





**DIEHL, EVANS
& COMPANY**
CERTIFIED PUBLIC ACCOUNTANTS

A PARTNERSHIP INCLUDING ACCOUNTANCY CORPORATIONS

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September 25, 1992

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INDEPENDENT AUDITORS' REPORT

City Council
City of Santa Clarita
Santa Clarita, California

We have audited the general purpose financial statements of the City of Santa Clarita, California as of and for the year ended June 30, 1992, as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these financial statements based on our audit. The general purpose financial statements of the City of Santa Clarita as of June 30, 1991, were audited by other auditors whose report dated September 23, 1991 expressed an unqualified opinion on those statements.

We conducted our audit in accordance with generally accepted auditing standards. Those standards required that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Santa Clarita as of June 30, 1992 and the results of its operations and the cash flows of its proprietary fund types for the year then ended in conformity with generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The financial statements of the individual funds and account groups listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the City of Santa Clarita. The information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole. The statistical information listed in the table of contents is not a required part of the basic financial statements, and we did not audit or apply limited procedures to such information and do not express any assurance on such information.

Diehl, Evans and Company

-1-

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