

CITY OF SANTA CLARITA

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

June 30, 2004

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

Fund equity - total governmental funds		\$ 71,803,092
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds. Those assets consist of:		
Land	\$ 45,311,601	
Construction in progress	38,391,194	
Site improvements, net of \$2,556,757 accumulated depreciation	4,386,172	
Building and improvements, net of \$7,460,013 accumulated depreciation	27,823,162	
Equipment, net of \$3,185,680 accumulated depreciation	2,140,952	
Infrastructure, net of \$325,933 accumulated depreciation	<u>18,821,435</u>	
Total capital assets used in governmental activities		136,874,516
Debt issuance costs are reported as an expenditure in the governmental funds in the year that the costs are incurred. On the government-wide statements, such costs are reported as deferred charges and amortized over the life of the debt. Unamortized deferred charges at June 30, 2004 are:		75,114
Certain receivables will be collected after year-end, but are not available soon enough to pay for current-period expenditures, and therefore are offset by deferred revenue in the funds. On the government-wide statements, this deferred revenue has been recognized as income. The deferred revenue amount at June 30, 2004 is:		9,023,653
Internal Service funds are used by management to charge the costs of self-insurance and capital replacements to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.		11,573,029
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds. Interest on long-term debt is not accrued in governmental funds. Balances at June 30, 2004 are:		
Accrued interest on long-term debt		(334,180)
Certificates of participation	\$ (20,375,000)	
Capital leases payable	(103,275)	
Loans payable	(6,333,828)	
Compensated absences	<u>(1,253,637)</u>	
Total long-term liabilities		<u>(28,065,740)</u>
Net assets of governmental activities		<u><u>\$ 200,949,484</u></u>

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