25,947	372,084
1	34,931	71,609	25,944	53,185
1	34,931	11,457	25,944	8,510
				<u>\$ 1,191,862</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
2006-07	16,760,000	-	4,328,207	13,785,000	-	-	-	36,401	34,909,608
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

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.

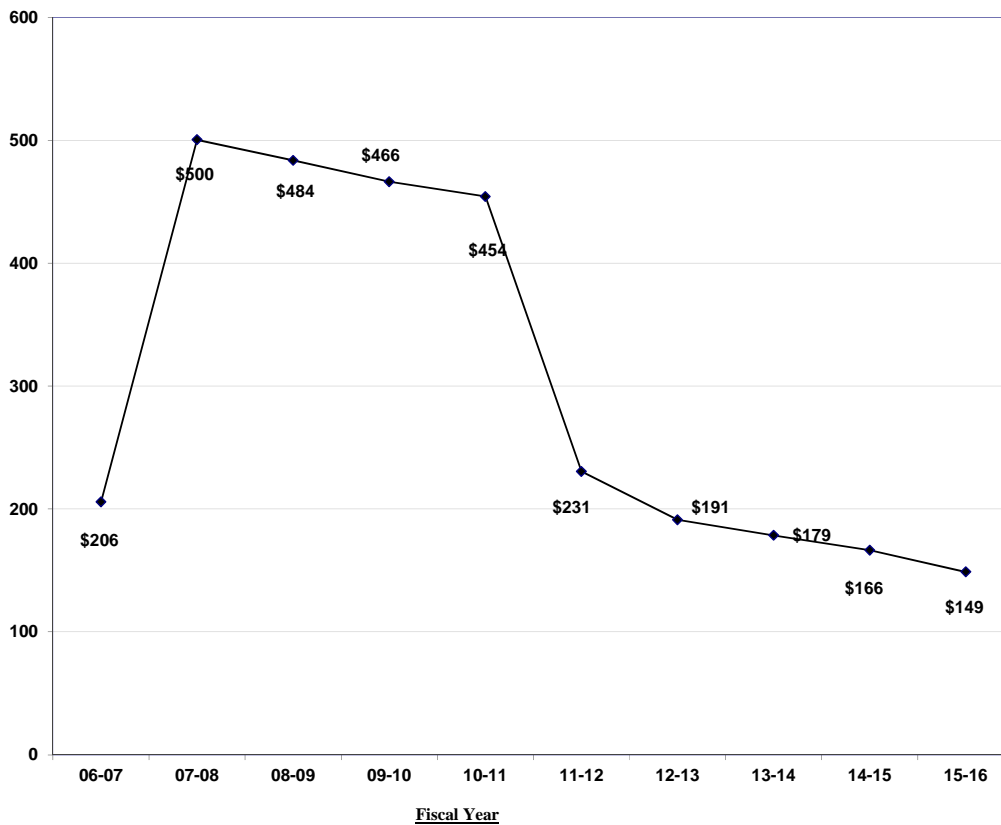
(4) On June 1, 2008, the Santa Clarita Redevelopment Agency issued \$29,860,000 in Non-Housing Tax Allocation Bonds and \$8,850,000 in Low/Mod Housing Tax Allocations Bonds to fund certain redevelopment projects within the Newhall Redevelopment Project area. Upon the dissolution of redevelopment agencies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

<b>BUSINESS-TYPE ACTIVITIES</b>		<b>PERCENTAGE OF TAXABLE ASSESSED VALUE</b>			<b>DEBT PER CAPITA</b>	<b>OUTSTANDING DEBT TO PERSONAL INCOME</b>
<b>LEASE PAYABLE</b>	<b>TOTAL</b>	<b>TOTAL PRIMARY GOVERNMENT</b>				
1,236,869	1,236,869	36,146,477	0.19%	206	3%	
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	

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

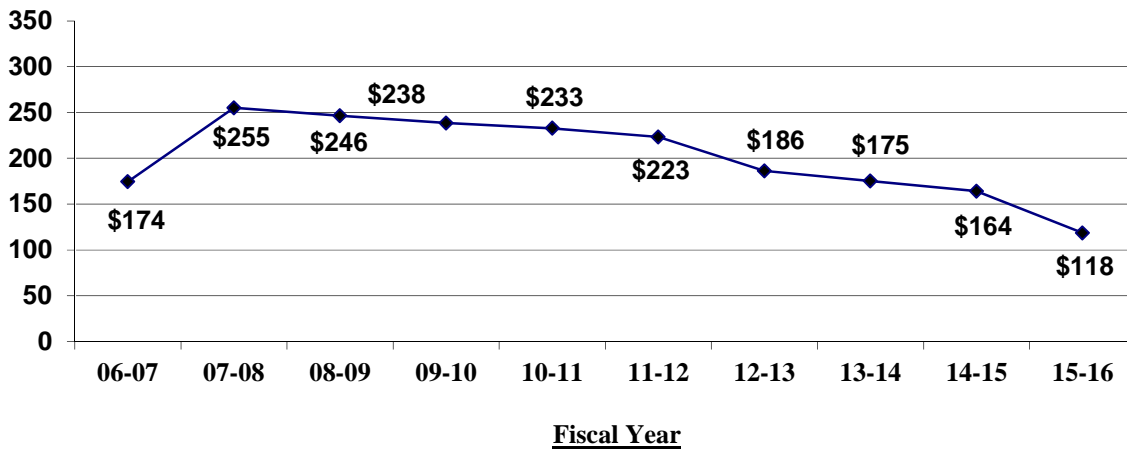




City of Santa Clarita  
 Ratio of General Bonded Debt Outstanding  
 Last Ten Fiscal Years

FISCAL YEAR	OUTSTANDING GENERAL BONDED DEBT				PERCENTAGE OF TAXABLE ASSESSED VALUE	DEBT PER CAPITA
	POPULATION (1)	REVENUE BONDS	CERTIFICATES OF PARTICIPATION	TOTAL		
2006-07	177,158	13,893,228	16,760,000	30,653,228	0.16%	174
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

**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, 2016**

**2015-16 Assessed Valuation: \$27,330,863,338**  
(Net of Redevelopment Agency Incremental Value of **\$362,826,958**)

**2015-16 Population:** 219,611

	<b>Total Debt 06/30/2016</b>	<b>Percent Applicable To City <sup>(1)</sup></b>	<b>City's Share of Debt 06/30/2016</b>
<b>DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:</b>			
Los Angeles County Flood Control District	\$ 12,630,000	2.188%	\$ 276,344
Santa Clarita Community College District	197,467,365	70.938%	\$ 140,079,400
William S. Hart Union High School District	367,875,232	70.927%	\$ 260,922,866
William S. Hart Union High School District - Community Facilities District No. 87-1	225,000	100.000%	\$ 225,000
William S. Hart Union High School District - Community Facilities District No. 90-1	420,000	100.000%	\$ 420,000
Los Angeles County Community College and Unified School Districts	14,128,615,000	0.000%	\$ 1,413
Castaic Union School District	13,752,053	27.463%	\$ 3,776,726
Newhall School District	14,605,000	60.152%	\$ 8,785,200
Newhall School District School Facilities Improvement District No. 2011-1	55,992,354	61.317%	\$ 34,332,832
Saugus Union School District	32,576,462	83.211%	\$ 27,107,200
Saugus Union School District School Facilities Improvement District No. 2011-1	20,000,000	84.359%	\$ 16,871,800
Saugus Union School District Community Facilities District No. 2006-2, Improvement Area Nc	7,600,000	100.000%	\$ 7,600,000
Saugus Union School District Community Facilities District No. 2006-2, Improvement Area Nc	8,345,000	100.000%	\$ 8,345,000
Saugus Union School District Community Facilities District No. 2006-2, Improvement Area Nc	16,445,000	100.000%	\$ 16,445,000
Saugus-Hart School District Community Facilities District No. 2000-1	11,015,000	100.000%	\$ 11,015,000
Sulphur Springs Union School District	44,057,061	92.153%	\$ 40,599,903
Sulphur Springs Union School District Community Facilities District No. 2002-1	33,875,000	100.000%	\$ 33,875,000
<b>City of Santa Clarita Open Space and Parkland Assessment District</b>	<b>14,838,697</b>	<b>100.000%</b>	<b>\$ 14,838,697</b>
City of Santa Clarita Community Facilities District No. 2002-1	15,420,000	100.000%	\$ 15,420,000
City of Santa Clarita 1915 Act Bonds	760,000	100.000%	\$ 760,000
Los Angeles County Regional Park and Open Space Assessment District	50,610,000	2.145%	\$ 1,085,585
<b>TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT</b>			<b>\$ 642,782,965</b>
<b>DIRECT AND OVERLAPPING GENERAL FUND DEBT:</b>			
Los Angeles County General Fund Obligations	\$2,029,010,694	2.145%	\$ 43,522,279
Los Angeles County Superintendent of Schools - Certificates of Participation	7,944,360	2.145%	\$ 170,407
Los Angeles County Sanitation District No. 32 Authority	16,692,558	72.726%	\$ 12,139,830
Santa Clarita Community College District - Certificates of Participation	16,615,000	70.938%	\$ 11,786,349
William S. Hart Union High School District - Certificates of Participation	6,000,000	70.927%	\$ 4,255,620
Castaic Union School District - Certificates of Participation	3,770,000	27.463%	\$ 1,035,355
Saugus Union School District - Certificates of Participation	25,620,000	83.211%	\$ 21,318,658
Sulphur Springs Union School District - Certificates of Participation	24,272,492	92.153%	\$ 22,367,830
Los Angeles Unified School District - Certificates of Participation	273,805,000	0.00001%	\$ 27
<b>City of Santa Clarita Obligations</b>	<b>17,840,944</b>	<b>100.000%</b>	<b>\$ 17,840,944</b>
Total Gross Direct and Overlapping General Fund Debt			\$ 134,437,298
Less: Los Angeles County General Fund Obligations supported by landfill revenues			98,806
<b>Total Net Direct and Overlapping General Fund Debt</b>			<b>\$ 134,338,492</b>
<b>OVERLAPPING TAX INCREMENT DEBT (Successor Agency):</b>	<b>34,595,000</b>	<b>100.000%</b>	<b>34,595,000</b>
<b>Total Direct Debt</b>			<b>\$ 32,679,640</b>
Gross Total Overlapping Debt			793,974,320
Net Total Overlapping Debt			\$ 793,875,514
<b>GROSS COMBINED TOTAL DEBT</b>			<b>\$ 811,815,263</b>
<b>NET COMBINED TOTAL DEBT</b>			<b>\$ 811,716,457</b>

- (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 \$200,000 CDBG loan, \$11,173,655 Series 2016A GVR Lease Revenue Bonds, \$6,328,411 Private Placement Lease, and \$138,877 capital lease obligations.
- (3) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.

**Ratios to 2015-16 Assessed Valuation:**

<b>Direct Debt (\$14,838,697)</b> .....	<b>0.05%</b>
Total Overlapping Tax and Assessment Debt.....	2.35%
<b>Total Direct Debt (\$32,679,640)</b> .....	<b>0.12%</b>
Gross Combined Total Debt.....	2.97%
Net Combined Total Debt.....	2.97%

**Ratios to Redevelopment Successor Agency Incremental Valuation (\$362,826,958):**

Total Overlapping Tax Increment Debt.....	9.53%
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Source: MuniServices, LLC

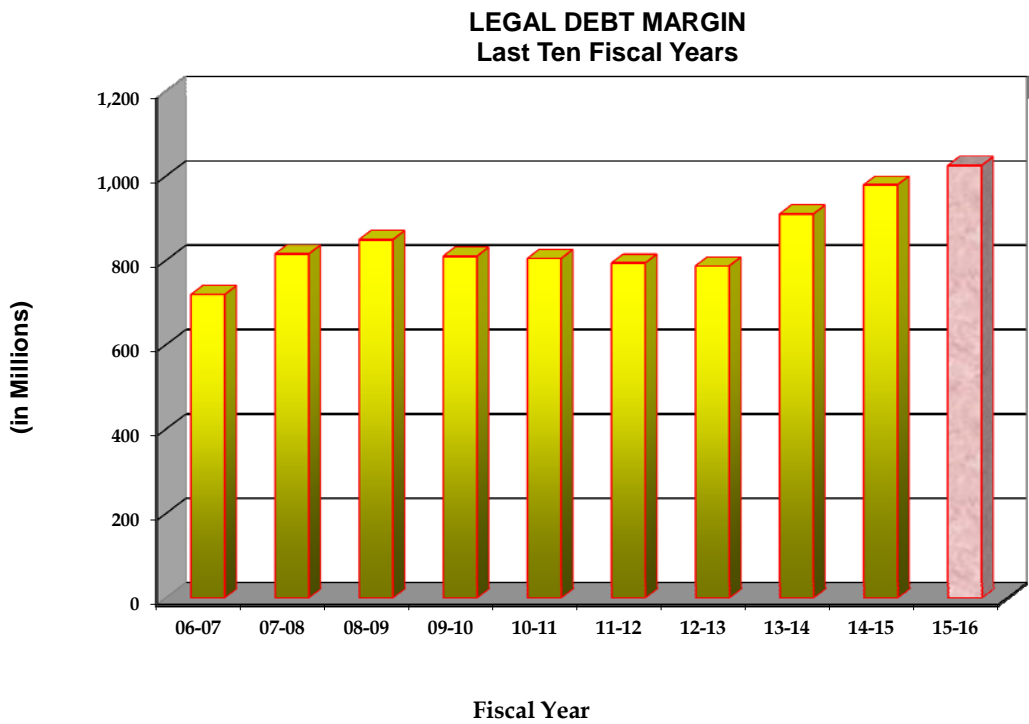
**City of Santa Clarita  
 Legal Debt Margin Information  
 Last Ten Fiscal Years**

	FISCAL YEAR				
	15-16	14-15	13-14	12-13	11-12
Assessed valuation	\$ 27,330,863,338	\$ 26,111,942,635	\$ 24,269,472,731	\$ 20,985,441,963	\$ 21,168,938,632
Conversion percentage	25%	25%	25%	25%	25%
Adjusted assessed valuation	6,832,715,835	6,527,985,659	6,067,368,183	5,246,360,491	5,292,234,658
Debt limit percentage	15%	15%	15%	15%	15%
Debt limit	1,024,907,375	979,197,849	910,105,227	786,954,074	793,835,199
Total net debt applicable to limit: General obligation bonds	-	-	-	-	-
Legal debt margin	\$ 1,024,907,375	\$ 979,197,849	\$ 910,105,227	\$ 786,954,074	\$ 793,835,199
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				
10-11	09-10	08-09	07-08	06-07
\$ 21,457,647,247	\$ 21,600,880,848	\$ 22,647,578,381	\$ 21,740,884,855	\$ 19,177,126,742
25%	25%	25%	25%	25%
5,364,411,812	5,400,220,212	5,661,894,595	5,435,221,214	4,794,281,686
15%	15%	15%	15%	15%
804,661,772	810,033,032	849,284,189	815,283,182	719,142,253
-	-	-	-	-
\$ 804,661,772	\$ 810,033,032	\$ 849,284,189	\$ 815,283,182	\$ 719,142,253
0%	0%	0%	0%	0%



City of Santa Clarita  
Pledged Revenue Coverage  
Last Ten Fiscal Years

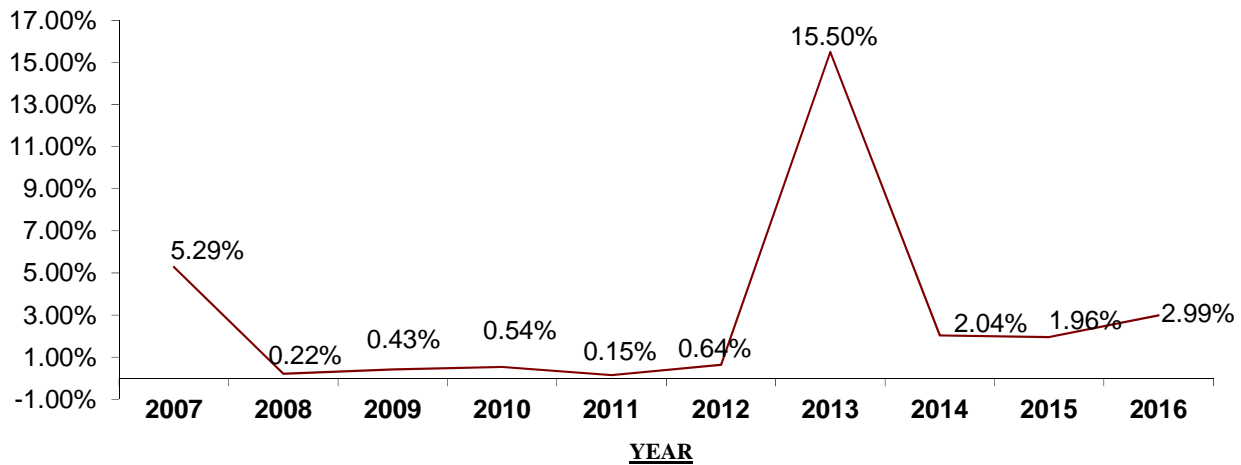
<b>TRANSIT</b>						
Fiscal Year	TRANSIT REVENUES (1)	LESS OPERATING EXPENSES (2)	NET AVAILABLE REVENUES	DEBT SERVICE		COVERAGE
				Principal	Interest	
<b>2006-07</b>	19,468,288	19,033,240	435,048	349,449	69,388	2.15%
<b>2007-08</b>	24,888,921	22,204,777	2,684,144	366,720	60,298	1.72%
<b>2008-09</b>	26,612,418	23,014,324	3,598,094	384,846	42,172	1.60%
<b>2009-10</b>	21,179,438	23,525,855	(2,346,417)	236,999	23,149	1.23%
<b>2010-11</b>	32,507,582	24,270,533	8,237,048	248,304	11,844	0.80%
<b>2011-12</b>	26,133,433	25,175,688	957,745	-	-	-
<b>2012-13</b>	29,420,486	25,901,822	3,518,664	-	-	-
<b>2013-14</b>	33,298,907	27,044,874	6,254,034	-	-	-
<b>2014-15</b>	24,008,186	28,292,380	(4,284,194)	-	-	-
<b>2015-16</b>	26,853,481	28,327,301	(1,473,820)	-	-	-

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**

<b>YEAR</b>	<b>CITY OF SANTA CLARITA POPULATION (1)</b>	<b>AVERAGE ANNUAL PERCENTAGE INCREASE</b>	<b>LOS ANGELES COUNTY POPULATION (1)</b>	<b>AVERAGE ANNUAL PERCENTAGE INCREASE</b>	<b>PER CAPITA PERSONAL INCOME (2)</b>	<b>TOTAL PERSONAL INCOME (2)</b>	<b>UNEMPLOYMENT RATE (3)</b>
2007	177,158	5.29%	9,780,808	-0.18%	39,066	402,107,608	2.70%
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%	N/A	N/A	6.40%
2016	219,611	2.99%	10,241,335	1.03%	N/A	N/A	4.70%

**POPULATION INCREASE  
Last Ten Fiscal Years**



Sources: (1) State of California, Finance Department, as of 1/1/2016  
 (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), July 22, 2016

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

<b>EMPLOYER</b>	<b>2016*</b>		<b>EMPLOYER</b>	<b>2007</b>	
	<b>NUMBER of EMPLOYEES</b>	<b>PERCENT of TOTAL EMPLOYMENT</b>		<b>NUMBER of EMPLOYEES</b>	<b>PERCENT of TOTAL EMPLOYMENT</b>
Six Flags Magic Mountain	3,200	11.15%	Mountain	2,165	9.18%
Princess Cruises	1,948	6.79%	Princess Cruises	2,100	8.90%
Henry Mayo Newhall			Henry Mayo Newhall		
Memorial Hospital	1,822	6.35%	Memorial Hospital	1,133	4.80%
Quest Diagnostics (formerly Speciality	913	3.18%	HR Textron	845	3.58%
The Master's College	760	2.65%	The Master's College	748	3.17%
Boston Scientific	750	2.61%	Speciality Laboratories	725	3.07%
Woodward HRT (formerly HR Textron)	725	2.53%	Arvato Services	586	2.48%
Aerospace Dynamics	705	2.46%	Cal Arts	500	2.12%
Advanced Bionics	700	2.44%	Aerospace Dynamics	420	1.78%
Cal Arts	690	2.40%	Fanfare Media Works	407	1.73%
<b>Largest firms <sup>(1)</sup></b>	<b>12,213</b>	<b>42.55%</b>	<b>Largest firms <sup>(1)</sup></b>	<b>9,629</b>	<b>40.81%</b>
<b>All others</b>	<b>16,492</b>	<b>57.45%</b>	<b>All others</b>	<b>13,963</b>	<b>59.19%</b>
<b>Grand total</b>	<b>28,705</b>	<b>100.00%</b>	<b>Grand total</b>	<b>23,592</b>	<b>100.00%</b>

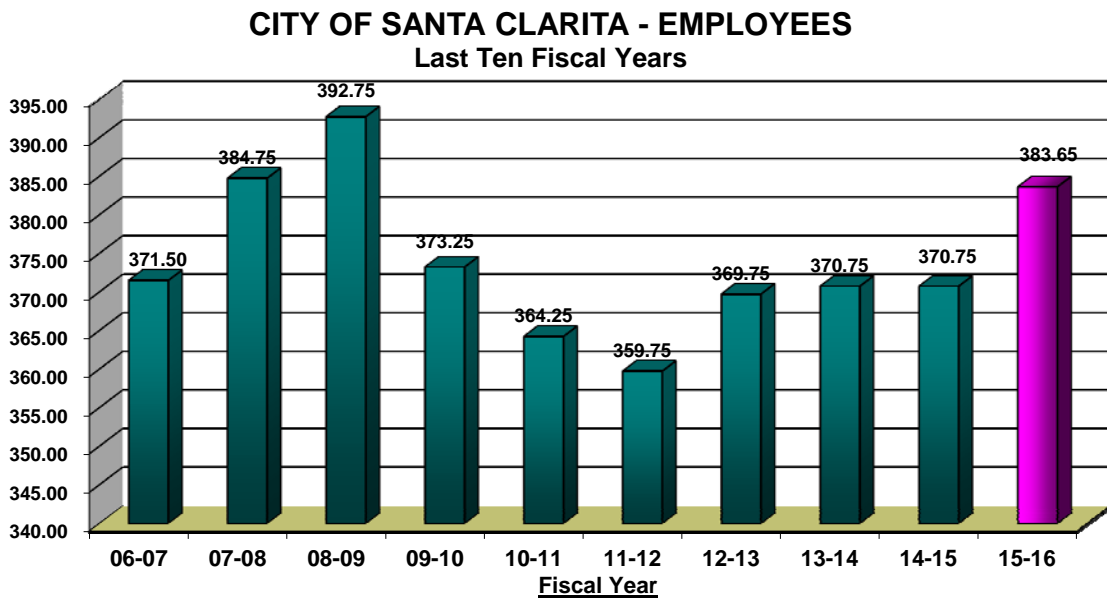
\* As of March 2016

NOTE: (1) Non-governmental employers

Source: 2016 Santa Clarita Valley - Real Estate and Economic Outlook, 2007 CAFR

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

Function	FISCAL YEAR									
	15-16	14-15	13-14	12-13	11-12	10-11	09-10	08-09	07-08	06-07
General government	91.00	87.60	87.60	89.60	84.35	85.75	89.75	95.75	91.75	86.00
Public safety (1)	-	-	-	-	-	-	-	-	-	-
Public works	131.50	125.00	122.00	129.00	126.00	127.00	128.00	135.50	136.50	133.50
Community developmen	37.00	41.00	41.00	32.00	30.50	33.00	33.00	36.00	35.00	33.00
Parks and Recreation	112.15	111.15	109.15	108.15	105.90	106.50	110.50	111.50	110.50	108.00
Transit	12.00	11.00	11.00	11.00	13.00	12.00	12.00	14.00	11.00	11.00
<b>Totals</b>	<b>383.65</b>	<b>375.75</b>	<b>370.75</b>	<b>369.75</b>	<b>359.75</b>	<b>364.25</b>	<b>373.25</b>	<b>392.75</b>	<b>384.75</b>	<b>371.50</b>



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

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



**City of Santa Clarita  
Operating Indicators by Function  
Last Ten Fiscal Years**

Function	FISCAL YEAR									
	15-16	14-15	13-14	12-13	11-12	10-11	09-10	08-09	07-08	06-07
Police:										
Parking citations issued <sup>(1)</sup>	9,035	4,765	4,786	5,726	5,521	6,577	5,114	4,126	5,257	4,587
Parking revenue collected	\$ 379,384	\$ 320,682	\$ 323,040	\$ 341,607	\$ 335,663	\$ 323,408	\$ 238,478	\$ 235,634	\$ 288,076	\$ 334,927
Public works:										
Street resurfacing (miles)	15.5	80.0	20.9	18.0	24.0	24.0	33.8	14.0	15.4	15.4
Parks and Recreation:										
Number of recreation classes	2,918	2,189	2,557	2,548	2,106	2,080	2,447	2,284	2,393	2,535
Number of facility rentals (times)	13,390	19,018	14,604	13,000	11,042	10,754	10,239	9,801	9,767	19,645
Transit:										
Number of customers served <sup>(2)</sup>	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	3,733,299

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.

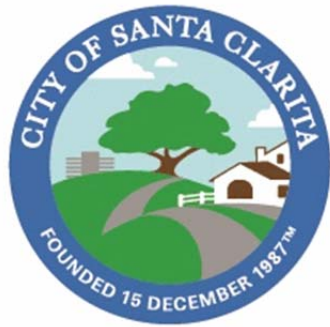
Source: City of Santa Clarita, Administrative Services Department - Finance Division

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

Function	FISCAL YEAR									
	15-16	14-15	13-14	12-13	11-12	10-11	09-10	08-09	07-08	06-07
Public works:										
Streets (miles)	516	497	496	496	496	496	496	496	496	496
Street lights <sup>(1)</sup>	17,843	17,843	17,843	17,843	15,081	14,963	14,939	14,739	14,429	14,000
Traffic signals (City Jurisdiction)	180	180	177	177	171	170	166	172	176	166
Traffic signals (Joint Jurisdiction)	5	5	5	5	6	1	6	5	4	4
Parks and recreation:										
Number of parks	32	32	29	29	24	23	20	20	20	19
Community centers	2	2	2	1	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 (817) 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





23920 Valencia Boulevard  
Suite 300  
Santa Clarita, California 91355

[santa-clarita.com](http://santa-clarita.com)