

Canyon Country

Newhall



Saugus

Valencia



City of SANTA CLARITA, California
Comprehensive Annual Financial Report
 Fiscal Year ended June 30, 2013

City of Santa Clarita, California
Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2013

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



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Comprehensive Annual Financial Report
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For the Year Ended June 30, 2013**

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City of
SANTA CLARITA

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www.santa-clarita.com

January 29, 2014

Honorable Mayor, Mayor Pro Tem and City Councilmembers:

The Comprehensive Annual Financial Report (CAFR) of the City of Santa Clarita (the City) for the fiscal year ended June 30, 2013 is hereby submitted, in accordance with Chapter 2.12 of the City of Santa Clarita Municipal Code. This report provides the City Council (the Council) and the public with an understanding of the financial condition of the City of Santa Clarita as of June 30, 2013.

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 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. McGladrey 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, 2013. 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 with 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 on 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 Reports.

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. Located minutes from Bob Hope Airport in Burbank, Santa Clarita forms an inverted triangle with the Santa Susana and San Gabriel mountain ranges. Encompassing the communities of Canyon Country, Newhall, Saugus and Valencia, Santa Clarita covers approximately 63.12 square miles. With a population of 204,951, the City is the 19th largest city in the State of California and the third largest in Los Angeles County. Santa Clarita residents enjoy an expansive year-round parks and recreation network, featuring 29 beautiful park facilities totaling more than 332 acres, over 7,900 acres of City-owned open space, and more than 95 miles of picturesque trails and paseos designed for commuting and recreational use, including walking, riding, jogging and skating. With its

unique blend of rural, Old West heritage and urban sophistication, this fast-growing City has established an enviable balance between quality living and growth.

In recent years, Santa Clarita has attracted regional and national sports events like the Amgen Tour of California, PAC-12 Women's Golf Championships, the opening rounds of the NAIA Baseball National Championships, and a variety of youth and adult sporting events. 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 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 appointing and managing the various Department Heads. 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.

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 to 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 a declining unemployment rate, 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 2012-2013 was successful and stable for the City due to prudent fiscal planning.

Santa Clarita boasts one of the lowest unemployment rates in Los Angeles County at 6.3 percent, compared to 10.1 percent for Los Angeles County as of August 2013. Targeted employment sectors in Santa Clarita include aerospace, manufacturing, biomedical, entertainment and technology. This past year, we welcomed several new retailers to the 180,000 square-foot expansion of Westfield Valencia Town Center at The Patios, including Free People, Charming Charlie and Art of Shaving. Construction of Toppers Restaurant is in progress on Valencia Boulevard at Magic Mountain Parkway, and a new BevMo! opened at the Plaza at Golden Valley. In addition, Santa Clarita welcomed a new auto dealer, Mini Cooper, for eager shoppers.

Retail vacancy rates continue to hold at a low 6.2 percent, while industrial vacancies remain around 4.4 percent. The largest area of potential growth in the City is in the area of office space, with Santa Clarita at a 13.2 percent vacancy rate in second quarter 2013 compared to a 15 percent vacancy rate in third quarter 2012.

The City's entertainment industry was strong in fiscal year 2012-2013 with an economic impact of \$25.7 million to local businesses 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, including CBS's "NCIS," ABC Family's "Switched at Birth" and "Chasing Life," FX's "Justified," ABC's "Wipeout" and TNT's "Franklin and Bash," are based in Santa Clarita and regularly film on location within the City.

Tourism continues to be one of the City's largest economic generators, contributing more than \$2.5 million to the General Fund from Transient Occupancy Tax (TOT) in fiscal year 2012-2013. The third 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 \$486,000 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: SCV Magic Soccer Tournament, California Superstates Chess Championship, LAVA Volleyball Foothill Invitational, Triple Crown Softball, and the Mustang Challenge cross-country event.

The proposal to eliminate the California Enterprise Zone program was passed by the State Senate in June 2013, and as a result, the program’s benefits will no longer be available in the Santa Clarita Valley. Since its inception in 1984, the Enterprise Zone program has provided hiring credits and tax breaks in economically distressed areas of the state to encourage business investment and promote the creation of new jobs. Santa Clarita was awarded an Enterprise Zone in 2007, received an expanded zone designation in 2011, saved 490 businesses over \$313 million in taxes, and hired 1,833 people into new jobs at local businesses.

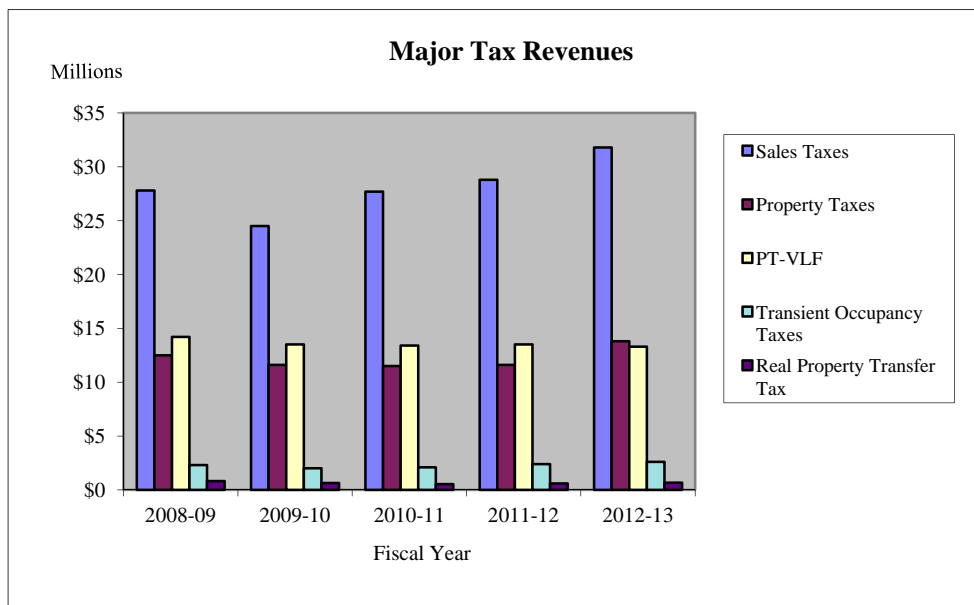
Santa Clarita recognizes the important role education plays in the success of the community. The City is home to three premier colleges, including California Institute of the Arts (CalArts), College of the Canyons, and The Masters College. These colleges offer world-class instruction and programming 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 65 percent of adults over age 25 and older having attained some college or higher, as compared to Los Angeles County, which averages 54 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. Property Tax in lieu of Vehicle License Fee (PT-VLF) remained relatively flat for fiscal year 2012-2013.



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. Annually, 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 PT-VLF. However, because the City of Santa Clarita has practiced smart growth in successful financial times, it 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 assigns amounts annually for the City's facilities replacement program, 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 2012-2013

- ❖ The City of Santa Clarita's Film Office set new film records in fiscal year 2012-2013 with 1,069 film days, representing an estimated \$25.7 million in local economic impact from location filming alone. The Santa Clarita Film Office recorded 1,069 film days and 368 permits, which represents an 18 percent increase in film days when compared to the City's previous record year in 2011-2012. The economic impact of local filming increased by 22 percent from 2011-2012 when the estimated economic impact was \$21,141,500.
- ❖ Since the City created the Open Space District in 2007, thousands of acres of land have been brought into public ownership. Santa Clarita is one of only a few municipalities to have an Open Space District, which was created so that we could provide a buffer zone around our City. Over the last year, the City has added more acreage to the District. As part of the Eastern Greenbelt, Santa Clarita partnered with the Santa Monica Mountains Conservancy to purchase the 1,027-acre Agua Dulce Canyon Parklands property that was originally planned to be a housing development. The City added another 56 acres adjacent to that property. The purchase of 302 acres formerly planned as a massive development project called Las Lomas is underway. This land serves as a buffer between Santa Clarita and the San Fernando Valley.
- ❖ The City of Santa Clarita continues to maintain historically low crime rates. Santa Clarita's three-pronged approach—education, enforcement and collaboration—has proved to be very successful. The Sheriff's Department's Zone program, in which deputies created specific geographical zones within the community, has been a key factor in addressing crime trends and areas to watch. Their responsibility is to monitor what is happening in their specific zone and help direct necessary resources as problems occur. They also share information in real time.
- ❖ Santa Clarita continues to address the issue of teen drug use. In an effort 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 launched a new program called Drug Free Youth In Town (DFYIT), in which teens pledge to stay sober and engage in meaningful, healthy activities. Eight hundred youths signed on in the first year, and of those tested in random drug tests, 100 percent were drug-free.
- ❖ Maintaining the City's infrastructure and adding new amenities continues to be a focus for the City. In the last year, the City has beautified the Lyons Avenue on- and off-ramps within the City; broken ground on the \$4 million McBean Park-and-Ride facility that will add 282 parking spaces and five new bus bays for commuters; implemented median improvements along Sierra Highway; and allocated millions to the City's annual street overlay program and the widening of the McBean Parkway bridge over the Santa Clara River.
- ❖ July 1, 2013 marked the completion of the Santa Clarita Public Library's second year of service. The second year of operation included the grand opening of the new 30,000 square-foot library in Old Town Newhall. The year saw 888,880 library patron visits to the three branches, the circulation of 1,480,527 books and materials, and more than 40,000 patrons attending library programming.

- ❖ The City collaborated with several business owners in Old Town Newhall to debut new facades on businesses along Main Street as part of the Building Improvement Grant Program, funded by American Recovery and Reinvestment Act funds.
- ❖ The City opened its second Community Center in Canyon Country in January 2013, providing health, recreation, arts and after-school programming six days a week to community members.
- ❖ The City welcomed more than 25,000 new residents into Santa Clarita, making the City of Santa Clarita the third largest city in Los Angeles County with more than 204,000 residents.
- ❖ Santa Clarita remained one of Southern California's best event destinations, hosting the Amgen Tour of California finish of Stage 3 on May 14 and the start of Stage 4 the next day. The City also worked with community partners to host the Thursdays at Newhall event series, which includes Art Slam, Senses, and the weekly Farmers Market in Old Town Newhall. The City's Cowboy Festival in April also enjoyed its largest attendance to date, in addition to strong media coverage with the Los Angeles market.

AWARDS AND ACKNOWLEDGMENTS

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, 2012. This was the 24th 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 18 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, particularly Finance Manager Carmen Magana; financial analysts Susan Crowsigt, Mary Ann Ruprecht, Jan Downey, Paul Chung, Brittany Houston and Blanca Gomez; and General Accounting Specialist Aruna Patel. 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; Director of Public Works Robert Newman; Director of Community Development Tom Cole; and Director of Parks, Recreation and Community Services Rick Gould for their continuing efforts in administering the financial operations of the City in a conservative and responsible manner.

Sincerely,



Darren Hernández
Deputy City Manager



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, 2012

Executive Director/CEO

**OFFICIALS OF THE CITY OF SANTA CLARITA
As of June 30, 2013**

City Council

Bob Kellar	MAYOR
Laurene Weste	MAYOR PRO TEM
Marsha McLean	COUNCILMEMBER
TimBen Boydston	COUNCILMEMBER
Frank Ferry	COUNCILMEMBER

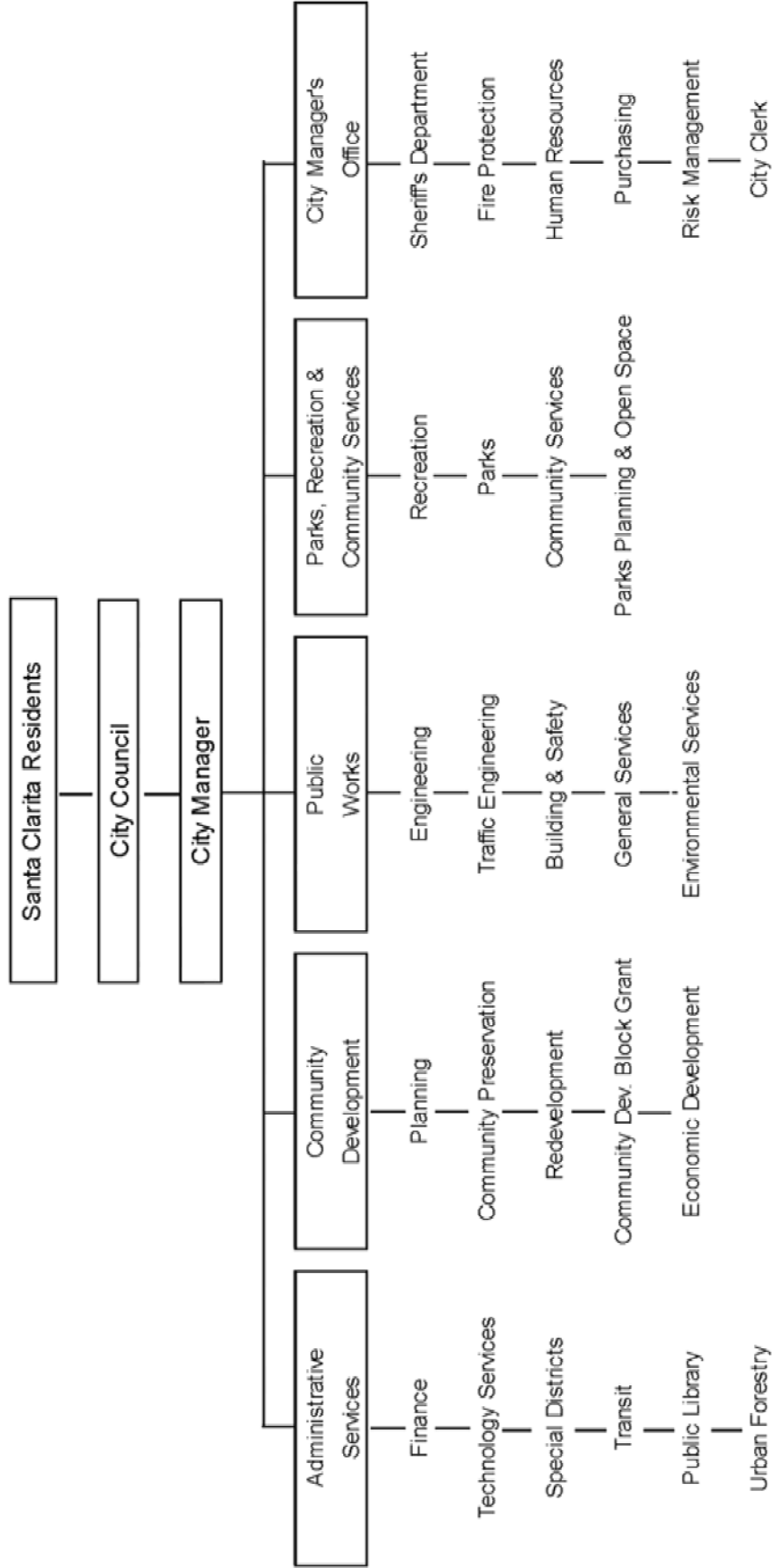
City Officials

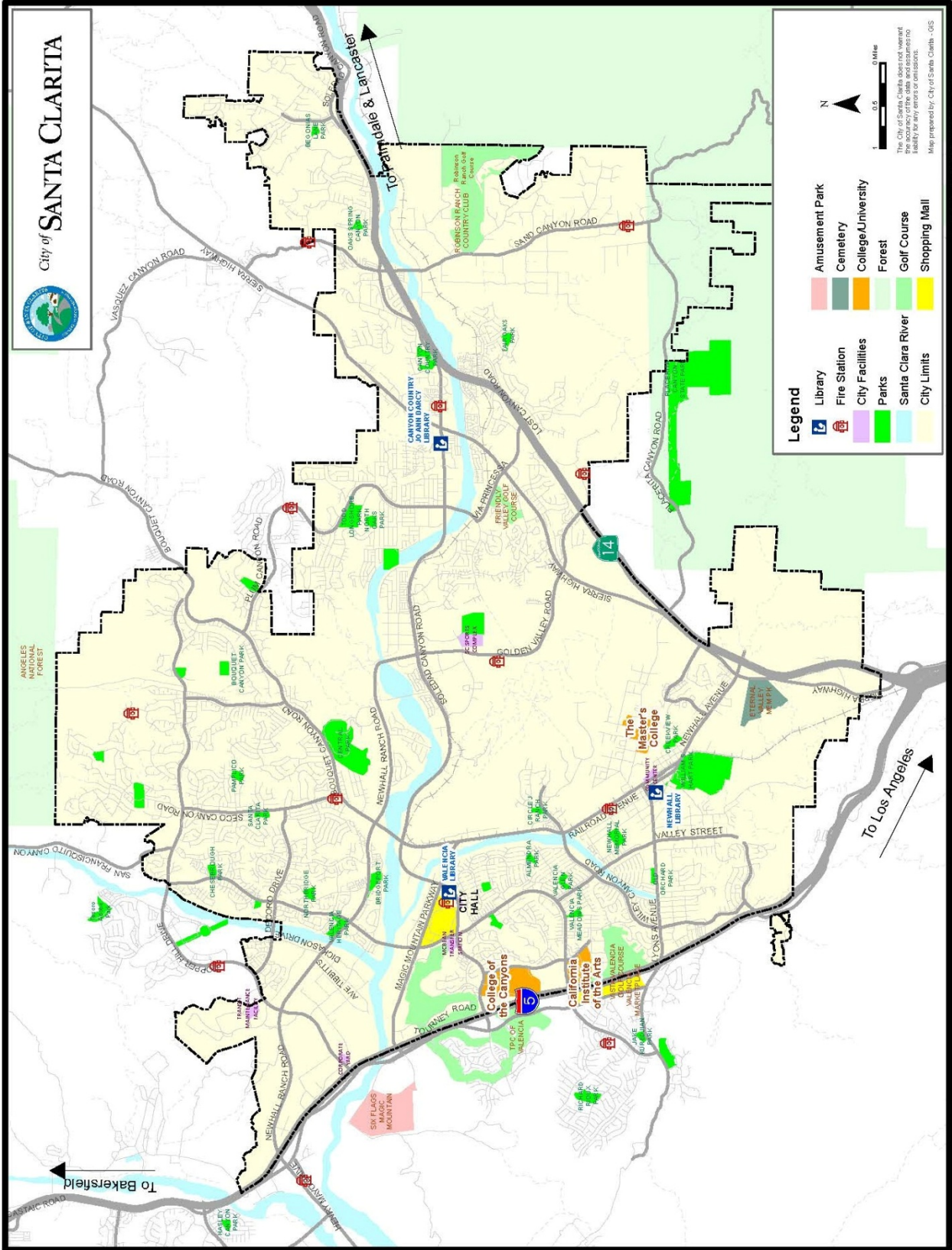
Ken Striplin	CITY MANAGER
Frank Oviedo	ASSISTANT CITY MANAGER
Darren Hernández	DEPUTY CITY MANAGER
Joseph Montes	CITY ATTORNEY
Tom Cole	DIRECTOR OF COMMUNITY DEVELOPMENT
Richard Gould	DIRECTOR OF PARKS, RECREATION & COMMUNITY SERVICES
Robert Newman	DIRECTOR OF PUBLIC WORKS/CITY ENGINEER

CITY OF SANTA CLARITA

ORGANIZATION CHART

As of June 30, 2013









Independent Auditor's 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 (the City) as of and for the year ended June 30, 2013, 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.

Auditor's 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, 2013, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Budgetary Comparison Information and Schedule of Funding Progress 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, which 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 combining non-major fund financial statements and schedules, and other information such as the Introductory and Statistical sections, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining non-major fund financial statements and 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 non-major fund financial statements and 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 January 29, 2014 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 the City's internal control over financial reporting and compliance.

Emphasis of Matter

As discussed in Notes 12 and 22 to the financial statements, the beginning net position of the governmental activities, Internal Service Funds and RDA Successor Agency Trust Fund; and the fund balance of the General Fund, the Bridge and Thoroughfare Special Revenue Fund, and non-major governmental funds; have been restated to correct a number of misstatements as of June 30, 2012. We also audited the adjustments described in Notes 12 and 22 that were applied to restate the 2012 financial statements. In our opinion, such adjustments are appropriate and have been properly applied. Our opinion is not modified with respect to this matter.



Irvine, California
January 29, 2014

MANAGEMENT'S DISCUSSION AND ANALYSIS

Fiscal Year Ended June 30, 2013

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, 2013. 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 \$952.9 million. Of this amount, \$69.5 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 \$3.4 million, net of prior year restatements. Net position of the business-type activities increased by \$3.5 million, or 4.6%, and the net position of the governmental activities decreased by \$114,400, net of prior year restatements (Table 2).
- The capital assets of the City's governmental activities decreased by \$7.6 million, or 1% over last fiscal year. The decrease was in part due to a restatement of infrastructure, removing \$5.6 million in street trees that will not be capitalized per the City's capital asset policy. A restatement of land previously transferred from the former redevelopment agency to the City in the amount of \$6.2 million removed it from the City's capital assets and restated it as property held for resale.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$158.5 million. This represents an increase of \$66.2 million as compared to the prior year. The total increase includes restatements to fund balance of \$49.5 million. See Note 12 to the financial statements for additional information on the restatements.

Within governmental funds, the General Fund reported a fund balance of \$94.3 million, an increase of \$24.4 million over the prior year. The increase includes \$12.2 million in restatements and revisions to fund balance.

USING THIS ANNUAL REPORT

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

1) Government-Wide Financial Statements

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

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.

USING THIS ANNUAL REPORT (CONTINUED)

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 liabilities, 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.

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.

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

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 32 governmental funds. The General Fund, Bridge and Thoroughfare 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 replacement. The Public Facility Replacement Fund previously reported as an internal service has been combined with the General Fund for financial reporting purposes. See Note 12 for additional information.

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 and pension and other post-employment benefits schedule of funding progress. 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 \$3.4 million, increasing from \$949.5 million to \$952.9 million inclusive of prior year restatements.

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

	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
ASSETS:						
Current and Other Assets	\$ 182,284,566	\$ 196,388,056	\$ 7,628,301	\$ 6,109,016	\$ 189,912,867	\$ 202,497,072
Noncurrent Assets	785,130,611	777,121,589	76,561,407	73,778,640	861,692,018	850,900,229
TOTAL ASSETS	967,415,177	973,509,645	84,189,708	79,887,656	1,051,604,885	1,053,397,301
LIABILITIES:						
Noncurrent Liabilities	72,211,285	41,433,845	-	-	72,211,285	41,433,845
Other Liabilities	22,704,246	59,461,754	3,792,985	3,009,597	26,497,231	62,471,351
TOTAL LIABILITIES	94,915,531	100,895,599	3,792,985	3,009,597	98,708,516	103,905,196
NET POSITION:						
Net investment in capital assets	738,271,282	743,281,558	76,561,407	73,778,640	814,832,689	817,060,198
Restricted	68,521,940	50,191,277	-	-	68,521,940	50,191,277
Unrestricted	65,706,424	79,141,211	3,835,316	3,099,419	69,541,740	82,240,630
TOTAL NET POSITION	\$ 872,499,646	\$ 872,614,046	\$ 80,396,723	\$ 76,878,059	\$ 952,896,369	\$ 949,492,105

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, 2013, assets exceeded liabilities by \$952.9 million. The largest component of the City's net position, 85.5%, is represented by its \$814.8 million investment in capital assets (e.g., infrastructure, land, buildings and improvements, equipment, and construction in progress) less any related outstanding debt used to acquire the 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.

THE CITY AS A WHOLE (CONTINUED)

An additional portion of the City's net position, 7.2%, represents resources subject to external restrictions on how they may be used. The remaining 7.3% of unrestricted net position, \$69.5 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 \$24.4 million over the prior year. The increase was due in part to a one-time payment of \$17.6 million made to the OPEB Irrevocable Trust in the prior year and a revenue of \$4.3 million from the County for annexations to the City's landscape median district. Restatements totaling \$24.5 million reduced net position. The restatements included the removal of \$5.6 million in street trees and \$6.2 million in land restated as land held for resale from the City's capital assets. An allowance for the decline in value of the land of \$4 million was part of the restatements, as was an allowance of \$13.3 million for doubtful accounts for loans made by the City to the former redevelopment agency. The net result was a decrease of \$114,400 to net position. The unrestricted net portion of the business-type activities increased by \$735,897.

Governmental Activities

Revenues from governmental activities increased by \$2.83 million or 1.8% due in part to an increase in sales tax revenues of \$3.2 million. The cost of all governmental activities this year was \$130.7 million, a decrease of 4.7% over the past year. As shown in the Statement of Activities, the governmental activities expenditures were ultimately financed in part by the taxpayers, as \$42.5 million in revenues were generated by service revenues received from the performance of these activities; another \$9.1 million was received from government agencies and other organizations that subsidized certain programs with operating grants and contributions; and another \$33.6 million in revenues was generated from capital grants and contributions. Overall, the City's governmental program and general revenues amounted to \$160.3 million, which funded the expenditures and resulted in a \$24.4 million increase in net position excluding restatements.

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

	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
Program Revenues:						
Charges for services	\$ 42,533,447	\$ 32,316,820	\$ 6,863,086	\$ 6,616,778	\$ 49,396,533	\$ 38,933,598
Operating grants and contributions	9,061,950	16,032,433	8,579,209	7,385,264	17,641,159	23,417,697
Capital grants and contributions	33,585,797	28,616,388	8,513,238	5,041,992	42,099,035	33,658,380
General Revenues:						
Taxes:						
Property taxes	32,341,369	34,818,426	-	-	32,341,369	34,818,426
Other taxes	42,553,327	38,719,404	-	-	42,553,327	38,719,404
Grants and contributions not restricted to specific programs	-	87,883	-	-	-	87,883
Other	227,806	6,882,091	29,660	147	257,466	6,882,238
Total Revenues	160,303,696	157,473,445	23,985,193	19,044,181	184,288,889	176,517,626
General government	35,921,943	33,664,470	-	-	35,921,943	33,664,470
Public safety	19,940,098	27,391,075	-	-	19,940,098	27,391,075
Public works	28,651,261	30,623,718	-	-	28,651,261	30,623,718
Parks, recreation and community services	21,809,820	19,282,538	-	-	21,809,820	19,282,538
Community development	7,214,293	5,896,640	-	-	7,214,293	5,896,640
Unallocated infrastructure depreciation	15,163,864	16,844,238	-	-	15,163,864	16,844,238
Interest and fiscal charges	1,992,574	3,391,058	-	-	1,992,574	3,391,058
Transit	-	-	25,653,753	24,930,635	25,653,753	24,930,635
Total Expenses	130,693,853	137,093,737	25,653,753	24,930,635	156,347,606	162,024,372
Increase/Decrease in Net Position Before Transfers	29,609,843	20,379,708	(1,668,560)	(5,886,454)	27,941,283	14,493,254
Transfers	(5,187,224)	(6,844,199)	5,187,224	6,844,199	-	-
Increase/Decrease In Net Position After Transfers	24,422,619	13,535,509	3,518,664	957,745	27,941,283	14,493,254
Gain From Dissolution of Former Redevelopment Agency of the City of Santa Clarita	-	40,413,284	-	-	-	40,413,284
Changes in Net Position	24,422,619	53,948,793	3,518,664	957,745	27,941,283	54,906,538
Net Position – Beginning of Year	872,614,046	818,665,253	76,878,059	75,920,314	949,492,105	894,585,567
Restatements	(24,537,019)	-	-	-	(24,537,019)	-
Net Position – Beginning of Year, as restated	848,077,027	818,665,253	76,878,059	75,920,314	924,955,086	894,585,567
Net Position – End of Year	\$ 872,499,646	\$ 872,614,046	\$ 80,396,723	\$ 76,878,059	\$ 952,896,369	\$ 949,492,105

See independent auditor's report.

THE CITY AS A WHOLE (CONTINUED)

Business-Type Activities

Business-type activities increased the City's net position by \$3.5 million for the current year. Business-type activities revenues increased by \$4.9 million during the year for a total of \$24 million in revenues, not including the \$5.2 million of transfers in from other governmental activities. The increased revenue was largely due to an increase in capital grants and contributions. Federal Transit Administration grant funds for the purchase of buses totaled \$4.7 million. Related transit activity expenses increased by \$723,118.

THE CITY'S FUNDS

The governmental funds reported a combined fund balance at the end of the current fiscal year of \$158.5 million, an increase of \$66.2 million over the prior year, including restatements of \$49.5 million. Approximately \$69 million is restricted and already committed for specific restricted purposes.

The total governmental fund balance includes the general fund balance of \$94.3 million, which increased by \$24.4 million over the prior year, including restatements of \$12.2 million. The General Fund is the chief operating fund of the City of Santa Clarita. The fund balance increase of \$12.2 million is due in part to a decrease in general governmental expenditures of \$19 million. Payments to the OPEB Irrevocable Trust to pre-fund post-employment benefits decreased from \$20.3 million in the prior year to \$2.7 million. The \$12.2 million increase in fund balance includes a restatement for the reversal of transfers of \$5.2 million from the general fund to the Self-Insurance Internal Service Fund and the collapse of the Public Facilities Replacement Internal Service Fund with the General Fund in the amount of \$14.1 million. The restatement also included an allowance for doubtful accounts of \$7 million for the loans made by the City from the general fund to the former redevelopment agency.

The unassigned general fund balance of \$35.3 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 an increase of \$35 million from the prior year due to the restatement of developer deposits to the City's general long-term debt.
- The Public Library Fund has realized a decrease of \$4.4 million in its fund balance from the prior year, the majority of which was for construction costs of the Old Town Newhall Library.
- The Landscape Maintenance District's fund balance increased \$5.9 million from the prior year due in part to revenues totaling \$4.3 million from the County for annexations to the district.

In addition to the major funds, the fund balances for the other governmental funds experienced an aggregate increase of \$3.9 million. A restatement removing land from the City's capital assets to the housing successor agency and the developer fees funds as land held for resale increased fund balances for other governmental funds by \$1.2 million. Recognition of revenues previously recorded as unearned revenues totaled \$1.1 million.

The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The total net position for the Transit Enterprise Fund increased over the prior year by \$3.5 million or 4.6%. The unrestricted portion of the business-type activities net position increased by \$735,897 from the prior year.

The Internal Service Funds net position decreased by \$27.8 million or 77.4% due to the reversal of transfers from the General Fund of \$5.2 million to the Self-Insurance Fund and the collapse of the Public Facilities Replacement Fund with the General Fund of \$16.8 million, which includes \$2.7 million in land transferred to the City's general capital assets. An additional \$5 million in land was removed from the Self-Insurance Fund and included in the City's general capital assets. The ending fund balance for Internal Service Funds is \$8.1 million, of which \$7.7 million is unrestricted.

General Fund Budgetary Highlights

Comparison of the fiscal year 2012-2013 original (adopted) general fund budgeted expenditures and transfers of \$82.2 million to the final budgeted expenditures of \$87.9 million results in a net increase of \$5.7 million.

See independent auditor's report.

THE CITY'S FUNDS (CONTINUED)

Included in this net increase is \$299,268 in committed purchase orders and contracts from the prior June 30 balance, as well as \$487,262 of prior fiscal year operating and capital improvement projects approved for carryover into fiscal year 2012-2013. The resulting beginning budget balance was equal to \$83 million.

Original Budget +	Cont. Appropriations +	Encumbrances =	Beg. Balance +	Supplemental Changes =	Final Budget
\$82,232,313 +	\$487,262 +	\$299,268 =	\$83,018,843 +	\$4,908,810 =	\$87,927,653

Comparing the beginning budget of \$83 million with the final budget of \$87.9 million indicates the General Fund had supplemental budgetary appropriations of \$4.9 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 \$927,980. Included in the net increase are a \$358,000 increase in development revenues, \$288,500 in transient occupancy taxes and a \$152,000 increase in code fines revenue.

At year-end, the City's actual revenues were \$2.93 million more than the final budgetary estimates. Actual expenditures were less than the final budgetary estimates by \$2.91 million.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The City had \$846.1 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	
	2013	2012	2013	2012	2013	2012
Land	\$116,387,179	\$122,169,150	\$15,087,880	\$15,087,880	\$131,475,059	\$137,257,030
Construction in progress	5,474,307	13,594,441	2,145,290	2,875,593	7,619,597	16,470,034
Infrastructure, net	571,948,626	584,748,522	-	-	571,948,626	584,748,522
Depreciable site improvements, net	19,547,163	20,258,460	6,297,027	6,492,671	25,844,190	26,751,131
Depreciable buildings and improvements, net	53,713,714	34,267,401	33,091,453	33,974,800	86,805,167	68,242,201
Depreciable equipment, net	2,498,135	2,083,615	19,939,757	15,347,696	22,437,892	17,431,311
TOTALS	\$769,569,124	\$777,121,589	\$76,561,407	\$73,778,640	\$846,130,531	\$850,900,229

Major capital asset events during the year included:

- A \$19.4 million increase in buildings in governmental activities due to the transfer from construction in progress for the Old Town Newhall Library that opened in September 2012.
- Infrastructure additions totaling \$14.6 million that included \$13.4 million contributed by developers.
- A restatement of infrastructure to remove \$5.6 million for street trees that will not be capitalized. The prior year transfer of \$3.3 million to the Successor Agency to the former redevelopment agency was restated from construction in progress to infrastructure. The restatement also included a transfer of \$580,413 to the Successor Agency.

CAPITAL ASSETS AND DEBT ADMINISTRATION (CONTINUED)

- Land in the amount of \$6.2 million previously transferred from the former redevelopment agency to the City was removed from the City's capital assets and restated as land held for resale by the RDA Successor Agency, the Housing Successor Agency and the Developer Fees Fund. The restatement added an allowance for the decline in value of \$4 million for the properties.
- Equipment additions in the Transit fund of \$4.7 million for buses.

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

Debt Administration

At year-end, the City's total debt amounted to \$43.2 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	
	2013	2012	2013	2012	2013	2012
Refunding Certificates of Participation, net	\$10,429,898	\$11,336,937	\$ -	\$ -	\$10,429,898	\$11,336,937
Certificates of Participation	15,430,000	15,490,000	-	-	15,430,000	15,490,000
Lease Revenue Bonds	12,316,280	12,614,938	-	-	12,316,280	12,614,938
Contract and Leases	201,879	242,417	-	-	201,879	242,417
Loans	810,000	1,040,000	-	-	810,000	1,040,000
Compensated Absences	2,864,131	2,685,537	62,032	52,364	2,926,163	2,737,901
Claims Payable	1,114,117	50,000	-	-	1,114,117	50,000
TOTAL	<u>\$43,166,305</u>	<u>\$43,459,829</u>	<u>\$62,032</u>	<u>\$52,364</u>	<u>\$43,228,337</u>	<u>\$43,512,193</u>

The City's governmental activities had \$43.2 million in debt at year-end. Governmental activities long-term debt decreased overall by \$293,523 during the year. Principal payments totaled \$1.8 million. The increase in claims payable to \$1.1 million is due to the inclusion of workers' compensation payable.

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

During the fiscal year ended June 30, 2013, 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, 2013 was \$926,176,818. 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 during every year of the Great Recession without layoffs or drastic cuts in services. We continue to see positive changes in the economy, such as a declining unemployment rate, an increase in sales tax revenue, and a recovering housing market. Although we are slowly starting to close the gap in revenues, we have yet to be at pre-recession levels. It will take more time to recover our losses as long as the economy continues its slow yet steady upward trend.

- General Fund sales tax revenue continues to be the largest revenue source to operate general governmental functions, accounting for 33.2% or \$32.5 million as projected in the 2013-2014 budget. This is 2.3% higher than 2012-2013 receipts.
- Property tax revenues account for 27.8% of the General Fund budget or \$27.2 million in 2013-2014. 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 2013-2014 is \$97.7 million, 1.7% higher than the actual revenues of the prior year. The City's General Fund operating and capital expenditures for the coming year are budgeted at \$94.0 million, a 12.1% increase from prior year actuals. Operational expenditures increased by 9.4% or \$7.8 million, and capital expenditures increased by \$2.3 million. The City's 2013-2014 operating budget for all funds decreased by 0.98% or \$1.8 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 2013-2014 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 2013-2014 budget can be obtained by contacting the City Finance Division or visiting the web at www.santa-clarita.com/cityhall/departments/cmo/citybudget.



City of Santa Clarita
Statement of Net Position
June 30, 2013

	Governmental Activities	Business-Type Activities	Total
Assets			
Current assets			
Cash and investments	\$ 163,131,324	\$ -	\$ 163,131,324
Receivables:			
Accounts, net	762,672	-	762,672
Interest	485,484	-	485,484
Taxes	7,891,930	-	7,891,930
Loans	2,368,836	-	2,368,836
Prepaid costs	579,725	240,261	819,986
Due from other governments	5,326,127	9,126,508	14,452,635
Internal balances	1,738,468	(1,738,468)	-
Total current assets	182,284,566	7,628,301	189,912,867
Noncurrent assets			
Restricted assets:			
Cash and investments	6,000,745	-	6,000,745
Cash and investments with fiscal agents	2,147,843	-	2,147,843
Land held for resale, net	1,188,969	-	1,188,969
Notes to RDA Successor Agency	13,360,087	-	13,360,087
Allowance for doubtful accounts	(13,360,087)	-	(13,360,087)
Other post employment benefits asset	6,223,930	-	6,223,930
Capital assets:			
Nondepreciable assets	121,861,486	17,233,170	139,094,656
Depreciable assets, net	647,707,638	59,328,237	707,035,875
Total noncurrent assets	785,130,611	76,561,407	861,692,018
Total assets	967,415,177	84,189,708	1,051,604,885
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities	14,403,000	3,730,953	18,133,953
Interest payable	496,960	-	496,960
Deposits payable	3,319,281	-	3,319,281
Unearned revenues	604,335	-	604,335
Compensated absences	1,693,894	62,032	1,755,926
Claims and judgments	349,835	-	349,835
Bonds, loans and capital leases	1,836,941	-	1,836,941
Total current liabilities	22,704,246	3,792,985	26,497,231
Noncurrent liabilities			
Compensated absences	1,170,237	-	1,170,237
Claims and judgments	764,282	-	764,282
Bonds, loans and capital leases	37,351,116	-	37,351,116
Developer credits	32,925,650	-	32,925,650
Total noncurrent liabilities	72,211,285	-	72,211,285
Total liabilities	94,915,531	3,792,985	98,708,516
Net position			
Net investment in capital assets	738,271,282	76,561,407	814,832,689
Restricted	68,521,940	-	68,521,940
Unrestricted	65,706,424	3,835,316	69,541,740
Total net position	\$ 872,499,646	\$ 80,396,723	\$ 952,896,369

City of Santa Clarita
Statement of Activities
For the Year Ended June 30, 2013

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Contributions and Grants	Capital Contributions and Grants
Governmental Activities				
General government	\$ 35,921,943	\$ 24,323,027	\$ 2,141,237	\$ 331,731
Public safety	19,940,098	2,284,334	328,378	573,761
Parks, recreation and community service	21,809,820	4,371,888	16,294	257,908
Public works	28,651,261	9,943,014	5,232,913	31,951,537
Community development	7,214,293	1,611,184	1,343,128	470,860
Unallocated infrastructure depreciation	15,163,864	-	-	-
Interest and fiscal charges	1,992,574	-	-	-
Total governmental activities	130,693,853	42,533,447	9,061,950	33,585,797
Business-Type Activities				
Transit Enterprise	25,653,753	6,863,086	8,579,209	8,513,238
Total business-type activities	25,653,753	6,863,086	8,579,209	8,513,238
Total	\$ 156,347,606	\$ 49,396,533	\$ 17,641,159	\$ 42,099,035

General Revenues

Taxes:

Property taxes

Sales taxes

Franchise taxes

Transient occupancy taxes

Property transfer tax

Motor vehicle in lieu - unrestricted

Investment income

Miscellaneous

Transfers

Total general revenues and transfers

Change in net position

Net position, beginning of year, as restated

Net position, end of year

Net (Expense) Revenue and
Changes in Net Position

Governmental Activities	Business-Type Activities	Total
\$ (9,125,948)	\$ -	\$ (9,125,948)
(16,753,625)	-	(16,753,625)
(17,163,730)	-	(17,163,730)
18,476,203	-	18,476,203
(3,789,121)	-	(3,789,121)
(15,163,864)	-	(15,163,864)
(1,992,574)	-	(1,992,574)
<u>(45,512,659)</u>	<u>-</u>	<u>(45,512,659)</u>
-	(1,698,220)	(1,698,220)
-	(1,698,220)	(1,698,220)
<u>(45,512,659)</u>	<u>(1,698,220)</u>	<u>(47,210,879)</u>
32,341,369	-	32,341,369
32,057,358	-	32,057,358
7,141,953	-	7,141,953
2,556,774	-	2,556,774
706,180	-	706,180
91,062	-	91,062
(82,870)	29,660	(53,210)
310,676	-	310,676
(5,187,224)	5,187,224	-
<u>69,935,278</u>	<u>5,216,884</u>	<u>75,152,162</u>
24,422,619	3,518,664	27,941,283
848,077,027	76,878,059	924,955,086
<u>\$ 872,499,646</u>	<u>\$ 80,396,723</u>	<u>\$ 952,896,369</u>

City of Santa Clarita
Balance Sheet
Governmental Funds
June 30, 2013

Special Revenue Funds

	<u>Special Revenue Funds</u>		
	<u>General</u>	<u>Bridge and Thoroughfare</u>	<u>Public Library</u>
Assets			
Cash and investments	\$ 81,956,079	\$ 14,027,259	\$ 1,036,224
Receivables:			
Accounts, net	573,024	-	-
Interest	257,825	39,128	2,892
Taxes	7,155,637	-	89,864
Loans	-	-	-
Notes to RDA Successor Agency	7,884,071	-	-
Allowance for doubtful accounts	(7,884,071)	-	-
Prepaid costs	84,535	-	74,088
Due from other governments	768,881	-	-
Due from other funds	3,409,279	-	-
Advances to other funds	11,825,524	-	-
Land held for resale, net	-	-	-
Restricted assets:			
Cash and investments	-	-	1,307,459
Cash and investments with fiscal agents	825,654	-	-
Total assets	\$ 106,856,438	\$ 14,066,387	\$ 2,510,527
Liabilities, deferred inflows of resources and fund balances			
Liabilities			
Accounts payable and accrued liabilities	\$ 6,932,748	\$ 220,248	\$ 1,324,233
Deposits payable	3,284,184	-	-
Unearned revenues	604,335	-	-
Due to other funds	-	-	-
Advances from other funds	-	1,586,105	10,356,245
Total liabilities	10,821,267	1,806,353	11,680,478
Deferred inflows of resources			
Intergovernmental revenues	1,697,870	-	-
Total deferred inflows of resources	1,697,870	-	-
Fund balances (deficit)			
Nonspendable	11,910,059	-	-
Restricted	-	12,260,034	-
Committed	-	-	-
Assigned	47,106,536	-	-
Unassigned	35,320,706	-	(9,169,951)
Total fund balances (deficit)	94,337,301	12,260,034	(9,169,951)
Total liabilities, deferred inflow of resources and fund balances	\$ 106,856,438	\$ 14,066,387	\$ 2,510,527

**City of Santa Clarita
Balance Sheet
Governmental Funds
June 30, 2013**

	Special Revenue Funds		
	Landscape Maintenance District #1	Non-Major Governmental Funds	Total Governmental Funds
Assets			
Cash and investments	\$ 27,120,026	\$ 30,081,809	\$ 154,221,397
Receivables:			
Accounts, net	58,408	131,240	762,672
Interest	76,056	70,376	446,277
Taxes	309,119	337,310	7,891,930
Loans	-	2,368,836	2,368,836
Notes to RDA Successor Agency	-	5,476,016	13,360,087
Allowance for doubtful accounts	-	(5,476,016)	(13,360,087)
Prepaid costs	421,102	-	579,725
Due from other governments	-	4,557,246	5,326,127
Due from other funds	-	80	3,409,359
Advances to other funds	-	116,826	11,942,350
Land held for resale, net	-	1,188,969	1,188,969
Restricted assets:			
Cash and investments	-	4,693,286	6,000,745
Cash and investments with fiscal agents	-	1,322,189	2,147,843
Total assets	\$ 27,984,711	\$ 44,868,167	\$ 196,286,230
Liabilities, deferred inflows of resources and fund balances			
Liabilities			
Accounts payable and accrued liabilities	\$ 2,045,588	\$ 3,796,756	\$ 14,319,573
Deposits payable	-	35,097	3,319,281
Unearned revenues	-	-	604,335
Due to other funds	-	1,670,891	1,670,891
Advances from other funds	-	-	11,942,350
Total liabilities	2,045,588	5,502,744	31,856,430
Deferred inflows of resources			
Intergovernmental revenues	-	4,248,422	5,946,292
Total deferred inflows of resources	-	4,248,422	5,946,292
Fund balances (deficit)			
Nonspendable	421,102	249,510	12,580,671
Restricted	25,518,021	31,179,944	68,957,999
Committed	-	716,826	716,826
Assigned	-	4,466,367	51,572,903
Unassigned	-	(1,495,646)	24,655,109
Total fund balances (deficit)	25,939,123	35,117,001	158,483,508
Total liabilities, deferred inflow of resources and fund balances	\$ 27,984,711	\$ 44,868,167	\$ 196,286,230



City of Santa Clarita
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
June 30, 2013

Fund balances of governmental funds \$ 158,483,508

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds. Those capital assets consist of:

Nondepreciable assets	\$ 121,861,486	
Depreciable assets, net of accumulated depreciation	<u>647,329,265</u>	
		769,190,751

Revenues reported as deferred inflows of governmental revenues in the governmental funds do not provide current financial resources and are recognized in the Statement of Activities. 5,946,292

Other post employment benefit assets are not available to pay for current-period expenditures and therefore are not reported in the governmental funds. 6,223,930

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	(12,316,280)	
Certificates of participation bonds	(25,859,898)	
Capital leases	(201,879)	
Loans payable	(810,000)	
Compensated absences	(2,858,182)	
Bridges and Thoroughfare developer payables	<u>(32,925,650)</u>	
		(74,971,889)

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. (496,960)

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 and liabilities of the internal service funds are included in governmental activities in the Statement of Net Position.

Net position of governmental activities

8,124,014
\$ 872,499,646

City of Santa Clarita
Statement of Revenues, Expenditures and
Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2013

Special Revenue Funds

	<u>General</u>	<u>Bridge and Thoroughfare</u>	<u>Public Library</u>
Revenues			
Taxes	\$ 68,332,942	\$ -	\$ 4,481,938
Special assessments	-	-	-
Licenses and permits	4,246,957	-	-
Intergovernmental	263,093	-	-
Charges for services	7,551,982	-	75,000
Investment income	1,133,464	311,227	(6,134)
Fines and forfeitures	603,389	-	-
Developer fees	-	14,586,834	-
Other revenue	72,009	-	150,230
Total revenues	<u>82,203,836</u>	<u>14,898,061</u>	<u>4,701,034</u>
Expenditures			
Current:			
General government	13,130,441	-	4,446,760
Public safety	20,081,992	-	-
Parks, recreation and community service	19,602,317	-	-
Public works	10,444,494	168,199	-
Community development	5,247,226	-	-
Capital outlay	108,664	13,345,076	4,483,399
Debt service:			
Principal retirement	-	-	40,538
Interest and fiscal charges	-	223,399	136,781
Redemption of district credits	-	14,368,419	-
Total expenditures	<u>68,615,134</u>	<u>28,105,093</u>	<u>9,107,478</u>
Excess (deficiency) of revenues over (under) expenditures	<u>13,588,702</u>	<u>(13,207,032)</u>	<u>(4,406,444)</u>
Other financing sources (uses)			
Transfers in	3,011,346	-	-
Transfers out	(4,384,877)	(8,460)	(6,148)
Issuance of district credits	-	12,270,335	-
Total other financing sources (uses)	<u>(1,373,531)</u>	<u>12,261,875</u>	<u>(6,148)</u>
Net change in fund balances	<u>12,215,171</u>	<u>(945,157)</u>	<u>(4,412,592)</u>
Fund balances (deficit), beginning of year, as restated	82,122,130	13,205,191	(4,757,359)
Fund balances (deficit), end of year	<u>\$ 94,337,301</u>	<u>\$ 12,260,034</u>	<u>\$ (9,169,951)</u>

City of Santa Clarita
Statement of Revenues, Expenditures and
Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2013

	Special Revenue Funds		
	Landscape Maintenance District #1	Non-Major Governmental Funds	Total Governmental Funds
Revenues			
Taxes	\$ 731,793	\$ 425,333	\$ 73,972,006
Special assessments	19,225,247	8,962,977	28,188,224
Licenses and permits	-	-	4,246,957
Intergovernmental	-	27,189,123	27,452,216
Charges for services	-	496,118	8,123,100
Investment income	88,553	174,896	1,702,006
Fines and forfeitures	-	1,510,777	2,114,166
Developer fees	-	1,241,554	15,828,388
Other revenue	-	109,907	332,146
Total revenues	20,045,593	40,110,685	161,959,209
Expenditures			
Current:			
General government	11,686,645	6,169,442	35,433,288
Public safety	-	(187,133)	19,894,859
Parks, recreation and community service	-	222,233	19,824,550
Public works	-	17,355,714	27,968,407
Community development	-	2,005,198	7,252,424
Capital outlay	2,243,318	3,657,076	23,837,533
Debt service:			
Principal retirement	-	1,710,000	1,750,538
Interest and fiscal charges	-	1,678,964	2,039,144
Redemption of district credits	-	-	14,368,419
Total expenditures	13,929,963	32,611,494	152,369,162
Excess (deficiency) of revenues over (under) expenditures	6,115,630	7,499,191	9,590,047
Other financing sources (uses)			
Transfers in	9,000	6,049,149	9,069,495
Transfers out	(205,898)	(9,651,336)	(14,256,719)
Issuance of district credits	-	-	12,270,335
Total other financing sources (uses)	(196,898)	(3,602,187)	7,083,111
Net change in fund balances	5,918,732	3,897,004	16,673,158
Fund balances (deficit), beginning of year, as restated	20,020,391	31,219,997	141,810,350
Fund balances (deficit), end of year	\$ 25,939,123	\$ 35,117,001	\$ 158,483,508



City of Santa Clarita
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, 2013

Net change in fund balances - total governmental funds \$ 16,673,158

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlay as expenditures. However, in the Statement of Activities, the costs of those assets is allocated over the estimated useful lives as depreciation expense. The following were the amounts of capital outlay and depreciation expense in the current period:

Capital outlay	24,055,428	
Depreciation expense	(18,218,899)	
Capital contributions to Successor Agency	(532,878)	
Disposal of capital assets	<u>(419,170)</u>	
		4,884,481

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the governmental funds. (1,732,865)

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 have been no issuances of debt in the current period, and the following were the amounts of repayment of long-term liabilities:

Changes in compensated absences	(444,059)	
Lease revenue bonds	295,000	
Certificates of participation bonds	1,185,000	
Capital leases	40,538	
Loans payable	230,000	
Amortization of premiums of long-term liabilities	3,658	
Amortization of discounts of long-term liabilities	<u>(4,614)</u>	
		1,305,523

The issuance of Bridge and Thoroughfare district credits provide current financial resources to governmental funds, but increases long-term liabilities in the Statement of Net Position. Redemptions of district credits is an expenditure in the governmental funds, but reduces long-term liabilities in the Statement of Net Position.

Issuance of district credits	(12,270,335)	
Redemption of district credits	<u>14,368,419</u>	
		2,098,084

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 consist of the following:

Changes in interest payable for long-term liabilities	47,527	
Changes and amortization of other post employment benefit asset	<u>1,053,993</u>	
		1,101,520

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. The net revenue (expense) of the internal service funds is reported with governmental activities.

Change in net position of governmental activities	<u>92,718</u>	
	<u>\$ 24,422,619</u>	

City of Santa Clarita
Statement of Net Position
Proprietary Funds
June 30, 2013

	Business-Type Activities	Governmental Activities
	Transit Enterprise	Internal Service Funds
Assets		
Current assets		
Cash and investments	\$ -	\$ 8,909,927
Receivables:		
Interest	-	39,207
Prepaid costs	240,261	-
Due from other governments	9,126,508	-
Total current assets	9,366,769	8,949,134
Noncurrent assets		
Capital assets:		
Land	15,087,880	-
Construction in progress	2,145,290	-
Site improvements, net of accumulated depreciation	6,297,027	-
Building and improvements, net of accumulated depreciation	33,091,453	-
Equipment, net of accumulated depreciation	19,939,757	378,373
Total noncurrent assets	76,561,407	378,373
Total assets	85,928,176	9,327,507
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	3,730,953	83,427
Due to other funds	1,738,468	-
Compensated absences	62,032	5,949
Claims and judgments	-	349,835
Total current liabilities	5,531,453	439,211
Noncurrent liabilities		
Claims and judgments	-	764,282
Total noncurrent liabilities	-	764,282
Total liabilities	5,531,453	1,203,493
Net position		
Net investment in capital assets	76,561,407	378,373
Unrestricted	3,835,316	7,745,641
Total net position	\$ 80,396,723	\$ 8,124,014

City of Santa Clarita
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2013

	Business-Type Activities	Governmental Activities
	Transit Enterprise	Internal Service Funds
Operating revenues		
Charge for services	\$ 4,087,995	\$ 2,899,052
Other revenues	2,775,091	-
Total operating revenues	6,863,086	2,899,052
Operating expenses		
Administration and personnel services	1,810,225	417,942
Transportation services	17,465,062	-
Services and supplies	1,951,247	2,243,359
Depreciation expense	4,409,915	222,385
Total operating expenses	25,636,449	2,883,686
Operating income (loss)	(18,773,363)	15,366
Nonoperating revenues (expenses)		
Intergovernmental revenue	8,579,209	-
Investment income	29,660	77,352
(Loss) on disposal of capital assets	(17,304)	-
Total nonoperating revenues (expenses)	8,591,565	77,352
Income (loss) before transfers and capital contributions	(10,181,798)	92,718
Transfers and capital contributions		
Transfers in	5,435,298	-
Transfers out	(248,074)	-
Capital contributions	8,513,238	-
Total transfers and capital contributions	13,700,462	-
Changes in net position	3,518,664	92,718
Net position		
Net position, beginning of year, as restated	76,878,059	8,031,296
Net position, end of year	\$ 80,396,723	\$ 8,124,014

City of Santa Clarita
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2013

	Business-Type Activities	Governmental Activities
	Transit Enterprise	Internal Service Funds
Cash flows from operating activities		
Cash received from customers and users	\$ 4,087,995	\$ 2,900,685
Cash paid to suppliers for goods and services	(19,398,788)	(2,570,888)
Cash paid to employees for services	(1,083,455)	757,680
Cash received from other sources	2,775,091	-
Net cash provided by (used in) operating activities	(13,619,157)	1,087,477
Cash flows from non-capital financing activities		
Cash transfers out	(248,074)	(6,091,948)
Cash transfers in	5,435,298	-
Payment received from other funds	1,738,468	-
Net cash provided by (used in) non-capital financing activities	6,925,692	(6,091,948)
Cash flows from capital and related financing activities		
Intergovernmental revenues	11,300,031	-
Acquisition and construction of capital assets	(7,244,461)	(149,305)
Proceeds from disposal of capital assets	34,475	-
Net cash provided by (used in) capital and related financing activities	4,090,045	(149,305)
Cash flows from investing activities		
Interest received	31,514	970,407
Net cash provided by investing activities	31,514	970,407
Net (decrease) in cash and cash equivalents	(2,571,906)	(4,183,369)
Cash and cash equivalents at beginning of year	2,571,906	13,093,296
Cash and cash equivalents at end of year	\$ -	\$ 8,909,927
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities		
Operating income (loss)	\$ (18,773,363)	\$ 15,366
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities		
Depreciation	4,409,915	222,385
(Increase) decrease in accounts receivable	-	1,633
(Increase) decrease in prepaid expense	(51,467)	-
Increase (decrease) in accounts payable	786,090	(128,249)
Increase (decrease) in claims and judgments	-	973,572
Increase in compensated absences	9,668	2,770
Total adjustments	5,154,206	1,072,111
Net cash provided by (used in) operating activities	\$ (13,619,157)	\$ 1,087,477

City of Santa Clarita
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2013

	<u>Business-Type Activities</u>	<u>Governmental Activities</u>
	<u>Transit Enterprise</u>	<u>Internal Service Funds</u>
Non-cash investing, capital and financing activities		
Disposal of capital assets	\$ (51,779)	\$ -
Capital assets transferred to governmental activities	-	(5,010,612)
Contributions of capital assets	100,000	-
Advances to other funds transferred to General Fund	-	(925,223)

City of Santa Clarita
Statement of Net Position (Deficit)
Fiduciary Funds
June 30, 2013

	Agency Funds	Private-Purpose Trust Fund
	Agency Funds	RDA Successor Agency
Assets		
Cash and investments	\$ 1,086,940	\$ 1,780,704
Receivables:		
Accounts	2,000	-
Interest	2,276	5,746
Taxes	2,275	-
Due from other governments	715,000	-
Land held for resale, net	-	1,011,031
Restricted assets:		
Cash and investments	-	5,058,519
Cash and investments with fiscal agents	1,767,382	1,165,418
Capital assets:		
Land	9,738,207	532,878
Construction in progress	-	393,341
Site improvements, net of accumulated depreciation	-	103,692
Building and improvements, net of accumulated depreciation	94,062	-
Infrastructure, net of accumulated depreciation	-	3,670,143
Total assets	\$ 13,408,142	13,721,472
Liabilities		
Accounts payable	\$ 216	7,131
Interest payable	-	430,340
Due to external parties	13,407,926	-
Bonds, due within one year	-	610,000
Bonds and notes, due in more than one year	-	49,111,831
Total liabilities	\$ 13,408,142	50,159,302
Net Position (Deficit)		
Trust deficit		(36,437,830)
Total net position		\$ (36,437,830)

City of Santa Clarita
Statement of Changes in Net Position
Fiduciary Funds
For the Year Ended June 30, 2013

	<u>Private- Purpose Trust Fund</u>
	<u>RDA Successor Agency</u>
Additions	
Property taxes	\$ 1,919,286
Investment income	17,653
Contributions from City	<u>532,878</u>
Total additions	<u>2,469,817</u>
Deductions	
Administrative expenses	447,247
Contractual services	(51,729)
Interest expense	1,773,330
Depreciation expense	<u>82,292</u>
Total deductions	<u>2,251,140</u>
Changes in net position	218,677
Net Position (Deficit)	
Trust deficit, beginning of year, as restated	<u>(36,656,507)</u>
Trust deficit, end of year	<u><u>\$ (36,437,830)</u></u>



NOTES TO FINANCIAL STATEMENTS



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 City Council serves as the Board of the Financing Authority. 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 Santa Clarita Public Financing Authority (the Authority) was established in July 1991 as a joint powers of 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. 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 Santa Clarita Public Financing 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.

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, as well as infrastructure assets, and 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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

C. *Basis of Accounting and Measurement Focus, Continued*

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 accounting principles generally accepted 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, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, pension and other post employment benefits, are recorded only when payment is due.

Property taxes when levied for, taxpayer-assessed tax revenues (e.g., franchise taxes, sales taxes, motor vehicle fees, etc.), net of estimated refunds and uncollectible amounts, intergovernmental revenues when eligibility requirements are met, 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. All other revenue items are considered measurable and available only when cash is received by the City.

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 restricted district fees received from developers as set by the State Subdivision Law and the Los Angeles County and City of Santa Clarita which is 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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

C. Basis of Accounting and Measurement Focus, Continued

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 on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Net Position presents 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 in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating 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.

Fiduciary Fund Financial Statements

Fiduciary fund financial statements include a Statement of Net Position and a Statement of Changes in Net Position. 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 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 L.A. 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 Payment Obligation 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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

C. *Basis of Accounting and Measurement Focus, Continued*

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.

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.

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 market investments with maturities of one year or less at time of purchase are stated at amortized cost. All other investments are stated at fair value. Fair value is the amount at which an investment could be exchanged in a current transaction between willing parties, other than a forced or liquidation sale.

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

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 estimated net realizable value. The cost of the land includes all costs incurred which are directly associated with the acquisition of the land, including purchase price, escrow costs, clearing land for use costs, demolition costs, etc.

F. Receivables and Payables

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."

Customer and other trade receivables are shown net of an allowance for uncollectibles. Management has estimated the accounts receivable allowance for uncollectibles based on incremental estimated losses for aging accounts receivable in excess of 30 days.

G. 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.

H. Capital Assets

Government-Wide Financial Statements, Proprietary Funds and Fiduciary Funds

Capital assets, which include land, site improvements, buildings and improvements, 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 trees, 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 estimated fair 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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

H. Capital Assets, Continued

Governmental Fund Financial Statements

The governmental fund financial statements do not present capital assets. Instead, capital assets purchases are reported as capital outlay expenditure. 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.

I. 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.

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 period issued. The face amount of debt issued is reported as other financing sources. 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.

J. 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).

K. 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 include an estimate for incurred but not reported (IBNR) claims, is recorded in the Self-Insurance Internal Service Fund.

L. Property Taxes

Property taxes are an enforceable lien on property as of January 1 of each year. Taxes are levied on each July 1 and are payable in two installments on November 1 and February 1, which become delinquent after December 10 and April 10, respectively. The County of Los Angeles bills and collects property taxes for the City. Remittance of property taxes to the City is accounted for in the City's General Fund and Public Library Special Revenue Fund.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

M. Net Position and Fund Balances

Government-Wide Financial Statements, Proprietary Funds and Fiduciary Funds

Net position represents the difference between assets and deferred outflows and liabilities and deferred inflows, 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.

The City Council has approved an operating reserve to be used for one-time unanticipated expenditure requirements and local disaster. This reserve did not meet the qualifications of a stabilization arrangement. At June 30, 2013, the balance totaled \$12,130,000, which is included in the unassigned fund balance in the General Fund.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

N. 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

O. 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 assets and liabilities 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.

P. Deferred Inflows of Intergovernmental 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

In addition to unearned revenue, deferred inflows of resources represents funds that have been 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.

Q. Pronouncements Issued But Not Yet Adopted

The GASB has issued pronouncements that have an effective date subsequent to June 30, 2013, which may impact future financial presentations. Except as noted below, management has not currently determined what, if any, impact implementation of the following Statements may have on future financial statements of the City.

GASB Statement No. 66, *Technical Corrections—2012*: Effective for the City's fiscal year ending June 30, 2014.

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*: Effective for the City's fiscal year ending June 30, 2015. Management believes that there will be a significant impact on liabilities and net position when this Statement is implemented; however, the amount of the impact has not yet been determined.

City of Santa Clarita
Notes to Financial Statements, Continued
For the Year Ended June 30, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Q. Pronouncements Issued But Not Yet Adopted, Continued

GASB Statement No. 69, *Government Combinations and Disposals of Government Operations*: Effective for the City's fiscal year ending June 30, 2015.

GASB Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*: Effective for the City's fiscal year ending June 30, 2014.

GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date, an amendment to GASB Statement No. 68*: Effective simultaneously with GASB Statement No. 68.

R. Adoption of Accounting Standards

The City implemented the provisions of GASB Statement No. 63 (GASB 63), *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and GASB Statement No. 65 (GASB 65), *Items Previously Reported as Assets and Liabilities*, for the year ended June 30, 2013. The impact of the implementation of GASB 63 resulted in a new financial reporting presentation of deferred outflows of resources, deferred inflows of resources, and net position. The impact of the implementation of GASB 65 applies to accounting and financial reporting for governmental activities, business-type activities, proprietary funds and fiduciary funds. The implementation of GASB 65 resulted in net position being restated as of June 30, 2012 (see Notes 12 and 22).

The City also implemented GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. The purpose of this Statement is to incorporate into the GASB's authoritative literature certain accounting and financial reporting guidance that is included in the various pronouncements issued on or before November 30, 1989, which does not conflict with or contradict GASB pronouncements.

2. CASH AND INVESTMENTS

A. Cash and Investments

Cash and investments at June 30, 2013 are classified in the accompanying financial statements as follows:

	Governmental		
	Activities	Fiduciary Funds	Total
Cash and investments	\$ 163,131,324	\$ 2,867,644	\$ 165,998,968
Restricted:			
Cash and investments	6,000,745	5,058,519	11,059,264
Cash and investments with fiscal agent	2,147,843	2,932,800	5,080,643
Total	<u>\$ 171,279,912</u>	<u>\$ 10,858,963</u>	<u>\$ 182,138,875</u>

**City of Santa Clarita
Notes to Financial Statements, Continued
For the Year Ended June 30, 2013**

2. CASH AND INVESTMENTS, Continued

A. Cash and Investments, Continued

Cash and investments consisted of the following at June 30, 2013:

Cash on hand and demand deposits:	
Cash on hand	\$ 4,715
Deposits with financial institutions	1,058,125
Certificates of deposit	<u>1,010,288</u>
Total cash on hand and demand deposits	<u>2,073,128</u>
Investments:	
U.S. Treasury Securities	18,525,464
U.S. Government-Sponsored Enterprise Securities	64,263,244
Money Market Accounts	801,821
Commercial Paper	6,469,180
Medium-Term Notes	28,573,126
Local Agency Investment Fund	43,810,297
L.A. County Pool (LACPIF)	<u>1,482,708</u>
Total investments	<u>163,925,840</u>
Restricted cash and investments:	
U.S. Treasury Securities	6,398,799
U.S. Government-Sponsored Enterprise Securities	999,740
Money Market Accounts	<u>3,660,725</u>
Total restricted cash and investments	<u>11,059,264</u>
Restricted cash and investments with fiscal agent:	
Money Market Accounts	<u>5,080,643</u>
Total cash and investments with fiscal agent	<u>5,080,643</u>
Total cash and investments	<u>\$ 182,138,875</u>

The carrying amounts of the City's demand deposits were \$2,073,128 at June 30, 2013. Bank balances before reconciling items were \$1,322,987 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.

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

The table following 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.

City of Santa Clarita
Notes to Financial Statements, Continued
For the Year Ended June 30, 2013

2. CASH AND INVESTMENTS, Continued

B. Investments Authorized by the California Government Code and the City's Investment Policy, Continued

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. Government-Sponsored Enterprise Securities	5 years	No Limit	No Limit
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 Mutual Funds	5 years	15%	10%
Mortgage Pass-Through Securities	5 years	20%	No Limit
Los Angeles County Pooled Investment Fund (LACPIF)	Not Applicable	No Limit	No Limit
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.

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 or Amount of Portfolio*	Maximum Investment in One Issuer
U.S. Treasury Obligations	5 years	No Limit	No Limit
U.S. Government-Sponsored Enterprise Securities	5 years	No Limit	No Limit
Money Market Accounts	5 years	15%	10%
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.

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 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.

City of Santa Clarita
Notes to Financial Statements, Continued
For the Year Ended June 30, 2013

2. CASH AND INVESTMENTS, Continued

D. Disclosures Relating to Interest Rate Risk, Continued

At June 30, 2013, the City had the following investment maturities:

Investment Type	Fair Value	Investment Maturities (In Years)				
		Less Than 1	1 to 2	2 to 3	3 to 4	4 to 5
Investments:						
U.S. Treasury Securities	\$ 18,525,464	\$ 4,599,330	\$ 1,598,252	\$ 5,229,102	\$ 5,244,342	\$ 1,854,438
U.S. Government-Sponsored						
Enterprise Securities	64,263,244	18,737,977	2,754,069	15,981,135	17,379,973	9,410,090
Commercial Paper	6,469,180	6,469,180				
Medium-Term Notes	28,573,126	7,235,134	9,905,081	2,077,930	5,124,516	4,230,465
Local Agency Investment Fund (LAIF)	43,810,297	43,810,297	-	-	-	-
L.A. County Pool (LACPIF)	1,482,708	1,482,708	-	-	-	-
Total investments	<u>163,124,019</u>	<u>\$ 82,334,626</u>	<u>\$ 14,257,402</u>	<u>\$ 23,288,167</u>	<u>\$ 27,748,831</u>	<u>\$ 15,494,993</u>
Restricted Investments:						
U.S. Treasury Securities	6,398,799	6,398,799	-	-	-	-
U.S. Government-Sponsored						
Enterprise Securities	999,740	999,740	-	-	-	-
Total restricted investments	<u>7,398,539</u>	<u>7,398,539</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total investments subject to interest rate risk	<u>\$ 170,522,558</u>	<u>\$ 89,733,165</u>	<u>\$ 14,257,402</u>	<u>\$ 23,288,167</u>	<u>\$ 27,748,831</u>	<u>\$ 15,494,993</u>

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	Credit Ratings				
			AAA	AA	A	A-1	Unrated
Investments:							
U.S. Treasury Securities	None	\$ 18,525,464	\$ -	\$ 18,525,464	\$ -	\$ -	\$ -
U.S. Government-Sponsored							
Enterprise Securities	None	64,263,244	-	64,263,244	-	-	-
Commercial Paper	A-1	6,469,180	-	-	-	6,469,180	-
Medium-Term Notes*	A	28,573,126	4,320,148	9,273,498	14,479,480	-	500,000
Local Agency Investment Fund (LAIF)	None	43,810,297	-	-	-	-	43,810,297
L.A. County Pool (LACPIF)	None	1,482,708	-	675,967	-	806,741	-
Total investments		<u>163,124,019</u>	<u>\$ 4,320,148</u>	<u>\$ 92,738,173</u>	<u>\$ 14,479,480</u>	<u>\$ 7,275,921</u>	<u>\$ 44,310,297</u>
Restricted Investments:							
U.S. Treasury Securities	None	6,398,799	-	6,398,799	-	-	-
U.S. Government-Sponsored							
Enterprise Securities	None	999,740	-	999,740	-	-	-
Total restricted investments		<u>7,398,539</u>	<u>-</u>	<u>7,398,539</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total investments subject to credit rate risk		<u>\$ 170,522,558</u>	<u>\$ -</u>	<u>\$ 8,074,506</u>	<u>\$ -</u>	<u>\$ 806,741</u>	<u>\$ -</u>

**City of Santa Clarita
Notes to Financial Statements, Continued
For the Year Ended June 30, 2013**

2. CASH AND INVESTMENTS, Continued

E. Disclosures Relating to Credit Risk, Continued

* Included in the medium-term notes is an investment in Lehman Brothers, which is not rated as of June 30, 2013. 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 they will receive when the investment is redeemed. As of June 30, 2013, this amount is \$0.25 per \$1.00 of the original investment.

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	% of Total Investments
Federal National Mortgage Association	U.S. Government-Sponsored Enterprise Securities	\$ 18,425,626	10.23%
Federal Home Loan Bank	U.S. Government-Sponsored Enterprise Securities	\$ 15,941,463	8.85%
Federal Home Loan Mortgage Corporation	U.S. Government-Sponsored Enterprise Securities	\$ 15,038,810	8.35%
Federal Farm Credit Bank	U.S. Government-Sponsored Enterprise Securities	\$ 12,307,530	6.84%

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 will not be able to recover 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, 2013, none of the City's deposits or investments were exposed to custodial credit risk.

H. 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 and may also invest 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, 2013 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.

**City of Santa Clarita
Notes to Financial Statements, Continued
For the Year Ended June 30, 2013**

2. CASH AND INVESTMENTS, Continued

H. Investment in State Investment Pool, Continued

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, 2013, the City had \$43,810,297 invested in LAIF, which had invested 3.92 percent of the pool investment funds in structured notes and asset-backed securities. The LAIF fair value factor of 1.000273207 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.

I. Investment in County Investment Pool

The 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, 2013, the City had \$1,482,708 invested in the LACPIF. The LACPIF fair value factor of 0.992189588 was used to calculate the fair value of the investments in the LACPIF from their amortized cost basis.

3. LAND HELD FOR RESALE

Land held for resale as of June 30, 2013, including an allowance for the decline in value, is as follows:

	Non-Major Governmental Funds
Land held for resale, cost	\$ 3,351,288
Less: allowance for the decline in value	(2,162,319)
Land held for resale, net	<u>\$ 1,188,969</u>

4. ACCOUNTS RECEIVABLE

Accounts receivable as of June 30, 2013, including allowances for uncollectible accounts, is as follows:

	General Fund	Landscape Maintenance District #1	Non-Major Governmental Funds	Total
Gross receivables	\$ 1,349,753	\$ 151,850	\$ 240,861	\$ 1,742,464
Less: allowance for uncollectibles	(776,729)	(93,442)	(109,621)	(979,792)
Net total receivables	<u>\$ 573,024</u>	<u>\$ 58,408</u>	<u>\$ 131,240</u>	<u>\$ 762,672</u>

City of Santa Clarita
Notes to Financial Statements, Continued
For the Year Ended June 30, 2013

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 \$2,368,836 at June 30, 2013, has been offset by deferred inflows of intergovernmental revenue in the non-major governmental funds, since these loans are not available to finance current expenditures.

6. NOTES TO RDA SUCCESSOR AGENCY

Prior to the dissolution of the former redevelopment agency, the General Fund and Developer Fee Special Revenue Fund advanced the former redevelopment agency \$7,884,071 and \$5,476,016, respectively, to provide 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. Due to the uncertainty of the collectability of the notes, an allowance for doubtful accounts has been recorded as of June 30, 2013. These allowances will remain in place until the State of California Department of Finance makes further determinations regarding the allowability of these items as enforceable obligations. The unpaid accrued interest of these notes is \$871,275 and \$156,130, respectively.

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, 2013:

	Governmental Activities						Balance June 30, 2013
	Balance July 1, 2012	Adjustments*	Additions	Deletions	Transfers	Contributions to RDA Successor Agency	
Governmental activities:							
Non-depreciable assets:							
Land	\$ 122,169,150	\$ (6,201,588)	\$ 960,749	\$ (8,254)	\$ -	\$ (532,878)	\$ 116,387,179
Construction in progress	13,594,441	6,428,373	3,259,869	(410,916)	(17,397,460)	-	5,474,307
Total non-depreciable assets	135,763,591	226,785	4,220,618	(419,170)	(17,397,460)	(532,878)	121,861,486
Depreciable assets:							
Site improvements	29,556,368	(110,310)	482,611	-	42,019	-	29,970,688
Building and improvements	47,486,762	-	4,104,246	-	16,721,305	-	68,312,313
Equipment	12,157,484	-	846,265	(369,336)	340,820	-	12,975,233
Infrastructure	834,960,132	(12,593,867)	14,550,993	-	293,316	-	837,210,574
Total depreciable assets	924,160,746	(12,704,177)	19,984,115	(369,336)	17,397,460	-	948,468,808
Less accumulated depreciation:							
Site improvements	(9,297,908)	-	(1,125,617)	-	-	-	(10,423,525)
Building and improvements	(13,219,361)	-	(1,379,238)	-	-	-	(14,598,599)
Equipment	(10,073,869)	-	(772,565)	369,336	-	-	(10,477,098)
Infrastructure	(250,211,610)	113,526	(15,163,864)	-	-	-	(265,261,948)
Total accumulated depreciation	(282,802,748)	113,526	(18,441,284)	369,336	-	-	(300,761,170)
Total depreciable assets, net	641,357,998	(12,590,651)	1,542,831	-	17,397,460	-	647,707,638
Total capital assets, net	\$ 777,121,589	\$ (12,363,866)	\$ 5,763,449	\$ (419,170)	\$ -	\$ (532,878)	\$ 769,569,124

* Adjustments were to restate capital assets as of June 30, 2012 that should not have been capitalized, were transferred to the RDA Successor Agency in error, or were not properly transferred to the RDA Successor Agency upon dissolution of the former redevelopment agency (see Note 12).

City of Santa Clarita
Notes to Financial Statements, Continued
For the Year Ended June 30, 2013

7. CAPITAL ASSETS, Continued

A. Governmental Activities, Continued

Depreciation expense was charged to functions/programs of governmental activities for the fiscal year ended June 30, 2013 as follows:

Governmental Activities	
General government	\$ 904,578
Public safety	48,140
Public works	199,947
Parks, recreation and community service	1,896,137
Community development	6,233
Internal service funds depreciation charged to programs	222,385
Allocated depreciation	3,277,420
Unallocated infrastructure depreciation	15,163,864
Total depreciation expense	<u>\$ 18,441,284</u>

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, 2013:

	Business-Type Activities				Balance June 30, 2013
	Balance July 1, 2012	Additions	Deletions	Transfers	
Business-type activities:					
Non-depreciable assets:					
Land	\$ 15,087,880	\$ -	\$ -	\$ -	\$ 15,087,880
Construction in progress	2,875,594	1,524,935	-	(2,255,239)	2,145,290
Total non-depreciable assets	<u>17,963,474</u>	<u>1,524,935</u>	<u>-</u>	<u>(2,255,239)</u>	<u>17,233,170</u>
Depreciable assets:					
Site improvements	7,261,748	-	-	151,453	7,413,201
Building and improvements	41,483,799	-	-	-	41,483,799
Equipment	42,230,131	5,719,526	(4,944,316)	2,103,786	45,109,127
Total depreciable assets	<u>90,975,678</u>	<u>5,719,526</u>	<u>(4,944,316)</u>	<u>2,255,239</u>	<u>94,006,127</u>
Less accumulated depreciation:					
Site improvements	(769,076)	(347,098)	-	-	(1,116,174)
Building and improvements	(7,508,999)	(883,347)	-	-	(8,392,346)
Equipment	(26,882,437)	(3,179,470)	4,892,537	-	(25,169,370)
Total accumulated depreciation	<u>(35,160,512)</u>	<u>(4,409,915)</u>	<u>4,892,537</u>	<u>-</u>	<u>(34,677,890)</u>
Total depreciable assets, net	<u>55,815,166</u>	<u>1,309,611</u>	<u>(51,779)</u>	<u>2,255,239</u>	<u>59,328,237</u>
Capital assets, net	<u>\$ 73,778,640</u>	<u>\$ 2,834,546</u>	<u>\$ (51,779)</u>	<u>\$ -</u>	<u>\$ 76,561,407</u>

Depreciation expense for business-type activities for the fiscal year ended June 30, 2013 was charged as follows:

Business-Type Activities	
Transit Enterprise	<u>\$ 4,409,915</u>

City of Santa Clarita
Notes to Financial Statements, Continued
For the Year Ended June 30, 2013

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, 2013:

	Balance July 1, 2012	Additions	Deletions	Balance June 30, 2013	Classification	
					Due Within One Year	Due More Than One Year
Lease Revenue Bonds:						
Series 2007	\$ 12,525,000	\$ -	\$ (295,000)	\$ 12,230,000	\$ 310,000	\$ 11,920,000
Plus deferred amount for issuance premium	89,938	-	(3,658)	86,280	-	86,280
Total Lease Revenue Bonds	12,614,938	-	(298,658)	12,316,280	310,000	12,006,280
Certificates of Participation:						
Refunding, Series 2005	11,610,000	-	(1,125,000)	10,485,000	1,160,000	9,325,000
Series 2007	15,490,000	-	(60,000)	15,430,000	90,000	15,340,000
Less deferred amount for issuance discount	(59,716)	-	4,614	(55,102)	-	(55,102)
Total Certificates of Participation	27,040,284	-	(1,180,386)	25,859,898	1,250,000	24,609,898
Capital leases	242,417	-	(40,538)	201,879	46,941	154,938
Loans	1,040,000	-	(230,000)	810,000	230,000	580,000
Compensated absences	2,685,537	1,770,359	(1,591,765)	2,864,131	1,693,894	1,170,237
Claims and judgments	140,545	1,460,834	(487,262)	1,114,117	349,835	764,282
Total	\$ 43,763,721	\$ 3,231,193	\$ (3,828,609)	\$ 43,166,305	\$ 3,880,670	\$ 39,285,635

Lease Revenue Bonds – Series 2007

On January 16, 2007, the Authority issued \$13,785,000 Lease Revenue Bonds, Series 2007. The bonds were issued by the Authority for the purpose of financing the costs of acquiring right-of-way for a portion of the Golden Valley Road in connection with the payment of a judicial order by the City. Concurrent with this bond issuance, the Authority entered into a lease and lease-back arrangement with the City, whereby the Authority used the proceeds of the bond issuance to make a lump-sum lease payment to the City. In return, the City will make lease-back payments to the Authority sufficient to cover the principal and interest due on the Series 2007 Bonds. The property subject to the lease and lease-back arrangement is City Hall.

Principal amounts on serial bonds mature annually each February 1 in the years 2008 through 2018 and bear interest at rates ranging from 4.0 percent to 5.0 percent. Term bonds totaling \$2,495,000 mature on February 1, 2033 and bear interest at 4.3 percent. Term bonds totaling \$2,965,000 mature in February 2037 and bear interest at 4.375 percent. Interest is payable semi-annually on February 1 and August 1 of each year.

The term bonds maturing on February 1, 2033 are subject to mandatory redemption commencing on February 1, 2030. The term bonds maturing on February 1, 2037 are subject to mandatory redemption commencing on February 1, 2034. Bonds maturing on or after February 1, 2018 are subject to optional redemption on or after February 1, 2017.

The total principal and interest remaining to be paid on the bonds is \$19,747,479 as of June 30, 2013. For the current year, principal and interest paid on the bonds was \$822,804 and was equal to the base lease payments as required to be paid to the Authority. The outstanding balance of the bonds was \$12,230,000 at June 30, 2013.

**City of Santa Clarita
Notes to Financial Statements, Continued
For the Year Ended June 30, 2013**

8. LONG-TERM DEBT, Continued

A. Governmental Activities, Continued

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

Year Ending June 30,	Principal	Interest	Total
2014	\$ 310,000	\$ 513,054	\$ 823,054
2015	325,000	500,654	825,654
2016	335,000	487,654	822,654
2017	350,000	474,254	824,254
2018	365,000	460,254	825,254
2019-2023	2,040,000	2,071,669	4,111,669
2024-2028	2,485,000	1,625,163	4,110,163
2029-2033	3,055,000	1,053,589	4,108,589
2034-2037	2,965,000	331,188	3,296,188
Total	\$ 12,230,000	\$ 7,517,479	\$ 19,747,479

Refunding Certificates of Participation – Series 2005

On July 12, 2005, the Authority issued \$17,700,000 in Certificates of Participation, with an average interest rate of 3.4 percent, to advance refund \$17,640,000 of outstanding 1997 Series certificates with an average interest rate of 4.9 percent. The defeased 1997 Series certificates have since been retired. The certificates are backed by lease payments to be made by the City to the Authority for the use and occupancy of certain real property.

Principal amounts mature annually each October 1 in the years 2006 through 2020 and bear interest at rates ranging from 3.0 percent to 4.0 percent. Interest is payable semi-annually on April 1 and October 1.

The certificates maturing on or after October 1, 2016 are subject to optional prepayment on any date on or after October 1, 2015, at a price equal to the principal amount plus accrued interest to the prepayment date, without premium.

The total principal and interest remaining to be paid on the bonds is \$12,168,460 as of June 30, 2013. For the current year, principal and interest paid on the bonds was \$1,529,224 and was equal to the base lease payments as required to be paid to the Authority. The outstanding balance of the bonds was \$10,485,000 at June 30, 2013.

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

Year Ending June 30,	Principal	Interest	Total
2014	\$ 1,160,000	\$ 368,085	\$ 1,528,085
2015	1,195,000	329,359	1,524,359
2016	1,235,000	287,581	1,522,581
2017	1,280,000	242,769	1,522,769
2018	1,325,000	194,725	1,519,725
2019-2021	4,290,000	260,941	4,550,941
Total	\$ 10,485,000	\$ 1,683,460	\$ 12,168,460

**City of Santa Clarita
Notes to Financial Statements, Continued
For the Year Ended June 30, 2013**

8. LONG-TERM DEBT, Continued

A. Governmental Activities, Continued

Certificates of Participation – Series 2007

On December 12, 2007, the Authority issued \$15,525,000 in Certificates of Participation to provide financing for the costs of acquiring open space lands, parks and parkland in accordance with the City's open space, park and parkland programs. The certificates are backed by lease payments to be made by the City to the Authority for the use and occupancy of the Aquatic Center and Sports Complex.

This issuance is composed of \$6,000,000 serial certificates maturing annually on October 1 from 2011 to 2028 and two term certificates (totaling \$9,525,000) maturing on October 1, 2033 and October 1, 2037 that are payable in annual sinking fund installments commencing October 1, 2029. Interest on the certificates is payable semi-annually on October 1 and April 1 at rates ranging from 4.00 percent to 4.60 percent for the serial certificates and 4.75 percent for the term certificates.

The total principal and interest remaining to be paid on the certificates is \$27,643,499 as of June 30, 2013. For the current year, principal and interest paid on the certificates was \$771,051 and was equal to the base lease payments as required to be paid to the Authority. The outstanding balance of the certificates was \$15,430,000 at June 30, 2013.

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

Year Ending June 30,	Principal	Interest	Total
2014	\$ 90,000	\$ 708,051	\$ 798,051
2015	120,000	703,851	823,851
2016	150,000	698,451	848,451
2017	185,000	691,751	876,751
2018	220,000	683,651	903,651
2019-2023	1,655,000	3,243,600	4,898,600
2024-2028	2,770,000	2,765,543	5,535,543
2029-2033	4,205,000	1,962,995	6,167,995
2034-2038	6,035,000	755,606	6,790,606
Total	<u>\$ 15,430,000</u>	<u>\$ 12,213,499</u>	<u>\$ 27,643,499</u>

Loans

	Balance July 1, 2012	Additions	Deletions	Balance June 30, 2013	Due Within One Year	Due in More Than One Year
HUD Loans						
1999 West Newhall	\$ 440,000	\$ -	\$ (130,000)	\$ 310,000	\$ 130,000	\$ 180,000
Boys & Girls Club	143,000	-	(23,000)	120,000	23,000	97,000
Scherzinger Lane	457,000	-	(77,000)	380,000	77,000	303,000
Total loans	<u>\$ 1,040,000</u>	<u>\$ -</u>	<u>\$ (230,000)</u>	<u>\$ 810,000</u>	<u>\$ 230,000</u>	<u>\$ 580,000</u>

**City of Santa Clarita
Notes to Financial Statements, Continued
For the Year Ended June 30, 2013**

8. LONG-TERM DEBT, Continued

A. Governmental Activities, Continued

In December 1999, the City entered into a loan agreement with the Secretary of Housing and Urban Development in the amount of \$2,000,000. The purpose of this loan was to provide financing for the installation of curbs, gutters and sidewalks in the West Newhall area. Payments are due semi-annually, commencing on August 1, 2001, and continuing through August 1, 2014. Future CDBG grant funding will be used to repay the loan. The interest rate on this loan is fixed at 7.49 percent. The amount outstanding at June 30, 2013 is \$310,000.

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, 2013 is \$120,000.

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, 2013 is \$380,000.

Future payment requirements for the loans are combined as follows:

Year Ending June 30,	Principal	Interest	Total
2014	\$ 230,000	\$ 29,186	\$ 259,186
2015	280,000	21,335	301,335
2016	100,000	14,220	114,220
2017	100,000	8,605	108,605
2018	100,000	2,885	102,885
Total	<u>\$ 810,000</u>	<u>\$ 76,231</u>	<u>\$ 886,231</u>

Capital Lease

On February 28, 2012, the City Council approved a lease-purchase agreement with One Source Financial Corp. 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	(58,815)
Total	<u>\$ 193,253</u>

**City of Santa Clarita
Notes to Financial Statements, Continued
For the Year Ended June 30, 2013**

8. LONG-TERM DEBT, Continued

A. Governmental Activities, Continued

Future capital lease payment requirements are as follows:

<u>Year Ending June 30,</u>	<u>Total</u>
2014	\$ 57,900
2015	57,900
2016	57,900
2017	<u>43,425</u>
Net minimum lease payments	217,125
Less: amount representing interest	<u>15,246</u>
Present value of net minimum lease payments	<u><u>\$ 201,879</u></u>

Compensated absences

The City's liability for accrued and unpaid compensated absences in the governmental activities totaled to \$2,864,131 at June 30, 2013.

Claims and judgments

The City's liability for outstanding claims and judgments is \$1,114,117 at June 30, 2013 (see Note 17).

B. Business-Type Activities

	Balance July 1, 2012	Additions	Deletions	Balance June 30, 2013	Due Within One Year
Compensated absences	<u>\$ 52,364</u>	<u>\$ 38,579</u>	<u>\$ (28,911)</u>	<u>\$ 62,032</u>	<u>\$ 62,032</u>

Compensated absences

The City's liability for accrued and unpaid compensated absences in the business-type activities totaled \$62,032 at June 30, 2013.

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, 2013, deposits payable were as follows:

General Fund	
Deposits from developers	\$ 2,830,321
Other deposits payable	<u>453,863</u>
	3,284,184
Non-Major Governmental Funds	
Other deposits payable	<u>35,097</u>
Total deposits payable	<u><u>\$ 3,319,281</u></u>

City of Santa Clarita
Notes to Financial Statements, Continued
For the Year Ended June 30, 2013

10. DEVELOPERS CREDITS

The City and the 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) that is necessary for the future development of the districts. In certain cases, the developer may donate infrastructure with a value that exceeds the district fees required. If this occurs, the developer can receive a credit toward future district fees or can request a cash withdrawal of the excess amount, subject to City approval if funding is determined to be available.

As of June 30, 2013, the City accrued a liability of \$32,925,650 for the value of infrastructure donated in excess of the district fees that were owed. There is no maturity schedule for the developer payables, and it has been determined that current financial resources will not be used to repay the liability; therefore, the liability has been recorded as a long-term obligation in the governmental activities in the Statement of Net Position.

The following is a summary of developer credits by district for the year ended June 30, 2013:

	Balance July 1, 2012	Additions	Deletions	Balance June 30, 2013
Bridge and Thoroughfare Districts:				
Bouquet District	\$ 14,954,351	\$ 12,270,335	\$ (13,944,197)	\$ 13,280,489
Eastside District	4,231,737	-	(92,491)	4,139,246
Valencia District	15,837,646	-	(331,731)	15,505,915
Total	<u>\$ 35,023,734</u>	<u>\$ 12,270,335</u>	<u>\$ (14,368,419)</u>	<u>\$ 32,925,650</u>

11. INTERFUND TRANSACTIONS

A. Due To/Due From

At June 30, 2013, the City had the following short-term interfund receivables and payables:

	Due From Other Funds		
	General	Non-Major Governmental Funds	Total
Due To Other Funds:			
Non-Major Governmental Funds	\$ 1,670,811	\$ 80	\$ 1,670,891
Transit Enterprise Fund	1,738,468	-	1,738,468
Total	<u>\$ 3,409,279</u>	<u>\$ 80</u>	<u>\$ 3,409,359</u>

The interfund payables balance represents routine temporary cash flow assistance until the amounts receivable from other governments are collected to reimburse eligible expenditures.

City of Santa Clarita
Notes to Financial Statements, Continued
For the Year Ended June 30, 2013

11. INTERFUND TRANSACTIONS, Continued

B. Advances

At June 30, 2013, the City had the following interfund advances:

	<u>Advances To Other Funds</u>		
	General	Non-Major Governmental Funds	Total
Advances From Other Funds:			
Bridge and Thoroughfare	\$ 1,469,279	\$ 116,826	\$ 1,586,105
Public Library	10,356,245	-	10,356,245
Total	<u>\$ 11,825,524</u>	<u>\$ 116,826</u>	<u>\$ 11,942,350</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, 2013, the amount of the advance outstanding is \$533,659.

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, 2013, the amount of the advance outstanding is \$935,620.

In July 2010, the Developer Fee 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, 2013, the amount of the advance outstanding is \$116,826.

The General Fund advanced the Public Library Special Revenue Fund a total of \$10,356,245, which consists of the following individual advances:

In November 2010, the General Fund advanced the Public Library Special Revenue Fund \$622,600 for the completion of the expansion of the Canyon Country Jo Anne Darcy 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, 2013, the principal amount of the advance of \$455,285 is outstanding.

In January 2011, the General Fund advanced the Public Library Special Revenue Fund \$93,040 for the purchase and installation of the integrated library system software. 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, 2013, the principal amount of the advance of \$93,040 is outstanding.

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, 2013, the principal amount of the advance of \$1,348,000 is outstanding.

**City of Santa Clarita
Notes to Financial Statements, Continued
For the Year Ended June 30, 2013**

11. INTERFUND TRANSACTIONS, Continued

B. Advances, Continued

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, 2013, the principal amount of the advance of \$8,071,596 is outstanding.

In August 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, 2013, the principal amount of the advance of \$388,324 is outstanding.

C. Transfers

At June 30, 2013, the City had the following transfers:

	Transfers Out						Total
	General Fund	Bridge and Thoroughfare	Public Library	Landscape Maintenance District #1	Non-Major Governmental Funds	Transit Enterprise Fund	
Transfers In:							
General Fund	\$ -	\$ 8,460	\$ 6,148	\$ 109,618	\$ 2,652,856	\$ 234,264	\$ 3,011,346
Landscape Maint. District #1	9,000	-	-	-	-	-	9,000
Non-Major Governmental Funds	4,375,877	-	-	96,280	1,563,182	13,810	6,049,149
Transit Enterprise	-	-	-	-	5,435,298	-	5,435,298
Total	<u>\$ 4,384,877</u>	<u>\$ 8,460</u>	<u>\$ 6,148</u>	<u>\$ 205,898</u>	<u>\$ 9,651,336</u>	<u>\$ 248,074</u>	<u>\$ 14,504,793</u>

Transfers from the General Fund to the Landscape Maintenance District #1 Special Revenue Fund for \$9,000 were to fund current year maintenance costs for Chesebrough Park. The General Fund made transfers to non-major governmental funds for operating and replacement costs for \$2,023,850 and current year debt service payments for \$2,352,027, totaling \$4,375,877.

The Bridge and Thoroughfare, Public Library and Landscape Maintenance District #1 Special Revenue Funds, and non-major governmental funds made transfers to the General Fund for current year operating costs, including post-employment benefits, totaling \$2,777,082.

The Landscape Maintenance District #1 Special Revenue Fund transferred \$96,280 for groundwater discharging maintenance to non-major governmental funds.

The Transit Enterprise Fund made transfers to the General Fund and non-major governmental funds for transit operation forecasts for support of transit operations for \$234,264 and \$13,810, respectively.

Transfers from the non-major governmental funds to the Transit Enterprise Funds totaling \$5,435,298 were to transfer Proposition A and Proposition C operating revenues in the current year.

City of Santa Clarita
Notes to Financial Statements, Continued
For the Year Ended June 30, 2013

12. FUND BALANCES AND NET POSITION

A. Fund Balance Classification

The details of fund balance of the governmental funds as of June 30, 2013 are presented below:

	Major Governmental Funds				Non-Major Governmental Funds	Total
	General Fund	Bridge and Thoroughfare	Public Library	Landscape Maintenance District #1		
Nonspendable						
Prepaid items	\$ 84,535	\$ -	\$ -	\$ 421,102	\$ -	\$ 505,637
Property held for resale	-	-	-	-	249,510	249,510
Advances to other funds	11,825,524	-	-	-	-	11,825,524
Total nonspendable	11,910,059	-	-	421,102	249,510	12,580,671
Restricted						
Landscape maintenance	-	-	-	25,518,021	3,802,353	29,320,374
Capital improvements	-	12,260,034	-	-	1,531,369	13,791,403
Transportation	-	-	-	-	4,730,785	4,730,785
Open space preservation	-	-	-	-	10,802,950	10,802,950
Public safety	-	-	-	-	1,762,646	1,762,646
Public library	-	-	-	-	1,766	1,766
Community development	-	-	-	-	1,846	1,846
Air quality improvement	-	-	-	-	79,333	79,333
Stormwater	-	-	-	-	6,468,839	6,468,839
Public education and government	-	-	-	-	873,671	873,671
Tourism marketing	-	-	-	-	184,927	184,927
Low- and moderate-income housing	-	-	-	-	939,459	939,459
Total restricted	-	12,260,034	-	25,518,021	31,179,944	68,957,999
Committed						
Capital improvements	-	-	-	-	716,826	716,826
Total committed	-	-	-	-	716,826	716,826
Assigned						
Sewer infrastructure	-	-	-	-	216,368	216,368
Capital projects	15,500,000	-	-	-	4,249,999	19,749,999
Claims and settlements	12,856,328	-	-	-	-	12,856,328
Public facilities replacement	18,750,208	-	-	-	-	18,750,208
Total assigned	47,106,536	-	-	-	4,466,367	51,572,903
Unassigned	35,320,706	-	(9,169,951)	-	(1,495,646)	24,655,109
Total fund balances	\$ 94,337,301	\$ 12,260,034	\$ (9,169,951)	\$ 25,939,123	\$ 35,117,001	\$ 158,483,508

**City of Santa Clarita
Notes to Financial Statements, Continued
For the Year Ended June 30, 2013**

12. FUND BALANCES AND NET POSITION, Continued

B. Restricted Net Position

The detail of restricted net position of the governmental activities as of June 30, 2013 is presented below:

	Governmental Activities
Restricted net position	
Landscape maintenance	\$ 29,241,241
Capital improvements	14,292,447
Transportation	3,756,976
Open space preservation	10,782,518
Public safety	1,731,261
Public library	476
Community development	173,610
Air quality improvement	79,333
Stormwater	6,468,839
Public education and government	871,433
Tourism marketing	184,347
Low- and moderate-income	939,459
Total restricted net position	<u>\$ 68,521,940</u>

C. Fund Balance and Net Position Restatements

During the audit process for the year ended June 30, 2013 it was determined that errors in the application of generally accepted accounting principles existed in the City's previously issued June 30, 2012 financial statements. As a result of analyzing amounts previously reported it was determined that errors existed as described and identified in the three tables below. The impact on the previously reported changes in net position and changes in fund balances for year ended June 30, 2012 is not readily determinable.

Beginning fund balance has been restated as follows:

	General Fund	Bridge and Thoroughfare Special Revenue Fund	Non-Major Governmental Funds
Fund balance, as previously reported at June 30, 2012	\$ 69,942,023	\$ (21,818,543)	\$ 28,914,252
Collapse of the Public Facilities Replacement Internal Service Fund which excludes the removal of capital assets of \$2,669,393	14,105,732	-	-
Restate for recognition of allowance for loan loss related to RDA Successor Agency loan	(7,013,892)	-	-
Restate for excess transfers from the General Fund to the Self-Insurance Internal Service Fund	6,091,948	-	-
Restate for errors in revenue recognition	357,299	-	1,066,398
Restate for expenditures recorded in the incorrect fund	(1,360,980)	-	1,360,980
Restate Bridge and Thoroughfare developers credit payable to exclude as a governmental fund liability	-	35,023,734	-
Restate for error resulting from availability recognition criteria	-	-	(1,310,602)
Restate for recognition of land held for resale	-	-	1,188,969
Fund balance, as restated at June 30, 2012	<u>\$ 82,122,130</u>	<u>\$ 13,205,191</u>	<u>\$ 31,219,997</u>

12. FUND BALANCES AND NET POSITION, Continued

C. Fund Balance and Net Position Restatements, Continued

Beginning net position in the governmental activities has been restated as follows:

	Governmental Activities
Net position, as previously reported at June 30, 2012	\$ 872,614,046
Restatement of beginning fund balance of governmental funds as listed above	(4,401,226)
Restate for allowance for loan loss related to the RDA Successor Agency loan	(6,346,195)
Restate for capital assets capitalized in error	(5,640,358)
Restate for capital assets that are reportable in RDA Successor Agency	(521,920)
Adoption of GASB 65 - Write-off cost of previous debt issuance costs	(1,425,731)
Restate for capital assets that should have been reported as land held for resale	(6,201,589)
Net position, as restated at June 30, 2012	<u>\$ 848,077,027</u>

Beginning net position in the internal service funds has been restated as follows:

	Internal Service
Net position, as previously reported at June 30, 2012	\$ 35,908,981
Collapse of the Public Facilities Replacement Fund which includes capital assets of \$2,669,393	(16,775,125)
Restate for excess transfers made by the General Fund	(6,091,948)
Restate for capital assets that should not have been reported in the internal service funds	(5,010,612)
Net position, as restated at June 30, 2012	<u>\$ 8,031,296</u>

13. DEFINED BENEFIT PENSION PLAN

A. Plan Description

The City contributes to the California Public Employees' Retirement System (CalPERS), an agent multiple-employer public employee defined benefit pension plan. CalPERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. CalPERS acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and all other requirements are established by state statute and city ordinance. Copies of CalPERS' annual financial report may be obtained from their executive office: 400 P Street, Sacramento, CA 95814.

B. Funding Policy

Participants hired before April 9, 2011 are required to contribute 8 percent of their annual covered salary. The unrepresented employee makes 2 percent of the required contributions, and the City makes 6 percent of the contributions required of City employees on their behalf and for their account. The City continues to make the full 8 percent for SEIU employees hired before April 9, 2011. Participants hired on or after April 9, 2011, and before January 1, 2013, are required to contribute 7 percent of their annual covered salary. The employee makes the contributions required for their account. Participants hired on or after January 1, 2013 are required to contribute 6.25 percent of their annual covered salary. The employee makes the contributions required for their account. The City is required to contribute at an actuarially determined rate; the rate for the year ended June 30, 2013 was 13.1 percent for miscellaneous employees. The contribution requirements of plan members and the City are established and may be amended by CalPERS.

13. DEFINED BENEFIT PENSION PLAN, Continued

C. Annual Pension Cost

For 2013, the City's annual pension cost of \$4,825,681 for CalPERS was equal to the City's required and actual contribution. The required contribution was determined as part of the June 30, 2010 actuarial valuation using the entry age normal actuarial cost method. The contributions were determined as a level percent of payroll over an average remaining period of 21 years from the valuation date. The actuarial assumptions included (a) a 7.75 percent investment rate of return (net of administrative expenses); (b) projected annual salary increases of 3.55 percent to 14.45 percent, depending on age, service and type of employment; (c) an inflation rate of 3.00 percent; and (d) a payroll growth rate of 3.25 percent. The actuarial value of CalPERS' assets was determined using techniques that smooth the effect of short-term volatility in the market value of investments over a 15-year period (smoothed market value). Initial unfunded liabilities are amortized over a closed period that depends on the plan's date of entry into CalPERS. Subsequent plan amendments are amortized as a level percentage of pay over a closed 20-year period. Gains and losses that occur in the operation of the plan are amortized over a rolling period, which results in an amortization of 6 percent of unamortized gains and losses each year. If the plan's accrued liability exceeds the actuarial value of plan assets, then the amortization payment on the total unfunded liability may not be lower than the payment calculated over a 30-year amortization period.

Fiscal Year	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
06/30/2011	\$ 4,922,978	100%	\$ -
06/30/2012	5,186,634	100%	-
06/30/2013	4,825,681	100%	-

D. Funded Status and Funding Progress

As of June 30, 2012, the most recent actuarial valuation date available, the plan was 83.8 percent funded. The actuarial accrued liability for benefits was \$108.7 million, and the actuarial value of assets was \$91.1 million, resulting in an unfunded actuarial accrued liability (UAAL) of \$17.6 million. The covered payroll (annual payroll of active employees covered by the plan) was \$24.2 million, and the ratio of the UAAL to the covered payroll was 72.7 percent.

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

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 (Plan). A separate financial report is not issued.

**City of Santa Clarita
Notes to Financial Statements, Continued
For the Year Ended June 30, 2013**

14. POST-EMPLOYMENT HEALTH BENEFITS, Continued

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.

Participants as of July 1, 2012	Total
Active employees	334
Retirees	67
Total	401

C. Funding Policy

The City pays the full costs of coverage for the healthcare benefits paid to retirees, spouses and eligible dependents under a City resolution that can be amended by the City Council. The City pays the costs of coverage for these benefits as incurred on a pay-as-you-go basis. During fiscal year 2012-2013, the City contributed \$2,679,000 to the irrevocable OPEB Trust fund.

The City conducted an actuarial valuation to determine the City's obligation to fund other post-employment benefits (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. During fiscal year 2011-2012, the City contributed \$19,924,482 to prefund the trust. The City elected a discretionary investment approach with a moderate 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 6.25 percent. The asset allocation ranges for this objective are 0 percent to 20 percent cash, 40 percent to 60 percent fixed income, and 40 percent to 60 percent equity.

For fiscal year 2012-2013, the City contributed, on an individual basis, for employees and retirees up to the following amounts:

	Retirees	Employees
Unrepresented	\$ 12,199	\$ 14,107
SEIU Local 347	12,199	14,107

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:

**City of Santa Clarita
Notes to Financial Statements, Continued
For the Year Ended June 30, 2013**

14. POST-EMPLOYMENT HEALTH BENEFITS, Continued

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

	Total
Annual required contribution	\$ 2,296,000
Interest on OPEB asset	(323,000)
Adjustment to annual required contribution	(348,000)
Annual OPEB cost (expense)	1,625,000
Contributions made outside of a trust	2,679,000
Increase in OPEB asset	1,054,000
OPEB asset - beginning of year	5,169,930
OPEB asset - end of year	<u>\$ 6,223,930</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, 2013 was as follows:

Fiscal Year Ended	Annual OPEB Cost	Annual Contribution	% of Annual OPEB Cost Contributed	OPEB Asset (Obligation)
06/30/2011	\$ 5,064,000	\$ 384,000	7.6%	\$ (12,194,175)
06/30/2012	2,979,000	20,343,105	682.9%	5,169,930
06/30/2013	1,625,000	2,679,000	164.9%	6,223,930

E. Funded Status and Funding Progress

As of most recent actuarial valuation date on July 1, 2012, the Plan was 64.54 percent funded. The actuarial accrued liability for benefits was \$30.9 million, and the actuarial value of assets was \$19.9 million, resulting in a UAAL of \$10.9 million. The covered payroll (annual payroll of active employees covered by the Plan) was \$23.9 million, and the ratio of UAAL to the covered payroll was 45.86 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 July 1, 2012 actuarial valuation, the entry age actuarial cost method was used. The actuarial assumptions include a 6.25 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 8.70 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 an open basis. The remaining amortization period at July 1, 2012 was 26 years.

**City of Santa Clarita
Notes to Financial Statements, Continued
For the Year Ended June 30, 2013**

15. INDIVIDUAL FUND DISCLOSURES

A. Deficit Fund Balances and Net Position

Funds that have a deficit fund balance at June 30, 2013 are as follows:

Fund	Deficit Fund Balance
Major Funds	
Public Library Special Revenue Fund	\$ (9,169,951)
Non-Major Governmental Funds	
Federal Aid Urban Special Revenue Fund	(124,712)
BJA Law Enforcement Special Revenue Fund	(846)
Supplemental Law Grant Special Revenue Fund	(13,034)
Federal Grants Special Revenue Fund	(936,093)
Miscellaneous Grants Special Revenue Fund	(420,881)
Public Financing Authority Debt Service Fund	(80)

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.

B. Expenditures in Excess of Appropriations

For the year ended June 30, 2013, expenditures exceeded appropriations in the following programs/functions (legal level of budgetary control) of the respective funds:

Funds	Appropriations	Expenditures	Excess Expenditures Over Appropriations
Major Governmental Funds			
Bridge and Thoroughfare Special Revenue Fund			
Capital outlay	\$ 11,079,548	\$ 13,345,076	\$ 2,265,528
Redemption of district credits	-	14,368,419	14,368,419
Public Library Special Revenue Fund			
Interest and fiscal charges	92,458	136,781	44,323
Non-Major Governmental Funds			
Public Education and Government Special Revenue Fund			
General government	244,199	247,197	2,998
Federal Grants Special Revenue Fund			
Community development	-	1,050,123	1,050,123

The excess expenditures over appropriations in the Federal Grants Special Revenue Fund are due to grant reimbursements received for expenditures incurred in prior years, which were disallowed by the granting agency and therefore are required to be repaid to the awarding agency (see Note 23).

City of Santa Clarita
Notes to Financial Statements, Continued
For the Year Ended June 30, 2013

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 \$17,500 per participant per year. Employee contributions to certain plans are voluntary. During the year ended June 30, 2013, there were 949 participants in the plans. The City's contributions totaled \$185,091, and employees' contributions totaled \$1,769,219.

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.

The annual member contribution is \$647,754 for the property/liability program and \$323,113 for the workers' compensation program (based on estimated wages). Members are subject to dividends and assessments, but no such dividends have been declared, nor have any assessments been levied for the year ended June 30, 2013. Additionally, there are no known refunds or credits due to SDRMA.

At June 30, 2013, \$50,000 was accrued by the City for general liability claims and \$1,064,117 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, 2011 resulted in the following:

Claims liability as of June 30, 2011	\$ 50,000
Claims and changes in estimates during the year ended June 30, 2012	90,545
Claims and payments during the year ended June 30, 2012	-
Claims liability as of June 30, 2012	<u>140,545</u>
Claims and changes in estimates during the year ended June 30, 2013	1,460,834
Claims and payments during the year ended June 30, 2013	(487,262)
Claims liability as of June 30, 2013	<u>\$ 1,114,117</u>

Settled claims have not exceeded any of these coverage amounts in any of the last three fiscal years, and there were no reductions in the City's insurance coverage during the year ended June 30, 2013.

SDRMA has published its own financial report for the year ended June 30, 2012, which can be obtained from SDRMA, 1112 I Street, Suite 300, Sacramento, California 95814.

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 (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 Assessment District. The principal amount of debt outstanding at June 30, 2013 was \$410,000.

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 (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 Assessment District. The principal amount of the debt outstanding at June 30, 2013 was \$490,000.

B. 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 (Community Facilities District). On October 12, 2012, these bonds were refunded with the issuance of Community Facilities District No. 200-1 (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, 2013 was \$16,485,000.

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 (Conservancy) to create the Santa Clarita Watershed Recreation and Conservancy Authority (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, 2013, 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, CA 91355.

20. SANTA CLARITA PUBLIC TELEVISION AUTHORITY

In July 2009, the City entered into a joint powers agreement with the William S. Hart School District (District) to create the Santa Clarita Public Television Authority (the 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 governing board consists of one representative from the District and one 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, 2013, the City contributed \$117,050. 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, CA 91355.

21. COMMITMENTS AND CONTINGENCIES

A. Construction Commitments

The City has active construction projects as of June 30, 2013. 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, 2013	Remaining Commitments
Pavement	\$ 1,718,020	\$ 547,718	\$ 1,170,302
Bridges	10,688,397	1,195,859	9,492,538
Medians	3,379,326	777,025	2,602,301

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.

GASB Statement No. 54 provides additional guidance on the classification within the fund balances section of amounts that have been encumbered. Encumbrances of balances within the governmental funds are classified as either restricted or assigned and are included in the respective functional categories. These encumbrances are not separately classified in the financial statements and are summarized at June 30, 2013 as follows:

	Amount
General Fund	\$ 408,447
Other governmental funds	4,736,982

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 addition, the City is a defendant in certain other legal actions arising in the normal course of operations. In the opinion of management and legal counsel, any liability is not material and would not have a substantial adverse effect on the financial position of the City as of June 30, 2012. At June 30, 2012, the City has not accrued a liability for any potential liability.

D. Repayment of Advances to Successor Agency

On April 20, 2012, pursuant to Health and Safety Code Section 34167.5, the California State Controller issued an order to cities, counties and agencies, directly or indirectly receiving assets from a redevelopment agency after January 1, 2011, to reverse the transfer and return assets to successor agencies. In August 2012, the California State Controller has started to specifically review and audit cities, counties and public agencies to ensure that all applicable asset transfers have been reversed.

On March 8, 2011, the former redevelopment agency transferred \$7.7 million to the City to repay outstanding advances between the City and the former redevelopment agency. The City believes that the transfer of assets was valid and, as such, has not reversed the transfer as ordered by the California State Controller. The California State Controller has not completed the review of this transfer; therefore, the possible outcome is unknown.

**City of Santa Clarita
Notes to Financial Statements, Continued
For the Year Ended June 30, 2013**

22. SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY, Continued

C. Capital Assets

	Balance		Contributions				Balance June 30, 2013
	July 1, 2012	Adjustments*	From the City	Additions	Deletions	Transfers	
Non-depreciable assets:							
Land	\$ -	\$ -	\$ 532,878	\$ -	\$ -		\$ 532,878
Construction in progress	3,628,587	(12,441)	-	90,782	-	(3,313,587)	393,341
Total non-depreciable assets	3,628,587	(12,441)	532,878	90,782	-	(3,313,587)	926,219
Depreciable assets:							
Site improvements	-	110,310	-	-	-	-	110,310
Infrastructure	-	580,413	-	-	-	3,313,587	3,894,000
Total depreciable assets	-	690,723	-	-	-	3,313,587	4,004,310
Less accumulated depreciation:							
Site improvements	-	(2,206)	-	(4,412)	-	-	(6,618)
Infrastructure	-	(145,977)	-	(77,880)	-	-	(223,857)
Total accumulated depreciation	-	(148,183)	-	(82,292)	-	-	(230,475)
Total depreciable assets, net	-	542,540	-	(82,292)	-	3,313,587	3,773,835
Total capital assets, net	\$ 3,628,587	\$ 530,099	\$ 532,878	\$ 8,490	\$ -	\$ -	\$ 4,700,054

* Adjustments were to restate capital assets as of June 30, 2012 that were transferred to the RDA Successor Agency in error, or were not properly transferred to the RDA Successor Agency upon dissolution of the former redevelopment agency.

The total depreciation expense charged to the RDA Successor Agency as of June 30, 2013 was \$82,292.

D. Long-Term Debt

	Balance		Deletions	Balance June 30, 2013	Classification	
	July 1, 2012	Additions			Due Within One Year	Due More Than One Year
Loans from the City of Santa Clarita	\$ 13,318,896	\$ 41,191	\$ -	\$ 13,360,087	\$ -	\$ 13,360,087
Tax Allocation Bonds:						
Series 2008	28,605,000	-	(450,000)	28,155,000	470,000	27,685,000
Housing Set-Aside	8,480,000	-	(135,000)	8,345,000	140,000	8,205,000
Less deferred amounts for issuance discounts	(146,090)	7,834	-	(138,256)	-	(138,256)
Total Tax Allocation Bonds	36,938,910	7,834	(585,000)	36,361,744	610,000	35,751,744
Total	\$ 50,257,806	\$ 49,025	\$ (585,000)	\$ 49,721,831	\$ 610,000	\$ 49,111,831

Loans from the City of Santa Clarita

The City of Santa Clarita advanced the former redevelopment agency a total of \$13,360,087. As part of the dissolution of the former redevelopment agency, the outstanding advances from the City were required to be revalued using LAIF interest rates.

At June 30, 2013, there are various 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 Fee Special Revenue Fund accumulated to \$7,884,071 and \$5,476,016, respectively. The unpaid accrued interest of these notes is \$871,275 and \$156,130, respectively.

22. SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY, Continued

D. Long-Term Debt, Continued

Payments on these notes have been suspended pursuant to the State legislation AB 1484.

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 and are not 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 will be 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 for government-wide financial statement reporting purposes. This bond issue is composed of \$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>
2014	\$ 470,000	\$ 1,310,548	\$ 1,780,548
2015	490,000	1,291,348	1,781,348
2016	510,000	1,271,348	1,781,348
2017	530,000	1,250,548	1,780,548
2018	550,000	1,228,948	1,778,948
2019-2023	3,105,000	5,783,476	8,888,476
2024-2028	3,830,000	5,030,178	8,860,178
2029-2033	4,820,000	4,018,156	8,838,156
2034-2038	6,095,000	2,710,097	8,805,097
2039-2042	7,755,000	1,006,875	8,761,875
Total	<u>\$ 28,155,000</u>	<u>\$ 24,901,522</u>	<u>\$ 53,056,522</u>

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 is composed of \$3,550,000 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.

**City of Santa Clarita
Notes to Financial Statements, Continued
For the Year Ended June 30, 2013**

22. SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY, Continued

D. Long-Term Debt, Continued

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

Year Ending June 30,	Principal	Interest	Total
2014	\$ 140,000	\$ 394,556	\$ 534,556
2015	145,000	388,856	533,856
2016	150,000	382,956	532,956
2017	155,000	376,856	531,856
2018	160,000	370,556	530,556
2019-2023	910,000	1,746,741	2,656,741
2024-2028	1,125,000	1,524,825	2,649,825
2029-2033	1,430,000	1,218,088	2,648,088
2034-2038	1,815,000	814,375	2,629,375
2039-2042	2,315,000	300,625	2,615,625
Total	<u>\$ 8,345,000</u>	<u>\$ 7,518,434</u>	<u>\$ 15,863,434</u>

E. Net Position Restatements

Beginning net position has been restated as follows:

	<u>Restatement of Net Position</u>
Net position, as previously reported at June 30, 2012	\$ (36,999,585)
Adoption of GASB 65 - Write-off previous debt issuance costs	(1,198,052)
Restate for capital assets not transferred to the RDA Successor Agency upon dissolution	530,099
Restate for recognition of land held for resale	1,011,031
Net position, as restated at June 30, 2012	<u>\$ (36,656,507)</u>

F. Deficit Net Position

As of June 30, 2013, the RDA Successor Agency Private-Purpose Trust Fund had a deficit net position of \$36,437,830. This will be reduced with future receipt of distributions from the Redevelopment Property Tax Trust Fund from the County and potential asset sales.

G. Payments to the County of Los Angeles

On October 10, 2012, the Successor Agency submitted the Low- and Moderate-Income Housing Fund Due Diligence Review to the California Department of Finance pursuant to the Health and Safety Code Section 34179.6(c). The purpose of the review was to determine the amount of cash and cash equivalents for distributing to the affected taxing entities. After conferring with the State Department of Finance, it was determined

22. SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY, Continued

G. Payments to the County of Los Angeles, Continued

that \$451,742 was owed back to the County of Los Angeles for distribution. The Successor Agency paid \$387,907 in January 2013 and the remaining balance of \$63,835 in April 2013.

On January 15, 2013, the Successor Agency submitted the Other Fund Due Diligence Review to the California Department of Finance pursuant to the Health and Safety Code Section 34179.6(c). The purpose of the review was to determine the amount of cash and cash equivalents for distributing to the affected taxing entities. It was determined that the Successor Agency did not owe any amounts back for distribution.

23. SUBSEQUENT EVENTS

A. Transfer Agreement for Housing Bond Proceeds

On September 13, 2013, the RDA Successor Agency Oversight Board approved Recognized Obligation Payment Schedule (ROPS) 13-14B and the transfer agreement of unspent bond proceeds totaling \$5,056,509 related to the Housing Set-Aside Tax Allocation Bonds, Series 2008, pending approval from the California Department of Finance. On November 13, 2013, the California Department of Finance approved the ROPS and the transfer of the unspent bond proceeds. The unspent bond proceeds will be transferred to the City of Santa Clarita, which was designated as the Housing Successor Agency of the former redevelopment agency with Resolution No. 12-3 in January 2012.

B. Repayment of Funds For the Neighborhood Stabilization Program

On July 18, 2013, the City of Santa Clarita was notified of its obligation to repay \$1,050,123 to the California Department of Housing and Community Development for Neighborhood Stabilization Program (NSP) funds, which are required to be spent on programs and projects that benefit low-, moderate- and middle-income individuals and families. In fiscal year 2010-2011, the City used NSP funds to purchase land that would be used to construct a 30-unit affordable family rental unit with bond proceeds from the Housing Set-Aside Tax Allocation Bond. However, as a result of the dissolution of the redevelopment agency, the assets and operations of the former redevelopment agency were ceased and suspended, which resulted in the delay of construction of the affordable housing units.

The City has agreed to repay the funds to the California Department of Housing and Community Development in January 2014. As a result, the City has recorded a liability for \$1,050,123 in the Federal Grants Special Revenue Fund as of June 30, 2013.



REQUIRED SUPPLEMENTARY INFORMATION

City of Santa Clarita
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
General Fund
For the Year Ended June 30, 2013

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive/(Negative)
Revenues				
Taxes	\$ 64,008,795	\$ 66,544,295	\$ 68,925,006	\$ 2,380,711
Licenses and permits	3,136,744	3,509,241	4,246,957	737,716
Intergovernmental	247,815	254,649	263,093	8,444
Charges for services	6,449,691	6,688,027	7,551,982	863,955
Investment income	2,530,542	2,090,178	541,400	(1,548,778)
Fines and forfeitures	478,916	530,916	603,389	72,473
Other revenue	140,184	201,484	72,009	(129,475)
Overhead reimbursement	3,780,761	3,780,761	-	(3,780,761)
Total revenues	80,773,448	83,599,551	82,203,836	(1,395,715)
Expenditures				
Current:				
General government	14,969,849	14,707,358	13,130,441	1,576,917
Public safety	20,478,480	20,641,179	20,081,992	559,187
Parks, recreation and community service	20,283,613	20,414,949	19,602,317	812,632
Public works	13,202,501	14,191,888	10,444,494	3,747,394
Community development	5,771,912	5,968,136	5,247,226	720,910
Capital outlay	40,300	254,049	108,664	145,385
Total expenditures	74,746,655	76,177,559	68,615,134	7,562,425
Excess (deficiency) of revenues over (under) expenditures	6,026,793	7,421,992	13,588,702	6,166,710
Other financing sources (uses)				
Transfers in	6,748,131	9,594,828	3,011,346	(6,583,482)
Transfers out	(7,485,658)	(11,750,094)	(4,384,877)	7,365,217
Total other financing sources (uses)	(737,527)	(2,155,266)	(1,373,531)	781,735
Net change in fund balances	\$ 5,289,266	\$ 5,266,726	12,215,171	\$ 6,948,445
Fund balances, beginning of year, as restated			82,122,130	
Fund balances, end of year			<u>\$ 94,337,301</u>	

City of Santa Clarita
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Bridge and Thoroughfare Special Revenue Fund
For the Year Ended June 30, 2013

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive/(Negative)
Revenues				
Investment income	\$ 462,025	\$ 365,743	\$ 311,227	\$ (54,516)
Developer fees	1,061,000	210,619	14,586,834	14,376,215
Total revenues	<u>1,523,025</u>	<u>576,362</u>	<u>14,898,061</u>	<u>14,321,699</u>
Expenditures				
Current:				
Public works	193,644	193,644	168,199	25,445
Capital outlay	10,180,377	11,079,548	13,345,076	(2,265,528)
Debt service:				
Interest and fiscal charges	297,500	297,500	223,399	74,101
Redemption of district credits	-	-	14,368,419	(14,368,419)
Total expenditures	<u>10,671,521</u>	<u>11,570,692</u>	<u>28,105,093</u>	<u>(16,534,401)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(9,148,496)</u>	<u>(10,994,330)</u>	<u>(13,207,032)</u>	<u>(2,212,702)</u>
Other financing sources (uses)				
Transfers out	(7,152)	(8,460)	(8,460)	-
Issuance of district credits	-	-	12,270,335	12,270,335
Total other financing sources (uses)	<u>(7,152)</u>	<u>(8,460)</u>	<u>12,261,875</u>	<u>12,270,335</u>
Net change in fund balances	<u>\$ (9,155,648)</u>	<u>\$ (11,002,790)</u>	<u>(945,157)</u>	<u>\$ 10,057,633</u>
Fund balances, beginning of year, as restated			13,205,191	
Fund balances, end of year			<u>\$ 12,260,034</u>	

City of Santa Clarita
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Public Library Special Revenue Fund
For the Year Ended June 30, 2013

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive/(Negative)
Revenues				
Taxes	\$ 4,600,000	\$ 4,600,000	\$ 4,481,938	\$ (118,062)
Charges for services	75,000	75,000	75,000	-
Investment income	1,500	-	(6,134)	(6,134)
Other revenue	80,000	80,000	150,230	70,230
Total revenues	4,756,500	4,755,000	4,701,034	(53,966)
Expenditures				
Current:				
General government	4,545,673	4,586,675	4,446,760	139,915
Capital outlay	209,300	5,158,619	4,483,399	675,220
Debt service:				
Principal retirement	157,542	157,542	40,538	117,004
Interest and fiscal charges	92,458	92,458	136,781	(44,323)
Total expenditures	5,004,973	9,995,294	9,107,478	887,816
Excess (deficiency) of revenues over (under) expenditures	(248,473)	(5,240,294)	(4,406,444)	833,850
Other financing sources (uses)				
Transfers in	72,409	-	-	-
Transfers out	(3,436)	(17,507)	(6,148)	11,359
Total other financing sources (uses)	68,973	(17,507)	(6,148)	11,359
Net change in fund balances	\$ (179,500)	\$ (5,257,801)	(4,412,592)	\$ 845,209
Fund balances (deficit), beginning of year			(4,757,359)	
Fund balances (deficit), end of year			<u>\$ (9,169,951)</u>	

City of Santa Clarita
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, 2013

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive/(Negative)
Revenues				
Taxes	\$ 765,167	\$ 765,167	\$ 731,793	\$ (33,374)
Special assessments	14,735,487	20,539,287	19,225,247	(1,314,040)
Investment income	380,000	171,525	88,553	(82,972)
Total revenues	<u>15,880,654</u>	<u>21,475,979</u>	<u>20,045,593</u>	<u>(1,430,386)</u>
Expenditures				
Current:				
General government	11,486,553	13,644,816	11,686,645	1,958,171
Capital outlay	8,091,315	10,818,213	2,243,318	8,574,895
Total expenditures	<u>19,577,868</u>	<u>24,463,029</u>	<u>13,929,963</u>	<u>10,533,066</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,697,214)</u>	<u>(2,987,050)</u>	<u>6,115,630</u>	<u>9,102,680</u>
Other financing sources (uses)				
Transfers in	50,000	9,000	9,000	-
Transfers out	(207,042)	(205,898)	(205,898)	-
Total other financing sources (uses)	<u>(157,042)</u>	<u>(196,898)</u>	<u>(196,898)</u>	<u>-</u>
Net change in fund balances	<u>\$ (3,854,256)</u>	<u>\$ (3,183,948)</u>	<u>5,918,732</u>	<u>\$ 9,102,680</u>
Fund balances, beginning of year			<u>20,020,391</u>	
Fund balances, end of year			<u>\$ 25,939,123</u>	

**City of Santa Clarita
Schedule of Funding Progress
For the Year Ended June 30, 2013**

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.

A. Defined Benefit Pension Plan

The funded status of the City's defined benefit pension plan for the miscellaneous employees is as follows (in thousands):

	(A)	(B)	(C)	(D)	(E)	(F)
			(Unfunded)			(Unfunded)
Actuarial Valuation Date*	Actuarial Value of Assets (AVA)	Entry Age Actuarial Accrued Liability	Actuarial Liability [(B)-(A)]	Funded Ratio [(A)/(B)]	Annual Covered Payroll	Actuarial Liability as Percentage of Covered Payroll [(C)/(E)]
06/30/2010	\$ 73,450	\$ 90,181	\$ 16,731	81.45%	\$ 25,461	65.71%
06/30/2011	82,323	99,379	17,056	82.84%	25,381	67.20%
06/30/2012	91,062	108,652	17,590	83.81%	24,198	72.69%

* Based on most recent actuarial valuation available

B. Other Post-Employment 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 Valuation Date*	Actuarial Asset Value	Actuarial Accrued Liability Entry Age	Actuarial Liability [(B)-(A)]	Funded Ratio [(A)/(B)]	Covered Payroll	Actuarial Liability as Percentage of Covered Payroll [(C)/(E)]
07/01/2006	\$ -	\$ 24,046	\$ (24,046)	0.00%	\$ 21,200	-113.42%
07/01/2010	-	41,425	(41,425)	0.00%	25,094	-165.08%
07/01/2012	19,928	30,879	(10,951)	64.54%	23,880	-45.86%

* Based on most recent actuarial valuation available

BUDGETARY INFORMATION

Annual budgets are legally adopted on a basis consistent with generally accepted accounting principles in the United States 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. The City's department heads, with approval of the city manager, may make transfers of appropriations within a department and between functions within a fund. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the fund 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.



NON-MAJOR GOVERNMENTAL FUNDS

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

Developer Fees - To account for monies received from developers restricted to fund specific projects and infrastructure maintenance throughout the City.

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 within 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.

Federal Aid Urban - To account for receipts and disbursements associated with Federal Urban Aid grants 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.

Public Education and Government - To account for the 1 percent 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 percent) increased sales tax in Los Angeles County as a result of "Proposition C." This revenue is to be used for transportation-related purposes.



NON-MAJOR GOVERNMENTAL FUNDS

Special Revenue Funds, Continued

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 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 XIID (Proposition 218).

Open Space Preservation District (OSPD) - 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.

The Capital Projects Funds are used to account for the acquisition or construction of the City's major capital facilities, other than those financed by proprietary funds.

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.

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

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

City of Santa Clarita
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2013

	Special Revenue Funds			
	Developer Fees	Bikeway	Gas Tax	Proposition A
Assets				
Cash and investments	\$ 3,236,583	\$ -	\$ 1,288,305	\$ 822,131
Receivables:				
Accounts, net	-	-	6,588	-
Interest	5,235	-	3,855	776
Taxes	-	-	-	-
Loans	-	-	-	-
Notes to RDA Successor Agency	5,476,016	-	-	-
Allowance for doubtful accounts	(5,476,016)	-	-	-
Due from other governments	-	142,345	335,416	-
Due from other funds	-	-	-	-
Advances to other funds	116,826	-	-	-
Land held for resale, net	249,510	-	-	-
Restricted assets:				
Cash and investments	-	-	-	-
Cash and investments with fiscal agents	-	-	-	-
Total assets	\$ 3,608,154	\$ 142,345	\$ 1,634,164	\$ 822,907
Liabilities, deferred inflows of resources and fund balances				
Liabilities				
Accounts payable and accrued liabilities	\$ 124,785	\$ 32,758	\$ 166,511	\$ 419
Deposits payable	35,097	-	-	-
Due to other funds	-	26,653	-	-
Total liabilities	159,882	59,411	166,511	419
Deferred inflows of resources				
Intergovernmental revenues	116,826	-	-	-
Total deferred inflows of resources	116,826	-	-	-
Fund balances (deficit)				
Nonspendable	249,510	-	-	-
Restricted	2,148,742	82,934	1,467,653	822,488
Committed	716,826	-	-	-
Assigned	216,368	-	-	-
Unassigned	-	-	-	-
Total fund balances (deficit)	3,331,446	82,934	1,467,653	822,488
Total liabilities, deferred inflow of resources and fund balances	\$ 3,608,154	\$ 142,345	\$ 1,634,164	\$ 822,907

City of Santa Clarita
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2013

	Special Revenue Funds			
	Special Assessment	State Park	TDA	Traffic Safety
Assets				
Cash and investments	\$ 5,297,548	\$ -	\$ 2,486,449	\$ -
Receivables:				
Accounts, net	28,785	-	-	-
Interest	16,712	-	6,941	-
Taxes	102,389	-	-	-
Loans	-	-	-	-
Notes to RDA Successor Agency	-	-	-	-
Allowance for doubtful accounts	-	-	-	-
Due from other governments	-	327,669	443,575	124,025
Due from other funds	-	-	-	-
Advances to other funds	-	-	-	-
Land held for resale, net	-	-	-	-
Restricted assets:				
Cash and investments	-	-	-	-
Cash and investments with fiscal agents	-	-	-	-
Total assets	\$ 5,445,434	\$ 327,669	\$ 2,936,965	\$ 124,025
Liabilities, deferred inflows of resources and fund balances				
Liabilities				
Accounts payable and accrued liabilities	\$ 600,877	\$ 19,107	\$ 954,091	\$ -
Deposits payable	-	-	-	-
Due to other funds	-	307,873	-	124,025
Total liabilities	600,877	326,980	954,091	124,025
Deferred inflows of resources				
Intergovernmental revenues	-	-	-	-
Total deferred inflows of resources	-	-	-	-
Fund balances (deficit)				
Nonspendable	-	-	-	-
Restricted	4,844,557	689	1,982,874	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances (deficit)	4,844,557	689	1,982,874	-
Total liabilities, deferred inflow of resources and fund balances	\$ 5,445,434	\$ 327,669	\$ 2,936,965	\$ 124,025

(Continued)

City of Santa Clarita
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2013

	Special Revenue Funds			
	CDBG	AQMD	Stormwater	Federal Aid Urban
Assets				
Cash and investments	\$ -	\$ 104,684	\$ 6,373,879	\$ -
Receivables:				
Accounts, net	-	-	87,614	-
Interest	-	292	18,883	-
Taxes	-	-	90,183	-
Loans	145,436	-	-	-
Notes to RDA Successor Agency	-	-	-	-
Allowance for doubtful accounts	-	-	-	-
Due from other governments	185,703	55,100	24,474	539,498
Due from other funds	-	-	-	-
Advances to other funds	-	-	-	-
Land held for resale, net	-	-	-	-
Restricted assets:				
Cash and investments	-	-	-	-
Cash and investments with fiscal agents	-	-	-	-
Total assets	\$ 331,139	\$ 160,076	\$ 6,595,033	\$ 539,498
Liabilities, deferred inflows of resources and fund balances				
Liabilities				
Accounts payable and accrued liabilities	\$ 72,674	\$ 80,743	\$ 126,194	\$ -
Deposits payable	-	-	-	-
Due to other funds	111,220	-	-	539,498
Total liabilities	183,894	80,743	126,194	539,498
Deferred inflows of resources				
Intergovernmental revenues	145,436	-	-	124,712
Total deferred inflows of resources	145,436	-	-	124,712
Fund balances (deficit)				
Nonspendable	-	-	-	-
Restricted	1,809	79,333	6,468,839	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	(124,712)
Total fund balances (deficit)	1,809	79,333	6,468,839	(124,712)
Total liabilities, deferred inflow of resources and fund balances	\$ 331,139	\$ 160,076	\$ 6,595,033	\$ 539,498

City of Santa Clarita
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2013

	Special Revenue Funds			
	BJA Law Enforcement	Supplemental Law Grant	HOME	Library Facilities Fees
Assets				
Cash and investments	\$ -	\$ -	\$ -	\$ 1,761
Receivables:				
Accounts, net	-	-	1,756	-
Interest	-	-	-	5
Taxes	-	-	-	-
Loans	-	-	2,223,400	-
Notes to RDA Successor Agency	-	-	-	-
Allowance for doubtful accounts	-	-	-	-
Due from other governments	8,440	145,962	144,660	-
Due from other funds	-	-	-	-
Advances to other funds	-	-	-	-
Land held for resale, net	-	-	-	-
Restricted assets:				
Cash and investments	-	-	-	-
Cash and investments with fiscal agents	-	-	-	-
Total assets	\$ 8,440	\$ 145,962	\$ 2,369,816	\$ 1,766
Liabilities, deferred inflows of resources and fund balances				
Liabilities				
Accounts payable and accrued liabilities	\$ 6,868	\$ 36,438	\$ 1,320	\$ -
Deposits payable	-	-	-	-
Due to other funds	2,418	105,939	141,013	-
Total liabilities	9,286	142,377	142,333	-
Deferred inflows of resources				
Intergovernmental revenues	-	16,619	2,227,446	-
Total deferred inflows of resources	-	16,619	2,227,446	-
Fund balances (deficit)				
Nonspendable	-	-	-	-
Restricted	-	-	37	1,766
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	(846)	(13,034)	-	-
Total fund balances (deficit)	(846)	(13,034)	37	1,766
Total liabilities, deferred inflow of resources and fund balances	\$ 8,440	\$ 145,962	\$ 2,369,816	\$ 1,766

(Continued)

City of Santa Clarita
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2013

	Special Revenue Funds			
	Public Education and Government	Proposition C	Federal Grants	Measure R
Assets				
Cash and investments	\$ 771,690	\$ 294,825	\$ 17,295	\$ 161,776
Receivables:				
Accounts, net	-	-	-	-
Interest	2,154	823	-	452
Taxes	105,374	-	-	-
Loans	-	-	-	-
Notes to RDA Successor Agency	-	-	-	-
Allowance for doubtful accounts	-	-	-	-
Due from other governments	-	840,152	590,941	-
Due from other funds	-	-	-	-
Advances to other funds	-	-	-	-
Land held for resale, net	-	-	-	-
Restricted assets:				
Cash and investments	-	-	-	-
Cash and investments with fiscal agents	-	-	-	-
Total assets	\$ 879,218	\$ 1,135,800	\$ 608,236	\$ 162,228
Liabilities, deferred inflows of resources and fund balances				
Liabilities				
Accounts payable and accrued liabilities	\$ 5,547	\$ 106	\$ 1,235,085	\$ -
Deposits payable	-	-	-	-
Due to other funds	-	-	-	-
Total liabilities	5,547	106	1,235,085	-
Deferred inflows of resources				
Intergovernmental revenues	-	840,152	309,244	-
Total deferred inflows of resources	-	840,152	309,244	-
Fund balances (deficit)				
Nonspendable	-	-	-	-
Restricted	873,671	295,542	-	162,228
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	(936,093)	-
Total fund balances (deficit)	873,671	295,542	(936,093)	162,228
Total liabilities, deferred inflow of resources and fund balances	\$ 879,218	\$ 1,135,800	\$ 608,236	\$ 162,228

City of Santa Clarita
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2013

	Special Revenue Funds			
	Tourism Marketing District	OSPD	Miscellaneous Grants	Park Dedication
Assets				
Cash and investments	\$ 153,247	\$ 4,600,437	\$ -	\$ 213,604
Receivables:				
Accounts, net	-	6,497	-	-
Interest	428	13,224	-	596
Taxes	-	39,364	-	-
Loans	-	-	-	-
Notes to RDA Successor Agency	-	-	-	-
Allowance for doubtful accounts	-	-	-	-
Due from other governments	46,958	-	602,328	-
Due from other funds	-	-	-	-
Advances to other funds	-	-	-	-
Land held for resale, net	-	-	-	-
Restricted assets:				
Cash and investments	-	4,693,286	-	-
Cash and investments with fiscal agents	-	1,322,005	-	-
Total assets	\$ 200,633	\$ 10,674,813	\$ 602,328	\$ 214,200
Liabilities, deferred inflows of resources and fund balances				
Liabilities				
Accounts payable and accrued liabilities	\$ 15,706	\$ 15,882	\$ 243,050	\$ 50,735
Deposits payable	-	-	-	-
Due to other funds	-	-	312,172	-
Total liabilities	15,706	15,882	555,222	50,735
Deferred inflows of resources				
Intergovernmental revenues	-	-	467,987	-
Total deferred inflows of resources	-	-	467,987	-
Fund balances (deficit)				
Nonspendable	-	-	-	-
Restricted	184,927	10,658,931	-	163,465
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	(420,881)	-
Total fund balances (deficit)	184,927	10,658,931	(420,881)	163,465
Total liabilities, deferred inflow of resources and fund balances	\$ 200,633	\$ 10,674,813	\$ 602,328	\$ 214,200

(Continued)

City of Santa Clarita
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2013

	Special Revenue Funds		Capital Projects Funds		Debt Service Funds	
	Housing Successor Agency	General Capital Projects	Public Financing Authority	Public Financing Authority		
Assets						
Cash and investments	\$ -	\$ 4,257,585	\$ 10	\$ -		
Receivables:						
Accounts, net	-	-	-	-		
Interest	-	-	-	-		
Taxes	-	-	-	-		
Loans	-	-	-	-		
Notes to RDA Successor Agency	-	-	-	-		
Allowance for doubtful accounts	-	-	-	-		
Due from other governments	-	-	-	-		
Due from other funds	-	-	80	-		
Advances to other funds	-	-	-	-		
Land held for resale, net	939,459	-	-	-		
Restricted assets:						
Cash and investments	-	-	-	-		
Cash and investments with fiscal agents	-	-	184	-		
Total assets	\$ 939,459	\$ 4,257,585	\$ 274	\$ -		
Liabilities, deferred inflows of resources and fund balances						
Liabilities						
Accounts payable and accrued liabilities	\$ -	\$ 7,860	\$ -	\$ -		
Deposits payable	-	-	-	-		
Due to other funds	-	-	-	-		80
Total liabilities	-	7,860	-	-		80
Deferred inflows of resources						
Intergovernmental revenues	-	-	-	-		-
Total deferred inflows of resources	-	-	-	-		-
Fund balances (deficit)						
Nonspendable	-	-	-	-		-
Restricted	939,459	-	-	-		-
Committed	-	-	-	-		-
Assigned	-	4,249,725	274	-		-
Unassigned	-	-	-	-		(80)
Total fund balances (deficit)	939,459	4,249,725	274	(80)		
Total liabilities, deferred inflow of resources and fund balances	\$ 939,459	\$ 4,257,585	\$ 274	\$ -		

City of Santa Clarita
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2013

	Total Governmental Funds
Assets	
Cash and investments	\$ 30,081,809
Receivables:	
Accounts, net	131,240
Interest	70,376
Taxes	337,310
Loans	2,368,836
Notes to RDA Successor Agency	5,476,016
Allowance for doubtful accounts	(5,476,016)
Due from other governments	4,557,246
Due from other funds	80
Advances to other funds	116,826
Land held for resale, net	1,188,969
Restricted assets:	
Cash and investments	4,693,286
Cash and investments with fiscal agents	1,322,189
Total assets	<u><u>\$ 44,868,167</u></u>
Liabilities, deferred inflows of resources and fund balances	
Liabilities	
Accounts payable and accrued liabilities	\$ 3,796,756
Deposits payable	35,097
Due to other funds	1,670,891
Total liabilities	<u>5,502,744</u>
Deferred inflows of resources	
Intergovernmental revenues	4,248,422
Total deferred inflows of resources	<u>4,248,422</u>
Fund balances (deficit)	
Nonspendable	249,510
Restricted	31,179,944
Committed	716,826
Assigned	4,466,367
Unassigned	(1,495,646)
Total fund balances (deficit)	<u>35,117,001</u>
Total liabilities, deferred inflow of resources and fund balances	<u><u>\$ 44,868,167</u></u>

City of Santa Clarita
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended June 30, 2013

	Special Revenue Funds			
	Developer Fees	Bikeway	Gas Tax	Proposition A
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-
Intergovernmental	-	118,531	4,764,116	2,744,990
Charges for services	-	-	-	-
Investment income (loss)	68,336	1,060	13,559	3,179
Fines and forfeitures	-	-	-	-
Developer fees	1,106,152	-	-	-
Other revenue	-	-	18,015	-
Total revenues	1,174,488	119,591	4,795,690	2,748,169
Expenditures				
Current:				
General government	-	-	-	-
Public safety	(766,905)	-	-	-
Parks, recreation and community service	-	-	-	-
Public works	-	76,845	4,100,192	34,864
Community development	-	-	-	-
Capital outlay	86,280	45,313	446,258	4,770
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	(680,625)	122,158	4,546,450	39,634
Excess (deficiency) of revenues over (under) expenditures	1,855,113	(2,567)	249,240	2,708,535
Other financing sources (uses)				
Transfers in	-	-	228,724	-
Transfers out	(17,746)	-	(439,690)	(1,886,047)
Total other financing sources (uses)	(17,746)	-	(210,966)	(1,886,047)
Net change in fund balances	1,837,367	(2,567)	38,274	822,488
Fund balances (deficit), beginning of year, as restated	1,494,079	85,501	1,429,379	-
Fund balances (deficit), end of year	\$ 3,331,446	\$ 82,934	\$ 1,467,653	\$ 822,488

City of Santa Clarita
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended June 30, 2013

	Special Revenue Funds			
	Special Assessment	State Park	TDA	Traffic Safety
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Special assessments	4,410,974	-	-	-
Intergovernmental	-	232,850	11,390,494	-
Charges for services	7,500	-	-	-
Investment income (loss)	27,931	-	(14,439)	599
Fines and forfeitures	-	-	-	1,510,777
Developer fees	-	-	-	-
Other revenue	13,866	-	-	-
Total revenues	4,460,271	232,850	11,376,055	1,511,376
Expenditures				
Current:				
General government	3,194,321	-	-	-
Public safety	-	-	-	-
Parks, recreation and community service	-	208,624	-	-
Public works	1,144,897	-	8,194,368	-
Community development	-	-	-	-
Capital outlay	72,563	19,816	298,414	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	4,411,781	228,440	8,492,782	-
Excess (deficiency) of revenues over (under) expenditures	48,490	4,410	2,883,273	1,511,376
Other financing sources (uses)				
Transfers in	99,700	82,216	-	-
Transfers out	(20,493)	-	-	(1,511,376)
Total other financing sources (uses)	79,207	82,216	-	(1,511,376)
Net change in fund balances	127,697	86,626	2,883,273	-
Fund balances (deficit), beginning of year, as restated	4,716,860	(85,937)	(900,399)	-
Fund balances (deficit), end of year	\$ 4,844,557	\$ 689	\$ 1,982,874	\$ -

(Continued)

City of Santa Clarita
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended June 30, 2013

	Special Revenue Funds			
	CDBG	AQMD	Stormwater	Federal Aid Urban
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	2,643,177	-
Intergovernmental	1,021,341	212,500	-	414,786
Charges for services	-	-	-	-
Investment income (loss)	-	(311)	39,642	-
Fines and forfeitures	-	-	-	-
Developer fees	-	-	-	-
Other revenue	-	-	58,026	-
Total revenues	1,021,341	212,189	2,740,845	414,786
Expenditures				
Current:				
General government	-	-	7,309	-
Public safety	-	-	-	-
Parks, recreation and community service	-	-	-	-
Public works	-	25,314	2,853,770	539,498
Community development	753,776	-	-	-
Capital outlay	-	150,340	118,193	-
Debt service:				
Principal	230,000	-	-	-
Interest and fiscal charges	35,756	-	-	-
Total expenditures	1,019,532	175,654	2,979,272	539,498
Excess (deficiency) of revenues over (under) expenditures	1,809	36,535	(238,427)	(124,712)
Other financing sources (uses)				
Transfers in	-	-	34,890	-
Transfers out	-	-	(79,281)	-
Total other financing sources (uses)	-	-	(44,391)	-
Net change in fund balances	1,809	36,535	(282,818)	(124,712)
Fund balances (deficit), beginning of year, as restated	-	42,798	6,751,657	-
Fund balances (deficit), end of year	\$ 1,809	\$ 79,333	\$ 6,468,839	\$ (124,712)

City of Santa Clarita
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended June 30, 2013

	Special Revenue Funds			
	BJA Law Enforcement	Supplemental Law Grant	HOME	Library Facilities Fees
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-
Intergovernmental	44,661	325,120	201,036	-
Charges for services	-	-	-	-
Investment income (loss)	11	237	-	247
Fines and forfeitures	-	-	-	-
Developer fees	-	-	-	135,402
Other revenue	-	-	-	-
Total revenues	44,672	325,357	201,036	135,649
Expenditures				
Current:				
General government	-	-	-	-
Public safety	47,455	351,002	-	-
Parks, recreation and community service	-	-	-	-
Public works	-	-	-	-
Community development	-	-	201,299	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	47,455	351,002	201,299	-
Excess (deficiency) of revenues over (under) expenditures	(2,783)	(25,645)	(263)	135,649
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	(135,402)
Total other financing sources (uses)	-	-	-	(135,402)
Net change in fund balances	(2,783)	(25,645)	(263)	247
Fund balances (deficit), beginning of year, as restated	1,937	12,611	300	1,519
Fund balances (deficit), end of year	\$ (846)	\$ (13,034)	\$ 37	\$ 1,766

(Continued)

City of Santa Clarita
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended June 30, 2013

	Special Revenue Funds			
	Public Education and Government	Proposition C	Federal Grants	Measure R
Revenues				
Taxes	\$ 425,333	\$ -	\$ -	\$ -
Special assessments	-	-	-	-
Intergovernmental	-	2,301,435	411,838	1,705,625
Charges for services	-	-	-	-
Investment income (loss)	3,609	2,598	-	1,143
Fines and forfeitures	-	-	-	-
Developer fees	-	-	-	-
Other revenue	-	-	-	-
Total revenues	428,942	2,304,033	411,838	1,706,768
Expenditures				
Current:				
General government	247,197	-	-	-
Public safety	-	-	4,163	-
Parks, recreation and community service	-	-	-	-
Public works	-	2,890	209,773	-
Community development	-	-	1,050,123	-
Capital outlay	64,401	890	478,270	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	311,598	3,780	1,742,329	-
Excess (deficiency) of revenues over (under) expenditures	117,344	2,300,253	(1,330,491)	1,706,768
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	(2,004,711)	-	(1,544,540)
Total other financing sources (uses)	-	(2,004,711)	-	(1,544,540)
Net change in fund balances	117,344	295,542	(1,330,491)	162,228
Fund balances (deficit), beginning of year, as restated	756,327	-	394,398	-
Fund balances (deficit), end of year	\$ 873,671	\$ 295,542	\$ (936,093)	\$ 162,228

City of Santa Clarita
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended June 30, 2013

	Special Revenue Funds			
	Tourism Marketing District	OSPD	Miscellaneous Grants	Park Dedication
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Special assessments	-	1,908,826	-	-
Intergovernmental	-	-	1,299,800	-
Charges for services	486,618	2,000	-	-
Investment income (loss)	1,232	20,137	-	5,997
Fines and forfeitures	-	-	-	-
Developer fees	-	-	-	-
Other revenue	-	20,000	-	-
Total revenues	487,850	1,950,963	1,299,800	5,997
Expenditures				
Current:				
General government	429,621	1,808,040	482,954	-
Public safety	-	-	177,152	-
Parks, recreation and community service	-	-	13,609	-
Public works	-	-	166,087	7,216
Community development	-	-	-	-
Capital outlay	-	206,614	822,029	565,334
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	429,621	2,014,654	1,661,831	572,550
Excess (deficiency) of revenues over (under) expenditures	58,229	(63,691)	(362,031)	(566,553)
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	(783,708)	-	-
Total other financing sources (uses)	-	(783,708)	-	-
Net change in fund balances	58,229	(847,399)	(362,031)	(566,553)
Fund balances (deficit), beginning of year, as restated	126,698	11,506,330	(58,850)	730,018
Fund balances (deficit), end of year	\$ 184,927	\$ 10,658,931	\$ (420,881)	\$ 163,465

(Continued)

City of Santa Clarita
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended June 30, 2013

	Special Revenue Funds		Capital Projects Funds		Debt Service Funds	
	Housing Successor Agency	General Capital Projects	Public Financing Authority	Public Financing Authority		
Revenues						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Investment income (loss)	-	-	78	-	51	-
Fines and forfeitures	-	-	-	-	-	-
Developer fees	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-
Total revenues	-	-	78	-	51	-
Expenditures						
Current:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Parks, recreation and community service	-	-	-	-	-	-
Public works	-	-	-	-	-	-
Community development	-	-	-	-	-	-
Capital outlay	-	277,591	-	-	-	-
Debt service:						
Principal	-	-	-	-	1,480,000	-
Interest and fiscal charges	-	-	-	-	1,643,208	-
Total expenditures	-	277,591	-	-	3,123,208	-
Excess (deficiency) of revenues over (under) expenditures	-	(277,591)	78	-	(3,123,157)	-
Other financing sources (uses)						
Transfers in	-	1,709,491	771,051	-	3,123,077	-
Transfers out	-	-	(771,051)	-	(457,291)	-
Total other financing sources (uses)	-	1,709,491	-	-	2,665,786	-
Net change in fund balances	-	1,431,900	78	-	(457,371)	-
Fund balances (deficit), beginning of year, as restated	939,459	2,817,825	196	-	457,291	-
Fund balances (deficit), end of year	\$ 939,459	\$ 4,249,725	\$ 274	\$ -	\$ (80)	\$ -

City of Santa Clarita
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended June 30, 2013

	Total Governmental Funds
Revenues	
Taxes	\$ 425,333
Special assessments	8,962,977
Intergovernmental	27,189,123
Charges for services	496,118
Investment income (loss)	174,896
Fines and forfeitures	1,510,777
Developer fees	1,241,554
Other revenue	109,907
Total revenues	<u>40,110,685</u>
Expenditures	
Current:	
General government	6,169,442
Public safety	(187,133)
Parks, recreation and community service	222,233
Public works	17,355,714
Community development	2,005,198
Capital outlay	3,657,076
Debt service:	
Principal	1,710,000
Interest and fiscal charges	1,678,964
Total expenditures	<u>32,611,494</u>
Excess (deficiency) of revenues over (under) expenditures	<u>7,499,191</u>
Other financing sources (uses)	
Transfers in	6,049,149
Transfers out	(9,651,336)
Total other financing sources (uses)	<u>(3,602,187)</u>
Net change in fund balances	3,897,004
Fund balances (deficit), beginning of year, as restated	31,219,997
Fund balances (deficit), end of year	<u>\$ 35,117,001</u>

City of Santa Clarita
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Developer Fees Special Revenue Fund
For the Year Ended June 30, 2013

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive/(Negative)
Revenues				
Investment income	\$ -	\$ 9,784	\$ 68,336	\$ 58,552
Developer fees	-	200,000	1,106,152	906,152
Total revenues	-	209,784	1,174,488	964,704
Expenditures				
Current:				
Public safety	-	-	(766,905)	766,905
Capital outlay	35,000	560,849	86,280	474,569
Total expenditures	35,000	560,849	(680,625)	1,241,474
Excess (deficiency) of revenues over (under) expenditures	(35,000)	(351,065)	1,855,113	2,206,178
Other financing sources (uses)				
Transfers out	(16,000)	(5,583)	(17,746)	(12,163)
Total other financing sources (uses)	(16,000)	(5,583)	(17,746)	(12,163)
Net change in fund balances	\$ (51,000)	\$ (356,648)	1,837,367	\$ 2,194,015
Fund balances, beginning of year, as restated			1,494,079	
Fund balances, end of year			<u>\$ 3,331,446</u>	

City of Santa Clarita
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Bikeway Special Revenue Fund
For the Year Ended June 30, 2013

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive/(Negative)
Revenues				
Intergovernmental	\$ 202,804	\$ 202,804	\$ 118,531	\$ (84,273)
Investment income	600	600	1,060	460
Total revenues	<u>203,404</u>	<u>203,404</u>	<u>119,591</u>	<u>(83,813)</u>
Expenditures				
Current:				
Public works	96,844	96,844	76,845	19,999
Capital outlay	29,516	132,818	45,313	87,505
Total expenditures	<u>126,360</u>	<u>229,662</u>	<u>122,158</u>	<u>107,504</u>
Excess (deficiency) of revenues over (under) expenditures	<u>77,044</u>	<u>(26,258)</u>	<u>(2,567)</u>	<u>23,691</u>
Net change in fund balances	<u>\$ 77,044</u>	<u>\$ (26,258)</u>	<u>(2,567)</u>	<u>\$ 23,691</u>
Fund balances, beginning of year, as restated			<u>85,501</u>	
Fund balances, end of year			<u>\$ 82,934</u>	

City of Santa Clarita
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Gas Tax Special Revenue Fund
For the Year Ended June 30, 2013

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive/(Negative)
Revenues				
Intergovernmental	\$ 4,898,481	\$ 4,552,644	\$ 4,764,116	\$ 211,472
Investment income	7,500	12,037	13,559	1,522
Other revenue	-	13,500	18,015	4,515
Total revenues	4,905,981	4,578,181	4,795,690	217,509
Expenditures				
Current:				
Public works	3,992,144	4,368,665	4,100,192	268,473
Capital outlay	343,010	828,708	446,258	382,450
Total expenditures	4,335,154	5,197,373	4,546,450	650,923
Excess (deficiency) of revenues over (under) expenditures	570,827	(619,192)	249,240	868,432
Other financing sources (uses)				
Transfers in	228,724	228,724	228,724	-
Transfers out	(425,559)	(437,740)	(439,690)	(1,950)
Total other financing sources (uses)	(196,835)	(209,016)	(210,966)	(1,950)
Net change in fund balances	\$ 373,992	\$ (828,208)	38,274	\$ 866,482
Fund balances, beginning of year			1,429,379	
Fund balances, end of year			\$ 1,467,653	

City of Santa Clarita
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Proposition A Special Revenue Fund
For the Year Ended June 30, 2013

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive/(Negative)
Revenues				
Intergovernmental	\$ 2,682,834	\$ 2,542,857	\$ 2,744,990	\$ 202,133
Investment income	-	-	3,179	3,179
Total revenues	<u>2,682,834</u>	<u>2,542,857</u>	<u>2,748,169</u>	<u>205,312</u>
Expenditures				
Current:				
Public works	36,000	36,000	34,864	1,136
Capital outlay	236,660	118,248	4,770	113,478
Total expenditures	<u>272,660</u>	<u>154,248</u>	<u>39,634</u>	<u>114,614</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,410,174</u>	<u>2,388,609</u>	<u>2,708,535</u>	<u>319,926</u>
Other financing sources (uses)				
Transfers out	(2,373,183)	(2,487,171)	(1,886,047)	601,124
Total other financing sources (uses)	<u>(2,373,183)</u>	<u>(2,487,171)</u>	<u>(1,886,047)</u>	<u>601,124</u>
Net change in fund balances	<u>\$ 36,991</u>	<u>\$ (98,562)</u>	<u>822,488</u>	<u>\$ 921,050</u>
Fund balances, beginning of year			-	
Fund balances, end of year			<u>\$ 822,488</u>	

City of Santa Clarita
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Special Assessment Special Revenue Fund
For the Year Ended June 30, 2013

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive/(Negative)
Revenues				
Special assessments	\$ 4,213,435	\$ 4,213,435	\$ 4,410,974	\$ 197,539
Charges for services	2,500	5,000	7,500	2,500
Investment income	94,750	40,848	27,931	(12,917)
Other revenue	-	-	13,866	13,866
Total revenues	4,310,685	4,259,283	4,460,271	200,988
Expenditures				
Current:				
General government	3,668,454	3,667,474	3,194,321	473,153
Public works	1,388,460	1,388,460	1,144,897	243,563
Capital outlay	-	151,558	72,563	78,995
Total expenditures	5,056,914	5,207,492	4,411,781	795,711
Excess (deficiency) of revenues over (under) expenditures	(746,229)	(948,209)	48,490	996,699
Other financing sources (uses)				
Transfers in	1,666,013	1,611,650	99,700	(1,511,950)
Transfers out	(1,584,718)	(1,532,443)	(20,493)	1,511,950
Total other financing sources (uses)	81,295	79,207	79,207	-
Net change in fund balances	\$ (664,934)	\$ (869,002)	127,697	\$ 996,699
Fund balances, beginning of year			4,716,860	
Fund balances, end of year			<u>\$ 4,844,557</u>	

City of Santa Clarita
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
State Park Special Revenue Fund
For the Year Ended June 30, 2013

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive/(Negative)
Revenues				
Intergovernmental	\$ 185,000	\$ 185,000	\$ 232,850	\$ 47,850
Total revenues	<u>185,000</u>	<u>185,000</u>	<u>232,850</u>	<u>47,850</u>
Expenditures				
Current:				
Parks, recreation and community service	270,419	268,968	208,624	60,344
Capital outlay	-	31,496	19,816	11,680
Total expenditures	<u>270,419</u>	<u>300,464</u>	<u>228,440</u>	<u>72,024</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(85,419)</u>	<u>(115,464)</u>	<u>4,410</u>	<u>119,874</u>
Other financing sources (uses)				
Transfers in	-	91,185	82,216	(8,969)
Total other financing sources (uses)	<u>-</u>	<u>91,185</u>	<u>82,216</u>	<u>(8,969)</u>
Net change in fund balances	<u>\$ (85,419)</u>	<u>\$ (24,279)</u>	<u>86,626</u>	<u>\$ 110,905</u>
Fund balances (deficit), beginning of year			<u>(85,937)</u>	
Fund balances, end of year			<u>\$ 689</u>	

City of Santa Clarita
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
TDA Special Revenue Fund
For the Year Ended June 30, 2013

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive/(Negative)
Revenues				
Intergovernmental	\$ 7,966,741	\$ 13,980,366	\$ 11,390,494	\$ (2,589,872)
Investment income	-	-	(14,439)	(14,439)
Total revenues	<u>7,966,741</u>	<u>13,980,366</u>	<u>11,376,055</u>	<u>(2,604,311)</u>
Expenditures				
Current:				
Public works	5,869,988	12,506,292	8,194,368	4,311,924
Capital outlay	1,282,222	2,013,585	298,414	1,715,171
Total expenditures	<u>7,152,210</u>	<u>14,519,877</u>	<u>8,492,782</u>	<u>6,027,095</u>
Excess (deficiency) of revenues over (under) expenditures	<u>814,531</u>	<u>(539,511)</u>	<u>2,883,273</u>	<u>3,422,784</u>
Other financing sources (uses)				
Transfers out	(809,292)	(172,270)	-	172,270
Total other financing sources (uses)	<u>(809,292)</u>	<u>(172,270)</u>	<u>-</u>	<u>172,270</u>
Net change in fund balances	<u>\$ 5,239</u>	<u>\$ (711,781)</u>	<u>2,883,273</u>	<u>\$ 3,595,054</u>
Fund balances (deficit), as restated			(900,399)	
Fund balances, end of year			<u>\$ 1,982,874</u>	

City of Santa Clarita
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Traffic Safety Special Revenue Fund
For the Year Ended June 30, 2013

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive/(Negative)
Revenues				
Investment income	\$ -	\$ -	\$ 599	\$ 599
Fines and forfeitures	1,114,161	1,344,461	1,510,777	166,316
Total revenues	1,114,161	1,344,461	1,511,376	166,915
Other financing sources (uses)				
Transfers out	(1,114,161)	(1,331,345)	(1,511,376)	(180,031)
Total other financing sources (uses)	(1,114,161)	(1,331,345)	(1,511,376)	(180,031)
Net change in fund balances	\$ -	\$ 13,116	-	\$ (13,116)
Fund balances, beginning of year			-	
Fund balances, end of year			\$ -	

City of Santa Clarita
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
CDBG Special Revenue Fund
For the Year Ended June 30, 2013

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive/(Negative)
Revenues				
Intergovernmental	\$ 1,165,817	\$ 1,136,619	\$ 1,021,341	\$ (115,278)
Total revenues	<u>1,165,817</u>	<u>1,136,619</u>	<u>1,021,341</u>	<u>(115,278)</u>
Expenditures				
Current:				
Community development	893,035	972,292	753,776	218,516
Debt service:				
Principal retirement	230,000	230,000	230,000	-
Interest and fiscal charges	35,756	35,756	35,756	-
Total expenditures	<u>1,158,791</u>	<u>1,238,048</u>	<u>1,019,532</u>	<u>218,516</u>
Excess (deficiency) of revenues over (under) expenditures	<u>7,026</u>	<u>(101,429)</u>	<u>1,809</u>	<u>103,238</u>
Net change in fund balances	<u>\$ 7,026</u>	<u>\$ (101,429)</u>	<u>1,809</u>	<u>\$ 103,238</u>
Fund balances, beginning of year			-	
Fund balances, end of year			<u>\$ 1,809</u>	

City of Santa Clarita
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
AQMD Special Revenue Fund
For the Year Ended June 30, 2013

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive/(Negative)
Revenues				
Intergovernmental	\$ 206,367	\$ 206,367	\$ 212,500	\$ 6,133
Investment income	100	100	(311)	(411)
Total revenues	<u>206,467</u>	<u>206,467</u>	<u>212,189</u>	<u>5,722</u>
Expenditures				
Current:				
Public works	39,830	44,489	25,314	19,175
Capital outlay	-	200,000	150,340	49,660
Total expenditures	<u>39,830</u>	<u>244,489</u>	<u>175,654</u>	<u>68,835</u>
Excess (deficiency) of revenues over (under) expenditures	<u>166,637</u>	<u>(38,022)</u>	<u>36,535</u>	<u>74,557</u>
Other financing sources (uses)				
Transfers out	(166,537)	(32,920)	-	32,920
Total other financing sources (uses)	<u>(166,537)</u>	<u>(32,920)</u>	<u>-</u>	<u>32,920</u>
Net change in fund balances	<u>\$ 100</u>	<u>\$ (70,942)</u>	<u>36,535</u>	<u>\$ 107,477</u>
Fund balances, beginning of year			<u>42,798</u>	
Fund balances, end of year			<u>\$ 79,333</u>	

City of Santa Clarita
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Stormwater Special Revenue Fund
For the Year Ended June 30, 2013

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive/(Negative)
Revenues				
Special assessments	\$ 2,988,500	\$ 2,988,500	\$ 2,643,177	\$ (345,323)
Investment income	110,000	66,557	39,642	(26,915)
Other revenue	-	-	58,026	58,026
Total revenues	3,098,500	3,055,057	2,740,845	(314,212)
Expenditures				
Current:				
General government	12,000	12,000	7,309	4,691
Public works	2,714,214	2,862,527	2,853,770	8,757
Capital outlay	560,900	563,682	118,193	445,489
Total expenditures	3,287,114	3,438,209	2,979,272	458,937
Excess (deficiency) of revenues over (under) expenditures	(188,614)	(383,152)	(238,427)	144,725
Other financing sources (uses)				
Transfers in	32,660	32,660	34,890	2,230
Transfers out	(65,618)	(79,481)	(79,281)	200
Total other financing sources (uses)	(32,958)	(46,821)	(44,391)	2,430
Net change in fund balances	\$ (221,572)	\$ (429,973)	(282,818)	\$ 147,155
Fund balances, beginning of year			6,751,657	
Fund balances, end of year			<u>\$ 6,468,839</u>	

City of Santa Clarita
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Federal Aid Urban Special Revenue Fund
For the Year Ended June 30, 2013

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive/(Negative)
Revenues				
Intergovernmental	\$ 1,533,319	\$ 2,133,319	\$ 414,786	\$ (1,718,533)
Total revenues	<u>1,533,319</u>	<u>2,133,319</u>	<u>414,786</u>	<u>(1,718,533)</u>
Expenditures				
Current:				
Public works	153,319	2,133,319	539,498	1,593,821
Capital outlay	1,380,000	-	-	-
Total expenditures	<u>1,533,319</u>	<u>2,133,319</u>	<u>539,498</u>	<u>1,593,821</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>(124,712)</u>	<u>(124,712)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>(124,712)</u>	<u>\$ (124,712)</u>
Fund balances, beginning of year			-	
Fund balances (deficit), end of year			<u>\$ (124,712)</u>	

City of Santa Clarita
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
BJA Law Enforcement Special Revenue Fund
For the Year Ended June 30, 2013

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive/(Negative)
Revenues				
Intergovernmental	\$ -	\$ 90,666	\$ 44,661	\$ (46,005)
Investment income	-	-	11	11
Total revenues	-	90,666	44,672	(45,994)
Expenditures				
Current:				
Public safety	-	90,819	47,455	43,364
Total expenditures	-	90,819	47,455	43,364
Excess (deficiency) of revenues over (under) expenditures	-	(153)	(2,783)	(2,630)
Net change in fund balances	\$ -	\$ (153)	(2,783)	\$ (2,630)
Fund balances, beginning of year			1,937	
Fund balances (deficit), end of year			<u><u>\$ (846)</u></u>	

City of Santa Clarita
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Supplemental Law Grant Special Revenue Fund
For the Year Ended June 30, 2013

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive/(Negative)
Revenues				
Intergovernmental	\$ -	\$ 341,739	\$ 325,120	\$ (16,619)
Investment income	600	600	237	(363)
Total revenues	<u>600</u>	<u>342,339</u>	<u>325,357</u>	<u>(16,982)</u>
Expenditures				
Current:				
Public safety	-	354,484	351,002	3,482
Total expenditures	<u>-</u>	<u>354,484</u>	<u>351,002</u>	<u>3,482</u>
Excess (deficiency) of revenues over (under) expenditures	<u>600</u>	<u>(12,145)</u>	<u>(25,645)</u>	<u>(13,500)</u>
Net change in fund balances	<u>\$ 600</u>	<u>\$ (12,145)</u>	<u>(25,645)</u>	<u>\$ (13,500)</u>
Fund balances, beginning of year			<u>12,611</u>	
Fund balances (deficit), end of year			<u>\$ (13,034)</u>	

City of Santa Clarita
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
HOME Special Revenue Fund
For the Year Ended June 30, 2013

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive/(Negative)
Revenues				
Intergovernmental	\$ 700,000	\$ 760,423	\$ 201,036	\$ (559,387)
Total revenues	<u>700,000</u>	<u>760,423</u>	<u>201,036</u>	<u>(559,387)</u>
Expenditures				
Current:				
Community development	700,000	699,998	201,299	498,699
Total expenditures	<u>700,000</u>	<u>699,998</u>	<u>201,299</u>	<u>498,699</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>60,425</u>	<u>(263)</u>	<u>(60,688)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ 60,425</u>	<u>(263)</u>	<u>\$ (60,688)</u>
Fund balances, beginning of year			<u>300</u>	
Fund balances, end of year			<u>\$ 37</u>	

City of Santa Clarita
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Library Facilities Fees Special Revenue Fund
For the Year Ended June 30, 2013

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive/(Negative)
Revenues				
Investment income	\$ -	\$ -	\$ 247	\$ 247
Developer fees	35,000	35,000	135,402	100,402
Other financing sources (uses)				
Transfers out	(35,000)	(80,000)	(135,402)	(55,402)
Total other financing sources (uses)	(35,000)	(80,000)	(135,402)	(55,402)
Net change in fund balances	\$ -	\$ (45,000)	247	\$ 45,247
Fund balances, beginning of year			1,519	
Fund balances, end of year			<u>\$ 1,766</u>	

City of Santa Clarita
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, 2013

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive/(Negative)
Revenues				
Taxes	\$ 325,000	\$ 430,000	\$ 425,333	\$ (4,667)
Investment income	6,500	6,500	3,609	(2,891)
Total revenues	<u>331,500</u>	<u>436,500</u>	<u>428,942</u>	<u>(7,558)</u>
Expenditures				
Current:				
General government	264,199	244,199	247,197	(2,998)
Capital outlay	20,000	77,000	64,401	12,599
Total expenditures	<u>284,199</u>	<u>321,199</u>	<u>311,598</u>	<u>9,601</u>
Excess (deficiency) of revenues over (under) expenditures	<u>47,301</u>	<u>115,301</u>	<u>117,344</u>	<u>2,043</u>
Net change in fund balances	<u>\$ 47,301</u>	<u>\$ 115,301</u>	<u>117,344</u>	<u>\$ 2,043</u>
Fund balances, beginning of year			<u>756,327</u>	
Fund balances, end of year			<u>\$ 873,671</u>	

City of Santa Clarita
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Proposition C Special Revenue Fund
For the Year Ended June 30, 2013

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive/(Negative)
Revenues				
Intergovernmental	\$ 10,413,269	\$ 6,663,601	\$ 2,301,435	\$ (4,362,166)
Investment income	-	-	2,598	2,598
Total revenues	<u>10,413,269</u>	<u>6,663,601</u>	<u>2,304,033</u>	<u>(4,359,568)</u>
Expenditures				
Current:				
Public works	2,890	2,890	2,890	-
Capital outlay	8,405,374	8,470,927	890	8,470,037
Total expenditures	<u>8,408,264</u>	<u>8,473,817</u>	<u>3,780</u>	<u>8,470,037</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,005,005</u>	<u>(1,810,216)</u>	<u>2,300,253</u>	<u>4,110,469</u>
Other financing sources (uses)				
Transfers out	(2,222,450)	(2,058,393)	(2,004,711)	53,682
Total other financing sources (uses)	<u>(2,222,450)</u>	<u>(2,058,393)</u>	<u>(2,004,711)</u>	<u>53,682</u>
Net change in fund balances	<u>\$ (217,445)</u>	<u>\$ (3,868,609)</u>	<u>295,542</u>	<u>\$ 4,164,151</u>
Fund balances, beginning of year			-	
Fund balances, end of year			<u>\$ 295,542</u>	

City of Santa Clarita
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Federal Grants Special Revenue Fund
For the Year Ended June 30, 2013

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive/(Negative)
Revenues				
Intergovernmental	\$ 4,216,211	\$ 3,136,418	\$ 411,838	\$ (2,724,580)
Total revenues	<u>4,216,211</u>	<u>3,136,418</u>	<u>411,838</u>	<u>(2,724,580)</u>
Expenditures				
Current:				
Public safety	-	6,977	4,163	2,814
Public works	346,920	347,475	209,773	137,702
Community development	-	-	1,050,123	(1,050,123)
Capital outlay	3,869,291	3,625,049	478,270	3,146,779
Total expenditures	<u>4,216,211</u>	<u>3,979,501</u>	<u>1,742,329</u>	<u>2,237,172</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(843,083)</u>	<u>(1,330,491)</u>	<u>(487,408)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ (843,083)</u>	<u>(1,330,491)</u>	<u>\$ (487,408)</u>
Fund balances, beginning of year			394,398	
Fund balances, end of year			<u>\$ (936,093)</u>	

City of Santa Clarita
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Measure R Special Revenue Fund
For the Year Ended June 30, 2013

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive/(Negative)
Revenues				
Intergovernmental	\$ 1,669,051	\$ 1,581,964	\$ 1,705,625	\$ 123,661
Investment income	-	-	1,143	1,143
Total revenues	<u>1,669,051</u>	<u>1,581,964</u>	<u>1,706,768</u>	<u>124,804</u>
Other financing sources (uses)				
Transfers out	(1,669,051)	(1,583,794)	(1,544,540)	39,254
Total other financing sources (uses)	<u>(1,669,051)</u>	<u>(1,583,794)</u>	<u>(1,544,540)</u>	<u>39,254</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ (1,830)</u>	<u>162,228</u>	<u>\$ 164,058</u>
Fund balances, beginning of year			-	
Fund balances, end of year			<u>\$ 162,228</u>	

City of Santa Clarita
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Tourism Marketing District Special Revenue Fund
For the Year Ended June 30, 2013

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive/(Negative)
Revenues				
Charges for services	\$ 380,000	\$ 440,000	\$ 486,618	\$ 46,618
Investment income	3,000	1,495	1,232	(263)
Total revenues	<u>383,000</u>	<u>441,495</u>	<u>487,850</u>	<u>46,355</u>
Expenditures				
Current:				
General government	414,920	496,210	429,621	66,589
Total expenditures	<u>414,920</u>	<u>496,210</u>	<u>429,621</u>	<u>66,589</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(31,920)</u>	<u>(54,715)</u>	<u>58,229</u>	<u>112,944</u>
Net change in fund balances	<u>\$ (31,920)</u>	<u>\$ (54,715)</u>	<u>58,229</u>	<u>\$ 112,944</u>
Fund balances, beginning of year			<u>126,698</u>	
Fund balances, end of year			<u>\$ 184,927</u>	

City of Santa Clarita
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
OSPD Special Revenue Fund
For the Year Ended June 30, 2013

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive/(Negative)
Revenues				
Special assessments	\$ 1,866,941	\$ 1,866,941	\$ 1,908,826	\$ 41,885
Charges for services	-	-	2,000	2,000
Investment income	89,500	46,740	20,137	(26,603)
Other revenue	-	-	20,000	20,000
Total revenues	1,956,441	1,913,681	1,950,963	37,282
Expenditures				
Current:				
General government	427,026	1,827,490	1,808,040	19,450
Capital outlay	-	306,120	206,614	99,506
Total expenditures	427,026	2,133,610	2,014,654	118,956
Excess (deficiency) of revenues over (under) expenditures	1,529,415	(219,929)	(63,691)	156,238
Other financing sources (uses)				
Transfers out	(781,916)	(783,708)	(783,708)	-
Total other financing sources (uses)	(781,916)	(783,708)	(783,708)	-
Net change in fund balances	\$ 747,499	\$ (1,003,637)	(847,399)	\$ 156,238
Fund balances, beginning of year			11,506,330	
Fund balances, end of year			<u>\$ 10,658,931</u>	

City of Santa Clarita
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Miscellaneous Grants Special Revenue Fund
For the Year Ended June 30, 2013

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive/(Negative)
Revenues				
Intergovernmental	\$ 895,714	\$ 3,695,369	\$ 1,299,800	\$ (2,395,569)
Total revenues	<u>895,714</u>	<u>3,695,369</u>	<u>1,299,800</u>	<u>(2,395,569)</u>
Expenditures				
Current:				
General government	141,809	1,205,694	482,954	722,740
Public safety	-	236,322	177,152	59,170
Parks, recreation and community service	-	13,927	13,609	318
Public works	45,000	202,909	166,087	36,822
Capital outlay	1,249,683	2,144,912	822,029	1,322,883
Total expenditures	<u>1,436,492</u>	<u>3,803,764</u>	<u>1,661,831</u>	<u>2,141,933</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(540,778)</u>	<u>(108,395)</u>	<u>(362,031)</u>	<u>(253,636)</u>
Net change in fund balances	<u>\$ (540,778)</u>	<u>\$ (108,395)</u>	<u>(362,031)</u>	<u>\$ (253,636)</u>
Fund balances (deficit), beginning of year, as restated			<u>(58,850)</u>	
Fund balances (deficit), end of year			<u>\$ (420,881)</u>	

City of Santa Clarita
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Park Dedication Special Revenue Fund
For the Year Ended June 30, 2013

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive/(Negative)
Revenues				
Investment income	\$ 10,500	\$ 1,731	\$ 5,997	\$ 4,266
Total revenues	<u>10,500</u>	<u>1,731</u>	<u>5,997</u>	<u>4,266</u>
Expenditures				
Current:				
Public works	7,216	7,366	7,216	150
Capital outlay	564,500	690,483	565,334	125,149
Total expenditures	<u>571,716</u>	<u>697,849</u>	<u>572,550</u>	<u>125,299</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(561,216)</u>	<u>(696,118)</u>	<u>(566,553)</u>	<u>129,565</u>
Net change in fund balances	<u>\$ (561,216)</u>	<u>\$ (696,118)</u>	<u>(566,553)</u>	<u>\$ 129,565</u>
Fund balances, beginning of year			<u>730,018</u>	
Fund balances, end of year			<u>\$ 163,465</u>	

City of Santa Clarita
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
General Capital Projects Fund
For the Year Ended June 30, 2013

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive/(Negative)
Revenues				
Other revenue	\$ -	\$ 78,500	\$ -	\$ (78,500)
Total revenues	<u>-</u>	<u>78,500</u>	<u>-</u>	<u>(78,500)</u>
Expenditures				
Current:				
Public works	-	113,918	-	113,918
Capital outlay	-	415,895	277,591	138,304
Total expenditures	<u>-</u>	<u>529,813</u>	<u>277,591</u>	<u>252,222</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(451,313)</u>	<u>(277,591)</u>	<u>173,722</u>
Other Financing Sources (Uses)				
Transfers in	-	1,709,491	1,709,491	-
Total other financing sources (uses)	<u>-</u>	<u>1,709,491</u>	<u>1,709,491</u>	<u>-</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ 1,258,178</u>	<u>1,431,900</u>	<u>\$ 173,722</u>
Fund balances, beginning of year			<u>2,817,825</u>	
Fund balances, end of year			<u>\$ 4,249,725</u>	

City of Santa Clarita
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Public Financing Authority Capital Projects Fund
For the Year Ended June 30, 2013

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive/(Negative)
Revenues				
Investment income	\$ -	\$ -	\$ 78	\$ 78
Total revenues	-	-	78	78
Other Financing Sources (Uses)				
Transfers in	771,051	771,051	771,051	-
Transfers out	(771,051)	(771,051)	(771,051)	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	\$ -	\$ -	78	\$ 78
Fund balances, beginning of year			196	
Fund balances, end of year			<u>\$ 274</u>	

City of Santa Clarita
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Public Financing Authority Debt Service Fund
For the Year Ended June 30, 2013

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive/(Negative)
Revenues				
Investment income	\$ -	\$ -	\$ 51	\$ 51
Total revenues	<u>-</u>	<u>-</u>	<u>51</u>	<u>51</u>
Expenditures				
Debt service:				
Principal retirement	1,480,000	1,480,000	1,480,000	-
Interest and fiscal charges	1,643,077	1,643,077	1,643,208	(131)
Total expenditures	<u>3,123,077</u>	<u>3,123,077</u>	<u>3,123,208</u>	<u>(131)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,123,077)</u>	<u>(3,123,077)</u>	<u>(3,123,157)</u>	<u>(80)</u>
Other Financing Sources (Uses)				
Transfers in	3,123,077	3,123,077	3,123,077	-
Transfers out	-	-	(457,291)	(457,291)
Total other financing sources (uses)	<u>3,123,077</u>	<u>3,123,077</u>	<u>2,665,786</u>	<u>(457,291)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>(457,371)</u>	<u>\$ (457,371)</u>
Fund balances, beginning of year			457,291	
Fund balances (deficit), end of year			<u>\$ (80)</u>	

INTERNAL SERVICE FUNDS

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
Combining Statement of Net Position
Internal Service Funds
June 30, 2013

	Self- Insurance	Computer Replacement	Vehicle Replacement	Totals
Assets				
Current assets				
Cash and investments	\$ 2,476,126	\$ 2,009,137	\$ 4,424,664	\$ 8,909,927
Receivables:				
Interest	21,248	5,608	12,351	39,207
Total current assets	<u>2,497,374</u>	<u>2,014,745</u>	<u>4,437,015</u>	<u>8,949,134</u>
Noncurrent assets				
Capital assets:				
Equipment, net of accumulated depreciation	-	147,164	231,209	378,373
Total noncurrent assets	<u>-</u>	<u>147,164</u>	<u>231,209</u>	<u>378,373</u>
Total assets	<u>2,497,374</u>	<u>2,161,909</u>	<u>4,668,224</u>	<u>9,327,507</u>
Liabilities				
Current liabilities				
Accounts payable and accrued liabilities	40,606	41,617	1,204	83,427
Compensated absences	5,949	-	-	5,949
Claims and judgments	349,835	-	-	349,835
Total current liabilities	<u>396,390</u>	<u>41,617</u>	<u>1,204</u>	<u>439,211</u>
Noncurrent liabilities				
Claims and judgments	764,282	-	-	764,282
Total noncurrent liabilities	<u>764,282</u>	<u>-</u>	<u>-</u>	<u>764,282</u>
Total liabilities	<u>1,160,672</u>	<u>41,617</u>	<u>1,204</u>	<u>1,203,493</u>
Net position				
Net investment in capital assets	-	147,164	231,209	378,373
Unrestricted	1,336,702	1,973,128	4,435,811	7,745,641
Total net position	<u>\$ 1,336,702</u>	<u>\$ 2,120,292</u>	<u>\$ 4,667,020</u>	<u>\$ 8,124,014</u>

City of Santa Clarita
Combining Statement of Revenues, Expenses and Changes in Net Position
Internal Service Funds
For the Year Ended June 30, 2013

	Self- Insurance	Computer Replacement	Vehicle Replacement	Totals
Operating revenues				
Charge for services	\$ 2,276,932	\$ 401,020	\$ 221,100	\$ 2,899,052
Total operating revenues	<u>2,276,932</u>	<u>401,020</u>	<u>221,100</u>	<u>2,899,052</u>
Operating expenses				
Administration and personnel services	413,122	1,920	2,900	417,942
Services and supplies	2,061,307	182,052	-	2,243,359
Depreciation expense	-	97,641	124,744	222,385
Total operating expenses	<u>2,474,429</u>	<u>281,613</u>	<u>127,644</u>	<u>2,883,686</u>
Operating income (loss)	<u>(197,497)</u>	<u>119,407</u>	<u>93,456</u>	<u>15,366</u>
Nonoperating revenues (expenses)				
Investment income	37,611	10,709	29,032	77,352
Total nonoperating revenues (expenses)	<u>37,611</u>	<u>10,709</u>	<u>29,032</u>	<u>77,352</u>
Changes in net position	<u>(159,886)</u>	<u>130,116</u>	<u>122,488</u>	<u>92,718</u>
Net position				
Net position, beginning of year, as restated	1,496,588	1,990,176	4,544,532	8,031,296
Net position, end of year	<u>\$ 1,336,702</u>	<u>\$ 2,120,292</u>	<u>\$ 4,667,020</u>	<u>\$ 8,124,014</u>

City of Santa Clarita
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2013

	Self- Insurance	Computer Replacement	Vehicle Replacement	Totals
Cash Flows from operating activities				
Cash received from customers and users	\$ 2,278,565	\$ 401,020	\$ 221,100	\$ 2,900,685
Cash paid to suppliers for goods and services	(2,327,247)	(241,945)	(1,696)	(2,570,888)
Cash paid to employees for services	757,680	-	-	757,680
Net cash provided by (used in) operating activities	708,998	159,075	219,404	1,087,477
Cash flows from non-capital financing activities:				
Cash transfers out	(6,091,948)	-	-	(6,091,948)
Net cash provided by (used in) non-capital financing activities	(6,091,948)	-	-	(6,091,948)
Cash flows from capital and related financing activities				
Acquisition and construction of capital assets	-	(33,401)	(115,904)	(149,305)
Net cash provided by (used in) capital and related financing activities	-	(33,401)	(115,904)	(149,305)
Cash flows from investing activities				
Interest received	945,011	6,200	19,197	970,408
Net cash provided by (used in) investing activities	945,011	6,200	19,197	970,408
Net increase (decrease) in cash and cash equivalents	(4,437,939)	131,874	122,697	(4,183,368)
Cash and cash equivalents at beginning of year	6,914,065	1,877,263	4,301,967	13,093,295
Cash and cash equivalents at end of year	\$ 2,476,126	\$ 2,009,137	\$ 4,424,664	\$ 8,909,927
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities				
Operating income (loss)	\$ (197,497)	\$ 119,407	\$ 93,456	\$ 15,366
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities				
Depreciation	-	97,641	124,744	222,385
(Increase) decrease in accounts receivable	1,633	-	-	1,633
Increase (decrease) in accounts payable	(71,480)	(57,973)	1,204	(128,249)
Increase (decrease) in claims and judgments	973,572	-	-	973,572
Increase (decrease) in compensated absences	2,770	-	-	2,770
Total adjustments	906,495	39,668	125,948	1,072,111
Net cash provided by (used in) operating activities	\$ 708,998	\$ 159,075	\$ 219,404	\$ 1,087,477
Non-cash investing, capital and financing activities				
Capital assets transferred to governmental activities	\$ (5,010,612)	\$ -	\$ -	\$ (5,010,612)
Advances to other funds transferred to General Fund	(925,223)	-	-	(925,223)

FIDUCIARY FUNDS

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 of 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, which the City performs administrative functions for.

Santa Clarita Public Television Authority - To account for monies held for the operations of the SCPTA, which the City performs administrative functions for.

City of Santa Clarita
Combining Statement of Assets and Liabilities
Agency Funds
June 30, 2013

	Assessment District No. 92-2	Assessment District No. 99-1	Community Facilities District No. 2002-1
Assets			
Cash and investments	\$ 97,826	\$ 71,498	\$ 647,353
Receivables:			
Accounts	-	-	2,000
Interest	273	200	1,803
Taxes	1,685	590	-
Due from other governments	-	-	-
Restricted assets:			
Cash and investments with fiscal agents	58,697	57,106	1,651,579
Capital assets:			
Land	-	-	-
Building, net of accumulated depreciation	-	-	-
Total Assets	\$ 158,481	\$ 129,394	\$ 2,302,735
Liabilities			
Accounts payable	\$ 15	\$ 201	\$ -
Due to external parties	158,466	129,193	2,302,735
Total Liabilities	\$ 158,481	\$ 129,394	\$ 2,302,735

City of Santa Clarita
Combining Statement of Assets and Liabilities
Agency Funds
June 30, 2013

	Santa Clarita Watershed and Recreation Conservancy Authority	Santa Clarita Public Television Authority	Totals
Assets			
Cash and investments	\$ 270,259	\$ 4	\$ 1,086,940
Receivables:			
Accounts	-	-	2,000
Interest	-	-	2,276
Taxes	-	-	2,275
Due from other governments	715,000	-	715,000
Restricted assets:			
Cash and investments with fiscal agents	-	-	1,767,382
Capital assets:			
Land	9,738,207	-	9,738,207
Building, net of accumulated depreciation	94,062	-	94,062
Total Assets	\$ 10,817,528	\$ 4	\$ 13,408,142
Liabilities			
Accounts payable	\$ -	\$ -	\$ 216
Due to external parties	10,817,528	4	13,407,926
Total Liabilities	\$ 10,817,528	\$ 4	\$ 13,408,142

City of Santa Clarita
Combining Statement of Changes in Assets and Liabilities
Agency Funds
June 30, 2013

	Balance 07/01/2012	Additions	Deductions	Balance 06/30/2013
<u>Assessment District No. 92-2</u>				
Assets				
Cash and investments	\$ 78,851	\$ 85,351	\$ 66,376	\$ 97,826
Receivables:				
Taxes	1,814	1,685	1,814	1,685
Interest	354	273	354	273
Restricted assets:				
Cash and investments with fiscal agents	63,900	50,318	55,521	58,697
Total Assets	\$ 144,919	\$ 137,627	\$ 124,065	\$ 158,481
Liabilities				
Accounts payable	\$ 878	\$ 21,174	\$ 22,037	\$ 15
Deferred revenue	308	-	308	-
Due to external parties	143,733	116,453	101,720	158,466
Total Liabilities	\$ 144,919	\$ 137,627	\$ 124,065	\$ 158,481
<u>Assessment District 99-1</u>				
Assets				
Cash and investments	\$ 66,877	\$ 81,791	\$ 77,170	\$ 71,498
Receivables:				
Taxes	1,035	590	1,035	590
Interest	300	200	300	200
Restricted assets:				
Cash and investments with fiscal agents	60,225	10	3,129	57,106
Total Assets	\$ 128,437	\$ 82,591	\$ 81,634	\$ 129,394
Liabilities				
Accounts payable	\$ 909	\$ 3,795	\$ 4,503	\$ 201
Deferred revenue	261	-	261	-
Due to external parties	127,267	78,796	76,870	129,193
Total Liabilities	\$ 128,437	\$ 82,591	\$ 81,634	\$ 129,394

City of Santa Clarita
Combining Statement of Changes in Assets and Liabilities
Agency Funds
June 30, 2013

	Balance				Balance
	07/01/2012	Additions	Deductions		06/30/2013
<u>Community Facilities District No. 2002-1</u>					
Assets					
Cash and investments	\$ -	\$ 2,444,431	\$ 1,797,078		\$ 647,353
Receivables:					
Accounts	-	2,000	-		2,000
Taxes	597,378	-	597,378		-
Interest	-	1,803	-		1,803
Restricted assets:					
Cash and investments with fiscal agents	1,669,217	1,654,758	1,672,396		1,651,579
Total Assets	\$ 2,266,595	\$ 4,102,992	\$ 4,066,852		\$ 2,302,735
Liabilities					
Accounts payable	\$ -	\$ 7,403	\$ 7,403		\$ -
Due to other funds	638,993	-	638,993		-
Due to external parties	1,627,602	4,095,589	3,420,456		2,302,735
Total Liabilities	\$ 2,266,595	\$ 4,102,992	\$ 4,066,852		\$ 2,302,735
<u>Santa Clarita Watershed and Recreation</u>					
<u>Conservancy Authority</u>					
Assets					
Cash and investments	\$ 271,668	\$ 137	\$ 1,546		\$ 270,259
Due from other governments	-	715,000	-		715,000
Capital assets:					
Land	5,163,807	4,574,400	-		9,738,207
Construction in progress	103,183	-	103,183		-
Building, net of accumulated depreciation	98,487	-	4,425		94,062
Total Assets	\$ 5,637,145	\$ 5,289,537	\$ 109,154		\$ 10,817,528
Liabilities					
Due to external parties	\$ 5,637,145	\$ 5,289,537	\$ 109,154		\$ 10,817,528
Total Liabilities	\$ 5,637,145	\$ 5,289,537	\$ 109,154		\$ 10,817,528

City of Santa Clarita
Combining Statement of Changes in Assets and Liabilities
Agency Funds
June 30, 2013

	Balance 07/01/2012	Additions	Deductions	Balance 06/30/2013
<u>Santa Clarita Public Television Authority</u>				
Assets				
Cash and investments	\$ 1	\$ 117,060	\$ 117,057	\$ 4
Total Assets	\$ 1	\$ 117,060	\$ 117,057	\$ 4
Liabilities				
Accounts payable	\$ -	\$ 380	\$ 380	\$ -
Due to external parties	1	116,680	116,677	4
Total Liabilities	\$ 1	\$ 117,060	\$ 117,057	\$ 4
<u>Total Agency Funds</u>				
Assets				
Cash and investments	\$ 417,397	\$ 2,728,770	\$ 2,059,227	\$ 1,086,940
Receivables:				
Accounts	-	2,000	-	2,000
Taxes	600,227	2,275	600,227	2,275
Interest	654	2,276	654	2,276
Due from other governments	-	715,000	-	715,000
Restricted assets:				
Cash and investments with fiscal agents	1,793,342	1,705,086	1,731,046	1,767,382
Capital assets:				
Land	5,163,807	4,574,400	-	9,738,207
Construction in progress	103,183	-	103,183	-
Building, net of accumulated depreciation	98,487	-	4,425	94,062
Total Assets	\$ 8,177,097	\$ 9,729,807	\$ 4,498,762	\$ 13,408,142
Liabilities				
Accounts payable	\$ 1,787	\$ 32,752	\$ 34,323	\$ 216
Due to other funds	638,993	-	638,993	-
Deferred revenue	569	-	569	-
Due to external parties	7,535,748	9,697,055	3,824,877	13,407,926
Total Liabilities	\$ 8,177,097	\$ 9,729,807	\$ 4,498,762	\$ 13,408,142



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

CONTENTS		Page
Financial trends		
	These tables contain trend information that may assist the reader in the City's current financial performance by placing it in historical perspective.	140-149
Revenue capacity		
	These tables contain information that may help in assessing the viability of the City's most significant revenue sources, the property and sales taxes.	150-161
Debt capacity		
	These tables present information that may assist the reader in analyzing the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the	162-168
Demographic and economic information		
	These tables offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	169-170
Operating information		
	These tables contain service and infrastructure indicators that can inform one's understanding how the information in the City's financial statements relate to the services the City provides and the activities it performs.	171-173

City of Santa Clarita
Net Position by Component ⁽¹⁾
Last Eight Fiscal Years Ended June 30, 2013 ⁽²⁾
(accrual basis of accounting)

	FISCAL YEAR			
	12-13	11-12	10-11	09-10
Governmental Activities				
Investment in capital assets, net of related debt	\$ 738,271,282	\$ 743,281,558	\$ 717,613,095	\$ 657,644,168
Restricted for:				
Capital projects	14,292,447	3,275,312	3,452,815	4,769,573
Debt service	-	-	-	-
Specific projects and programs	54,229,493	46,915,965	30,201,655	85,895,468
Total restricted	68,521,940	50,191,277	33,654,470	90,665,041
Unrestricted	65,706,424	79,141,211	67,397,688	63,218,255
Total governmental activities net position	\$ 872,499,646	\$ 872,614,046	\$ 818,665,253	\$ 811,527,464
Business-type Activities				
Investment in capital assets, net of related debt	\$ 76,561,407	\$ 73,778,640	\$ 75,416,868	\$ 67,911,725
Unrestricted	3,835,316	3,099,419	503,446	(176,196)
Total business-type activities net position	\$ 80,396,723	\$ 76,878,059	\$ 75,920,314	\$ 67,735,529
Primary Government				
Net investment in capital assets	\$ 814,832,689	\$ 817,060,198	\$ 793,029,963	\$ 725,555,893
Restricted	68,521,940	50,191,277	33,654,470	90,665,041
Unrestricted	69,541,740	82,240,630	67,901,134	63,042,059
Total primary government net position	\$ 952,896,369	\$ 949,492,105	\$ 894,585,567	\$ 879,262,993

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 (1) an external party, such as the State of California or the federal government, places a restriction on how the revenues may be used, or (2) enabling legislations is enacted by the City.

(2) City of Santa Clarita implemented GASB 44 for the fiscal year ended June 30, 2006; therefore, only eight years of data is presented.

(3) City of Santa Clarita implemented the GASB 34 reporting module for the fiscal year ended June 30, 2003. The fiscal year 2005-06 balance was restated as a result of the City's valuation of the estimated historical cost of infrastructure placed in service prior to July 1, 2002.

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

FISCAL YEAR			
08-09	07-08	06-07	05-06 ⁽³⁾ As Restated
\$ 629,621,720	\$ 672,306,820	\$ 661,210,117	\$ 614,300,517
4,769,573	45,993,804	18,134,924	32,030,928
-	632,680	-	174,028
92,644,739	61,018,399	34,441,539	30,547,345
97,414,312	107,644,883	52,576,463	62,752,301
98,512,704	66,249,901	87,737,817	71,001,423
<u>\$ 825,548,736</u>	<u>\$ 846,201,604</u>	<u>\$ 801,524,397</u>	<u>\$ 748,054,241</u>
\$ 66,478,547	\$ 63,526,242	\$ 62,246,621	\$ 63,741,429
3,603,396	2,957,611	1,553,088	(406,224)
<u>\$ 70,081,943</u>	<u>\$ 66,483,853</u>	<u>\$ 63,799,709</u>	<u>\$ 63,335,205</u>
\$ 696,100,267	\$ 735,833,062	\$ 723,456,738	\$ 678,041,946
97,414,312	107,644,883	52,576,463	62,752,301
102,116,100	69,207,512	89,290,905	70,595,199
<u>\$ 895,630,679</u>	<u>\$ 912,685,457</u>	<u>\$ 865,324,106</u>	<u>\$ 811,389,446</u>

City of Santa Clarita
Changes in Net Position ⁽¹⁾
Last Eight Fiscal Years Ended June 30, 2013 ⁽²⁾
(accrual basis of accounting)

	FISCAL YEAR			
	12-13	11-12	10-11	09-10
Expenses				
Governmental Activities				
General government	\$ 35,921,943	\$ 33,664,470	\$ 47,048,462	\$ 32,116,335
Public safety	19,940,098	27,391,075	21,280,904	17,912,704
Public works	28,651,261	30,623,718	25,799,166	26,758,527
Parks, recreation and community service	21,809,820	19,282,538	11,281,552	27,835,763
Community development	7,214,293	5,896,640	11,547,650	13,831,341
Unallocated infrastructure depreciation	15,163,864	16,844,238	16,392,901	15,545,626
Interest on long-term debt	1,992,574	3,391,058	4,650,566	5,476,918
Total governmental activities expenses	130,693,853	137,093,737	138,001,201	139,477,214
Business-type Activities				
Transit	25,653,753	24,930,635	24,127,043	23,348,708
Total business-type activities expenses	25,653,753	24,930,635	24,127,043	23,348,708
Total primary government expenses	\$ 156,347,606	\$ 162,024,372	\$ 162,128,244	\$ 162,825,922
Program Revenues				
Governmental Activities				
Charges for services:				
General government	\$ 24,323,027	\$ 13,719,117	\$ 398,181	\$ 396,651
Public safety	2,284,334	2,079,109	2,305,608	2,194,038
Public works	9,943,014	7,209,724	4,929,602	3,162,052
Parks, recreation and community service	4,371,888	4,156,386	4,220,977	3,956,933
Community development	1,611,184	5,152,484	12,059,509	15,937,913
Operating grants and contributions	9,061,950	16,032,433	14,090,686	16,224,269
Capital grants and contributions	33,585,797	28,616,388	31,325,725	15,249,634
Total governmental activities program revenues	85,181,194	76,965,641	69,330,288	57,121,490
Business-type Activities				
Charges for services:				
Transit	6,863,086	6,616,778	6,573,879	3,181,614
Operating grants and contributions	8,579,209	7,385,264	6,913,534	10,260,579
Capital grants and contributions	8,513,238	5,041,992	13,043,418	-
Total business-type activities program revenues	23,955,533	19,044,034	26,530,831	13,442,193
Total primary government revenues	\$ 109,136,727	\$ 96,009,675	\$ 95,861,119	\$ 70,563,683

Note:

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

(2) City of Santa Clarita implemented GASB 44 for the fiscal year ended June 30, 2006; therefore, only eight years of data is presented.

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

FISCAL YEAR			
08-09	07-08	06-07	05-06
\$ 30,094,380	\$ 27,488,731	\$ 26,029,070	\$ 24,225,414
17,489,870	16,482,917	14,398,408	13,821,626
48,514,645	30,549,888	19,273,980	6,417,841
32,747,618	21,817,251	20,573,077	20,988,533
9,761,681	9,257,881	8,985,449	16,939,976
14,405,047	13,128,617	12,920,310	1,268,939
5,786,174	3,127,998	2,087,949	1,669,701
<u>158,799,415</u>	<u>121,853,283</u>	<u>104,268,243</u>	<u>85,332,030</u>
22,299,379	21,506,317	18,315,106	16,508,457
<u>22,299,379</u>	<u>21,506,317</u>	<u>18,315,106</u>	<u>16,508,457</u>
<u>\$ 181,098,794</u>	<u>\$ 143,359,600</u>	<u>\$122,583,349</u>	<u>\$ 101,840,487</u>
\$ 621,624	\$ 2,737,355	\$ 302,075	\$ 186,171
1,898,022	2,291,100	2,131,060	2,032,652
260,524	355,817	3,575,546	2,512,093
3,849,699	3,875,539	3,895,422	3,794,662
35,138,334	26,341,684	20,182,722	19,068,982
9,931,109	22,600,793	26,641,145	23,465,852
38,785,576	39,003,536	24,770,306	60,971,404
<u>90,484,888</u>	<u>97,205,824</u>	<u>81,498,276</u>	<u>112,031,816</u>
3,299,263	3,216,239	5,827,778	4,950,584
13,653,177	11,876,720	12,616,641	3,351,941
-	617,421	750,200	-
<u>16,952,440</u>	<u>15,710,380</u>	<u>19,194,619</u>	<u>8,302,525</u>
<u>\$ 107,437,328</u>	<u>\$ 112,916,204</u>	<u>\$100,692,895</u>	<u>\$ 120,334,341</u>

(Continued)

City of Santa Clarita
Changes in Net Position ⁽¹⁾
Last Eight Fiscal Years Ended June 30, 2013 ⁽²⁾
(accrual basis of accounting)

	FISCAL YEAR			
	12-13	11-12	10-11	09-10
Net Revenues (expenses):				
Governmental activities	\$(45,512,659)	\$(60,128,096)	\$(68,670,913)	\$(82,355,724)
Business-type activities	(1,698,220)	(5,886,601)	2,403,788	(9,906,515)
Total net revenues (expenses)	<u>\$(47,210,879)</u>	<u>\$(66,014,697)</u>	<u>\$(66,267,125)</u>	<u>\$(92,262,239)</u>
General Revenue and Other Changes in Net Position				
Governmental activities				
Taxes:				
Sales taxes	\$ 32,057,358	\$ 28,828,139	\$ 27,701,757	\$ 24,511,238
Property taxes	32,341,369	34,818,426	24,996,219	25,126,278
Franchise taxes	7,141,953	6,920,244	6,697,241	6,407,923
Real property transfer taxes	706,180	590,474	3,082,456	4,564,687
Transient occupancy taxes	2,556,774	2,380,547	2,106,521	2,050,857
Unrestricted revenue in lieu of motor vehicle tax	91,062	-	-	-
Unrestricted revenue in lieu of sales taxes	-	-	3,316,058	3,221,498
Grants and contributions not restricted to specific programs	-	87,883	812,475	896,708
Unrestricted investment earnings	(82,870)	1,509,201	3,756,112	4,871,133
Miscellaneous revenue	310,676	5,372,890	9,148,163	4,161,677
Transfers	<u>(5,187,224)</u>	<u>(6,844,199)</u>	<u>(5,808,300)</u>	<u>(7,477,547)</u>
Total governmental activities	<u>69,935,278</u>	<u>73,663,605</u>	<u>75,808,702</u>	<u>68,334,452</u>
Business-type activities				
Unrestricted investment earnings	29,660	147	(27,303)	82,554
Miscellaneous revenue	-	-	-	-
Transfers	5,187,224	6,844,199	5,808,300	7,477,547
Total business-type activities	<u>5,216,884</u>	<u>6,844,346</u>	<u>5,780,997</u>	<u>7,560,101</u>
Total primary government	<u>\$ 75,152,162</u>	<u>\$ 80,507,951</u>	<u>\$ 81,589,699</u>	<u>\$ 75,894,553</u>
Extraordinary Item:				
Gain from dissolution of former redevelopment agency of the City of Santa Clarita	-	40,413,284	-	-
Change in Net Position				
Governmental activities	\$ 24,422,619	\$ 53,948,793	\$ 7,137,789	\$(14,021,272)
Business-type activities	3,518,664	957,745	8,184,785	(2,346,414)
Total primary government	<u>\$ 27,941,283</u>	<u>\$ 54,906,538</u>	<u>\$ 15,322,574</u>	<u>\$(16,367,686)</u>

Note:

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

(2) City of Santa Clarita implemented GASB 44 for the fiscal year ended June 30, 2006; therefore, only eight years of data is presented.

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

FISCAL YEAR

08-09	07-08	06-07	05-06
\$(68,314,527)	\$(24,647,459)	\$ (22,769,967)	\$ 26,699,786
(5,346,939)	(5,795,937)	879,513	(8,205,932)
<u>\$(73,661,466)</u>	<u>\$(30,443,396)</u>	<u>\$ (21,890,454)</u>	<u>\$ 18,493,854</u>

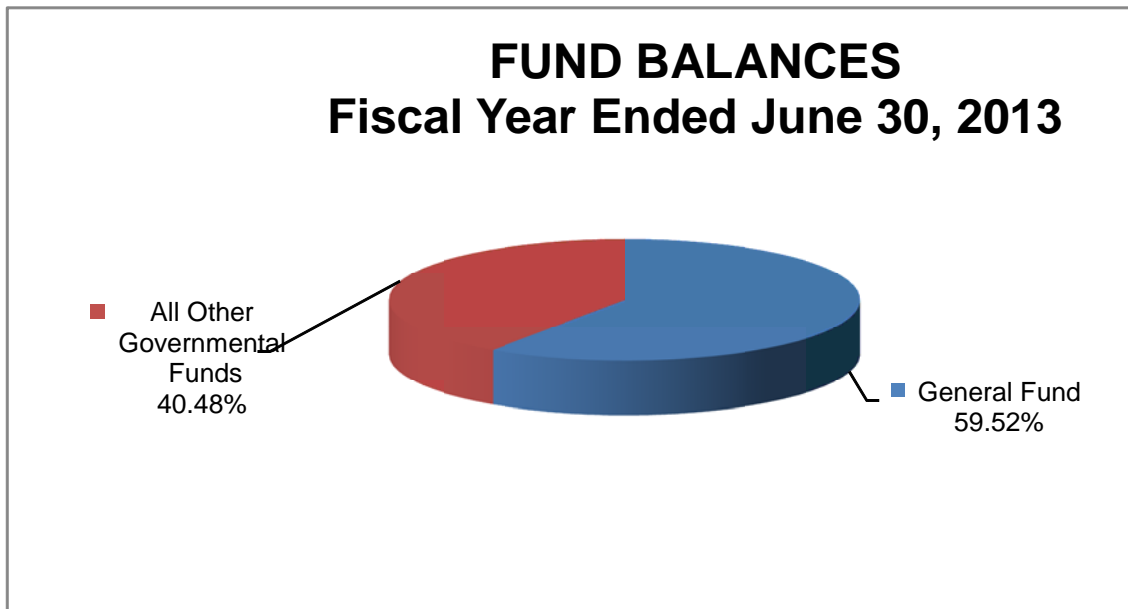
\$ 27,751,506	\$ 29,076,388	\$ 23,790,825	\$ 22,204,192
26,820,068	24,482,930	27,891,202	23,106,806
6,704,074	6,028,903	6,248,912	5,560,153
4,816,638	836,824	1,073,774	1,544,534
2,260,708	2,433,651	1,804,923	1,824,394
-	-	-	603,990
3,083,353	8,490,865	8,156,017	6,965,521
1,015,413	1,252,281	1,862,901	223,241
6,020,940	4,566,884	4,970,193	1,891,292
3,193,421	-	-	-
<u>(8,006,128)</u>	<u>(8,431,120)</u>	<u>441,376</u>	<u>(12,054,795)</u>
<u>73,659,993</u>	<u>68,737,606</u>	<u>76,240,123</u>	<u>51,869,328</u>

-	48,961	26,367	1,050
938,901	-	-	883,615
8,006,128	8,431,120	(441,376)	12,054,795
<u>8,945,029</u>	<u>8,480,081</u>	<u>(415,009)</u>	<u>12,939,460</u>
<u>\$ 82,605,022</u>	<u>\$ 77,217,687</u>	<u>\$ 75,825,114</u>	<u>\$ 64,808,788</u>

-	-	-	-
\$ 5,345,466	\$ 44,090,147	\$ 53,470,156	\$ 78,569,114
3,598,090	2,684,144	464,504	4,733,528
<u>\$ 8,943,556</u>	<u>\$ 46,774,291</u>	<u>\$ 53,934,660</u>	<u>\$ 83,302,642</u>

**City of Santa Clarita
Fund Balances of Governmental Funds
Last Ten Fiscal Years Ended June 30, 2013
(modified accrual basis of accounting)**

	FISCAL YEAR				
	12-13	11-12	10-11	09-10	08-09
General Fund					
Reserved				\$ 19,546,015	\$ 32,617,139
Unreserved				58,211,508	41,674,470
Nonspendable	\$ 11,910,059	\$ 18,902,350	\$ 23,845,861		
Restricted	-	-	-		
Committed	-	66,257	12,356,339		
Assigned	47,106,536	309,078	572,781		
Unassigned	35,320,706	50,664,338	46,915,238		
Total general fund	\$ 94,337,301	\$ 69,942,023	\$ 83,690,219	\$ 77,757,523	\$ 74,291,609
All Other Governmental Funds					
Reserved				\$ 51,195,454	\$ 70,667,494
Unreserved:					
Special revenue funds				2,109,198	(7,048,095)
Debt service fund				(24,048,962)	(17,004,471)
Capital projects fund				33,725,531	34,502,270
Nonspendable	\$ 670,612	\$ 28,885,983	\$ 28,813,152		
Restricted	68,957,999	46,915,965	57,205,072		
Committed	716,826	-	-		
Assigned	4,466,367	3,275,312	3,637,410		
Unassigned	(10,665,597)	(56,718,519)	(72,692,440)		
Total all other governmental funds	\$ 64,146,207	\$ 22,358,741	\$ 16,963,194	\$ 62,981,221	\$ 81,117,198

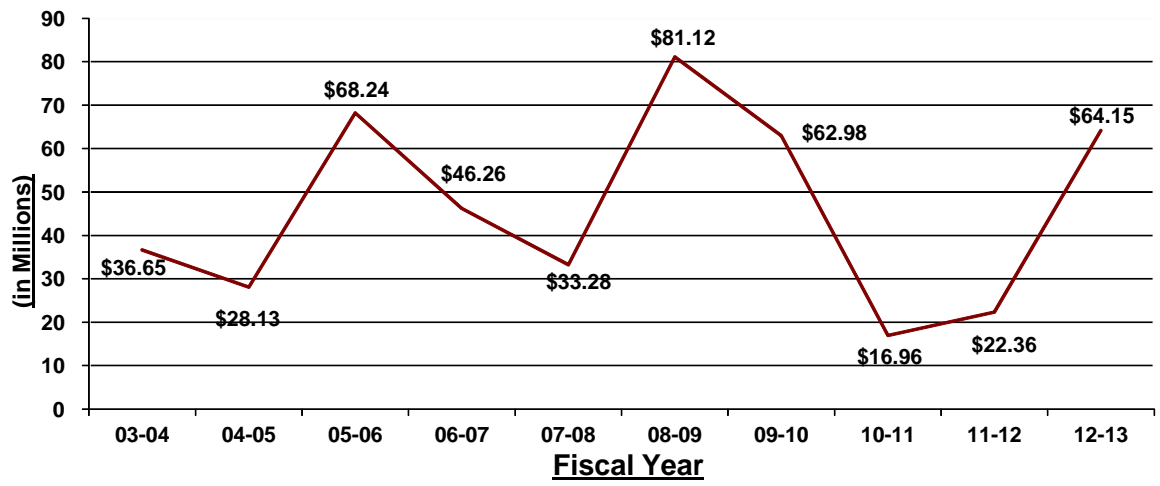


Note: (1) Balance as restated, see financial statements for the applicable year.

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

FISCAL YEAR				
07-08	06-07	05-06 ⁽¹⁾	04-05	03-04
\$ 34,920,547	\$ 34,699,034	\$ 20,786,040	\$ 15,638,513	\$ 12,042,182
31,153,879	28,500,824	18,232,779	30,780,939	23,109,773
<hr/>				
\$ 66,074,426	\$ 63,199,858	\$ 39,018,819	\$ 46,419,452	\$ 35,151,955
<hr/>				
\$ 51,972,970	\$ 48,303,588	\$ 80,399,389	\$ 30,388,825	\$ 41,563,581
28,377,796	3,827,570	(7,159,062)	2,843,589	(867,508)
(15,873,835)	(10,461,382)	(4,743,697)	(4,402,225)	(3,944,409)
38,050,255	4,592,332	(249,111)	(698,632)	(100,527)
<hr/>				
\$ 33,277,150	\$ 46,262,108	\$ 68,247,519	\$ 28,131,557	\$ 36,651,137

**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, 2013
(modified accrual basis of accounting)

	FISCAL YEAR			
	12-13	11-12	10-11	09-10
Revenues:				
Taxes	\$ 73,972,006	\$ 73,625,713	\$ 72,474,882	\$ 80,714,829
Licenses and permits	4,246,957	4,097,709	3,675,424	4,093,250
Developer fees	15,828,388	7,181,986	282,776	3,053,363
Investment income	1,702,006	2,739,794	3,798,498	5,485,925
Intergovernmental	27,452,216	28,375,142	19,780,700	33,881,145
Fines and forfeitures	2,114,166	1,674,085	1,891,500	1,936,318
Service charges	36,311,324	28,145,012	23,608,272	10,812,521
Other revenues	332,146	6,425,792	7,685,141	7,234,923
Total Revenues	161,959,209	152,265,233	133,197,193	147,212,274
Expenditures:				
Current:				
General government	35,433,288	50,816,449	42,213,597	27,951,510
Public safety	19,894,859	25,412,420	21,230,594	17,862,129
Public works	27,968,407	20,753,607	34,210,327	20,594,575
Parks and recreation	19,824,550	19,523,584	21,853,319	20,048,430
Community development	7,252,424	5,923,872	11,575,365	10,849,942
Capital outlay	23,837,533	27,403,439	21,311,885	46,183,268
Debt service:				
Principal	1,750,538	2,338,787	2,246,218	2,611,372
Interest, professional services and fiscal charge	2,039,144	3,743,134	4,796,695	5,411,152
Redemption of district credits	14,368,419	-	-	-
Total Expenditures	152,369,162	155,915,292	159,438,000	151,512,378
Excess of Revenues Over (Under) Expenditures	9,590,047	(3,650,059)	(26,240,807)	(4,300,104)
Other Financing Sources (Uses)				
Revenue bonds issued/issuance premium	-	-	-	-
Proceeds of long-term debt	-	-	-	-
Escrow payment, costs of bonds issuance and oth	-	-	-	-
Proceeds from capital lease	-	252,068	-	-
Transfers in	9,069,495	16,538,674	50,869,852	18,953,115
Transfers out	(14,256,719)	(29,810,448)	(64,714,376)	(28,930,662)
Issuance of district credits	12,270,335	-	-	-
Total Other Financing Sources (Uses)	7,083,111	(13,019,706)	(13,844,524)	(9,977,547)
Extraordinary Item:				
Dissolution of Santa Clarita Redevelopment Agenc	-	8,317,116	-	-
Net change in fund balances	16,673,158	(8,352,649)	(40,085,331)	(14,277,651)
Fund balances - Beginning of Year, as restated	141,810,350	100,653,413	140,738,744	155,016,395
Fund balances - End of Year	\$ 158,483,508	\$ 92,300,764	\$ 100,653,413	\$ 140,738,744
Debt service as percentage of noncapital expenditure	2.95%	4.40%	5.96%	6.84%

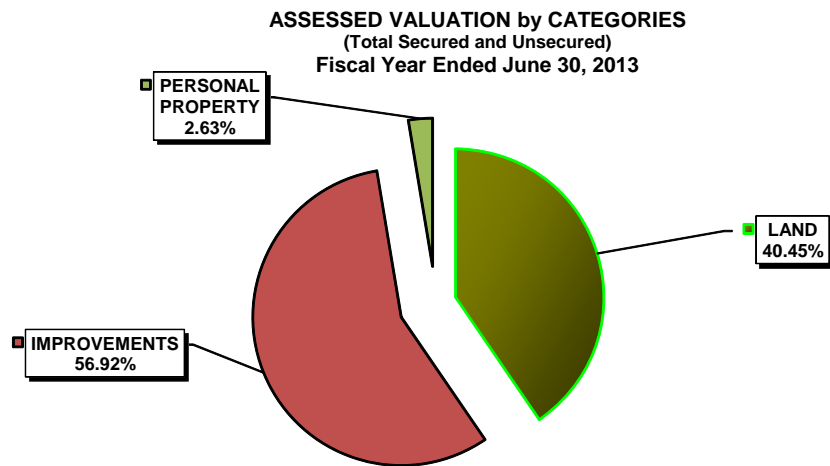
Source: City of Santa Clarita, Administrative Services Department - Finance Division

FISCAL YEAR

	08-09	07-08	06-07	05-06	04-05	03-04
\$	87,659,599	\$ 88,088,786	\$ 70,576,755	\$ 66,164,485	\$ 53,763,779	\$ 43,940,454
	3,697,218	5,256,748	4,203,933	6,907,826	5,127,705	5,303,309
	15,763,070	22,290,808	6,747,767	28,028,933	11,963,054	7,570,352
	10,749,728	8,287,441	7,926,763	2,881,133	3,148,731	919,858
	28,882,884	24,247,611	37,300,213	38,526,364	33,089,887	36,119,851
	1,759,371	2,121,570	1,918,954	1,904,273	1,803,686	1,051,371
	8,375,771	9,931,041	13,463,673	13,081,649	13,339,462	12,580,933
	5,077,400	3,368,879	4,356,961	12,651,674	2,408,463	3,767,800
	<u>161,965,041</u>	<u>163,592,884</u>	<u>146,495,019</u>	<u>170,146,337</u>	<u>124,644,767</u>	<u>111,253,928</u>
	27,250,056	25,965,196	23,411,750	24,668,150	11,217,783	12,436,244
	17,439,295	16,342,979	14,347,833	13,658,723	12,429,192	12,102,441
	42,937,168	25,977,763	19,511,097	6,802,081	8,901,359	8,692,908
	20,126,412	20,156,343	18,943,146	17,376,609	15,964,949	14,226,090
	7,095,386	7,583,236	9,051,652	17,164,505	22,531,795	21,039,274
	41,826,511	44,906,802	57,926,955	49,435,744	35,096,683	19,251,357
	2,072,341	1,927,198	2,374,870	1,367,359	2,060,319	4,332,159
	5,279,549	4,632,979	2,298,974	2,878,536	1,570,581	1,760,134
	-	-	-	-	-	-
	<u>164,026,718</u>	<u>147,492,496</u>	<u>147,866,277</u>	<u>133,351,707</u>	<u>109,772,661</u>	<u>93,840,607</u>
	(2,061,677)	16,100,388	(1,371,258)	36,794,630	14,872,106	17,413,321
	-	-	13,894,752	-	-	-
	-	54,235,000	-	17,700,000	-	-
	-	(226,682)	-	(17,225,304)	-	2,590,955
	-	-	-	-	-	-
	12,150,426	43,112,541	27,468,089	7,865,612	8,157,999	8,278,692
	(23,281,554)	(54,668,661)	(29,881,193)	(19,409,716)	(20,282,188)	(18,380,627)
	-	-	-	-	-	-
	<u>(11,131,128)</u>	<u>42,452,198</u>	<u>11,481,648</u>	<u>(11,069,408)</u>	<u>(12,124,189)</u>	<u>(7,510,980)</u>
	-	-	-	-	-	-
	<u>(13,192,805)</u>	<u>58,552,586</u>	<u>10,110,390</u>	<u>25,725,222</u>	<u>2,747,917</u>	<u>9,902,341</u>
	168,601,612	110,049,026	99,351,576	74,551,009	71,803,092	61,900,751
\$	<u>155,408,807</u>	<u>168,601,612</u>	<u>109,461,966</u>	<u>100,276,231</u>	<u>74,551,009</u>	<u>71,803,092</u>
	5.54%	5.16%	4.27%	4.85%	4.57%	8.02%

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

Fiscal Year	STATE ASSESSED				LOCALLY ASSESSED				
	SECURED (UTILITY)				SECURED				
	LAND	IMPROVEMENTS	PERSONAL PROPERTY	TOTAL	LAND	IMPROVEMENTS	PERSONAL PROPERTY	OTHER EXEMPTIONS	TOTAL
2003-04	\$ 5,301,621	\$ 43,969,100	\$ 205,876	\$ 49,476,597	\$ 5,312,201,652	\$ 7,688,524,882	\$ 79,538,536	\$ (187,628,805)	\$ 12,892,636,265
2004-05	5,420,327	11,091,534	256,894	16,768,755	6,068,433,252	8,136,867,187	73,449,031	(194,782,110)	14,083,967,360
2005-06	2,098,608	10,833,957	239,620	13,172,185	7,440,682,741	8,947,087,936	89,939,825	(211,472,197)	16,266,238,305
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	1,750,395	2,264,780	-	4,015,175	9,416,163,697	11,115,441,327	105,296,475	(323,630,904)	20,313,270,595
2009-10	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
2010-11	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
2011-12	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
2012-13	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

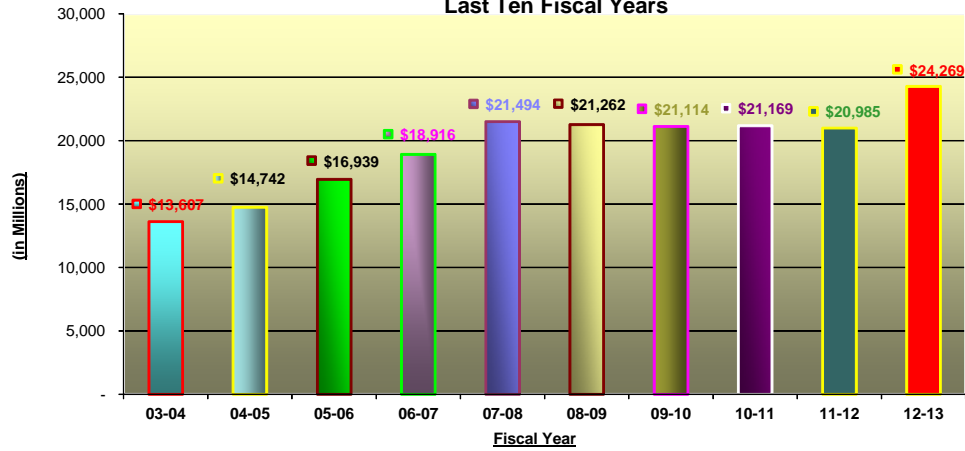


Note:
 (1) Assessed valuation is based on 100% of full value in accordance with Section 135 of the California Revenue and Taxation Code.
 (2) Direct Rate includes Redevelopment Agency areas.

Source: HdL Coren & Cone, County of Los Angeles, Auditor-Controller Office, Combined Tax Rolls 2012/13

LOCALLY ASSESSED				TOTALS				
IMPROVE- MENTS	UNSECURED			BEFORE OTHER EXEMPTIONS	TAXABLE ASSESSED VALUE	% INCR. (DECR.)	TOTAL DIRECT RATE (2)	HOME- OWNER PROPERTY TAX RELIEF
	PERSONAL PROPERTY	OTHER EXEMPTIONS	TOTAL					
\$ 254,085,173	\$ 411,805,661	\$ (1,135,000)	\$ 664,755,834	\$ 13,795,632,501	\$ 13,606,868,696	9.73%	0.06279%	\$199,643,032
242,047,848	399,549,912	(76,000)	641,521,760	14,937,115,985	14,742,257,875	8.34%	0.06432%	205,852,669
216,098,046	453,406,084	(9,513,134)	659,990,996	17,160,386,817	16,939,401,486	14.90%	0.06909%	206,658,586
255,417,833	482,574,856	(7,299,585)	730,693,104	19,177,126,742	18,915,880,793	11.67%	0.08039%	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%	0.08327%	220,192,568
359,543,253	600,420,921	(15,127,698)	944,836,476	21,600,880,848	21,262,122,246	-1.08%	0.08313%	224,731,598
346,874,191	553,829,644	(13,331,377)	887,372,458	21,457,646,707	21,113,942,935	-0.70%	0.07432%	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%	0.07392%	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%	0.07291%	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%	0.07291%	236,577,388

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



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

FISCAL YEAR	STATE ASSESSED				LOCALLY ASSESSED				
	SECURED (UTILITY)				SECURED				
	LAND	IMPROVE-MENTS	PERSONAL PROPERTY	TOTAL	LAND	IMPROVE-MENTS	PERSONAL PROPERTY	OTHER EXEMPTIONS	TOTAL
2003-04	\$52,416	\$ 39,351	\$ 22,527	\$114,294	\$161,106,889	\$ 159,691,365	\$ 3,806,986	\$ (4,148,124)	\$320,457,116
2004-05	65,404	49,101	28,109	142,614	180,810,905	166,935,237	2,314,234	(5,083,826)	344,976,550
2005-06	61,007	45,801	26,219	133,027	273,260,130	176,564,344	2,435,378	(4,859,824)	447,400,028
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

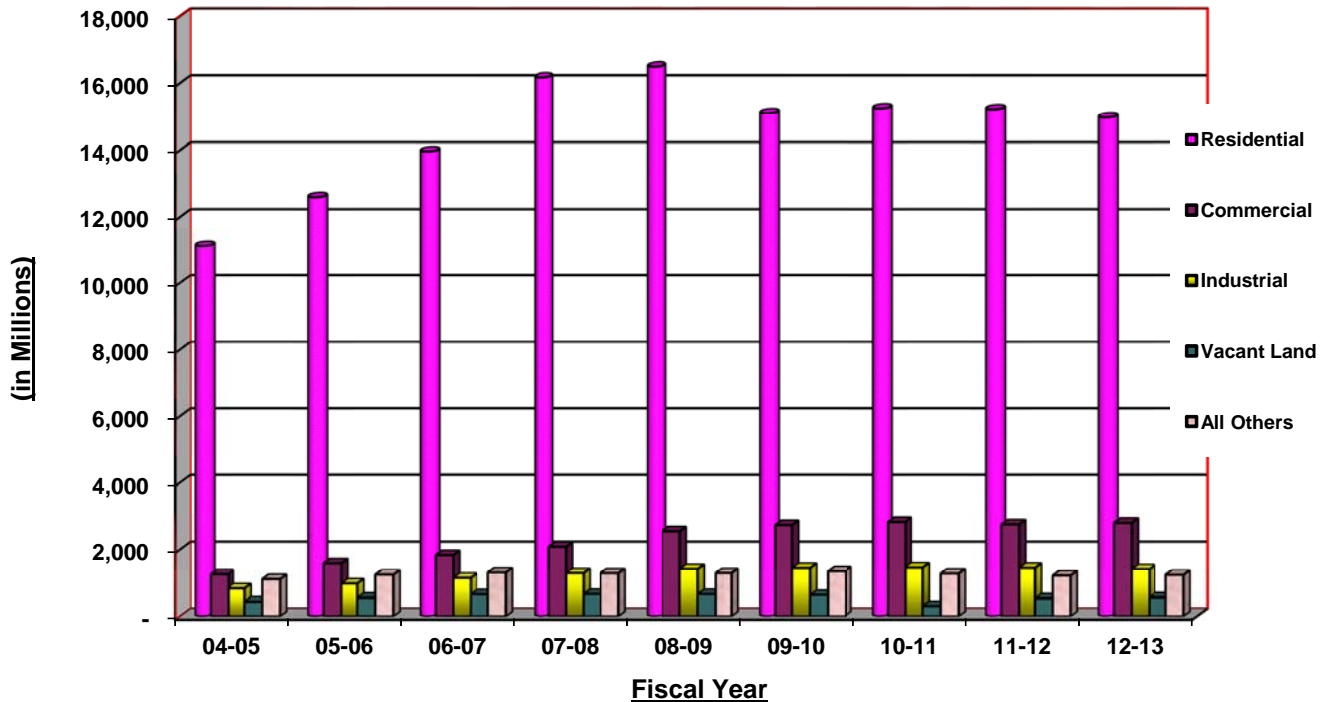
- (1) The Redevelopment Agency of the City of Santa Clarita was established on November 28, 1989, pursuant to the State of California and Safety Code, Section 33000. However, the Agency was not active until fiscal year 1998-99 and the Base Year was calculated in fiscal year 1996-97, which included the 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.

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						
\$ 6,272,382	\$ 19,035,089	\$ (33,000)	\$ 25,274,471	\$ 345,845,881	\$ (266,351,517)	\$ 79,494,364	\$ 19,453,491	\$ 1,923,600
6,326,173	22,151,970	(33,000)	28,445,143	373,564,307	(266,351,517)	107,212,790	27,718,426	2,161,147
5,901,959	23,034,914	(91,000)	28,845,873	476,378,928	(266,351,517)	210,027,411	102,814,621	2,053,943
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

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

CATEGORY	FISCAL YEAR				
	12-13	11-12	10-11	09-10	08-09
Residential	\$ 14,971,655,728	\$ 15,212,586,674	\$ 15,239,936,469	\$ 15,093,632,637	\$ 16,491,425,500
Commercial	2,794,405,083	2,748,247,727	2,820,296,027	2,729,669,423	2,541,908,257
Industrial	1,413,623,056	1,455,126,754	1,463,696,151	1,451,053,867	1,420,480,569
Irrigated	2,796,388	3,016,072	3,004,749	3,630,743	3,559,558
Dry farm	-	-	-	-	-
Recreational	104,981,278	106,506,146	121,791,852	121,511,353	119,459,165
Institutional	132,119,758	125,982,002	127,363,481	125,868,861	136,418,924
Government	210,850	206,717	205,173	206,850	201,629
Miscellaneous	864,299	847,359	841,034	843,038	
Vacant land	565,117,297	533,608,937	308,820,538	636,182,476	664,562,300
SBE Nonunitary	3,254,751	3,254,751	3,573,175	3,573,175	1,073,171
Possessory Int.	125,301,717	131,534,263	136,599,828	150,671,347	158,723,783
Unsecured	870,669,758	847,579,230	887,372,458	944,836,476	871,039,834
Unknown	-	-	-	-	-
TOTALS:	\$20,984,999,963	\$21,168,496,632	\$21,113,500,935	\$21,261,680,246	\$22,408,852,690

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



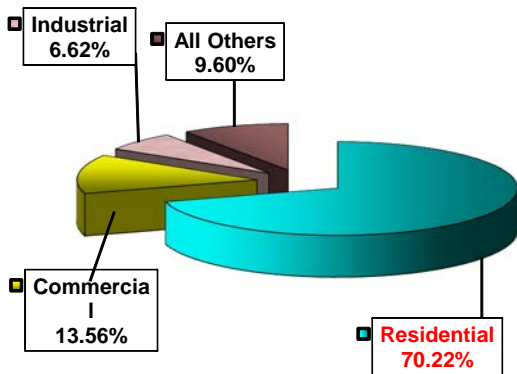
FISCAL YEAR				
07-08	06-07	05-06	04-05	03-04
\$ 16,165,919,271	\$ 13,962,275,972	\$ 12,569,640,999	\$ 11,097,987,787	\$ 10,221,634,945
2,081,576,763	1,836,340,797	1,588,835,810	1,258,389,787	1,132,585,601
1,293,080,539	1,148,469,489	980,395,598	833,455,573	817,508,597
3,489,768	29,374,674	28,272,540	4,351,050	3,962,743
-	49,088,244	48,512,253	45,145,241	43,542,990
114,868,032	90,435,287	94,916,719	84,727,948	94,694,674
130,907,129	94,705,673	91,312,643	80,606,769	113,908,577
197,676	194,922	190,000	-	493,814
810,312	795,449	779,859	764,577	667,091
664,792,342	656,660,955	554,551,820	440,215,418	280,744,871
8,243,171	10,666,005	13,172,185	16,768,755	49,476,597
239,115,623	222,654,730	205,526,182	201,323,600	153,302,360
790,596,511	730,697,804	659,990,996	641,526,760	664,760,834
-	83,525,492	103,303,882	36,994,610	29,585,002
\$ 21,493,597,137	\$ 18,915,885,493	\$ 16,939,401,486	\$ 14,742,257,875	\$ 13,606,868,696

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.

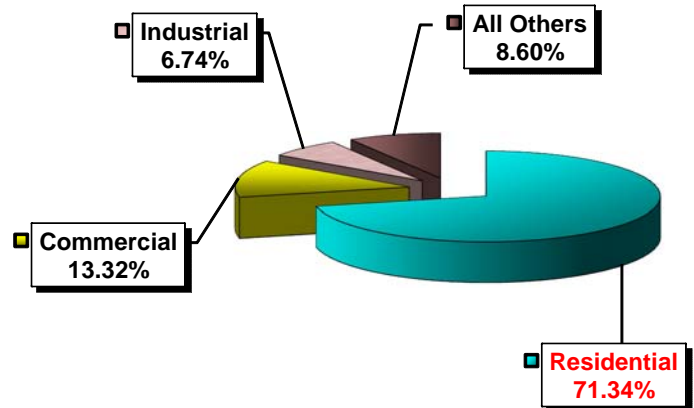
City of Santa Clarita
 Assessed Value - Use Category Summary
 Fiscal Year 2012-13

CATEGORY	PARCELS	ASSESSED VALUE	PERCENT	EXEMPTIONS	NET TAXABLE VALUE	PERCENT
Residential	49,029	\$ 15,025,646,090	70.22%	\$ 53,990,362	\$ 14,971,655,728	71.345%
Commercial	936	2,902,289,313	13.56%	107,884,230	2,794,405,083	13.316%
Industrial	710	1,416,311,372	6.62%	2,688,316	1,413,623,056	6.736%
Irrigated	6	2,796,388	0.01%	-	2,796,388	0.013%
Recreational	34	107,856,465	0.50%	2,875,187	104,981,278	0.500%
Institutional	710	362,419,915	1.69%	230,300,157	132,119,758	0.630%
Government	5	212,066	0.001%	1,216	210,850	0.001%
Miscellaneous	10	864,299	0.004%	-	864,299	0.004%
Vacant land	3,620	566,358,589	2.65%	1,241,292	565,117,297	2.693%
SBE Nonunitary	(11)	3,254,751	0.02%	-	3,254,751	0.016%
Possessory Int.	(2,172)	126,366,565	0.59%	1,064,848	125,301,717	0.597%
Unsecured	(6,353)	884,363,545	4.13%	13,693,787	870,669,758	4.149%
TOTALS:	46,524	\$ 21,398,739,358	100.00%	\$ 413,739,395	\$ 20,984,999,963	100.000%

ASSESSED VALUE by USE CATEGORY
 Fiscal Year 2012-13



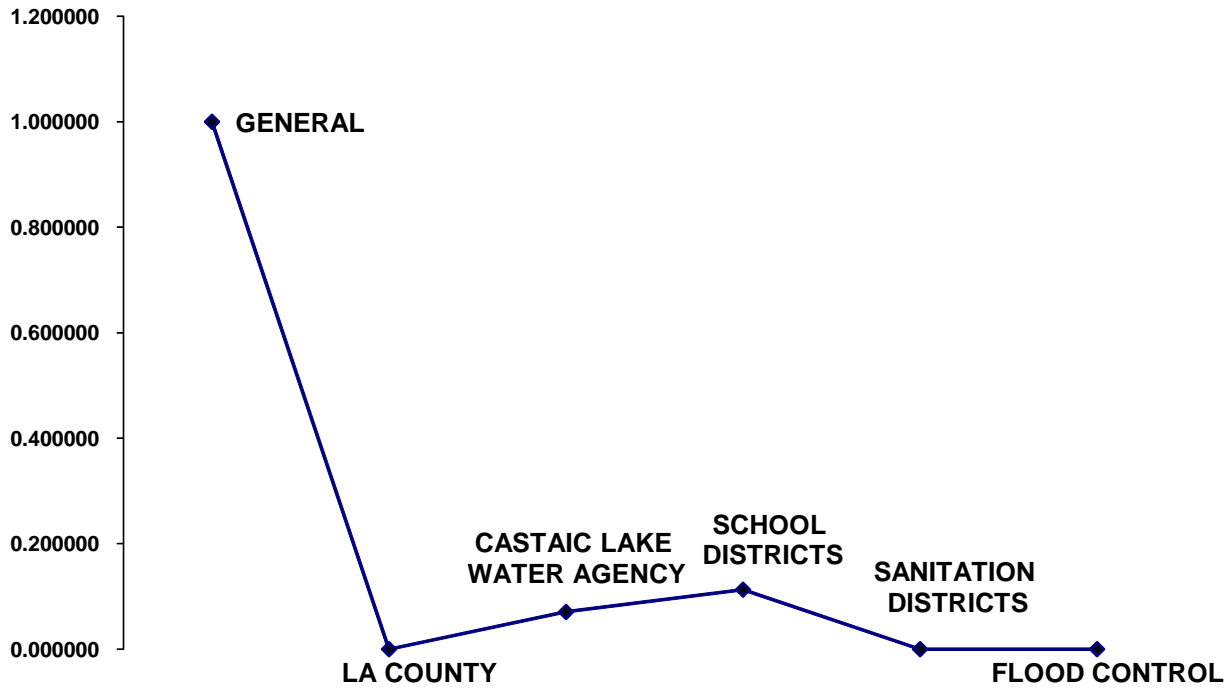
NET TAXABLE VALUE by USE CATEGORY
 Fiscal Year 2012-13



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
2003-04	1.000000	0.000992	0.066000	0.079461	0.000328	0.000462	1.147243
2004-05	1.000000	0.000923	0.056169	0.064493	0.000321	0.000245	1.122151
2005-06	1.000000	0.000795	0.049327	0.064422	0.000000	0.000049	1.114593
2006-07	1.000000	0.000660	0.040000	0.060360	0.000000	0.000050	1.101070
2007-08	1.000000	0.000000	0.040000	0.074050	0.000000	0.000000	1.114050
2008-09	1.000000	0.000000	0.040000	0.077110	0.000000	0.000000	1.117110
2009-10	1.000000	0.000000	0.060750	0.089815	0.000000	0.000000	1.150565
2010-11	1.000000	0.000000	0.070600	0.086830	0.000000	0.000000	1.157430
2011-12	1.000000	0.000000	0.070600	0.091457	0.000000	0.000000	1.162057
2012-13	1.000000	0.000000	0.070600	0.112835	0.000000	0.000000	1.183435

DIRECT and OVERLAPPING PROPERTY TAX RATES
 Fiscal Year 2012-13



Source: HdL Coren & Cone, Los Angeles County Assessor 2012-13 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	
2012-13	0.122750	0.000000	0.122750	0.00000%	0.07183%

Agency	2012-13	Notes:
City of Santa Clarita Tax District 1 (249.01)	0.05730	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 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)	0.05780	
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 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	
LA County Library (003.01)	0.02360	
LA County Fire - Ffw (007.31)	0.00323	
LA County Flood Control Improvement District (030.10)	0.00176	
LA County Flood Control Maintenance (030.70)	0.00996	
LA County General (001.05)	0.14050	
LA County Accum Cap Outlay (001.20)	0.00009	
Newhall School District (581.01)	0.08350	
Santa Clarita Community College (814.04)	0.03740	
Santa Clarita Street Light Maintenance #2 (249.32)	0.02250	
Santa Clarita Valley Sanitation Dist. LA Co.	0.02500	
Valencia Areawide Landscape T1A S.C.	0.01924	
William S. Hart Elementary School Fund (757.07)	0.04290	
William S. Hart Union High (757.02)	0.08150	
Total Prop. 13 Rate:	1.00000	
Castaic Lake Water Agency (302.01)	0.07060	
William S. Hart Un.Hsd Debt Services (757.51)	0.01265	
Newhall Elementary School District Debt Services 1999 Ser. B (581.53)	0.02674	
Newhall Elementary School District Debt Services 1999 Ser. A (581.52)	0.01581	
Santa Clarita Community College Debt Services 2001 Ser. 2005 (814.54)	0.00766	
Santa Clarita Community College Debt Services 2006 Ser. 2007 (814.55)	0.00924	
Santa Clarita Community College Debt Services 2005 Refunding Bonds (81	0.00509	
Santa Clarita Community College Debt Services 2001 Ser. 2003 (814.52)	0.00345	
Santa Clarita Community College Debt Services 2006 Ser. 2012	0.00537	
William S. Hart Un.Hsd Debt Services 2008 Ser. B	0.00208	
William S. Hart Un.Hsd Debt Services 2008 Ser. C	0.00236	
William S. Hart Unified Debt Services 2001 Ser. B (757.52)	0.01717	
William S. Hart Unified Debt Services 2008 Ser. A (757.53)	0.00522	
Total Tax Rate	0.18344	

Source: HdL Coren & Cone, Los Angeles County Assessor 2012/13 Tax Rate Table

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

OWNER/TAXPAYER	FISCAL YEAR 2012-13			OWNER/TAXPAYER	FISCAL YEAR 2005-06 ⁽¹⁾		
	Number of Parcels	TOTAL ASSESSED VALUE ⁽²⁾	PERCENT of TOTAL CITY ASSESSED VALUE		Number of Parcels	TOTAL ASSESSED VALUE	PERCENT of TOTAL CITY ASSESSED VALUE
Valencia Town Center	18	\$ 351,546,003	1.68 %	Valencia Town Center	30	\$ 227,588,430	1.33 %
VTC Business Center	10	138,857,780	0.66	Newhall Land and Farming Co.	142	124,754,967	0.73
EQR Valencia LLC	218	97,073,823	0.46	Casden Santa Clarita LLC	25	74,999,960	0.44
Walmart Real Estate Business Tru	11	78,039,507	0.37	CPF Promenade LLC	16	63,386,867	0.37
Rreef America Reit II Corporation	2	70,987,026	0.34	Princess Cruises Inc.	7	60,186,928	0.35
Time Warner NY Cable LLC	17	71,577,658	0.34	EQR Valencia LLC	217	54,881,437	0.32
Casden Santa Clarita LLC	25	61,757,458	0.29	EQR Town Center LLC	3	50,687,860	0.30
DSEA River Oaks LLC	7	56,408,923	0.27	Prado Town Center West LLC	8	48,696,944	0.28
ERP Operating LP	3	55,868,091	0.27	Lexington Lion Clarita Limited Partnership	6	48,643,800	0.28
Mann Biomedical Park LLC	1	54,804,930	0.26	ESQ Essex Place Financing Ltd.	2	48,610,900	0.28
Total	312	1,036,921,199	4.94 %		456	802,438,093	4.69 %
All Others		19,948,078,764	95.06			16,309,304,924	95.31
Total Assessed Valuation		<u>\$20,984,999,963</u>	100.00 %			<u>\$ 17,111,743,017</u>	100.00 %

NOTE:

(1) Information is not available for fiscal years prior to 2005-2006.

(2) The amounts shown above include assessed value data for both the City and the Redevelopment Agency.

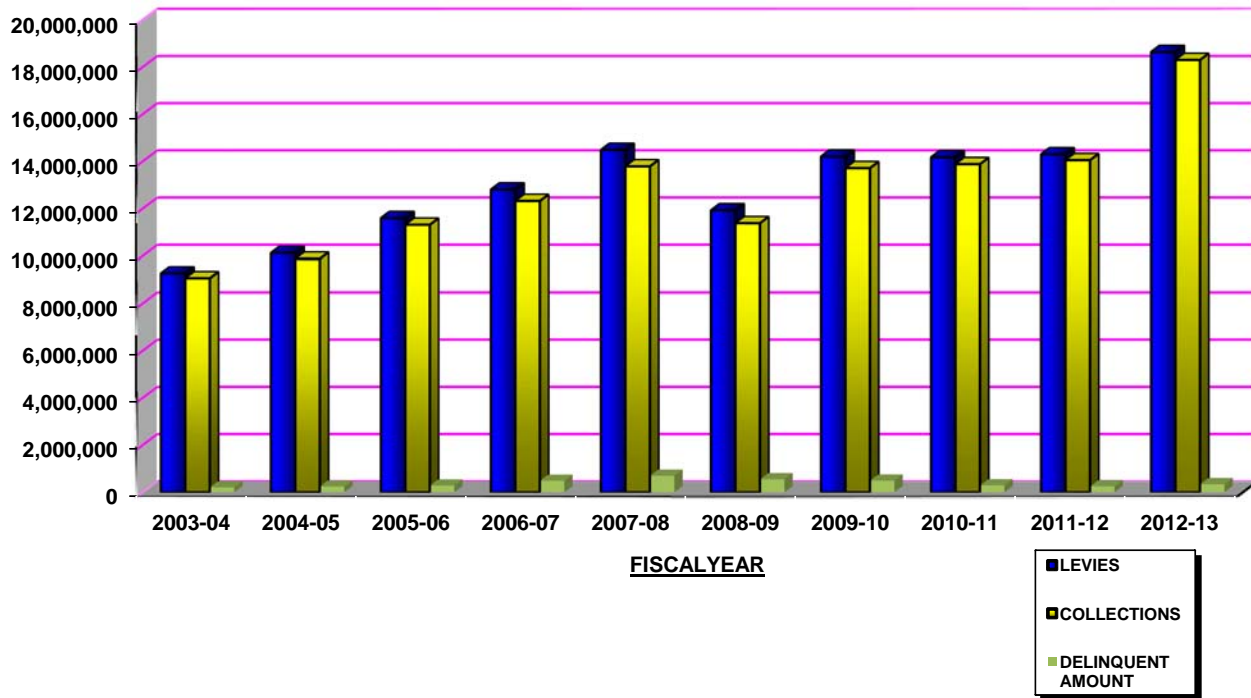
Source: HdL Coren & Cone, LA County Assessor 2012/13 Combined Tax Rolls



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

FISCAL YEAR	TAXES LEVIED	PERCENT COLLECTIONS	COLLECTIONS IN SUBSEQUENT YEARS	TOTAL COLLECTIONS TO DATE	PERCENT COLLECTIONS TO DATE	
2003-04	\$ 9,271,388	\$ 9,066,213	97.79%	\$ -	\$ 9,066,213	97.79%
2004-05	10,118,983	9,878,450	97.62%	-	9,878,450	97.62%
2005-06	11,593,852	11,292,337	97.40%	20,076	11,312,413	97.57%
2006-07	12,804,630	12,317,614	96.20%	2,689	12,320,303	96.22%
2007-08	14,483,825	13,754,184	94.96%	32,577	13,786,761	95.19%
2008-09	11,925,285	11,361,604	95.27%	16,722	11,378,326	95.41%
2009-10	14,202,626	13,711,940	96.55%	-	13,711,940	96.55%
2010-11	14,172,030	13,829,640	97.58%	50,605	13,880,246	97.94%
2011-12	14,299,999	13,999,770	97.90%	49,862	14,049,633	98.25%
2012-13	18,634,850	18,297,746	98.19%	-	18,297,746	98.19%

TAX COLLECTIONS & DELINQUENCY - LAST TEN FISCAL YEARS



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
Ratio of Outstanding Debt by Type
Last Ten Fiscal Years**

GOVERNMENTAL ACTIVITIES								
FISCAL YEAR	CERTIFICATES OF PARTICIPATION (1) (3)		LOANS	BONDS (2)	TAX ALLOCATION BONDS (4)		CAPITAL LEASES	TOTAL
2003-04	\$18,335,000	\$2,040,000	\$6,333,828	\$ -	\$ -	\$ -	\$103,275	\$26,812,103
2004-05	17,640,000	1,390,000	5,698,192	-	-	-	23,798	24,751,990
2005-06	17,700,000	710,000	5,029,113	-	-	-	12,211	23,451,324
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	10,485,000	15,430,000	810,000	12,230,000	-	-	201,880	39,156,880

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 Financing Authority equal to the principal and interest due on the principal and interest due on the revenue bonds. At this point in time, the RDA was 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 were removed from the general long-term debt.

-On July 1, 2005, the Santa Clarita Public Financing Authority issued \$17,700,000 in Certificates of 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 were 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.

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

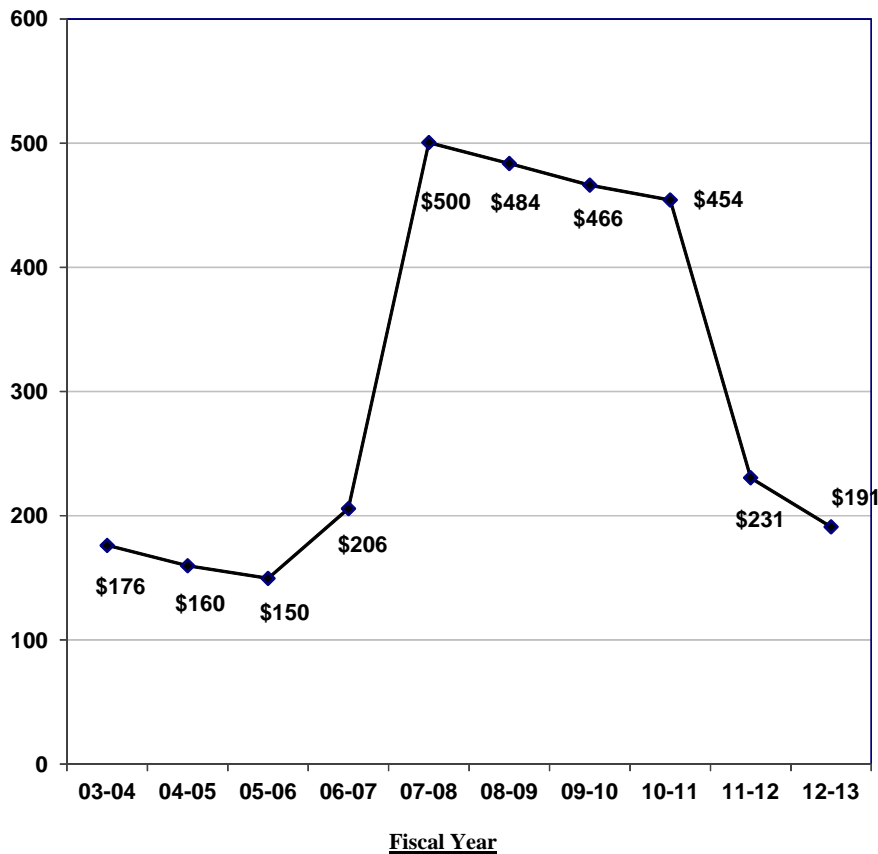
(3) On December 1, 2007, the Santa Clarita Public Financing Authority issued \$15,525,000 in Certificates of Participation for the acquisition of open space and parkland.

(4) On June 1, 2008, the Santa Clarita Redevelopment Agency (RDA) 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.

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

<u>BUSINESS-TYPE ACTIVITIES</u>		PERCENTAGE of			OUTSTANDING
<u>LEASE PAYABLE</u>	<u>TOTAL</u>	<u>TOTAL PRIMARY GOVERNMENT</u>	<u>TAXABLE ASSESSED VALUE</u>	<u>DEBT PER CAPITA</u>	<u>DEBT TO PERSONAL INCOME</u>
\$ 2,236,624	\$ 2,236,624	\$ 29,048,727	0.23%	176.14	3%
1,919,312	1,919,312	26,671,302	0.20%	159.75	3%
1,586,319	1,586,319	25,037,643	0.17%	149.56	2%
1,236,869	1,236,869	36,146,477	0.21%	205.76	3%
870,149	870,149	88,087,559	0.47%	500.41	6%
485,304	485,304	85,675,581	0.40%	483.63	5%
248,304	248,304	82,817,721	0.39%	466.21	5%
-	-	80,088,786	0.38%	454.22	N/A
-	-	40,907,417	0.19%	230.54	N/A
-	-	39,156,880	0.16%	191.05	N/A

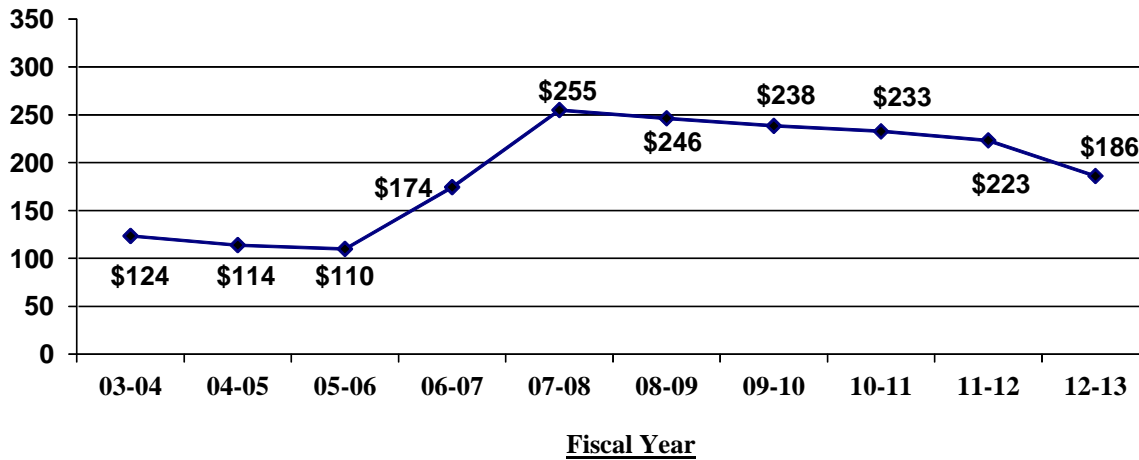
**OUTSTANDING DEBT PER CAPITA
Last Ten Fiscal Years**



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		
2003-04	164,916	\$ -	\$ 20,375,000	\$20,375,000	0.18%	\$ 124
2004-05	166,958	-	19,030,000	19,030,000	0.15%	114
2005-06	167,412	-	18,410,000	18,410,000	0.14%	110
2006-07	175,676	13,893,228	16,760,000	30,653,228	0.21%	174
2007-08	176,030	13,575,000	31,315,000	44,890,000	0.27%	255
2008-09	177,150	13,330,000	30,315,000	43,645,000	0.23%	246
2009-10	177,641	13,075,000	29,285,000	42,360,000	0.22%	238
2010-11	176,320	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	12,230,000	25,915,000	38,145,000	0.16%	186

GENERAL BONDED DEBT OUTSTANDING PER CAPITA
Last Ten Fiscal Years



Source: (1) State of California, Finance Department

**City of Santa Clarita
Direct and Overlapping Bonded Debt
June 30, 2013**

2012-13 Assessed Valuation: \$20,985,441,963 (Net of Redevelopment Agency
Incremental Value of **\$349,161,762**)

2012-13 Population: 204,951

	Total Debt 06/30/2013	Percent Applicable To City (1)	City's Share of Debt 06/30/2013
OVERLAPPING TAX AND OVERLAPPING BONDED DEBT:			
Los Angeles County Flood Control District	\$ 19,770,000	1.944 %	\$ 384,329
Santa Clarita Community College District	171,889,695	62.980	108,256,130
William S. Hart Union High School District	394,571,110	62.969	248,457,482
William S. Hart Union High School District - Community Facilities District No. 87-1	1,155,000	100.000	1,155,000
William S. Hart Union High School District - Community Facilities District No. 88-1	2,730,000	100.000	2,730,000
William S. Hart Union High School District - Community Facilities District No. 89-1	310,000	100.000	310,000
William S. Hart Union High School District - Community Facilities District No. 90-1	555,000	100.000	555,000
Los Angeles County Community College and Unified School Districts	14,658,250,000	0.00001	1,466
Castaic Union School District	17,156,776	26.840	4,604,879
Newhall School District	22,990,000	60.389	13,883,431
Newhall School District School Facilities Improvement District No. 2011-1	19,995,858	61.594	12,316,249
Saugus Union School District	43,491,964	73.907	32,143,606
Saugus Union School District Community Facilities District No. 2006-2, Improvement Area N	7,900,000	100.000	7,900,000
Sulphur Springs Union School District	17,265,318	71.471	12,339,695
City of Santa Clarita Open Space and Parkland Assessment District	15,430,000	100.000	15,430,000
City of Santa Clarita Community Facilities District No. 2002-1	16,485,000	100.000	16,485,000
City of Santa Clarita 1915 Act Bonds	900,000	100.000	900,000
Los Angeles County Regional Park and Open Space Assessment District	142,870,000	1.928	2,754,534
Total Overlapping Tax and Assessment Debt			<u>\$480,606,801</u>
DIRECT AND OVERLAPPING GENERAL FUND DEBT:			
Los Angeles County General Fund Obligations	\$ 1,729,437,327	1.928 %	\$ 33,343,552
Los Angeles County Superintendent of Schools - Certificates of Participation	10,377,239	1.928	200,073
Los Angeles County Sanitation District No. 23 Authority	3,148,824	0.102	3,212
Los Angeles County Sanitation District No. 32 Authority	28,298,240	64.861	18,354,521
Santa Clarita Community College District - Certificates of Participation	19,770,000	62.980	12,451,146
William S. Hart Union High School District - Certificates of Participation	6,000,000	62.969	3,778,140
Castaic Union School District - Certificates of Participation	4,040,000	26.840	1,084,336
Saugus Union School District - Certificates of Participation	28,200,000	73.907	20,841,774
Sulphur Springs Union School District - Certificates of Participation	24,272,492	71.471	17,347,793
Los Angeles Unified School District - Certificates of Participation	395,161,434	0.00001	40
City of Santa Clarita Certificates of Participation	23,726,879	100.000	23,726,879 (2)
Total Gross Direct and Overlapping General Fund Debt			<u>\$ 131,131,466</u>
Less: Los Angeles County General Fund Obligations supported by landfill revenues			<u>105,883</u>
Total Net Direct and Overlapping General Fund Debt			<u>\$ 131,025,583</u>
Total Direct Debt			\$ 39,156,879
Gross Overlapping Debt			572,581,388
Total Gross Direct and Overlapping Debt			<u>\$ 611,738,267</u> (3)
Net Total Overlapping Debt			<u>\$ 611,632,384</u>
Net Combined Total Debt			\$ 650,789,263

(1) Percentage of overlapping agency's assessed valuation located within boundaries of the City

(2) Includes \$201,879 Capital Lease obligations and \$810,000 CDBG Loan.

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

Ratios to Adjusted Assessed Valuation

		Per Capita
Total Direct Debt (\$38,145,000)	0.18%	\$2,344.98
Gross Combined Total Debt	3.08%	714.59
Net Combined Total Debt	3.08%	\$3,175.34

STATE SCHOOL BUILDING AID REPAYABLE AS OF 6/30/2013: \$0

Source: Muniservices

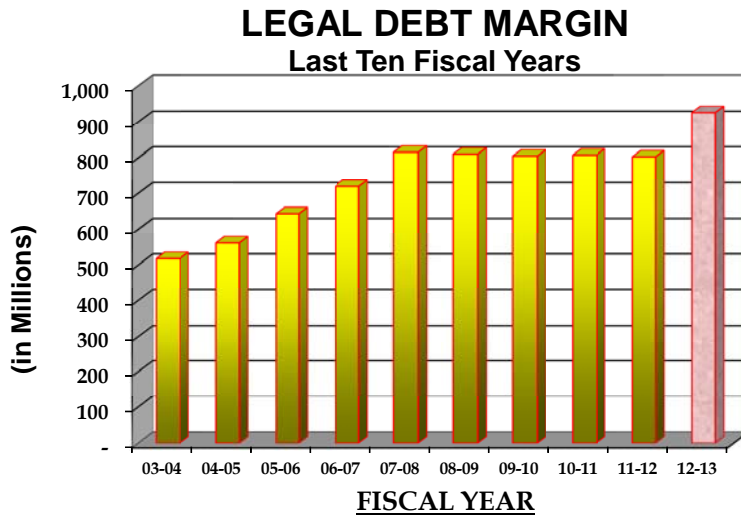
**City of Santa Clarita
 Legal Debt Margin Information
 Last Ten Fiscal Years**

	FISCAL YEAR				
	12-13	11-12	10-11	09-10	08-09
Assessed valuation	\$ 24,698,048,493	\$ 21,399,181,358	\$ 21,526,384,928	\$ 21,457,647,247	\$ 21,600,880,848
Conversion percentage	25%	25%	25%	25%	25%
Adjusted assessed valuation	6,174,512,123	5,349,795,340	5,381,596,232	5,364,411,812	5,400,220,212
Debt limit percentage	15%	15%	15%	15%	15%
Debt limit	926,176,818	802,469,301	807,239,435	804,661,772	810,033,032
Total net debt applicable to limit:					
General obligation bonds	-	-	-	-	-
Legal debt margin	<u>\$ 926,176,818</u>	<u>\$ 802,469,301</u>	<u>\$ 807,239,435</u>	<u>\$ 804,661,772</u>	<u>\$ 810,033,032</u>
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 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				
07-08	06-07	05-06	04-05	03-04
\$ 21,740,884,855	\$ 19,177,131,442	\$ 17,160,386,817	\$ 14,937,115,985	\$ 13,795,632,501
25%	25%	25%	25%	25%
5,435,221,214	4,794,282,861	4,290,096,704	3,734,278,996	3,448,908,125
15%	15%	15%	15%	15%
815,283,182	719,142,429	643,514,506	560,141,849	517,336,219
-	-	-	-	-
\$ 815,283,182	\$ 719,142,429	\$ 643,514,506	\$ 560,141,849	\$ 517,336,219
0%	0%	0%	0%	0%

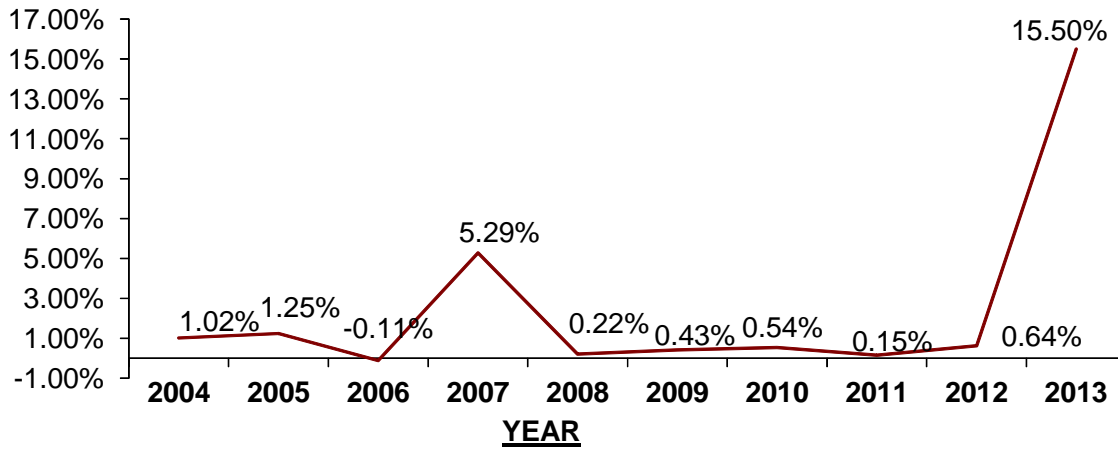


**City of Santa Clarita
Pledged Revenue Coverage
Last Ten Fiscal Years**

TRANSIT						
Fiscal Year	TRANSIT REVENUES (1)	LESS OPERATING EXPENSES (2)	NET AVAILABLE REVENUES	DEBT SERVICE		COVERAGE
				Principal	Interest	
2003-04	\$ 24,171,361	\$ 13,693,876	\$ 10,477,485	\$ 852,372	\$ 135,063	4.09%
2004-05	35,677,983	14,037,109	21,640,874	317,312	102,395	1.18%
2005-06	22,041,436	17,242,035	4,799,401	332,993	86,230	1.90%
2006-07	19,468,288	19,033,240	435,048	349,449	69,388	2.15%
2007-08	24,888,921	22,204,777	2,684,144	366,720	60,298	1.72%
2008-09	26,612,418	23,014,324	3,598,094	384,846	42,172	1.60%
2009-10	21,179,438	23,525,855	(2,346,417)	236,999	23,149	1.23%
2010-11	32,507,582	24,270,533	8,237,048	248,304	11,844	0.80%
2011-12	26,133,433	25,175,688	957,745	-	-	-
2012-13	29,420,486	25,901,822	3,518,664	-	-	-

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

YEAR	SANTA CLARITA POPULATION (1)	PERCENTAGE INCREASE	COUNTY POPULATION (1)	PERCENTAGE INCREASE	PERSONAL INCOME (2)	PERSONAL INCOME (2)	UNEMPLOYMENT RATE (3)
2004	163,396	1.02%	9,806,944	0.51%	\$ 33,179	\$ 338,209,805	6.50%
2005	165,431	1.25%	9,816,153	0.09%	35,188	357,193,633	5.30%
2006	165,243	-0.11%	9,798,609	-0.18%	36,917	385,732,651	4.20%
2007	173,979	5.29%	9,780,808	-0.18%	39,066	402,107,608	2.70%
2008	174,355	0.22%	9,785,474	0.05%	44,727	567,707,000	4.70%
2009	175,103	0.43%	9,801,096	0.16%	43,119	550,832,000	7.70%
2010	176,056	0.54%	9,822,121	0.21%	43,999	565,365,000	7.70%
2011	176,320	0.15%	9,818,605	-0.04%	44,423	575,044,998	7.60%
2012	177,445	0.64%	9,884,632	0.67%	N/A	N/A	6.90%
2013	204,951	15.50%	9,958,091	0.74%	N/A	N/A	6.60%



Sources: (1) State of California, Finance Department, as of 1/1/2013

(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 of Santa Clarita's related information is not available. Information lags two years.

(3) State of California, Department of Employment Development (EDD)

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

EMPLOYER	2013*		EMPLOYER	2004	
	NUMBER of EMPLOYEES	PERCENT of TOTAL EMPLOYMENT		NUMBER of EMPLOYEES	PERCENT of TOTAL EMPLOYMENT
Six Flag Magic Mountain	4,500	25.92%	Home Depot	330	14.47%
Princess Cruises	1,600	9.22%	Robinsons May	310	13.59%
Henry Mayo Newhall Memorial Hospital (formerly Specialty Laboratories)	1,400	8.06%	Shield Health Care	310	13.59%
The Master's College	850	4.90%	Costco Wholesale	260	11.40%
Woodward HRT (formerly HR Textron)	800	4.61%	Vons Grocery Company	250	10.96%
Walmart	772	4.45%	Target Stores	200	8.77%
Advanced Bionics	624	3.59%	Frontier Toyota	165	7.23%
Pharmavite	600	3.46%	Best Buy	160	7.01%
Aerospace Dynamics	567	3.27%	Lowe's	154	6.75%
	548	3.16%	Power Ford	142	6.23%
Largest firms ⁽¹⁾	12,261	70.62%	Largest firms ⁽¹⁾	2,281	100.00%
All Others	5,100	29.38%	All Others	N/A	N/A
Grand total	17,361	100.00%	Grand total	2,281	100.00%

* As of February 2013

NOTE: (1) Non-governmental employers

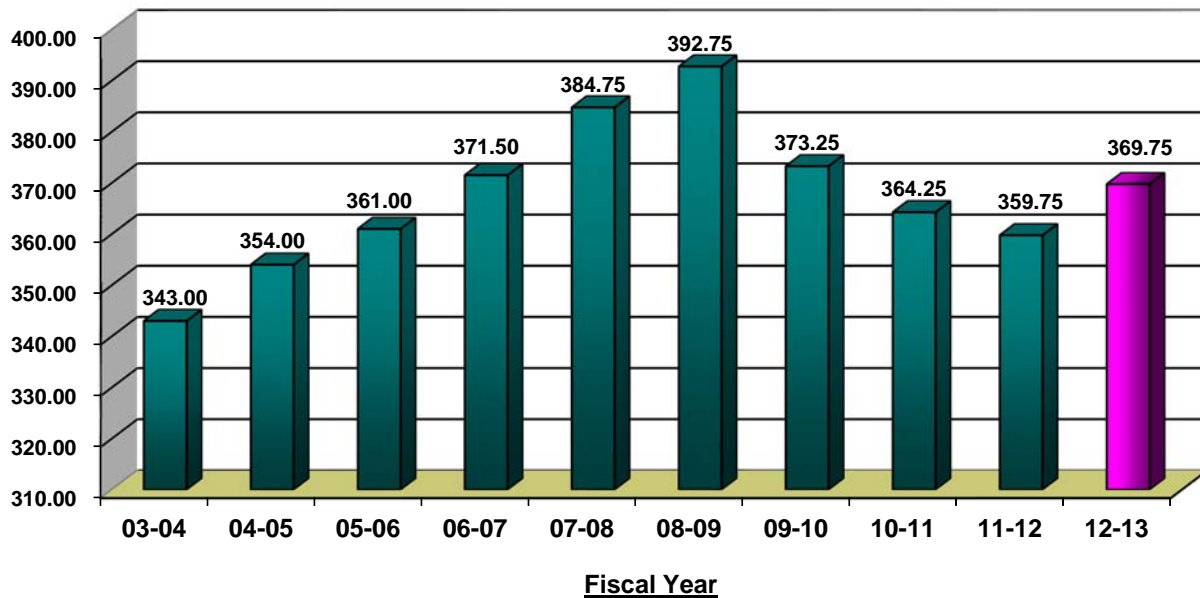
Source: 2013 SCVEDC Economic & Real Estate Outlook

Source: 2004 MBIA MuniServices Company

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

Function	FISCAL YEAR									
	12-13	11-12	10-11	09-10	08-09	07-08	06-07	05-06	04-05	03-04
General government	89.60	84.35	85.75	89.75	95.75	91.75	86.00	96.00	79.00	78.00
Public safety (1)	-	-	-	-	-	-	-	-	-	-
Public works	129.00	126.00	127.00	128.00	135.50	136.50	133.50	115.00	146.00	138.00
Community developme	32.00	30.50	33.00	33.00	36.00	35.00	33.00	36.00	20.00	20.00
Parks and Recreation	108.15	105.90	106.50	110.50	111.50	110.50	108.00	106.00	101.00	99.00
Transit	11.00	13.00	12.00	12.00	14.00	11.00	11.00	8.00	8.00	8.00
Totals	369.75	359.75	364.25	373.25	392.75	384.75	371.50	361.00	354.00	343.00

**CITY OF SANTA CLARITA - EMPLOYEES
Last Ten Fiscal Years**



(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									
	12-13	11-12	10-11	09-10	08-09	07-08	06-07	05-06	04-05	03-04
Police:										
Parking citation issued ⁽¹⁾	5,726	5,521	6,577	5,114	4,126	5,257	4,587	6,042	5,960	5,040
Parking revenue collected	\$ 341,607	\$ 335,663	\$ 323,408	\$ 238,478	\$ 235,634	\$ 288,076	\$ 334,927	\$ 27,257	\$ 10,427	\$ 10,324
Public works:										
Street resurfacing (miles)	18.0	24.0	24.0	33.8	14.0	15.4	15.4	16.5	12.5	7.5
Parks and Recreation:										
Number of recreation classes	2,548	2,106	2,080	2,447	2,284	2,393	2,535	2,357	2,443	2,469
Number of facility rentals (times)	13,000	11,042	10,754	10,239	9,801	9,767	19,645	19,435	17,739	15,005
Transit:										
Number of customers served ⁽²⁾	3,661,302	3,612,060	3,724,490	3,922,052	4,210,842	3,821,299	3,733,299	3,718,640	3,527,000	3,429,913

NOTE: (1) The City of Santa Clarita contracts 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 include 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									
	12-13	11-12	10-11	09-10	08-09	07-08	06-07	05-06	04-05	03-04
Public works:										
Streets (miles)	496	496	496	496	496	496	496	496	462	462
Street lights ⁽¹⁾	17,843	15,081	14,963	14,939	14,739	14,429	14,000	13,200	13,000	12,000
Traffic signals (City Jurisdiction)	177	171	170	166	172	176	166	167	165	158
Traffic signals (Joint Jurisdiction)	5	6	1	6	5	4	4	5	5	4
Parks and recreation:										
Number of parks	29	24	23	20	20	20	19	18	17	16
Community centers	1	1	1	1	1	1	1	1	-	-
Transit:										
Stations	4	4	4	4	4	4	4	4	4	4

NOTE: (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



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