

CITY OF SANTA CLARITA

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET ASSETS

For the year ended June 30, 2003

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

Fund equity - total governmental funds		\$ 61,900,751
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds. Those assets consist of:		
Land	\$ 42,526,051	
Construction in progress	40,881,359	
Site improvements, net of \$2,362,549 accumulated depreciation	4,748,565	
Building and improvements, net of \$6,460,079 accumulated depreciation	17,820,837	
Equipment, net of \$3,458,625 accumulated depreciation	2,653,172	
Infrastructure, net of \$82,564 accumulated depreciation	8,261,878	
Total capital assets used in governmental activities	<u>116,891,862</u>	116,891,862
Debt issuance costs are reported as an expenditure in the governmental funds in the year that the costs are incurred. On the government-wide statements, such costs are reported as deferred charges and amortized over the life of the debt. Unamortized deferred charges at June 30, 2003 are:		9,633
Certain assets will be collected after year-end, but are not available soon enough to pay for current-period expenditures, and therefore are reported as deferred revenue in the funds. Those assets at June 30, 2003 are:		
Interest receivable	1,597,325	
Accounts receivable	975,000	
Due from other governments	<u>4,167,466</u>	6,739,791
Loans receivable are not available to pay for current-period expenditures and, therefore, are deferred in the funds.		324,277
Internal Service funds are used by management to charge the costs of self-insurance and capital replacements to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.		9,208,286
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds. Interest on long-term debt is not accrued in governmental funds. Balances at June 30, 2003 are:		
Accrued interest on long-term debt		(428,370)
Certificates of participation	\$ (21,640,000)	
Note payable	(2,507,371)	
Capital leases payable	(183,909)	
Loans payable	(4,213,913)	
Compensated absences	<u>(1,146,333)</u>	
Total long-term liabilities		<u>(29,691,526)</u>
Net assets of governmental activities		<u>\$ 164,954,704</u>

See independent auditors' report and notes to basic financial statements.