



City of Rocklin, California

Comprehensive Annual Financial Report

June 30, 2016

Prepared by:

**Administrative Services Department
Kim Sarkovich, City Treasurer/Assistant City Manager/Chief Financial Officer
Mary Rister, Finance Officer**

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**CITY OF ROCKLIN
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE YEAR ENDED JUNE 30, 2016**

TABLE OF CONTENTS

INTRODUCTORY SECTION

Transmittal Letter	3
Organizational Chart	6
List of Officials.....	7

FINANCIAL SECTION

Independent Auditor’s Report.....	11
Management’s Discussion and Analysis (Required Supplementary Information)	17

Basic Financial Statements:

Government-Wide Financial Statements:

Statement of Net Position.....	29
Statement of Activities.....	30

Fund Financial Statements

Governmental Funds:

Balance Sheet.....	32
Reconciliation of the Government Funds Balance Sheet to the Government-Wide Financial Statement of Net Position	34
Statement of Revenues, Expenditures and Changes in Fund Balances.....	35
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Government-Wide Statement of Activities	37

Proprietary Funds (Fleet Management Internal Service Fund):

Statement of Net Position	38
Statement of Revenues, Expenses, and Changes in Fund Net Position	39
Statement of Cash Flows.....	40

Fiduciary Funds:

Statement of Fiduciary Net Position	41
Statement of Changes in Fiduciary Net Position	42

Notes to the Basic Financial Statements	45
Note 1 – Significant Accounting Policies.....	45
Note 2 – Cash and Investments	59
Note 3 – Interfund Transactions.....	62
Note 4 – Loans Receivable	64
Note 5 – Capital Assets	67
Note 6 – Noncurrent Liabilities	68
Note 7 – Net Position/Fund Balance	69
Note 8 – Risk Management.....	72
Note 9 – Retirement Plans	73
Note 10 – Other Postemployment Benefit Plan.....	79
Note 11 – Commitments and Contingencies	82
Note 12 – Special Tax Assessment Districts.....	83
Note 13 – Successor Agency Trust (Former RDA)	86

CITY OF ROCKLIN
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2016

TABLE OF CONTENTS CONTINUED

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual (GAAP Basis) – General Fund	91
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual (GAAP Basis) – Rocklin Public Financing Authority Debt Service Fund.....	92
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual (GAAP Basis) – SB325 Sales Tax	93
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual (GAAP Basis) – Low and Moderate Income Housing Fund	94
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual (GAAP Basis) – Traffic Circulation Impact Fee Fund	95
Schedule of Pension Contributions (GASB 68).....	96
Schedule of Net Pension Liabilities and Proportionate Shares (GASB 68).....	97
Retiree Healthcare Plan – Schedule of Funding Progress	98

SUPPLEMENTARY INFORMATION

Combining Nonmajor Governmental Funds:

Combining Balance Sheet	101
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	102

Combining Special Revenue Nonmajor Governmental Funds:

Combining Balance Sheet	104
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	110
Combining Statement of Revenues, Expenditures and Changes In Fund Balances – Budget and Actual (GAAP Basis)	115

Combining Capital Projects Nonmajor Governmental Funds:

Combining Balance Sheet	132
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	135

Combining Permanent Nonmajor Governmental Funds:

Combining Balance Sheet	140
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	141

Combining Agency Funds:

Combining Balance Sheet	144
Combining Statement of Changes in Assets and Liabilities	148

STATISTICAL SECTION

Net position by Component	154
Changes in Net Position	156
Fund Balances of Governmental Funds	160
Changes in Fund Balances of Governmental Funds.....	162
Assessed Value and Actual Value of Taxable Property	164
Direct and Overlapping Property Tax Rates	165
Principal Property Tax Payers.....	166
Property Tax Levies and Collections.....	167
Ratios of Outstanding Debt by Type	168
Direct and Overlapping Debt	169
Legal Debt Margin Information	170
Demographic and Economic Statistics	172
Principal Employers	173

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ROCKLIN

CALIFORNIA

INTRODUCTORY SECTION

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**CITY OF ROCKLIN**

3970 Rocklin Road
Rocklin, California 95677
Telephone (916) 625-5000
Fax (916) 625-5095

March 28, 2017

To the Honorable Mayor, Members of the City Council, and Citizens of Rocklin, California:

This Comprehensive Annual Financial Report (CAFR) for the City of Rocklin, California (the City), for the Fiscal Year ended June 30, 2016 is hereby submitted for your review. We are pleased to inform you our auditors, Chavan & Associates, LLP, have issued an unmodified (“clean”) opinion on the City’s financial statements for the year ended June 30, 2016. The independent auditor’s report is presented as the first item in the financial section of the report.

Management assumes all responsibility for the completeness and reliability of the information presented in this report. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and present fairly the respective financial position and changes of the City, as of June 30, 2016.

The CAFR is published to provide information about the City to its citizens, the investment community, the general public, and others who may have an interest in the financial information regarding the City. This letter of transmittal is designed to be read with and complement the Management’s Discussion and Analysis (MD&A) which reports on the financial highlights of the City and provides additional analysis on the variances and trends reported as part of the financial statements. The MD&A can be found immediately following the report of the independent auditors.

PROFILE OF THE CITY

The City, incorporated in 1893, is located on Interstate 80 and Highway 65, 20 miles northeast of Sacramento at the base of the Sierra foothills in Placer County, California. The City encompasses 20 square miles and as of January 2016 had a population of 60,351. The City has been historically known as a safe community with low crime rates, excellent schools, and beautiful parks. It is home to the accredited Sierra College and an accredited private institution of higher education; William Jessup University. The City continues to be a leader in providing excellent services, a safe community, and a high quality of life.

The City provides the following public services: public safety (police, fire), planning and zoning, construction and maintenance of streets, parks, storm drains and other infrastructure, culture and recreation, economic development and general administrative services. The City maintains a website

located at: <https://www.rocklin.ca.us> that provides online services and extensive information about the City.

The City operates according to the Council-City Manager form of government which vests authority in an elected City Council. The City Council is the City's legislative and policymaking body and appoints the City Manager who is responsible for the overall administration of the City. In addition to the appointment of the City Manager, the City Council also appoints the City Attorney, City Treasurer, City Clerk and members of the Planning Commission, Parks & Recreation Commission and a Building Appeals Board.

The City Council also acts as the Board of Directors for the Rocklin Public Financing Authority. The Rocklin Public Financing Authority was formed as a joint powers authority between the City and the former Rocklin Redevelopment Agency to serve as a financing mechanism for various capital projects. For financial reporting purposes the Rocklin Public Financing Authority is considered a component unit of the City of Rocklin and is incorporated within this document. Additional information on this legally separate entity can be found in Note 1 of the notes to the financial statements.

The City has established a Redevelopment Successor Agency which replaced the former Rocklin Redevelopment Agency that was dissolved in 2012. The Successor Agency is not a component unit of the City and is instead a separate legal entity overseen by an oversight board and the California State Department of Finance. The City's role as the Successor Agency is fiduciary in nature. The Successor Agency is reported as a private-purpose trust fund, a fiduciary fund type. Additional information can be found in Note 13 of the notes to the financial statements.

The City prepares an annual budget which is submitted to Council for review and approval. This budget serves as the foundation of the City's financial planning and control. Through the annual budget process City Council appropriates funds to provide public services. Activities of General, Special Revenue, Debt Service, Capital Project, and Internal Service Funds are included in the annual budget appropriation. The annual budget process begins with a strategic planning meeting between management and City Council. Managers then incorporate the meeting results into detailed requests from each department submitted for evaluation to the City Manager. The City Manager may revise these budget requests and then a draft budget is prepared and submitted to City Council by May 15th. City Council reviews and may revise the draft budget in a workshop open to the public. Per Chapter 3.28 of the Rocklin Municipal Code, the final budget must be presented to and adopted by City Council by June 30th of each year. A copy of the final budget is available for download on the City's website.

The City has established a comprehensive framework of internal controls designed so assets of the government are protected from loss, theft or misuse. This framework is designed so accurate accounting data is compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. Internal controls provide reasonable, but not absolute, assurance these objectives are met. Reasonable assurance provides that the cost of internal controls should not exceed the benefits and that decisions often require the use of estimates and judgments by management.

ECONOMIC FACTORS AND OUTLOOK

The City of Rocklin continued to show economic improvements during the 2015/2016 fiscal year. New residential and commercial development activity brought an increase in population and job growth. The

unemployment rate for the City dropped to 4.5% in September 2016. Overall, the City revenues have increased. Two of the City's largest revenue sources are property tax and sales tax, which show a combined increase of 23% over the prior year as a result of increases in assessed property values, new business growth and an overall increase in commercial sales activities. The City anticipates continued economic improvements in the next fiscal year and has budgeted a combined property and sales tax increase of 12% for the 2016/2017 fiscal year.

ACKNOWLEDGMENTS

The preparation of this Comprehensive Annual Financial Report could not have been accomplished without the efficient and dedicated services of staff from the Administrative Services Department, the auditing firm of Chavan & Associates, LLP, and the cooperation and assistance of all City departments. We commend the Council for its interest, support, and exemplary leadership in planning and conducting the financial operations of the City in a responsive and progressive manner.

Respectfully submitted,

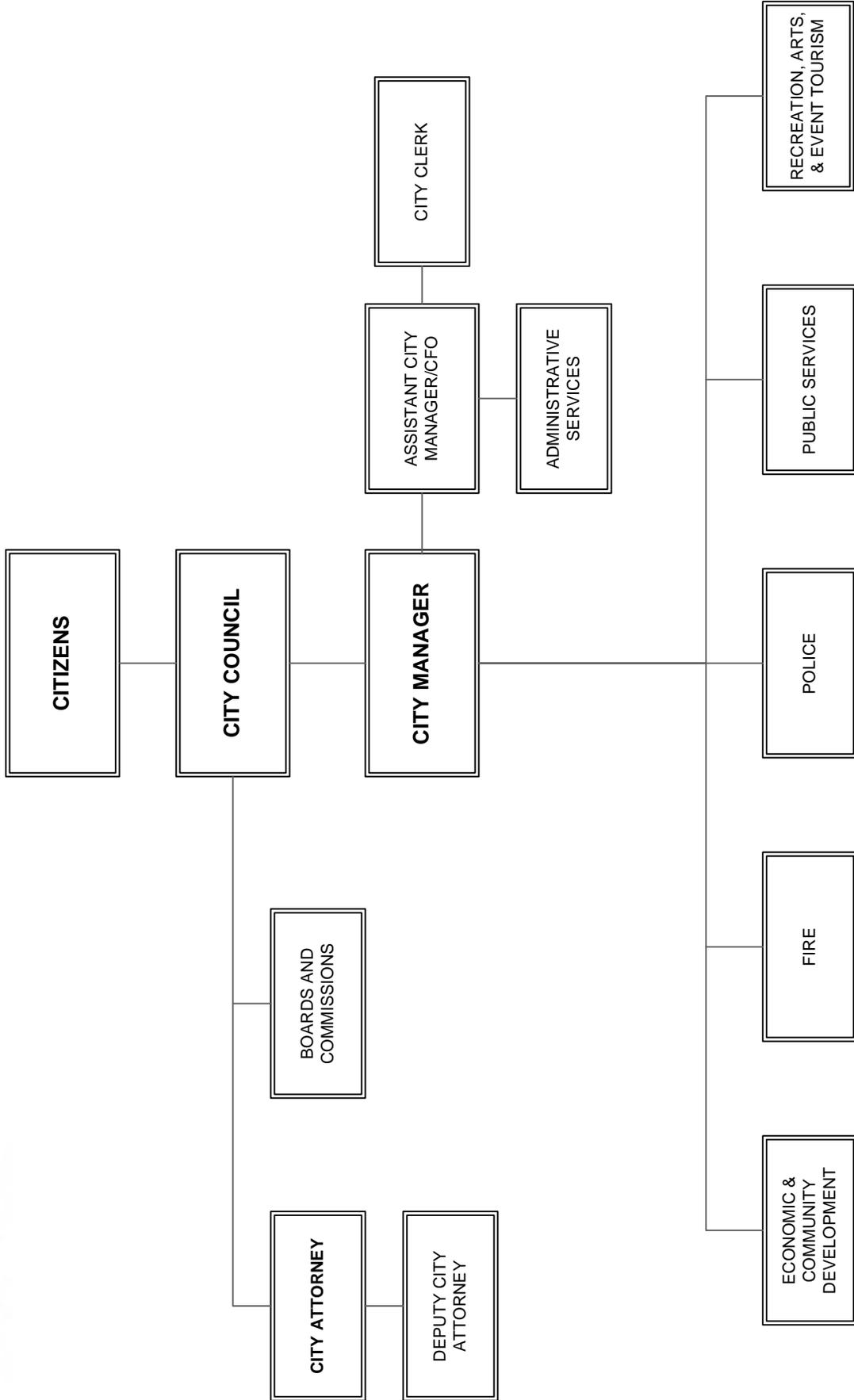


Kim Sarkovich
Assistant City Manager/Chief Financial Officer



Mary Rister
Finance Officer

CITY OF ROCKLIN
Organizational Chart – FY 2016-17



City of Rocklin
Comprehensive Annual Financial Report
For the year ended June 30, 2016

List of Officials - Current

City Council

<u>Name</u>	<u>Term Expires</u>
Scott Yuill, Mayor	December 2018
Ken Broadway, Vice Mayor	December 2020
Greg Janda, Councilmember	December 2020
Joe Patterson, Councilmember	December 2020
Jill Gayaldo, Councilmember	December 2018

City Officials

<u>Name</u>	<u>Position</u>
Ricky A. Horst	City Manager
Chad Butler	Chief of Police
Kurt Snyder	Fire Chief
Kim Sarkovich	Assistant City Manager/Chief Financial Officer
DeeAnne Gillick	Interim City Attorney
Barbara Ivanusich	City Clerk

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members of the
City Council of the City of Rocklin
Rocklin, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Rocklin (the "City"), as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

The City's 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, 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 City'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 City'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, each major fund, and the aggregate remaining fund information of the City of Rocklin, as of June 30, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and other required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's financial statements as a whole. The transmittal letter, combining individual non-major fund schedules and statistical data, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the financial statements. The combining individual non-major fund schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

New Accounting Principles

As discussed in Note 1 to the financial statements, the City adopted the provisions GASB Statement No. 72, *Fair Value Measurement and Application*, GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, and GASB Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, effective June 30, 2016. Our opinion is not modified with respect to these matters.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 31, 2016 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control



over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

C & A LLP

October 31, 2016
San Jose, California

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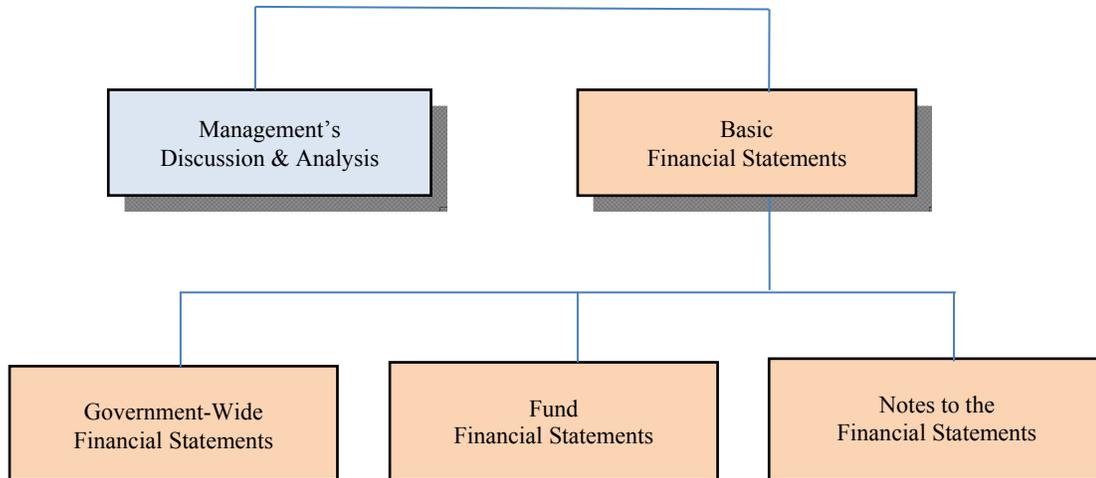
**MANAGEMENT'S DISCUSSION
AND ANALYSIS**

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INTRODUCTION

The Management’s Discussion and Analysis (MD&A) is a required section of the City’s Comprehensive Annual Financial Report, as shown in the overview below. The purpose of the MD&A is to offer readers a narrative overview and analysis of the City’s financial activity for the fiscal year ended June 30, 2016. We encourage readers to consider this MD&A in conjunction with the Basic Financial Statements to provide a comprehensive understanding of the City’s operations and financial standing.

Required Components of the Comprehensive Annual Financial Report



FISCAL YEAR 2015/2016 FINANCIAL HIGHLIGHTS

- As of the close of the fiscal year 2015/2016, the assets and deferred outflows of the City exceeded liabilities and deferred inflows by \$336.806 million (government-wide net position).
- The City’s Government-Wide General Revenues increased approximately 11% from \$43.883 million to \$48.864 million from the prior year mainly due to an increase in Sales Taxes. General revenues include items such as property tax, sales tax, gas tax, motor vehicle fees, franchise fees, impact fees, investment earnings, and other revenues.
- The City’s Government-Wide expenses increased approximately 2% from \$63.686 million to \$64.863 million from the prior year, due to (1) an additional payment to the CalPERS California Employer’s Retiree Benefit Trust (CERBT) to decrease the retiree’s health liability reflected in General government expenses and (2) a decrease in repair and maintenance expenses in General services as a result of completing a large road resurfacing project in the prior year.
- The unassigned fund balance in the General Fund increased 25% from the prior year amount of \$6.667 million to \$8.361 million mainly due to the increase in unassigned revenue from Sales taxes and decreases in Committed balances. The Committed balances decreased \$2.802 million primarily from decreases in the Retiree’s Health Insurance Reserve and Fleet Capital Reserves partially offset by increases to the Operating Reserves. The decrease to the Retiree’s Health Insurance Reserve was due to prepayment contributions to the California Employee’s Retiree Benefit Trust (CERBT). The Fleet Capital reserves were moved off of the General Fund and over to the Fleet Fund.

- General Fund revenues totaled \$43.955 million, while General Fund expenditures were \$48.206 million. The General Fund received transfers in from other funds of \$4.595 million with transfers out totaling \$1.452 million, resulting in a Net Decrease in General Fund fund balance of \$1.108 million.
- The Grand Opening for the Whitney Ranch Highway 65 Interchange was held on September 9, 2016 providing increased access to nearly 200 acres of land for development.
- The City completed the University Avenue South extension. University Avenue provides the primary transportation access to the City of Rocklin's University District. This area includes William Jessup University and contains a major area in Rocklin available for commercial development. University Avenue connects with Whitney Ranch Parkway and the new interchange at Highway 65.
- The City opened the new Quarry Park and Amphitheater. Quarry Park is a central gathering place with a picturesque setting for community events, concerts, quiet walks through nature, and active play. Quarry Park is a catalyst for economic development in downtown Rocklin, and is home to an amphitheater, trails, open space, and wildlife.
- In October 2016, the Rocklin Public Financing Authority issued Lease Revenue Bonds of \$9.455 million to refinance the outstanding 2003 certificates of participation and finance the acquisition and construction of various capital improvement projects. These include a new City fire station, remodel of existing City fire stations, remodel of the City's Administrative Building, phase II of the City's Quarry Park, and police radio consoles and ancillary equipment.
- In September 2016, both Fitch Ratings and Standard and Poor assigned a rating of "AA" on the new Lease Revenue Bonds and the City's Certificates of Participation. Additionally, based on the implementation of Fitch's new revised rating criteria, Fitch changed the Issuer Default Rating of the City from "AAA" to "AA+". The City maintains its Standard and Poor's ratings of "AA+" for general obligation bonds and "AA" for Certificates of Participation.
- The City continued toward its goal of fully funding the City's Other Post Employment Benefit (OPEB) obligation by making contributions during the fiscal year to the California Employers' Retiree Benefit Trust (CERBT). The CERBT is a tax-qualified irrevocable trust established to prefund retiree health benefits. During the fiscal year, the City contributed a total of \$4.266 million to the CERBT to arrive at a June 30, 2016 balance of \$8.342 million.
- In addition to proactively addressing the OPEB obligation, the city has been proactively addressing the Pension obligation. The City has a key management practice, "Unfunded Pension Liability Reduction", which utilizes 50% of any increase in General fund unassigned (unreserved) fund balance as of the Fiscal Year-end to pay down the City's unfunded pension liability. Based on the 2015/2016 fund balance calculations, the City made pension contributions of \$75,000 on June 30, 2016 applied to 2015/2016 and \$572,200 on July 1, 2016 applied to the 2016/2017 fiscal year.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Financial Statements are comprised of Government-Wide (City-wide) Financial Statements, Fund Financial Statements, Notes to the Financial Statements, Required Supplementary Information, and Supplementary Information. The Government-wide and Fund Financial Statements provide the reader two

different perspectives of the City's financial activities and financial position.

The Government-Wide Financial Statements

Government-Wide Financial Statements provide a longer-term view of the City's activities as a whole, and comprise the *Statement of Net Position* and the *Statement of Activities*. The *Statement of Net Position* provides information about the financial position of the City, including all its capital assets and long-term liabilities on a full accrual basis, similar to that used by corporations. The *Statement of Activities* provides information about all the City's revenues and all its expenses, also on a full accrual basis, with the emphasis on measuring net revenues and/or expenses for each of the City's programs. The *Statement of Activities* explains in detail the change in Net Position for the fiscal year.

All of the City's activities are required to be grouped into governmental activities and business-type activities. The entire amount in the *Statement of Net Position* and the *Statement of Activities* are also required to be separated into governmental activities or business-type activities in order to distinguish between these two types of activities of the City.

Government-wide financial statements are prepared on the accrual basis, which means they measure the flow of all economic resources of the City as a whole. The *Statement of Net Position* and the *Statement of Activities* present information about the following:

Governmental Activities – All of the City's basic services are considered to be governmental activities, including general government, community development, public safety, general services, and interest and fiscal charges. These services are supported by general City revenues such as taxes, and by specific program revenues such as development and recreation program fees.

Fund Financial Statements

Fund Financial Statements report the City's operations in more detail than the government-wide statements and focus primarily on the short-term activities of the City's general fund and other major funds. The Fund Financial Statements measure only current revenues and expenditures and fund balances; they exclude capital assets, long-term debt, and other long-term amounts.

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Fund financial statements provide detailed information about each of the City's most significant funds, called major funds. Major funds present the major activities of the City for the fiscal year, and may change from year to year as a result of changes in the pattern of the City's activities. Each major fund is presented individually, and all non-major funds are summarized and presented in a single column. Subordinate schedules present the detail of non-major funds. The City's funds are segregated into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds – The City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances available at year-end. Financial statements are prepared on the modified accrual basis, which means they measure only current financial resources and uses. Carrying amounts for capital assets and other long-lived assets, along with long-term liabilities are not presented on the balance sheet in the governmental fund financial statements. Unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year.

Such information may be useful in evaluating the City's near-term financing requirements. For fiscal year 2015/2016, the City had 5 major funds, 15 non-major special revenue funds, 7 non-major capital projects funds, and 2 non-major permanent funds.

Proprietary Funds – The City has and maintains one type of proprietary fund, an internal service fund. Internal service funds are used to accumulate and allocate costs internally among the City's various functions. The City uses an internal service fund to account for its fleet operations. Because this service predominately benefits only governmental functions, it has been included within governmental activities in the government-wide financial statements.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reported in the Government-wide financial statements because the resources of these funds are not available to support the City of Rocklin's own programs. The accounting for fiduciary funds is much like that used for business-type activities. For fiscal year 2015/2016, the City had one private purpose trust fund and 9 agency funds

NOTES TO THE FINANCIAL STATEMENTS

Notes to the Financial Statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes can be found immediately following the fund financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

Required supplementary information other than the MD&A follows the Notes and includes a budgetary comparison for the General Fund and other major funds as presented in the governmental fund financial statements.

SUPPLEMENTARY INFORMATION

Combining and individual fund statements and schedules are included to provide additional information on non-major governmental funds including special revenue, debt service, capital project funds, proprietary internal service fund information and agency funds. An unaudited statistical section provides historical and current data on financial trends, revenue and debt capacity, demographic and economic information, and operating information.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as an indicator of the City's financial position. The City's Total Net Position increased \$19.108 million, from \$317.698 million in fiscal year 2014/2015 to \$336.806 million in fiscal year 2015/2016. This increase is due primarily to increases in capital assets, the result of completing various projects such as University Avenue and Quarry Park, and also the transfer of the Library from the Rocklin Redevelopment Agency to the City of Rocklin. A significant portion of the City's net position (\$312.465 million) was net investment in capital assets, (e.g., land, buildings, general government infrastructure, equipment, and vehicles) net of accumulated depreciation and reduced by any related debt used to acquire or construct those assets. The City uses capital assets to provide services to its citizens and therefore these assets are not available for future spending.

Increases in Current and other assets were caused by an increase of \$2.625 million in cash and investments, an increase of \$3.199 million in restricted cash from CFD#10 bond proceeds for capital projects, an increase in receivables from a \$1.537 million final "triple flip" sales tax payment, and an increase in receivables for various grant funding.

Increases in Current and other liabilities were caused mainly by an increase in Accounts Payable including a payment of \$1.766 million to the California Employers' Retiree Benefit Trust (CERBT) and \$2.727 million in payments to Contractors for Infrastructure projects made after year end.

Deferred outflow of resources increased by \$1.453 million and deferred inflows from resources decreased by \$3.573 million. Both of these items were direct results of changes in pension assumptions, proportions and timing differences between plan contributions and actual contributions.

The following table summarized the City's ending net position:

Table 1 - Net Position				
	Governmental Activities		Dollar Change	Percent Change
	2016	2015		
Assets				
Current and other assets	\$ 87,868,772	\$ 78,293,509	\$ 9,575,263	12.2%
Capital assets - net	321,645,313	312,913,713	8,731,600	2.8%
Total Assets	\$ 409,514,085	\$ 391,207,222	\$ 18,306,863	4.7%
Deferred Outflows of Resources	\$ 7,216,353	\$ 5,763,071	\$ 1,453,282	25.2%
Liabilities				
Current and other liabilities	\$ 12,835,171	\$ 9,090,340	\$ 3,744,831	41.2%
Noncurrent liabilities	63,132,761	62,652,013	480,748	0.8%
Total Liabilities	\$ 75,967,932	\$ 71,742,353	\$ 4,225,579	5.9%
Deferred Inflows of Resources	\$ 3,956,644	\$ 7,529,639	\$ (3,572,995)	-47.5%
Net Position				
Net investment in capital assets	\$ 312,465,313	\$ 302,623,713	\$ 9,841,600	3.3%
Restricted	26,651,163	22,509,945	4,141,218	18.4%
Unrestricted	(2,310,614)	(7,435,357)	5,124,743	-68.9%
Total Net Position	\$ 336,805,862	\$ 317,698,301	\$ 19,107,561	6.0%

Governmental Activities

As shown in the *Statement of Activities* schedule below, the net change in program revenues from the prior fiscal year for governmental activities is an increase of \$19.115 million. The increase in program revenues was primarily from Capital grants and contributions received by the City for funding of infrastructure projects. This funding came from Community Facilities District #10 for infrastructure and Department of Transportation for Pacific Street Bike Path. The net change in general revenues from the prior year is an increase of \$4.980 million.

The net change in expenses from the prior year was an increase of \$1.177 million.

With total program revenues, general revenues and special items for fiscal year 2015/2016 at \$83.893 million and total expenses at \$64.863 million, the change in net position for current activity was an increase of \$19.029 million. The Special Item was primarily a loss on disposal of an Intangible asset; Retention Basin Rights. A prior period adjustment of \$78,304 was recorded as a result of adjustments of prior year changes in proportions from proportionate contribution compared to actual for GASB 68 (Governmental Accounting Standards Board statement 68) pension accounting.

An analysis of the changes in revenues and expenses by type of significant events follows:

Table 2 - Statement of Activities

Functions/Programs	Governmental Activities		Dollar Change	Percent Change
	2016	2015		
Program Revenues				
Charges for services	\$ 12,365,070	\$ 11,215,081	\$ 1,149,989	10.25%
Operating grants and contributions	11,304,860	5,280,395	6,024,465	114.09%
Capital grants and contributions	12,126,192	185,434	11,940,758	6439.36%
Total Program Revenues	35,796,122	16,680,910	19,115,212	114.59%
General Revenues				
Taxes and assessments	46,256,170	41,224,189	5,031,981	12.21%
Investment earnings	1,879,887	1,789,996	89,891	5.02%
Other revenues	727,498	868,893	(141,395)	-16.27%
Total General Revenues	48,863,555	43,883,078	4,980,477	11.35%
Special Item Loss on Disposal of Capital Assets	(767,147)	(189,630)	(577,517)	75.28%
Total General Revenues and Special Item	48,096,408	43,693,448	4,402,960	10.08%
Expenses				
General government	18,001,976	12,774,913	5,227,063	40.92%
Public safety	18,957,624	18,646,375	311,249	1.67%
General services	21,964,264	29,624,287	(7,660,023)	-25.86%
Culture and recreation	2,623,712	-	2,623,712	100.00%
Community development	2,892,219	2,070,085	822,134	39.71%
Interest on fiscal charges	423,478	570,731	(147,253)	-25.80%
Total Expenses	64,863,273	63,686,391	1,176,882	1.85%
Increase / (Decrease) in Net Position	19,029,257	(3,312,033)	22,341,290	117.40%
Prior Period Adjustments	78,304	(33,937,058)	34,015,362	43440.13%
Net Position, Beginning of Year	317,698,301	354,947,392	(37,249,091)	-10.49%
Net Position, End of Year	\$ 336,805,862	\$ 317,698,301	\$ 19,107,561	6.01%

Governmental Revenues

Significant changes in governmental revenues consisted of the following:

- Charges for services increased by \$1.150 million (10%) as a result of increases in building permit and capital construction fee revenues.
- Operating grants and contributions increased by \$6.024 million (140%) as a result of reimbursement and developer contribution revenue for the Whitney Ranch Interchange project, and traffic circulation impact fees.
- Capital grants and contributions increased by \$11.940 million (6,439%) as a result of the receipt of Community Facilities District No. 10 bond proceeds for capital infrastructure, the contribution of bond proceeds from the former Rocklin Redevelopment Agency (RDA) toward the Quarry Park project, and the transfer of the Library building and land to the City from the former RDA.
- Sales taxes increased by \$5.291 million (70%) as a result of four primary factors (1) increased commercial sales activity due to growth in retail sales, (2) a one-time audit adjustment by the California State Board of Equalization finding the City had not received sales tax owed, (3) receipt of the final payment related to Proposition 57, the Economic Recovery Bond Act (ERBA), also known as the "Triple Flip", a tax swap arrangement whose provisions expired on December 31, 2015, and (4) reclassification of property tax in lieu of sales tax to sales tax.
- Although assessed property values increased, the overall property tax revenue reported decreased by 10% for the year due to the reclassification to sales tax noted above.

Governmental Expenses

Significant changes in governmental expenses consisted of the following:

- General Government expenses increased by \$5.227 million (41%) as a result of additional budgeted payments made towards the retiree's health liability and the movement of fleet reserves to the Fleet Management Internal Service Fund.
- General Service expenses decreased by \$7.660 million (26%) as a result of a reduction in projects, and the shifting of recreation expenses to a new culture and recreation department.
- Culture and recreation expenses increased by \$2.623 million (100%) due to the creation of a new City department; Recreation, Arts, and Event Tourism. For fiscal year 2014-15, expenses for these activities were included in General Services.
- Community development expenses increased by \$0.822 million (40%) as a result of increases in payroll and professional services due to increased building permit and capital construction activities.

FINANCIAL ANALYSIS OF THE CITY’S FUNDS

A summary of the changes in fund balance of the Major Funds and Other Governmental Funds is presented below:

The total change in fund balance during the year, including Major Funds and Other Governmental Funds, was a decrease of \$1.115 million. Total ending fund balance was \$68.935 million.

Table 3 - Summary of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds

	Major Funds						Total
	General Fund	Rocklin Public Financing Authority Debt Service Fund	SB325 Sales Tax Fund	Low and Moderate Income Housing Asset Fund	Traffic Circulation Impact Fee Fund	Nonmajor Governmental Funds	
Total Revenues	\$ 43,954,581	\$ 531,179	\$ 1,068,448	\$ 165,155	\$ 5,464,880	\$ 18,388,289	\$ 69,572,532
Total Expenditures	(48,206,114)	(1,026,606)	(2,357,296)	(9,001)	(6,992,117)	(17,996,015)	(76,587,149)
Revenues Over (Under) Expenditures	(4,251,533)	(495,427)	(1,288,848)	156,154	(1,527,237)	392,274	(7,014,617)
Proceeds from Debt	-	-	-	-	-	5,852,781	5,852,781
Transfers In	4,595,358	-	-	-	-	538,918	5,134,276
Transfers Out	(1,452,424)	-	(288,589)	-	(698,900)	(2,647,763)	(5,087,676)
Net Change in Fund Balances	(1,108,599)	(495,427)	(1,577,437)	156,154	(2,226,137)	4,136,210	(1,115,236)
Beginning of Year	34,170,275	10,994,195	3,409,978	11,788,552	2,642,408	7,044,928	70,050,336
End of Year	\$ 33,061,676	\$ 10,498,768	\$ 1,832,541	\$ 11,944,706	\$ 416,271	\$ 11,181,138	\$ 68,935,100

CAPITAL ASSETS

The capital assets of the City are those assets which are used in the performance of the City’s functions including infrastructure assets. At June 30, 2016, net capital assets of the governmental activities totaled \$321.645 million. Depreciation on capital assets is recognized in the Government-Wide Financial Statements and totaled \$12.225 million. The following table summarizes the City’s capital assets at the end of the year:

The increases in Land were due to the acquisition of land for Quarry Park and a planned new fire station. The City also received a transfer of the Library land and building from the Rocklin Redevelopment Agency. Construction in Progress decreased due to completed projects such as University Avenue and Whitney Ranch backbone being transferred to Infrastructure.

Table 4 - Capital Assets at Year End - Net

	Governmental Activities		Dollar	
	2016	2015	Change	% Change
Land	\$ 7,325,724	\$ 5,230,395	2,095,329	40.06%
Land Improvements	108,402	108,402	-	0.00%
Park Land	53,795,276	53,693,948	101,328	0.19%
Construction in Progress	13,468,726	15,464,618	(1,995,892)	-12.91%
Buildings	19,036,369	17,905,587	1,130,782	6.32%
Facilities & Other Improvements	1,353,356	1,536,525	(183,169)	-11.92%
Machinery & Equipment	360,645	136,400	224,245	164.40%
Fleet Machinery & Equipment	2,616,376	2,784,380	(168,004)	-6.03%
Park Buildings	546,830	578,642	(31,812)	-5.50%
Park Equipment	26,450	-	26,450	100.00%
Park Improvements	6,716,097	4,582,154	2,133,943	46.57%
Infrastructures	216,291,062	210,892,662	5,398,400	2.56%
Total Capital Assets, Net	\$ 321,645,313	\$ 312,913,713	\$ 8,731,600	2.79%

Additional detail and information on capital asset activity is described in Note 5 of this report.

DEBT ADMINISTRATION

During the year, Long-Term Debt from governmental activities increased by \$536,907 primarily due to increases in Net Pension Obligation as a result of GASB 68 accounting for pension liabilities.

The following table summarizes the City's debt at the end of the year:

	Governmental Activities			
	2016	2015	Dollar Change	% Change
2003 Certificates of Participation	\$ 1,515,000	\$ 1,980,000	\$ (465,000)	-23.48%
2003 PFA Refunding Revenue				
Bonds-Senior	7,020,000	7,575,000	(555,000)	-7.33%
2003 PFA Refunding Revenue				
Bonds - Subordinate	645,000	735,000	(90,000)	-12.24%
Claims Payable	1,778,925	1,247,576	531,349	42.59%
Net Pension Obligation	32,877,484	30,078,590	2,798,894	9.31%
Net OPEB Obligation	18,597,537	20,365,567	(1,768,030)	-8.68%
Compensated Absences	3,254,190	3,169,496	84,694	2.67%
Total Long-Term Debt	<u>\$ 65,688,136</u>	<u>\$ 65,151,229</u>	<u>\$ 536,907</u>	0.82%

Additional detail and information on long-term debt activity is described in Note 6 of this report.

GENERAL FUND BUDGETARY HIGHLIGHTS

Changes from the City's General Fund 2015/2016 original budget to the final budget are detailed in the Required Supplementary Information Section along with a comparison to actual activity for the year ended. Changes to the City's budget that increase or decrease appropriations in a fund must be approved by a resolution of the City Council. The Final Budget for General Fund general government expenditures was increased by \$6,014,800 during the year. The budget was increased for payments to the California Employers' Retiree Benefit Trust Fund (CERBT) to reduce the retiree's health liability and to CALPERS to reduce pension liability. Additionally, the budget was increased to move the Fleet Capital Reserve off General Fund and over to the Fleet Fund.

REQUEST FOR FINANCIAL INFORMATION

This financial report is designed to provide a general overview of the City of Rocklin's finances for all of Rocklin's residents, taxpayers, customers, investors, and creditors. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Chief Financial Officer, 3970 Rocklin Road, Rocklin, California, 95677.

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ROCKLIN

CALIFORNIA

BASIC FINANCIAL STATEMENTS

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City of Rocklin
Statement of Net Position
June 30, 2016
(With comparative totals for June 30, 2015)

	Governmental Activities	
	2016	2015
ASSETS		
Current Assets:		
Cash and investments	\$ 48,584,756	\$ 45,959,147
Restricted cash and investments	14,332,917	11,628,071
Receivables - net	10,260,491	6,708,701
Inventory and prepaid items	15,852	37,251
Total Current Assets	<u>73,194,016</u>	<u>64,333,170</u>
Noncurrent Assets:		
Loans receivable	12,590,981	11,651,631
Advances to fiduciary activities	2,083,775	2,308,708
Capital assets - net	321,645,313	312,913,713
Total Noncurrent Assets	<u>336,320,069</u>	<u>326,874,052</u>
Total Assets	<u><u>\$ 409,514,085</u></u>	<u><u>\$ 391,207,222</u></u>
DEFERRED OUTFLOWS OF RESOURCES		
Pension Contributions	<u>\$ 7,216,353</u>	<u>\$ 5,763,071</u>
LIABILITIES		
Current Liabilities:		
Accounts payable and accrued liabilities	\$ 9,613,924	\$ 5,548,447
Deposits	435,829	852,837
Interest payable	135,000	150,000
Other liabilities	95,043	39,840
Compensated absences - current portion	1,395,375	1,389,216
Long-term debt - due within one year	1,160,000	1,110,000
Total Current Liabilities	<u>12,835,171</u>	<u>9,090,340</u>
Noncurrent Liabilities:		
Long-term debt - due after one year	8,020,000	9,180,000
Claims payable	1,778,925	1,247,576
Compensated absences	1,858,815	1,780,280
Net pension obligation	32,877,484	30,078,590
Net OPEB obligation	18,597,537	20,365,567
Total Noncurrent Liabilities	<u>63,132,761</u>	<u>62,652,013</u>
Total Liabilities	<u><u>\$ 75,967,932</u></u>	<u><u>\$ 71,742,353</u></u>
DEFERRED INFLOWS OF RESOURCES		
Differences Between Projected and Actual Earning from Pensions	<u>\$ 3,956,644</u>	<u>\$ 7,529,639</u>
NET POSITION		
Net investment in capital assets	\$ 312,465,313	\$ 302,623,713
Restricted	26,651,163	22,509,945
Unrestricted	(2,310,614)	(7,435,357)
Total Net Position	<u><u>\$ 336,805,862</u></u>	<u><u>\$ 317,698,301</u></u>

The accompanying notes are an integral part of these financial statements.

City of Rocklin
Statement of Activities
For the year ended June 30, 2016
(With comparative totals for June 30, 2015)

Functions/Programs	Expenses	Program Revenues				Net (Expense) Revenue and Change in Net Position	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total	2016	2015
Primary Government:							
Governmental Activities:							
General government	\$ 18,001,976	\$ 1,754,860	\$ 3,130,826	\$ -	\$ 4,885,686	\$ (13,116,290)	\$ (9,042,297)
Public safety	18,957,624	1,053,903	901,500	-	1,955,403	(17,002,221)	(16,806,751)
General services	21,964,264	3,176,280	7,213,551	12,069,192	22,459,023	494,759	(22,440,868)
Culture and recreation	2,623,712	817,342	-	-	817,342	(1,806,370)	-
Community development	2,892,219	5,562,685	58,983	57,000	5,678,668	2,786,449	1,855,166
Interest and fiscal charges	423,478	-	-	-	-	(423,478)	(570,731)
Total Governmental Activities	\$ 64,863,273	\$ 12,365,070	\$ 11,304,860	\$ 12,126,192	\$ 35,796,122	(29,067,151)	(47,005,481)
General Revenues and Special Items:							
Taxes:							
Property taxes						9,833,055	10,921,437
Sales and use taxes						12,868,331	7,576,526
Gas tax						4,634,924	4,709,456
Transient occupancy taxes						572,498	539,796
Other taxes						8,959,418	8,402,248
Total taxes						36,868,226	32,149,463
Motor vehicle fees						4,218,989	3,891,452
Franchise fees						2,123,205	2,059,195
Impact fees						3,045,750	3,124,079
Investment earnings						1,879,887	1,789,996
Other revenues						727,498	868,893
Total General Revenues						48,863,555	43,883,078
Special item - loss on disposal of capital assets						(767,147)	(189,630)
Total General Revenues and Special Items						48,096,408	43,693,448
Change in Net Position						19,029,257	(3,312,033)
Net Position - Beginning of Year						317,698,301	354,947,392
Prior Period Adjustments GASB 68						78,304	(33,937,058)
Net Position - Beginning of Year, As Adjusted						317,776,605	321,010,334
Net Position - End of Year						\$ 336,805,862	\$ 317,698,301

The accompanying notes are an integral part of these financial statements.

MAJOR GOVERNMENTAL FUNDS

Fund Title	Fund Description
General Fund	Primary operating fund of the City: accounts for all activities except those legally or administratively required to be accounted for in other funds.
Rocklin Public Financing Authority Debt Service	Accounts for the debt service of the Rocklin Public Financing Authority.
Low and Moderate Income Housing Asset Special Revenue	Accounts for the housing assets of the former Rocklin Redevelopment Agency transferred to the City of Rocklin as Housing Successor.
Traffic Circulation Impact Fee Capital Projects	Accounts for activities related to traffic congestion management.
SB325 Sales Tax	Accounts for sales tax revenue collected in accordance with Senate Bill 325 to be used for transit services and maintenance of streets.

City of Rocklin

Balance Sheet

Governmental Funds

June 30, 2016

(With comparative totals for June 30, 2015)

	Major Funds				
	General Fund	Rocklin Public Financing Authority Debt Service Fund	SB325 Sales Tax	Low and Moderate Income Housing Asset Fund	Traffic Circulation Impact Fee Fund
ASSETS					
Cash and investments	\$ 31,736,069	\$ 2,224	\$ 2,047,042	\$ 1,537,785	\$ 2,077,687
Restricted cash and investments	-	10,496,544	-	-	-
Receivables:					
Taxes	4,505,783	-	3,469,168	-	-
Interest receivable	406,090	-	-	-	-
Intergovernmental	9,711	-	-	-	-
Deposits receivable	-	-	-	-	-
Other receivables	437,383	-	215,330	-	-
Due from other funds	2,135,470	-	-	-	-
Loans receivable	-	-	-	9,731,854	2,439,812
Advances to fiduciary activities	1,408,708	-	-	675,067	-
Total assets	\$ 40,639,214	\$ 10,498,768	\$ 5,731,540	\$ 11,944,706	\$ 4,517,499
LIABILITIES, FUND BALANCES AND DEFERRED INFLOWS OF RESOURCES					
Liabilities:					
Accounts payable and accrued liabilities	\$ 5,403,027	\$ -	\$ 566,824	\$ -	\$ 2,900,697
Deposits	246,828	-	-	-	189,001
Due to other funds	11,953	-	460,242	-	-
Unearned revenues	441,364	-	-	-	-
Other liabilities	95,043	-	-	-	-
Compensated absences	1,379,323	-	-	-	-
Total liabilities	7,577,538	-	1,027,066	-	3,089,698
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	-	-	2,871,933	-	1,011,530
Fund Balances:					
Nonspendable:					
Endowments	-	-	-	-	-
Advances to fiduciary activities	1,408,708	-	-	675,067	-
Long-term receivables	-	-	-	9,731,854	2,439,812
Restricted	-	10,498,768	1,832,541	1,537,785	-
Committed	23,292,378	-	-	-	-
Unassigned (Deficit)	8,360,590	-	-	-	(2,023,541)
Total fund balances	33,061,676	10,498,768	1,832,541	11,944,706	416,271
Total liabilities, fund balances and deferred inflows of resources	\$ 40,639,214	\$ 10,498,768	\$ 5,731,540	\$ 11,944,706	\$ 4,517,499

The accompanying notes are an integral part of these financial statements.

Continued

City of Rocklin

Balance Sheet

Governmental Funds

June 30, 2016

(With comparative totals for June 30, 2015)

	Nonmajor Governmental Funds	Total Governmental Funds	
		2016	2015
ASSETS			
Cash and investments	\$ 9,022,842	\$ 46,423,649	\$ 45,761,961
Restricted cash and investments	3,836,373	14,332,917	11,628,071
Receivables:			
Taxes	121,919	8,096,870	5,689,367
Interest receivable	-	406,090	29,106
Intergovernmental	680,776	690,487	305,238
Deposits receivable	-	-	35,000
Other receivables	414,331	1,067,044	649,991
Due from other funds	-	2,135,470	3,283,146
Loans receivable	419,315	12,590,981	11,651,631
Advances to fiduciary activities	-	2,083,775	2,308,708
Total assets	\$ 14,495,556	\$ 87,827,283	\$ 81,342,219
LIABILITIES, FUND BALANCES AND DEFERRED INFLOWS OF RESOURCES			
Liabilities:			
Accounts payable and accrued liabilities	\$ 668,356	\$ 9,538,904	\$ 5,393,899
Deposits	-	435,829	852,837
Due to other funds	1,663,275	2,135,470	3,283,146
Unearned revenues	414,331	855,695	137,508
Other liabilities	-	95,043	39,840
Compensated absences	-	1,379,323	1,370,940
Total liabilities	2,745,962	14,440,264	11,078,170
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue	568,456	4,451,919	213,713
Fund Balances:			
Nonspendable:			
Endowments	491,455	491,455	491,455
Advances to fiduciary activities	-	2,083,775	2,308,708
Long-term receivables	419,315	12,590,981	11,651,631
Restricted	9,418,681	23,287,775	21,804,777
Committed	2,664,534	25,956,912	29,739,569
Unassigned (Deficit)	(1,812,847)	4,524,202	4,054,196
Total fund balances	11,181,138	68,935,100	70,050,336
Total liabilities, fund balances and deferred inflows of resources	\$ 14,495,556	\$ 87,827,283	\$ 81,342,219

The accompanying notes are an integral part of these financial statements.

Concluded

City of Rocklin
Reconciliation of the Government Funds Balance Sheet
to the Government-Wide Statement of Net Position
June 30, 2016

Total Fund Balances - Total Governmental Funds \$ 68,935,100

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

Capital assets used in governmental activities were not current financial resources. Therefore, they were not reported in the Governmental Funds Balance Sheet. The capital assets were adjusted as follows:

Capital assets	501,306,869
Less: accumulated depreciation	(182,277,932)
Total Capital Assets	<u>319,028,937</u>

Interest payable on long-term debt did not require current financial resources. Therefore, interest payable was not reported as a liability in Governmental Funds Balance Sheet. (135,000)

Internal service funds are used by management to charge the costs of vehicle maintenance and various insurance costs to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the Statement of Net Position. 4,675,049

Contributions made to pension plans will not be included in the calculation of the City's net pension liability of the plan year included in this report and have been deferred and reported as deferred outflows of resources. 7,216,353

The difference between projected and actual earnings from pension plan assets is not included in the plan's actuarial study until the next fiscal year and are reported as deferred inflows of resources in the Statement of Net Position. (3,956,644)

Certain revenues were recorded as deferred inflows of resources in the governmental funds because they did not meet the revenue recognition criteria of availability. However, they were included as revenue in the Government-Wide Statement of Activities under the full accrual basis 4,451,919

Liabilities were reported for certain revenues that were not available to pay current period expenditures and were reported as unearned in the fund statements. 855,695

Long-term obligations were not due and payable in the current period. Therefore, they were not reported in the Governmental Funds Balance Sheet. The long-term liabilities were adjusted as follows:

Long-term debt	(9,180,000)
Compensated absences	(1,831,601)
Claims payable	(1,778,925)
Net pension obligation	(32,877,484)
Net OPEB obligation	(18,597,537)
Total Long-Term Obligations	<u>(64,265,547)</u>

Net Position of Governmental Activities \$ 336,805,862

The accompanying notes are an integral part of these financial statements.

City of Rocklin
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Governmental Funds
For the year ended June 30, 2016
(With comparative totals for June 30, 2015)

	Major Funds				
	General Fund	Rocklin Public Financing Authority Debt Service Fund	SB325 Sales Tax	Low and Moderate Income Housing Asset Fund	Traffic Circulation Impact Fee Fund
REVENUES					
Taxes and assessments	\$ 26,709,095	\$ -	\$ 597,235	\$ -	2,001,045
License and permits	2,954,029	-	-	-	-
Fines and forfeitures	217,220	-	-	-	-
Intergovernmental	5,061,997	-	455,131	-	-
Charges for services	2,354,066	-	-	-	201,357
Use of money and property	2,009,380	531,179	16,082	165,155	3,970
Contributions from developers and homeowners	-	-	-	-	2,600,000
Other revenues	4,648,794	-	-	-	658,508
Total Revenues	43,954,581	531,179	1,068,448	165,155	5,464,880
EXPENDITURES					
Current:					
General government	17,025,560	24,500	62,055	-	-
Public safety	20,420,022	-	-	-	-
General services	5,864,995	-	1,627,970	-	65,782
Culture and recreation	1,584,662	-	-	-	-
Community development	2,844,440	-	-	9,001	52,824
Capital outlay	456,518	-	667,271	-	6,873,511
Debt service:					
Principal	-	645,000	-	-	-
Interest and fiscal charges	9,917	357,106	-	-	-
Total Expenditures	48,206,114	1,026,606	2,357,296	9,001	6,992,117
Excess (Deficiency) of Revenues over Expenditures	(4,251,533)	(495,427)	(1,288,848)	156,154	(1,527,237)
OTHER FINANCING SOURCES (USES)					
Proceeds from debt issuance	-	-	-	-	-
Transfers in	4,595,358	-	-	-	-
Transfers out	(1,452,424)	-	(288,589)	-	(698,900)
Total Other Financing Sources (Uses)	3,142,934	-	(288,589)	-	(698,900)
Net Change in Fund Balances	(1,108,599)	(495,427)	(1,577,437)	156,154	(2,226,137)
Fund Balances Beginning	34,170,275	10,994,195	3,409,978	11,788,552	2,642,408
Fund Balances Ending	\$ 33,061,676	\$ 10,498,768	\$ 1,832,541	\$ 11,944,706	\$ 416,271

The accompanying notes are an integral part of these financial statements.

Continued

City of Rocklin
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Governmental Funds
For the year ended June 30, 2016
(With comparative totals for June 30, 2015)

	Nonmajor Governmental Funds	Total Governmental Funds	
		2016	2015
REVENUES			
Taxes and assessments	\$ 11,062,148	\$ 40,369,523	\$ 37,896,309
License and permits	50,652	3,004,681	2,310,009
Fines and forfeitures	10,597	227,817	564,913
Intergovernmental	4,149,736	9,666,864	5,412,142
Charges for services	73,798	2,629,221	4,345,836
Use of money and property	52,893	2,778,659	2,685,218
Contributions from developers and homeowners	2,144,217	4,744,217	2,850,688
Other revenues	844,248	6,151,550	4,237,970
Total Revenues	18,388,289	69,572,532	60,303,085
EXPENDITURES			
Current:			
General government	1,120,946	18,233,061	13,705,937
Public safety	40,075	20,460,097	19,489,176
General services	6,713,678	14,272,425	19,237,232
Culture and recreation	-	1,584,662	-
Community development	57,000	2,963,265	2,228,394
Capital outlay	9,527,861	17,525,161	9,313,759
Debt service:			
Principal	465,000	1,110,000	1,070,000
Interest and fiscal charges	71,455	438,478	584,681
Total Expenditures	17,996,015	76,587,149	65,629,179
Excess (Deficiency) of Revenues over Expenditures	392,274	(7,014,617)	(5,326,094)
OTHER FINANCING SOURCES (USES)			
Proceeds from debt issuance	5,852,781	5,852,781	-
Transfers in	538,918	5,134,276	6,609,779
Transfers out	(2,647,763)	(5,087,676)	(6,246,947)
Total Other Financing Sources (Uses)	3,743,936	5,899,381	362,832
Net Change in Fund Balances	4,136,210	(1,115,236)	(4,963,262)
Fund Balances Beginning	7,044,928	70,050,336	75,013,598
Fund Balances Ending	\$ 11,181,138	\$ 68,935,100	\$ 70,050,336

The accompanying notes are an integral part of these financial statements.

Concluded

City of Rocklin
Reconciliation of the Governmental Funds Statement of Revenues,
Expenditures and Changes in Fund Balances to the Government-Wide
Statement of Activities
For the year ended June 30, 2016

Net Change in Fund Balances - Total Governmental Funds	\$ (1,115,236)
Amounts reported for governmental activities in the Statement of Activities were different because:	
Governmental Funds report capital outlay as expenditures. However, in the Government-Wide Statement of Activities, the cost of those assets was allocated over their estimated useful lives as depreciation expense.	
Capital outlay	17,290,747
Depreciation expense	(11,796,372)
The remaining net book value from the disposal of long-lived assets such as capital assets is not a current economic resource and therefore is not reported in the fund statements but is reported in the Government-Wide Statement of Activities as a special item.	(1,416,206)
Internal service funds are used by management to charge the costs of vehicle maintenance, and various insurance costs to individual funds. The net revenue or (excess expenses) of the internal service funds is reported with government activities.	1,853,055
Certain revenues were not recorded or recorded as unearned revenue in the governmental funds because they did not meet the revenue recognition criteria of availability. However, they were included as revenue in the Government-Wide Statement of Activities under the full accrual basis.	5,539,622
Certain revenues were recorded as deferred inflows of resources in the governmental funds because they did not meet the revenue recognition criteria of availability. However, they were included as revenue in the Government-Wide Statement of Activities under the full accrual basis.	4,238,206
Long-term compensated absences and claims payables were reported in the Government-Wide Statement of Activities, but they did not require the use of current financial resources and were not reported as expenditures in governmental funds.	
Compensated absences	(75,320)
Claims liabilities	(531,349)
In governmental funds, actual contributions to pension plans are reported as expenditures in the year incurred. However, in the Government-Wide Statement of Activities, only the current year pension expense as noted in the plans' valuation reports is reported as an expense, as adjusted for deferred inflows and outflows of resources.	2,149,080
Repayment of long-term debt was an expenditure in governmental funds, but the repayment reduced long-term liabilities in the Government-Wide Statement of Net Position.	1,110,000
Certain expenses reported in the statement of activities do not require the use of current financial resources and are not reported as expenditures in the fund statements as follows:	
Other postemployment benefits	1,768,030
Interest expense on long-term debt was reported in the Government-Wide Statement of Activities, but it did not require the use of current financial resources. Therefore, interest expense was not reported as expenditures in governmental funds. The following amount represented the net change in accrued interest from prior year.	15,000
Change in Net Position of Governmental Activities	<u><u>\$ 19,029,257</u></u>

The accompanying notes are an integral part of these financial statements.

City of Rocklin
Statement of Net Position
Fleet Management Internal Service Fund
June 30, 2016
(With comparative totals for June 30, 2015)

	Totals	
	2016	2015
ASSETS		
Current assets:		
Cash and investments	\$ 2,161,107	\$ 197,186
Inventory	15,852	37,251
Total current assets	<u>2,176,959</u>	<u>234,437</u>
Non-current assets:		
Capital assets - net	2,616,376	2,784,380
Total non-current assets	<u>2,616,376</u>	<u>2,784,380</u>
Total assets	<u><u>\$ 4,793,335</u></u>	<u><u>\$ 3,018,817</u></u>
LIABILITIES		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 75,020	\$ 154,548
Compensated absences	16,052	18,276
Total current liabilities	<u>91,072</u>	<u>172,824</u>
Non-current liabilities:		
Compensated absences	27,214	23,999
Total non-current liabilities	<u>27,214</u>	<u>23,999</u>
Total liabilities	<u><u>\$ 118,286</u></u>	<u><u>\$ 196,823</u></u>
NET POSITION		
Net Investment in capital assets	\$ 2,616,376	\$ 2,784,380
Unrestricted	2,058,673	37,614
Total net position	<u><u>\$ 4,675,049</u></u>	<u><u>\$ 2,821,994</u></u>

The accompanying notes are an integral part of these financial statements.

City of Rocklin
Statement of Revenues, Expenses and Changes in Fund Net Position
Fleet Management Internal Service Fund
For the year ended June 30, 2016
(With comparative totals for June 30, 2015)

	Totals	
	2016	2015
OPERATING REVENUES		
Fleet management cost allocations	\$ 1,262,300	\$ 1,023,410
Fleet management reserve revenue	2,047,520	-
Intergovernmental	105,166	34,430
Other revenue	5	3,660
Total operating revenues	3,414,991	1,061,500
OPERATING EXPENSES		
Salaries and benefits	554,024	510,217
Services and supplies	767,961	994,893
Depreciation	428,190	575,167
Total operating expenses	1,750,175	2,080,277
Operating income (loss)	1,664,816	(1,018,777)
NONOPERATING REVENUES(EXPENSES)		
Gain (loss) on sale of assets	-	(46,325)
Capital contributions	234,417	-
Investment earnings	422	6,941
Total nonoperating revenues(expenses)	234,839	(39,384)
Income (loss) before operating transfers	1,899,655	(1,058,161)
Transfers in	-	-
Transfers out	(46,600)	(362,832)
Change in net position	1,853,055	(1,420,993)
Total net position - beginning	2,821,994	4,242,987
Total net position - ending	\$ 4,675,049	\$ 2,821,994

The accompanying notes are an integral part of these financial statements.

City of Rocklin
Statement of Cash Flows
Proprietary Funds
For the year ended June 30, 2016
(With comparative totals for June 30, 2015)

	Totals	
	2016	2015
Cash flows from operating activities:		
Receipts from interfund services provided	\$ 3,309,820	\$ 1,101,450
Other receipts	105,171	51,590
Payments to suppliers for goods and services	(832,776)	(896,658)
Payments to employees for services	(546,347)	(504,916)
Net cash provided (used) by operating activities	<u>2,035,868</u>	<u>(248,534)</u>
Cash flows from noncapital financing activities:		
Interfund transactions	(46,600)	(151,277)
Net cash provided (used) by noncapital financing activities	<u>(46,600)</u>	<u>(151,277)</u>
Cash flows from capital financing activities:		
Purchases (sales) of capital assets - net	(260,186)	(385,138)
Proceeds from capital contributions	234,417	-
Net cash provided (used) by capital financing activities	<u>(25,769)</u>	<u>(385,138)</u>
Cash flows from investing activities:		
Investment income received	422	6,941
Net cash provided (used) by investing activities	<u>422</u>	<u>6,941</u>
Net increase (decrease) in cash and cash equivalents	1,963,921	(778,008)
Cash and cash equivalents - beginning	197,186	975,194
Cash and cash equivalents - ending	<u>\$ 2,161,107</u>	<u>\$ 197,186</u>
Reconciliation of operating income to net cash provided (used) by operating activities:		
Operating income (loss)	\$ 1,664,816	\$ (1,018,777)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation	428,190	575,167
Change in operating assets and liabilities:		
Accounts receivable	-	78,040
Due from other governments	-	13,500
Inventory	21,399	10,773
Accounts payable and accrued liabilities	(79,528)	96,707
Compensated absences	991	(3,944)
Net cash provided (used) by operating activities	<u>\$ 2,035,868</u>	<u>\$ (248,534)</u>

The accompanying notes are an integral part of these financial statements.

City of Rocklin
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2016

	Successor Agency		
	Private-Purpose		
	Trust Funds	Agency Funds	Totals
ASSETS			
Current assets:			
Cash and investments	\$ 1,905,533	\$ 2,475,317	\$ 4,380,850
Cash and investment with trustee/fiscal agent	1,812,526	6,361,088	8,173,614
Accounts receivable	-	42,310	42,310
Total current assets	<u>3,718,059</u>	<u>8,878,715</u>	<u>12,596,774</u>
Non-current assets:			
Property, plant and equipment - net	2,401,679	-	2,401,679
Total assets	<u><u>\$ 6,119,738</u></u>	<u><u>\$ 8,878,715</u></u>	<u><u>\$ 14,998,453</u></u>
LIABILITIES			
Current liabilities:			
Accounts payable and accrued liabilities	\$ 2,000	\$ -	\$ 2,000
Due to other agencies	-	8,878,715	8,878,715
Interest payable	780,534	-	780,534
Due within one year	1,017,350	-	1,017,350
Total current liabilities	<u>1,799,884</u>	<u>8,878,715</u>	<u>10,678,599</u>
Noncurrent liabilities:			
Advances from City of Rocklin	2,083,775	-	2,083,775
Loans payable	584,699	-	584,699
Bonds payable - net	23,585,562	-	23,585,562
Total noncurrent liabilities	<u>26,254,036</u>	<u>-</u>	<u>26,254,036</u>
Total liabilities	<u><u>\$ 28,053,920</u></u>	<u><u>\$ 8,878,715</u></u>	<u><u>\$ 36,932,635</u></u>
NET POSITION			
Held in trust for Redevelopment Dissolution	<u><u>\$ (21,934,182)</u></u>		<u><u>\$ (21,934,182)</u></u>

The accompanying notes are an integral part of these financial statements.

City of Rocklin
Statement of Changes in Fiduciary Net Position
Private Purpose Trust Funds
For the year ended June 30, 2016

	Successor Agency <u>Private-Purpose Trust Funds</u>
ADDITIONS	
Property taxes	\$ 2,655,343
Investment earnings	<u>6,224</u>
Total additions	<u><u>2,661,567</u></u>
DEDUCTIONS	
General government	266,190
General services	8,883
Interest expense	1,507,610
Depreciation	10,294
Capital outlay	1,417,105
Loss on disposal of capital assets	<u>2,891,280</u>
Total deductions	<u><u>6,101,362</u></u>
Change in net position	(3,439,795)
Total net position - beginning	<u>(18,494,387)</u>
Total net position - ending	<u><u>\$ (21,934,182)</u></u>

The accompanying notes are an integral part of these financial statements.



ROCKLIN
CALIFORNIA

NOTES TO FINANCIAL STATEMENTS

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City of Rocklin
Notes to the Basic Financial Statements
June 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Rocklin (City) was incorporated in 1893 under the laws and regulations of the State of California (State). The City operates under a City Council/Manager form of government and provides the following services: public safety (Police and Fire), highways and streets, culture and recreation, public improvements, planning and zoning, and general administrative services.

The basic financial statements of the City have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental agencies. The Governmental Accounting Standards Boards (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

A. Financial Reporting Entity

The City operates as a self-governing local government unit within the State. It has limited authority to levy taxes and has the authority to determine user fees for the services that it provides. The City's main funding sources include property taxes, sales taxes, other intergovernmental revenue from state and federal sources, user fees, and federal and state financial assistance.

The financial reporting entity consists of (a) the primary government, the City, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Financial accountability is defined as the appointment of a voting majority of the component unit's board, and either (a) the City has the ability to impose its will on the organization, or (b) there is a potential for the organization to provide a financial benefit to or impose a financial burden on the City.

As required by GAAP, these financial statements present the government and its component unit, an entity for which the government is considered to be financially accountable. This component unit is reported on a blended basis. A blended component unit, although a legally separate entity, is, in substance, part of the government's operations and so data from this unit is combined with data of the primary government. The financial statement of the individual component unit, if applicable as indicated below, may be obtained from the City of Rocklin website.

The City's reporting entity includes the following blended component unit:

Rocklin Public Financing Authority

The Rocklin Public Financing Authority (Authority) was formed on December 13, 1994, as a joint powers authority between the City and the former Redevelopment Agency to serve as a financing mechanism for various capital projects. Upon the dissolution of the Rocklin Redevelopment Agency on January 31, 2013, the City appointed itself successor agency governed by an oversight board consisting of members from all taxing authorities in the redevelopment area to wind up all redevelopment activities, which consisted primarily of debt. Because of the limited authority of the successor, their membership in the Authority is also limited as the successor cannot obligate the Authority or issue new debt on its own. The City Council acts as the governing board in a concurrent session. The Authority provides services solely for the benefit of the City and is presented in the governmental activities in the fund financial statements as a blended component unit.

City of Rocklin
Notes to the Basic Financial Statements
June 30, 2016

B. Basis of Presentation, Accounting and Measurement Focus

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Government-Wide Financial Statements

The City's government-wide financial statements include a *Statement of Net Position* and a *Statement of Activities*. These statements present summaries of governmental activities for the City. Fiduciary activities of the City are not included in these statements. *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. The City did not have any business-type activities during the year.

These statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the City's assets, deferred outflows of resources, liabilities, deferred inflows of resources (including capital assets, as well as infrastructure assets, and long-term liabilities), 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. The *Statement of Activities* demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those clearly identifiable with a specific function or segment. In conformity with the City's indirect cost allocation plan, certain indirect costs are included in the program expense reported for individual functions and activities.

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

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, payables, and receivables. All internal balances in the *Statement of Net Position* have been eliminated. The following interfund activities have been eliminated:

- Transfers in/Transfers out
- Internal Service Fund charges

Governmental Fund Financial Statements

Governmental fund financial statements include a *Balance Sheet* and a *Statement of Revenues, Expenditures and Changes in Fund Balances* for all major governmental funds and non-major funds aggregated. An accompanying schedule is presented to reconcile and explain the differences in fund

City of Rocklin
Notes to the Basic Financial Statements
June 30, 2016

balances as presented in these statements to the net position presented in the government-wide financial statements. The City has presented all major funds that met the applicable criteria.

All governmental funds are accounted for on a spending or "current financial resources" measurement focus and the modified accrual basis of accounting. Accordingly, only current assets, deferred outflows of resources, current liabilities, and deferred inflows of resources are included on the balance sheets. The *Statement of Revenues, Expenditures and Changes in Fund Balances* present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (up to 60 days after year-end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the City, are property tax, sales tax, special assessments, intergovernmental revenues, other taxes, interest revenue, rental revenue and certain charges for services. Fines, forfeitures, licenses and permits are not susceptible to accrual because they are usually not measurable until received in cash. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

Unearned revenues arise when potential revenues do not meet both the "measurable" and "available" criteria for recognition in the current period. Unearned revenues also arise when the government receives resources before it has a legal claim to them, as when grant monies are received prior to incurring qualifying expenditures. In subsequent periods when both revenue recognition criteria are met or when the government has a legal claim to the resources, the unearned revenue is removed from the combined balance sheet and revenue is recognized.

The following funds are major funds:

General Fund

The General Fund is used to account for resources traditionally associated with the City which are not required legally or by sound financial management to be accounted for in another fund. From this fund are paid the City's general operating expenditures, the fixed charges, and the capital costs that are not paid through other funds.

Rocklin Public Financing Authority Debt Service Fund

This debt service fund was established to account for the debt service activity of the Rocklin Public Financing Authority.

SB325 Sales Tax Fund

This fund accounts for sales tax revenue collected in accordance with Senate Bill 325 to be used for transit services and maintenance of streets.

Low and Moderate Income Housing Asset Fund

This special revenue fund accounts for the administration and operation of the City's low and moderate income housing program of the former Rocklin Redevelopment Agency transferred to the City of Rocklin as the Housing Successor.

Traffic Construction Impact Fee Capital Projects Fund

This capital projects fund accounts for activities related to congestion management and traffic relief.

City of Rocklin
Notes to the Basic Financial Statements
June 30, 2016

Additionally, the City reports the following nonmajor fund types of governmental funds:

Special Revenue Funds

Special revenue funds account for and report the proceeds of specific revenue sources that are restricted, committed or assigned to specific purposes other than debt service or capital projects.

Capital Project Funds

Capital project funds account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets in governmental funds.

Debt Service Funds

Debt service funds account for the accumulation of resources for, and payment on, long-term obligation debt principal and interest.

Permanent Funds

Permanent funds account for and report financial resources for the principal corpus of endowments where only the investment earnings can be spent on specified purposes.

Proprietary Funds

In the fund financial statements, proprietary funds are presented using the accrual basis of accounting. Revenues are recognized when they are earned and expenses are recognized when the related goods or services are delivered. In the fund financial statements, proprietary funds are presented using the “economic resources measurement focus”. This means all assets, deferred outflows of resources, liabilities (whether current or noncurrent) and deferred inflows of resources associated with their activities are included on their balance sheets. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in total net position.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal value. Non-operating revenues, such as subsidies, taxes, and investment earnings result from nonexchange transactions or ancillary activities. Amounts paid to acquire capital assets are capitalized as assets in the internal service funds financial statements.

The City’s internal service funds are proprietary funds. Internal service funds account for charges to City departments for services provided, on a cost reimbursement basis.

Fleet Internal Service Fund

The Fleet Internal Service Fund is used to account for the financing of the City’s fleet services provided by one City department to other departments on a cost-reimbursement basis. The Fleet Internal Service Fund balances and activities have been combined with governmental activities in the government-wide financial statements.

Fiduciary Funds

Private Purpose Trust Funds

Private Purpose Trust Funds account for resources held for other individuals and entities in a manner similar to private enterprise.

City of Rocklin
Notes to the Basic Financial Statements
June 30, 2016

Agency Funds

Agency Funds account for assets held by the City in a purely custodial capacity. Since agency funds are custodial in nature, they do not involve the measurement of results of operations and are not presented in the government-wide financial statements.

C. Cash Deposits 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.

Deposit and Investment Risk Disclosures - In accordance with GASB Statement No. 40, *Deposit and Investment Disclosures* (Amendment of GASB Statement No. 3), certain disclosure requirements, if applicable, for Deposits and Investment Risks in the following areas:

- Interest Rate Risk
- Credit Risk
 - Overall
 - Custodial Credit Risk
 - Concentrations of Credit Risk
- Foreign Currency Risk

Other disclosures are specified including use of certain methods to present deposits and investments, highly sensitive investments, credit quality at year-end and other disclosures.

The City participates in the Local Agency Investment Fund (LAIF), an investment pool for local governments and special districts managed by the State of California. Under Federal Law, the State of California cannot declare bankruptcy; therefore deposits in the LAIF shall not be subject to either of the following: (a) transfer or loan pursuant to Government Code Sections 16310, 16312, or 16313, or (b) impoundment or seizure by any state official or state agency.

The City participates in the Placer County Treasurers Investment Portfolio, an investment pool for local governments, school districts, and special districts in Placer County. Investments are made in accordance with Government Code Section 27000.5, "When investing, reinvesting, purchasing, acquiring, exchanging, selling, and managing public funds, the primary objective of the county treasurer is to safeguard the principal of the funds under his or her control. The secondary objective is to meet the liquidity needs of the depositor. The third objective is to achieve a return on the funds under his or her control."

Investments are recorded at fair value in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*. Accordingly, the change in fair value of investments is recognized as an increase or decrease to investment assets and investment income. This statement changed the definition of fair value and is effective for periods beginning after June 15, 2015.

City of Rocklin
Notes to the Basic Financial Statements
June 30, 2016

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction. In determining this amount, three valuation techniques are available:

- Market approach - This approach uses prices generated for identical or similar assets or liabilities. The most common example is an investment in a public security traded in an active exchange such as the NYSE.
- Cost approach - This technique determines the amount required to replace the current asset. This approach may be ideal for valuing donations of capital assets or historical treasures.
- Income approach - This approach converts future amounts (such as cash flows) into a current discounted amount.

Each of these valuation techniques requires inputs to calculate a fair value. Observable inputs have been maximized in fair value measures, and unobservable inputs have been minimized.

D. Interfund Receivables and Payables

Items classified as interfund receivables/payables are referred to as “advances to/advances from other funds” or as “due to/from other funds”. Due to/from other funds include short-term lending/borrowing transactions between funds. This classification also includes the current portion of an advance to or from another fund. Advances to/advances from other funds represents non-current portions of any long-term lending/borrowing transactions between funds. This amount will be equally offset by a reserve of fund balance which indicates that it does not represent available financial resources and therefore, is not available for appropriation.

E. Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include property taxes, sales and use taxes, transient taxes, franchise taxes, intergovernmental subventions, interest earnings, and expense reimbursements.

In the fund financial statements, material receivables in governmental funds include revenue accruals such as property tax, sales tax, transient tax, franchise tax, and intergovernmental subventions since they are usually both measurable and available. Non-exchange transactions collectible but not available, such as property tax, are deferred in the fund financial statements in accordance with the modified accrual basis, but not deferred in the government-wide financial statements in accordance with the accrual basis.

Interest and investment earnings are recorded when earned only if paid within 60 days since they would be considered both measurable and available. The City’s experience is that all accounts receivable are collectible; therefore an allowance for doubtful accounts is unnecessary.

F. Loans Receivable

Under the City’s housing assistance program, loans are made to qualified individuals and businesses within prescribed project areas for the purpose of housing acquisition, housing rehabilitation and/or economic development. The majority of these loans are on a deferred payback program. Repayments of the outstanding loans are applied to the principal balance of the loan receivable. The long-term portion of

City of Rocklin
Notes to the Basic Financial Statements
June 30, 2016

loans receivable has been offset by *Unearned Revenues* in the accompanying financial statements, as applicable.

G. Inventories

The City maintains an inventory for fuel that is recorded at cost in the Fleet Internal Service Fund and expensed when consumed. The cost of other consumable materials and supplies on hand are immaterial to the financial statements, and the City has therefore chosen to report these items as expenditures/expenses at the time of purchase.

H. Capital Assets

The City's assets are capitalized at historical cost or estimated historical cost, if actual is unavailable, except for donated Capital Assets which are recorded at their estimated fair value at the date of donation. Policy has set the capitalization threshold for reporting at \$10,000 for non-infrastructure capital assets and \$100,000 for infrastructure capital assets.

Public domain (infrastructure) capital assets include roads, bridges, curbs and gutters, streets, sidewalks, drainage systems, and lighting systems. The accounting treatment of property, plant and equipment (capital assets) depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by asset type is as follows:

Equipment, machinery and vehicles	3 – 10 Years
Facilities and improvements	15 Years
Infrastructure	25 – 50 Years
Buildings and building improvements	30 Years

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for in the same way as in the government-wide statements.

I. Deferred Outflows/Deferred Inflows

Deferred outflows of resources is a consumption of net position by the City that is applicable to a future reporting period; for example, prepaid items and deferred charges. Deferred inflows of resources is an acquisition of net position by the City that is applicable to a future reporting period; for example, unearned revenue and advance collections. The City has deferred outflows and deferred inflows of resources related to the implementation of GASB 68 for pension retirement plans. See note 9 for additional information.

City of Rocklin
Notes to the Basic Financial Statements
June 30, 2016

J. Interest Payable

In the government-wide financial statements, interest payable on long-term debt is recognized as an incurred liability for governmental fund types. The City has not allocated the interest on long-term debt to departments.

In the fund financial statements, governmental fund types do not recognize the interest payable when the liability is incurred. Interest on long-term debt is recorded in the fund statements when payment is made.

K. Claims Payable

The City records a liability to reflect an actuarial estimate of ultimate uninsured losses for general liability claims. The estimated liability for these claims include "incurred but not reported" (IBNR) claims. There is no fixed payment schedule to pay these liabilities.

L. Compensated Absences

The City's policies regarding vacation time and compensatory time permit employees to accumulate earned but unused leave, up to limits established by individual employee bargaining units. This debt is estimated based on historical trend analysis, the current portion of which is reported in the General Fund, the remaining balance is shown in the government-wide financial statements.

M. Long-Term Debt

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term debt to be repaid from governmental resources is reported as liabilities in the government-wide statements. The long-term debt consists of the 2003 Certificates of Participation (COP), the revenue refunding bonds of the Rocklin Public Financing Authority, the OPEB obligation, the pension obligations, compensated absences and a liability for claims.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as revenue and payment of principal and interest reported as expenditures. Long-term debt for proprietary funds is reported in the fund statements similar to as it is reported in the government-wide statements. Debt proceeds are reported as liabilities and payments are reported as reductions to the liability and as interest expense.

N. Pension Expense

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City's California Public Employees' Retirement System (CalPERS) plans (the Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

City of Rocklin
Notes to the Basic Financial Statements
June 30, 2016

O. Fund Balances

In accordance with Government Accounting Standards Board 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the City classifies governmental fund balances as follows:

Nonspendable

Assets that will never convert to cash (prepaid items, inventory).

- Assets that will not convert to cash soon enough to affect the current period (long-term loans receivable).
- Resources that must be maintained intact pursuant to legal or contractual requirements (the principal of an endowment).

Restricted

- Resources that are subject to externally enforceable legal restrictions imposed by parties altogether outside the City (Creditors, Grantors, Contributors, other Governments).
- Resources that are subject to limitations imposed by law through constitutional provisions or legislation (Gas Tax).

Committed

- Self-imposed limitations set in place prior to the end of the period (encumbrances, economic contingencies, and uncertainties)
- Limitation at the highest level of decision-making (Council) and requires formal action at the same level to remove.
- Council resolution is required to establish, modify, or rescind a fund balance commitment.

Assigned

- Amounts in excess of nonspendable, restricted and committed fund balance in funds other than the General Fund are reported as assigned fund balance.

Unassigned

- Residual net resources
- Total fund balance in the General Fund in excess of nonspendable, restricted, committed, and assigned fund balance (surplus).
- Excess of nonspendable, restricted, and committed fund balance over total fund balance (deficit).

Flow Assumption / Spending Order Policy

When expenditures are incurred for purposes for which both restricted and unrestricted fund balance is available, the City considers restricted funds to be spent first. When expenditures are incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to be spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the City Council has directed otherwise.

P. Net Position

In the government-wide financial statements, net position is classified in the following categories:

Net Investment in Capital Assets

This amount consists of capital assets net of accumulated depreciation and reduced by outstanding debt that is attributed to the acquisition, construction, or improvement of the assets. In addition, deferred

City of Rocklin
Notes to the Basic Financial Statements
June 30, 2016

outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt also are included in the net investment in capital assets component of net position.

Restricted Net Position

This amount is restricted by external creditors, grantors, contributors, or laws or regulations of other governments. Certain proceeds from debt and loans are reported as restricted net position because their use is limited by applicable debt or other covenants.

Unrestricted Net Position

This amount is all net position that does not meet the definition of "net investment in capital assets" or "restricted net position."

The detail of amounts reported for each of the above defined net position categories is reported in the government-wide Statement of Net Position.

Use of Restricted/Unrestricted Net Position

When an expense is incurred for purposes for which both restricted and unrestricted net position are available, the City's policy is to apply restricted net position first.

Q. Interfund Transactions

Interfund services provided and used are accounted for as revenue, expenditures or expenses, as appropriate. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursed fund. Nonrecurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transactions, except for interfund services provided and used and reimbursements, are reported as transfers.

R. Property Taxes and Special Assessments

Under California law, property taxes are assessed and collected by the counties up to 1% of assessed value, plus other increases approved by the voters. The property taxes go into a pool, and are then allocated to the cities in accordance with statutory regulations.

Property taxes attach annually as an enforceable lien on January 1. Taxes are levied on January 1, are payable in two installments, and are delinquent at December 10 and April 10. The County of Placer (the County) is responsible for the collection and allocation of property taxes. The County apportions secured property tax revenue in accordance with the alternate methods of distribution, the "Teeter Plan," as prescribed by Section 4717 of the California Revenue and Taxation code. Therefore, the City receives 100% of the secured property tax levies to which it is entitled, whether or not collected.

S. Stewardship, Compliance, and Accountability

It is the City's policy to adopt annual budgets. The City Council may amend the budget by motion during the fiscal year.

Expenditures may not legally exceed appropriations at the fund level. Appropriations lapse at the end of the fiscal year.

City of Rocklin
Notes to the Basic Financial Statements
June 30, 2016

Budget information is presented for governmental fund types on a basis consistent with accounting principles generally accepted in the United States of America. Budgeted revenue and expenditure amounts represent the original budget and all approved budget amendments.

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Public meetings are conducted to obtain public comments. The City Council annually adopts the budget for the ensuing fiscal year prior to July 1st.
2. Legally adopted budgets and formal budgetary integration is employed as a management control device during the year for all Governmental, Proprietary and Fiduciary Fund Types.
3. Under Article XIII B of the California Constitution (the Gann Spending Limitation Initiative), the City is restricted as to the amount of annual appropriations from the proceeds of taxes, and if proceeds of taxes exceed allowed appropriations, the excess must either be refunded to the State Controller, returned to the taxpayers through revised tax rates or revised fees schedules, or an excess in one year may be offset against a deficit in the following year. For the fiscal year ended June 30, 2016, based on the calculations by City Management, proceeds of taxes did not exceed the appropriations limit.
4. Budgeted appropriations for the various governmental funds become effective each July 1st.

T. Unearned Revenue

Unearned revenue arises when assets are received before revenue recognition criteria have been satisfied. Grants and entitlements received before eligibility requirements are met are recorded as deferred inflows from unearned revenue. In the governmental fund financial statements, receivables associated with non-exchange transactions that will not be collected within the availability period have been recorded as deferred inflows from unearned revenue.

U. Use of Estimates

The preparation of basic financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

V. Subsequent Events

Management has considered subsequent events through October 31, 2016, the date which the financial statements were available to be issued. The financial statements include all events or transactions, including estimates, required to be recognized in accordance with generally accepted accounting principles. Management has determined that there are no non-recognized subsequent events that require additional disclosure, other than the following:

In October 2016, the Rocklin Public Financing Authority issued lease revenue bonds in the amount of \$9,455,000 to defease the outstanding 2003 certificates of participation and finance the acquisition and construction of various capital improvement projects. These include a new City fire station, remodel of existing City fire stations, remodel of the City's Administrative Building, phase II of the City's Quarry Park, and police radio consoles and ancillary equipment. The security for the bonds is the pledge of lease

City of Rocklin
Notes to the Basic Financial Statements
June 30, 2016

payment revenues received by the Authority under a lease agreement with the City. The term of the bonds is 25 years. Interest rates on the bonds range from 2% to 5%.

W. Comparative Data

Comparative data for the prior year has been presented in the accompanying financial statements in order to provide an understanding of changes in the government's financial position and operations.

X. Implemented New GASB Pronouncements

GASB Statement No. 72 – In February, 2015, GASB issued Statement No. 72, *Fair Value Measurement and Application*. This Statement addresses accounting and financial reporting issues related to fair value measurements. The definition of *fair value* is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This Statement provides guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2015 (fiscal year ending June 30, 2016). The implementation of GASB 72 did not have a significant impact on the City's financial statements and did not result in any prior period restatements or adjustments.

GASB Statement No. 76 – *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. The objective of this Statement is to identify—in the context of the current governmental financial reporting environment—the hierarchy of generally accepted accounting principles (GAAP). The “GAAP hierarchy” consists of the sources of accounting principles used to prepare financial statements of state and local governmental entities in conformity with GAAP and the framework for selecting those principles. This Statement reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and nonauthoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP.

This Statement supersedes Statement No. 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. The requirements of Statement No. 76 are effective for financial statements for periods beginning after June 15, 2015, and should be applied retroactively.

The implementation of this statement did not have a significant impact on the City's financial statements and did not result in any prior period restatements or adjustments.

GASB Statement No. 79, *Certain External Investment Pools and Pool Participants* – GASB 79 addresses accounting and financial reporting for certain external investment pools and pool participants. Specifically, it establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. An external investment pool qualifies for that reporting if it meets all of the applicable criteria established in GASB 79. The specific criteria address (1) how the external investment pool transacts with participants; (2) requirements for portfolio maturity, quality, diversification, and liquidity; and (3) calculation and requirements of a shadow price. Significant noncompliance prevents the external investment pool from measuring all of its investments at amortized cost for financial reporting purposes. Professional judgment is required to determine if instances of noncompliance with the criteria established by this Statement during the reporting period, individually or in the aggregate, were significant.

City of Rocklin
Notes to the Basic Financial Statements
June 30, 2016

If an external investment pool does not meet the criteria established by this Statement, that pool should apply the provisions in paragraph 16 of Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, as amended. If an external investment pool meets the criteria in GASB 79 and measures all of its investments at amortized cost, the pool's participants also should measure their investments in that external investment pool at amortized cost for financial reporting purposes. If an external investment pool does not meet the criteria in GASB 79, the pool's participants should measure their investments in that pool at fair value, as provided in paragraph 11 of Statement 31, as amended.

GASB 79 establishes additional note disclosure requirements for qualifying external investment pools that measure all of their investments at amortized cost for financial reporting purposes and for governments that participate in those pools. Those disclosures for both the qualifying external investment pools and their participants include information about any limitations or restrictions on participant withdrawals.

The requirements of GASB 79 are effective for reporting periods beginning after June 15, 2015, except for certain provisions on portfolio quality, custodial credit risk, and shadow pricing. Those provisions are effective for reporting periods beginning after December 15, 2015. Earlier application is encouraged.

The implementation of GASB 79 did not have a significant impact on the City's financial statements and did not result in any prior period restatements or adjustments.

Y. Upcoming New Accounting Pronouncements

GASB Statement No. 74 – *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. Effective date: the provisions in Statement 74 are effective for fiscal years beginning after June 15, 2016. The objective of this Statement is to improve the usefulness of information about postemployment benefits other than pensions (other postemployment benefits or OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability. This Statement replaces Statements No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*. It also includes requirements for defined contribution OPEB plans that replace the requirements for those OPEB plans in Statement No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans*, as amended, Statement 43, and Statement No. 50, *Pension Disclosures*. Management anticipates that this statement will not have a direct impact on the City's financial statements.

GASB Statement No. 75 – *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Effective date: the provisions in Statement 75 are effective for fiscal years beginning after June 15, 2017. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. This Statement replaces the requirements of Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*, for OPEB. Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, establishes new accounting and financial reporting requirements for OPEB plans.

City of Rocklin
Notes to the Basic Financial Statements
June 30, 2016

The scope of this Statement addresses accounting and financial reporting for OPEB that is provided to the employees of state and local governmental employers. This Statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. For defined benefit OPEB, this Statement identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. Note disclosure and required supplementary information requirements about defined benefit OPEB also are addressed.

In addition, this Statement details the recognition and disclosure requirements for employers with payables to defined benefit OPEB plans that are administered through trusts that meet the specified criteria and for employers whose employees are provided with defined contribution OPEB. This Statement also addresses certain circumstances in which a nonemployer entity provides financial support for OPEB of employees of another entity. The City is in the process of determining the impact this statement will have on the financial statements and ensuring the required data will be available for financial reporting and disclosure.

GASB Statement No. 77 – Tax Abatement Disclosures. Effective date: the requirements of this Statement are effective for reporting periods beginning after December 15, 2015. This Statement requires governments that enter into tax abatement agreements to disclose the following information about the agreements:

- Brief descriptive information, such as the tax being abated, the authority under which tax abatements are provided, eligibility criteria, the mechanism by which taxes are abated, provisions for recapturing abated taxes, and the types of commitments made by tax abatement recipients
- The gross dollar amount of taxes abated during the period
- Commitments made by a government, other than to abate taxes, as part of a tax abatement agreement.

Management anticipates that this statement will not have a material impact on the City's financial statements, as the City has not currently entered into any Tax Abatement Agreements.

GASB Statement No. 78, Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans – The objective of this Statement is to address a practice issue regarding the scope and applicability of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. This issue is associated with pensions provided through certain multiple-employer defined benefit pension plans and to state or local governmental employers whose employees are provided with such pensions.

Prior to the issuance of this GASB 78, the requirements of GASB 68 applied to the financial statements of all state and local governmental employers whose employees are provided with pensions through pension plans that are administered through trusts that meet the criteria in paragraph 4 of that statement.

GASB 78 amends the scope and applicability of GASB 68 to exclude pensions provided to employees of state or local governmental employers through a cost-sharing multiple-employer defined benefit pension plan that (1) is not a state or local governmental pension plan, (2) is used to provide defined benefit pensions both to employees of state or local governmental employers and to employees of employers that are not state or local governmental employers, and (3) has no predominant state or local governmental employer (either individually or collectively with other state or local governmental employers that provide pensions through the pension plan). This Statement establishes requirements for recognition and measurement of pension expense, expenditures, and liabilities; note disclosures; and required supplementary information for pensions that have the characteristics described above.

City of Rocklin
Notes to the Basic Financial Statements
June 30, 2016

The requirements of this Statement are effective for reporting periods beginning after December 15, 2015. Earlier application is encouraged. Management does not anticipate a material impact on its financial statements from the implementation of this standard.

GASB Statement No. 82, Pension Issues—an amendment of GASB Statements No. 67, No. 68, and No. 73 – The objective of this Statement is to address certain issues that have been raised with respect to Statements No. 67, *Financial Reporting for Pension Plans*, No. 68, *Accounting and Financial Reporting for Pensions*, and No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. Specifically, this Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements.

The requirements of this Statement are effective for reporting periods beginning after June 15, 2016, except for the requirements of GASB 82 for selection of assumptions in a circumstance in which an employer’s pension liability is measured as of a date other than the employer’s most recent fiscal year-end. In that circumstance, the requirements for the selection of assumptions are effective for that employer in the first reporting period in which the measurement date of the pension liability is on or after June 15, 2017. Earlier application is encouraged. The City is currently evaluating the impact on the financial statements and ensuring the required data will be available for disclosure.

NOTE 2 - CASH AND INVESTMENTS

As of June 30, 2016, cash and investments were reported in the financial statements as follows:

	Fair Value		Total Cash and Investments
	Governmental Activities	Fiduciary Activities	
Cash and Investments	\$ 48,584,756	\$ 4,380,850	\$ 52,965,606
Restricted Cash and Investments	14,332,917	8,173,614	22,506,531
Total Cash and Investments	\$ 62,917,673	\$ 12,554,464	\$ 75,472,137

A. Cash Deposits

The California Government Code requires California banks and savings and loan associations to secure the City's cash deposits by pledging securities as collateral. This Code states that collateral pledged in this manner shall have the effect of perfecting a security interest, and places the City ahead of general creditors of the institution.

The market value of pledged securities must equal at least 110 percent of the City's cash deposits. California law also allows institutions to secure City deposits by pledging first trust deed mortgage notes that have a value of 150 percent of the City's total cash deposits. The City has waived the collateral requirements for cash deposits which are fully insured to \$250,000 by the Federal Deposit Insurance Corporation (FDIC). The bank balances before reconciling items totaled \$6,435,179 at June 30, 2016 and could be different from carrying amounts due to deposits in transit and outstanding checks. The amount uninsured was \$6,185,179 which was collateralized by securities held by pledging financial institutions.

City of Rocklin
Notes to the Basic Financial Statements
June 30, 2016

B. Investment Policies

City Investment Policy

Under the provisions of the City's investment policy, and in accordance with California Government Code, the following investments are authorized:

Authorized Investment Type	Maximum Maturity ⁽¹⁾	Maximum Total of Portfolio	Maximum Investment in Any One Issuer
Local Agency Bonds	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Banker's Acceptances	180 days	40%	5%
Commercial Paper	270 days	25%	5%
Negotiable Certificates of Deposit	5 years	30%	5%
Repurchase Agreements	90 days	15%	5%
Reverse Repurchase Agreements	90 days	15%	5%
Medium-Term Notes	5 years	30%	5%
Time Deposits	5 years	10%	5%
Mutual Funds (Including Money Markets)	N/A	15%	5%
Mortgage Pass-Through Securities	5 years	20%	5%
Local Agency Investment Fund (LAIF)	N/A	None	None
Placer County Investment Pool	N/A	25%	N/A
Collateralized Obligations	None	10%	5%

⁽¹⁾ However, if in the judgement of the Investment Committee it is to the advantage of the City, investments may be made with maturities longer than five years, as long as the weighted average maturity of the City's Fund is five years or less.

C. Local Agency Investment Fund

LAIF is regulated by the California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The City reports its investment in LAIF at the fair value amount provided by LAIF, which is the same as the value of the pool share. As of June 30, 2016 the fair value was \$31,863,535. The balance is available for withdrawal on demand. Included in LAIF's investment portfolio are collateralized mortgage obligations, mortgage backed securities, other asset-backed securities, loans to certain state funds, and floating rate securities issued by federal agencies, government-sponsored enterprises, United States Treasury Notes and Bills, and corporations. As of June 30, 2016, these investments matured in an average of 167 days.

D. Placer County Treasurer's Investment Portfolio

The Placer County Treasurer's Investment Portfolio operates under the oversight of The Placer County Treasurer's Review Panel. Investments are made in accordance to California Government Code Section 27000.5 and limited to those investments specified by California Government Code Sections 53601 and 53635. As of June 30, 2016 the value of City investment in the fund was \$10,334,861. These monies are held in various investments consisting of treasury notes and bills, other government bonds and money market instruments.

City of Rocklin
Notes to the Basic Financial Statements
June 30, 2016

E. Risk Disclosures

Interest Rate Risk

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 term of an investment's maturity, the greater the sensitivity to changes in market interest rates. It is the City's practice to manage its exposure to interest rate risk by purchasing a combination of shorter 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 City's operations. The City's policy is to limit the weighted average maturity of its investment portfolio to less than five years. As of June 30, 2016, the weighted average maturity was 1.51 years.

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of an investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. As of June 30, 2016, the City's investments were in compliance with the ratings required by the City's investment policy, indenture agreements and Government Code.

Concentrations of Credit Risk

As of June 30, 2016, the City had no investments in any one issuer exceeding that allowed by City policy, which is more conservative than stipulated by the California Government Code.

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The California Government Code and the City's investment policy contains legal or policy requirements that would limit the exposure to custodial credit risk for investments. For the investments maintained by the City, no security was uninsured or unregistered or held by a brokerage firm which is also the counterparty for the security. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as LAIF).

As of June 30, 2016, the City's investments had the following maturities and ratings:

Cash or Investment Type	Fair Value	Investment Maturities in Years		Year End Rating			G72 Input
		<1	>1	Exempt	AAAm/Aaa-mf	Not Rated	
Local Agency Investment Fund (LAIF)	\$ 31,883,329	\$ 31,883,329	\$ -	\$ 31,883,329	\$ -	\$ -	Level 2
Money Market/Mutual Funds	13,911,695	13,911,695	-	-	13,911,695	-	Level 2
Special Assessment Bonds	15,852,201	871,898	14,980,303	-	-	15,852,201	Level 1/2
County Treasurer's Investment Portfolio	10,341,281	10,341,281	-	10,341,281	-	-	Level 2
Corporate Notes	27,814	-	27,814	-	-	27,814	Level 1
Cash on Hand	3,100	3,100	-	3,100	-	-	n/a
Cash Deposits	3,452,717	3,452,717	-	3,452,717	-	-	n/a
Total Cash and Investments	<u>\$ 75,472,137</u>	<u>\$ 60,464,020</u>	<u>\$ 15,008,117</u>	<u>\$ 45,680,427</u>	<u>\$ 13,911,695</u>	<u>\$ 15,880,015</u>	

City of Rocklin
Notes to the Basic Financial Statements
June 30, 2016

F. Fair Value Measurements

GASB 72 established a hierarchy of inputs to valuation techniques. This hierarchy has three levels:

- Level 1 inputs are quoted prices in active markets for identical assets or liabilities.
- Level 2 inputs are quoted market prices for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other than quoted prices that are not observable
- Level 3 inputs are unobservable inputs, such as a property valuation or an appraisal.

NOTE 3 - INTERFUND TRANSACTIONS

A. Interfund Receivables and Payables

Due to/from Other Funds

The timing of when cash is received and paid can result in a negative cash balance in a fund as of fiscal year end. At year-end, a liability, “Due To Other Funds” is created to eliminate any negative cash balances along with a corresponding asset, “Due From Other Funds”. In the following fiscal year, the liabilities are settled and the assets are liquidated. As of June 30, 2016, interfund receivables and payables consisted of the following:

	Due from Other Funds	Due to Other Funds
General Fund	\$ 2,135,470	\$ 11,953
SB325 Sales Tax for Transit	-	460,242
Bicycle and Pedestrian Facilities	-	49,431
Prop 1B- PTMISEA	-	51,870
Lighting District #1	-	8,184
Streets Grants Fund	-	636,855
Police Grants Fund	-	2,027
CDBG Housing Rehab	-	800
CDBG HUD Entitlement	-	84,049
Park Development Fees	-	204,486
Community Park Fees	-	625,573
Total	\$ 2,135,470	\$ 2,135,470

Advances to/from other funds

The City advanced funds to the former Redevelopment Agency to assist with the purchase of land and building for the new Rocklin library. As of June 30, 2016, the remaining balance owed is \$1,408,708. This amount is reported in the fund financial statements and government-wide financial statements as an advance to fiduciary activities.

During fiscal year 2013-14, the City of Rocklin became the Housing Successor for the former Rocklin Redevelopment Agency low and moderate income housing functions. This included a \$900,000 receivable (advance) for a loan the low and moderate housing fund provided the redevelopment agency debt service fund for the payment of 2010-11 Supplemental Educational Revenue Augmentation Fund shift. As of June 30, 2016, the remaining balance owed is \$675,067. This amount is reported in the fund financial statements and government-wide financial statements as an advance to fiduciary activities.

City of Rocklin
Notes to the Basic Financial Statements
June 30, 2016

B. Transfers In/Out

Interfund transfers result from the movement of resources from one fund to another within the governmental unit. At June 30, 2016, interfund transfers consisted of the following:

Fund	Fund Type	Transfer in	Transfer out
Major Funds:			
General Fund	General	\$ 4,595,358	\$ 1,452,424
SB 325 Sales Tax	Special Revenue	-	288,589
Traffic Circulation Impact Fee	Capital Projects	-	698,900
Total Major Funds		4,595,358	2,439,913
Nonmajor Funds:			
Capital Construction Debt Service	Debt Service	536,454	-
Gas Tax	Special Revenue	-	137,965
Landscaping and Lighting Maintenance District #2	Special Revenue	-	10,563
Community Facilities District #1	Special Revenue	-	1,373,848
Community Facilities District #5	Special Revenue	2,464	36,681
Community Facilities District #6	Special Revenue	-	1,398
CDBG HUD Entitlement	Special Revenue	-	46,097
Supplemental Law Enforcement Grant	Special Revenue	-	114,618
Capital Construction Impact Fees	Capital Projects	-	841,254
Oak Tree Mitigation	Capital Projects	-	80,901
Wetlands Maintenance	Permanent	-	1,974
Conservation Easement Endowment Fund	Permanent	-	2,464
Total Nonmajor Funds		538,918	2,647,763
Internal Service Funds:			
Fleet Management	Internal Service	-	46,600
Total Transfers		\$ 5,134,276	\$ 5,134,276

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, and (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due.

City of Rocklin
Notes to the Basic Financial Statements
June 30, 2016

NOTE 4 - LOANS RECEIVABLE

Through the City’s various programs, the City has loaned funds to qualifying individuals and businesses. Interest rates vary depending on the terms of the loan. Interest is accrued on the loans that bear interest. Loans receivable consisted of the following as of June 30, 2016:

Loans Receivable	Beginning July 01, 2015	Additions	Deletions	Ending June 30, 2016
Highway 65 Sunset Blvd. Interchange	\$ 1,330,782	\$ -	\$ -	\$ 1,330,782
William Jessup University - Waterline	-	581,217	-	581,217
William Jessup University - Utility	-	390,000	-	390,000
Audi Rocklin	-	137,813	-	137,813
Community Development Block Grant	411,044	-	-	411,044
First time home buyers	1,282,905	-	-	1,282,905
Down payment assistance	1,660,430	-	161,334	1,499,096
Villa Serena II	1,100,000	-	-	1,100,000
College Manor	650,000	-	-	650,000
Sunset Blvd	575,000	-	-	575,000
Whitney Rocklin, LP	1,730,000	-	-	1,730,000
HPD Shannon Bay	500,000	-	8,346	491,654
Whitney Rocklin, LP	2,100,000	-	-	2,100,000
Placer West Housing Partners	311,470	-	-	311,470
Total Loans Receivable	<u>\$ 11,651,631</u>	<u>\$ 1,109,030</u>	<u>\$ 169,680</u>	<u>\$ 12,590,981</u>

The following is a summary of the loans and notes receivable outstanding as of June 30, 2016:

Highway 65 Sunset Interchange Loan

As members of the “Bizz Johnson Joint Powers Authority (JPA)”; Placer County, City of Roseville, and the City of Rocklin made loans to the JPA for the construction of the Sunset Blvd. Highway 65 interchange. The original loan amount from the City of Rocklin was \$2,033,684. The loan does not bear interest. At June 30, 2016, a balance of \$1,330,782 is outstanding.

William Jessup University - Waterline

The City entered into a waterline construction cost reimbursement agreement with William Jessup University (WJU) to install a new water system that will provide adequate capacity for future expansion. The City is required to cause construction of the water project and WJU is required to reimburse the City for its share of the project costs as noted in the agreement. Reimbursement payments from WJU shall be made over 3 years and bear interest at 0.91%. At June 30, 2016, a balance of \$581,217 is outstanding.

William Jessup University - Utility

On February 9, 2016, the City entered into a Utility Facilities reimbursement agreement with WJU to install a Utilities distribution system located within the area of roadway improvement. WJU is required to reimburse the City for its share of the project costs. Reimbursement payments shall be made over 25 months and bear interest at 1%. At June 30, 2016, a balance of \$390,000 is outstanding.

Audi Rocklin

The City agreed to defer the traffic impact fee for Rocklin GW, LLC (Audi Rocklin) for 3 years at 1.35% simple interest. The final payment is due December 14, 2018. At June 30, 2016, a balance of \$137,813 is

City of Rocklin
Notes to the Basic Financial Statements
June 30, 2016

outstanding.

Community Development Block Grant (CDBG) Revolving Loans

The City participates in a CDBG Revolving loan program. The program is federally funded and provides housing rehabilitation loans to eligible applicants. The City makes loans to resident homeowners who qualify as low income, some of which are deferred and are not repaid until the title to the property changes. The balance of these loans at June 30, 2016, was \$411,044.

First Time Home Buyers

The City has made various loans to qualifying participants within the City as part of the Federal First Time Home Buyers Program (HOME). Interest rates vary depending on the terms of the loan and interest is deferred until the loan is refinanced or title to the property changes and may be waived under certain conditions if the loan is carried to full term. For the City, the HOME notes receivable balance at June 30, 2016, was \$1,282,905.

Down Payment Assistance Loans

The former Rocklin Redevelopment Agency began a down payment assistance program in 2007 to help low and moderate income individuals with purchases of a home. Qualifying individuals receive down payment assistance with the loan deferred as long as it is an owner-occupied dwelling. Interest and/or principal may be waived if certain terms are met by the borrower. The Down Payment Assistance loans receivable at June 30, 2016 were \$1,499,096.

Villa Serena II Loan

On July 24, 2001, the former Rocklin Redevelopment Agency entered into an agreement with Stanford Arms, a California Limited Partnership, for a loan in the amount of \$1,100,000. The loan has been used to assist with the construction of the Villa Serena affordable senior project known as Stanford Arms. The loan is at 3% simple interest and is to be repaid from residual receipts over a thirty-year period. The loan is secured by a deed of trust covering the property, improvements, and fixtures and by all deposits of the borrower. At June 30, 2016, a balance of \$1,100,000 is outstanding.

College Manor

On November 1, 2007, the former Rocklin Redevelopment Agency entered into an agreement with CAHA College Manor LP, a California Limited Partnership, for a loan in the amount of \$650,000. The loan has been used to finance the acquisition and renovation of low income apartments located at 4201 Racetrack Road. The loan is at 3% simple interest and is to be repaid from residual receipts over a fifty-five year period. At June 30, 2016, a balance of \$650,000 is outstanding.

Sunset Blvd

On June 24, 2008, the former Rocklin Redevelopment Agency authorized a loan in the amount of \$575,000 to Sunset Street Housing Partners for an existing apartment complex located at 3655 Sunset Blvd. The loan provides for 3% simple interest for 30 years with payments to begin after the second anniversary of the loan document execution date. Associated with this project, the former Rocklin Redevelopment Agency also approved Conduit Debt issuance in the maximum amount of \$10,000,000 in multifamily revenue bonds by the California Statewide Communities Development Authority. At June 30, 2016, a balance of \$575,000 is outstanding.

Whitney Rocklin, LP

On June 24, 2008, the former Rocklin Redevelopment Agency authorized a loan in the amount of \$1,595,000, which was later amended to \$1,730,000 on December 9, 2008, to Whitney Rocklin LP to assist with construction of a 156 unit multifamily housing project referred to as the Whitney Ranch

City of Rocklin
Notes to the Basic Financial Statements
June 30, 2016

Apartments. The loan provides for 3% simple interest for 30 years. Associated with this project, the former Rocklin Redevelopment Agency also approved Conduit Debt issuance in the maximum amount of \$18,000,000 in multifamily revenue bonds by the California Statewide Communities Development Authority. At June 30, 2016, a balance of \$1,730,000 is outstanding.

HPD Shannon Bay, LP

On September 9, 2008, the former Rocklin Redevelopment Agency authorized a housing rehabilitation loan in the amount of \$500,000 with HPD Shannon Bay LP for a 50 unit multi-family housing project referred to as the Shannon Bay Apartments. The loan provides for 3% simple interest for 30 years with a 5 year period of interest only payments. The loan then converts to an amortizing loan during which time an annual payment of \$25,296 will be paid and at the end of the loan term a balloon payment for the remaining balance becomes due and payable. Associated with this project, the former Rocklin Redevelopment Agency also approved Conduit Debt issuance in the maximum amount of \$6,000,000 in multifamily revenue bonds by the California Statewide Communities Development Authority. At June 30, 2016, a balance of \$491,654 is outstanding.

Whitney Rocklin, LP

On December 9, 2008, the former Rocklin Redevelopment Agency authorized a loan in the amount of \$2,100,000 to subsidize 70 low income rental units into very low income units referred to as the Whitney Ranch Apartments. The loan provides for 3% simple interest for 30 years. At June 30, 2016, a balance of \$2,100,000 remains outstanding.

Placer West Housing Partners, LP

On December 8, 2009 the former Rocklin Redevelopment Agency authorized a housing rehabilitation loan in the amount of \$500,000 with Placer West Housing Partners LP for a 44-unit affordable housing project located a 6055 Placer West Drive in Rocklin. The loan provides for 3% simple interest for 30 years with partial interest only payments in the amount of \$2,000 to begin on the second anniversary of the loan document execution date of December 22, 2009. A balloon payment of the remaining unpaid balance of principal and interest shall be due at the conclusion of the loan term. At June 30, 2016 a balance of \$311,470 is outstanding.

City of Rocklin
Notes to the Basic Financial Statements
June 30, 2016

NOTE 5 - CAPITAL ASSETS

Capital assets consisted of the following as of June 30, 2016:

Governmental activities:	Balance July 01, 2015	Additions	Retirements	Transfers	Balance June 30, 2016
Nondepreciable Capital Assets:					
Retention Basin Rights	\$ -	\$ 1,310,206	\$ (1,310,206)	\$ -	\$ -
Land	5,230,395	2,196,295	(100,966)	-	7,325,724
Land improvements	108,402	-	-	-	108,402
Park Land	53,693,948	101,328	-	-	53,795,276
Construction in progress	15,464,618	15,845,140	-	(17,841,032)	13,468,726
Total nondepreciable capital assets	74,497,363	19,452,969	(1,411,172)	(17,841,032)	74,698,128
Depreciable capital assets:					
Buildings	32,809,849	2,242,256	-	-	35,052,105
Facilities & other improvements	3,754,016	43,224	-	-	3,797,240
Machinery & equipment	2,083,542	340,670	(23,021)	-	2,401,191
Fleet machinery & equipment	8,919,846	260,187	(157,144)	-	9,022,889
Park Buildings	954,373	-	-	-	954,373
Park Equipment	1,623,319	33,063	(28,983)	-	1,627,399
Park Improvements	14,678,208	-	-	3,167,292	17,845,500
Infrastructure	352,046,884	-	(1,789,691)	14,673,740	364,930,933
Total depreciable capital assets	416,870,037	2,919,400	(1,998,839)	17,841,032	435,631,630
Total capital assets	491,367,400	22,372,369	(3,410,011)	-	510,329,758
Accumulated depreciation:					
Buildings	14,904,262	1,111,474	-	-	16,015,736
Facilities & other improvements	2,217,491	226,393	-	-	2,443,884
Machinery & equipment	1,947,142	111,391	(17,987)	-	2,040,546
Fleet Machinery & equipment	6,135,466	428,191	(157,144)	-	6,406,513
Park Buildings	375,731	31,812	-	-	407,543
Park Equipment	1,623,319	6,613	(28,983)	-	1,600,949
Park Improvements	10,096,054	1,033,349	-	-	11,129,403
Infrastructure	141,154,222	9,275,340	(1,789,691)	-	148,639,871
Total accumulated depreciation	178,453,687	12,224,563	(1,993,805)	-	188,684,445
Total capital assets - net	\$ 312,913,713	\$ 10,147,806	\$ (1,416,206)	\$ -	\$ 321,645,313

Depreciation expense was charged to the following functions in the statement of activities:

General Government	\$ 101,497
Public Safety	850,248
Culture and recreation	1,071,773
General Services	10,201,045
Total Depreciation Expense	\$ 12,224,563

City of Rocklin
Notes to the Basic Financial Statements
June 30, 2016

NOTE 6 - NONCURRENT LIABILITIES

The City's noncurrent liabilities consisted of the following as of June 30, 2016:

Description	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
2003 Certificates of Participation	\$ 1,980,000	\$ -	\$ 465,000	\$ 1,515,000	\$ 485,000
2003 Rocklin Public Financing Authority (RPFA) Refunding Revenue Bonds-Senior	7,575,000	-	555,000	7,020,000	580,000
2003 RPFA Refunding Revenue Bonds - Subordinate	735,000	-	90,000	645,000	95,000
Subtotal General Long-Term Debt	10,290,000	-	1,110,000	9,180,000	1,160,000
Claims Payable	1,247,576	1,053,805	522,456	1,778,925	-
Net Pension Obligations	30,078,590	2,798,894	-	32,877,484	-
Net OPEB Obligation	20,365,567	3,720,000	5,488,030	18,597,537	-
Compensated Absences	3,169,496	211,693	126,999	3,254,190	1,395,375
Total Noncurrent Liabilities	\$ 65,151,229	\$ 7,784,392	\$ 7,247,485	\$ 65,688,136	\$ 2,555,375

The annual debt service requirements on long-term debt (Bonds and COPS) is as follows:

Year Ending June 30,	Principal	Interest	Total
2017	\$ 1,160,000	\$ 382,177	\$ 1,542,177
2018	1,205,000	333,490	1,538,490
2019	1,255,000	282,230	1,537,230
2020	760,000	239,154	999,154
2021	795,000	203,923	998,923
2022-2026	4,005,000	466,250	4,471,250
Total	\$ 9,180,000	\$ 1,907,224	\$ 11,087,224

2003 Certificates of Participation (COPS)

In December 2003, the City issued certificates of participation in the amount of \$6,650,000. The proceeds from this issuance were used to finance a portion of the police station construction costs and related facilities and defease outstanding 1995 certificates of participation. The required reserve balances provide the security for this issuance. Interest rates range from 2% to 4.20%. Principal payments ranging from \$485,000 to \$525,000 are payable annually on September 1 and interest payments ranging from \$11,025 to \$31,078 are payable semi-annually on March 1 and September 1, through September 1, 2018.

2003 Senior and Subordinate Refunding Revenue Bonds

In January 2004, the Rocklin Public Financing Authority issued \$12,575,000 of Senior Refunding Revenue Bonds and \$1,455,000 of Subordinate Refunding Revenue Bonds. Proceeds from these bonds were used to refund the outstanding 1999 Rocklin Public Financing Authority Revenue Bonds. The Bonds are secured by revenues from specific assessment districts. Interest rates range from 2% to 4.6% for the Senior issue and 3.125% to 5.625% for the Subordinate issue. Principal payments ranging from \$580,000 to \$850,000 are payable annually on September 1 and interest payments ranging from \$19,550 to \$154,568 are payable semi-annually on March 1 and September 1 through September 1, 2025, for the Senior issue. Principal payments ranging from \$95,000 to \$120,000 are payable annually on September 1 and interest payments ranging from \$3,375 to \$17,311 are payable on March 1 and September 1 through September 1, 2021, for the Subordinate issuance.

City of Rocklin
Notes to the Basic Financial Statements
June 30, 2016

Claims Payable

The City has recorded a liability for potential claims in excess of amounts covered by the insurance pool. At June 30, 2016, the City had a claims payable liability of \$1,778,925. See Note 8 for further discussion on the City’s risk management activities.

Net Pension Obligation

As a result of the implementation of GASB 68, the City has recorded a net pension liability for its CalPERS Miscellaneous, Fire and Police pension plans. At June 30, 2016, the City had a net pension liability of \$32,877,484. See Note 9 for further discussion on the pension liability.

Net OPEB Obligation

A net Other Post Employment Benefit (OPEB) obligation is the cumulative difference between annual OPEB cost and an employer’s contributions to a plan. At June 30, 2016, the City had a net OPEB obligation of \$18,597,537. See Note 10 for further discussion on OPEB.

Compensated Absences

The City records compensated absences for all employee absences that are expected to be paid such as vacation and illness. Compensated absences had a balance of \$3,254,190 at June 30, 2016, of that amount; \$1,395,375 is expected to be paid within a year.

Arbitrage

The Tax Reform Act of 1986 instituted certain arbitrage restrictions with respect to the issuance of tax-exempt bonds after August 31, 1986. Arbitrage regulations deal with the investment of all tax exempt bond proceeds at an interest yield greater than the interest yield to bondholders. Generally, all interest paid to bondholders can be retroactively rendered taxable if applicable rebates are not reported and paid to the Internal Revenue Service (IRS) at least every five years. The City performed calculations of excess investment earnings on various bonds and financings and at June 30, 2016, there were no arbitrage liabilities.

NOTE 7 - NET POSITION/FUND BALANCE

A. Net Position

Net position consisted of the following at June 30, 2016:

	Net Investment in Capital Assets	Restricted	Unrestricted	Total Governmental Activities
Net Investment in Capital Assets	\$ 312,465,313	\$ -	\$ -	\$ 312,465,313
Fund Balance Restrictions	-	23,260,616	-	23,260,616
SB325 Sales Tax	-	2,871,933	-	2,871,933
Wetlands Maintenance	-	65,159	-	65,159
Conservation Easement Endowment	-	453,455	-	453,455
Unrestricted	-	-	(2,310,614)	(2,310,614)
Total	\$ 312,465,313	\$ 26,651,163	\$ (2,310,614)	\$ 336,805,862

City of Rocklin
Notes to the Basic Financial Statements
June 30, 2016

Wetlands Maintenance includes the endowment to be used for maintenance of the wetlands.

Conservation Easement Endowment includes the endowment to be used to Preserve Area maintenance and operations.

B. Fund Balances

Fund Balances consisted of the following at June 30, 2016:

	Nonspendable	Restricted	Committed	Unassigned	Total Governmental Funds
Endowments	\$ 491,455	\$ -	\$ -	\$ -	\$ 491,455
Advances to Fiduciary Activities	2,083,775	-	-	-	2,083,775
Long-term receivables	12,590,981	-	-	-	12,590,981
Debt Service	-	10,498,768	-	-	10,498,768
Low and Moderate Income Housing	-	1,537,785	-	-	1,537,785
Wetlands Maintenance	-	27,159	-	-	27,159
Gas Tax	-	1,925,675	-	-	1,925,675
Sales Tax	-	1,832,541	-	-	1,832,541
Lighting Districts	-	1,470,574	-	-	1,470,574
Community Facilities District	-	5,507,604	-	-	5,507,604
Housing Rehabilitation	-	350,075	-	-	350,075
Asset Forfeiture	-	103,300	-	-	103,300
Recreation Facilities Contributions	-	34,294	-	-	34,294
Capital Construction Impact Fee	-	-	1,072,155	-	1,072,155
Oak Tree Mitigation Fees	-	-	1,524,888	-	1,524,888
Whitney Ranch Trunk Sewer Project	-	-	67,491	-	67,491
Traffic Circulation Impact Fees	-	-	-	(2,023,541)	(2,023,541)
General Fund	-	-	-	8,360,590	8,360,590
Operating Reserve	-	-	10,090,250	-	10,090,250
Disaster Contingency	-	-	1,000,000	-	1,000,000
Self-Insured Losses	-	-	1,000,000	-	1,000,000
Streets Maintenance	-	-	1,256,372	-	1,256,372
Code Enforcement	-	-	299,117	-	299,117
Economic Development	-	-	268,180	-	268,180
Technology Fee	-	-	528,178	-	528,178
Retiree's Health	-	-	8,508,416	-	8,508,416
Parks Repair and Maintenance	-	-	45,274	-	45,274
ADA Improvements	-	-	48,352	-	48,352
Building Repair Reserve	-	-	248,239	-	248,239
Park Development Capital Projects	-	-	-	(204,486)	(204,486)
Traffic Safety/PD Grants	-	-	-	(5,332)	(5,332)
Streets Grants	-	-	-	(829,565)	(829,565)
Prop 1B	-	-	-	(98,460)	(98,460)
Bicycle and Pedestrian Facilities	-	-	-	(49,431)	(49,431)
Community Parks Fund	-	-	-	(625,573)	(625,573)
Total	\$ 15,166,211	\$ 23,287,775	\$ 25,956,912	\$ 4,524,202	\$ 68,935,100

Nonspendable fund balances included the following as of June 30, 2016:

1. **Endowments** include principal corpus from which income will fund maintenance of Wetlands and Preserve Area maintenance and operations.
2. **Advances to fiduciary activities** include noncurrent portions of a long-term loan from governmental funds to fiduciary funds.
3. **Long-term loans/notes receivable** includes noncurrent portions of loans and notes receivables.

City of Rocklin
Notes to the Basic Financial Statements
June 30, 2016

Restricted fund balances included the following as of June 30, 2016:

1. **Debt service** includes amounts used for the debt service for the Rocklin Public Financing Authority and the capital construction debt service fund.
2. **Low and moderate income housing fund** includes amounts used to increase the City's supply of low and moderate income housing.
3. **Wetlands maintenance** includes amounts other than the non-spendable endowment to be used on the maintenance of the wetlands on a parcel in Stanford Ranch Phase III.
4. **Gas tax** includes amounts received and expended for street maintenance purposes as defined in Sections 2105, 2106, 2107, and 2107.5 of the Streets and Highway Code.
5. **Sales tax** includes amounts to be used for repair and maintenance of City streets in accordance with Senate Bill 325.
6. **Lighting districts** includes amounts to be used to maintain and operate the City's lighting districts.
7. **Community facilities districts** include amounts to be used to maintain and operate the City's community facilities districts.
8. **Housing rehabilitation** includes amounts to be used for the City's housing rehabilitation programs.
9. **Recreation facilities contributions** includes amounts set aside for recreation facilities construction and improvements.

Committed fund balances included the following as of June 30, 2016:

1. **General Fund:**
 - a. **Operating Reserve** includes amounts set aside for operating expense contingencies.
 - b. **Disaster contingency** includes amounts set aside in the event a major disaster emergency occurs.
 - c. **Self-insured losses** includes amounts set aside for losses not covered under existing insurance programs.
 - d. **Streets maintenance** includes amounts set aside for the repair and maintenance of City streets.
 - e. **Code enforcement** includes amounts set aside for City code enforcement.
 - f. **Economic development** includes amounts set aside to promote economic development within the City.
 - g. **Technology fee** includes a 6% fee assessed on certain program revenues to fund the cost of technology systems.
 - h. **Retiree's health insurance premiums** represent amounts set aside to fund future retiree health premiums.
 - i. **Park repair and maintenance** includes amounts set aside for park repair and maintenance.
 - j. **ADA improvements** includes amounts set aside for ADA compliance
 - k. **Building Repair Reserves** include amounts set aside for routine building maintenance.
2. **Capital construction impact fee** includes amounts set aside for city construction projects.
3. **Oak tree mitigation** includes amounts set aside for oak tree preservation.
4. **Whitney Ranch trunk sewer project** includes amounts to be used for the sewer trunk line upgrade.

City of Rocklin
Notes to the Basic Financial Statements
June 30, 2016

C. Deficit Net Position and Deficit Fund Balances

Deficit Net Position

The City's unrestricted net position was a deficit \$2,310,614 as of June 30, 2016. This was a result of GASB 68 which required the City to record a noncurrent net pension liability of \$32.88 million.

Deficit Fund Balances

The Park Development Capital Projects Fund had a deficit fund balance of \$204,486 as of June 30, 2016 that is to be funded through future development fees.

The Community Park Fees Capital Projects Fund had a deficit fund balance of \$625,573 as of June 30, 2016 that is to be funded through future community park fees and reimbursable grants.

The Streets Grants Fund had a deficit fund balance of \$829,565 as of June 30, 2016 that is to be funded through deferred and unearned grants.

NOTE 8 - RISK MANAGEMENT

The City's insurance coverage and the respective coverage providers are as follows:

<u>Amount</u>	<u>Coverage Provider</u>	<u>Payment Source</u>
Liability Claim:		
\$0 - \$50,000	Self-insured	Banking layer
\$50,001 - \$500,000	NCCSIF	Shared risk
\$500,001 - \$40,000,000	Excess coverage	CJPRMA
Workers' Compensation:		
\$0 - \$100,000	Self-insured	Banking layer
\$100,001 - \$500,000	NCCSIF	Shared risk
\$500,001 - Statutory	Excess coverage	CSAC EIA

The City is a member of the Northern California Cities Self Insurance Fund (NCCSIF) along with twenty-two other northern California cities. The NCCSIF is a joint powers authority (JPA) organized in accordance with Article 1, Chapter 5, Division 7, Title 1 of the California Government Code. The purpose is to create a common pool of funds to be used to meet obligations of the parties to provide workers' compensation benefits for their employees and to provide excess liability insurance. The NCCSIF provides claims processing administrative services, risk management services, and actuarial studies.

A member from each city governs the NCCSIF. City Council members do not have significant oversight responsibility, since they evenly share all factors of responsibility with the other cities. The City does not retain the risk of loss. However, ultimate liability for payment of claims and insurance premiums resides with member cities. The NCCSIF is empowered to make supplemental assessments as needed to eliminate deficit positions of member cities. If the JPA becomes insolvent, the City is responsible only to the extent of any deficiency in its equity balance.

The NCCSIF establishes claims liabilities based on estimates of the ultimate cost of claims (including future claims settlement expenses) that have been reported but not settled, plus estimates of claims that

City of Rocklin
Notes to the Basic Financial Statements
June 30, 2016

have been incurred but not reported. Because actual claims costs depend on various factors, the claims liabilities are recomputed periodically using a variety of actuarial and statistical techniques to produce current estimated claims that reflect recent settlements, claim frequency, and other economic and social factors. A provision of inflation is implicit in the calculation of estimated future claims costs. Adjustments to claims liabilities are charged or credited to expense in the periods in which they are made.

The City participates in excess insurance coverage provided by California joint powers authorities (JPAs), the California Joint Powers Risk Management Authority (CJPRMA) and the California State Association of Counties Excess Insurance Authority (CSAC EIA). These JPAs self-fund to \$5,000,000 and then purchase reinsurance over that amount to their various limits. The City is self-insured for employee dental and vision claims. There have been no significant reductions in insurance coverage from coverage in the prior fiscal year. Settlements have not exceeded the insurance coverage for the past three fiscal years.

The City's equity investment in the NCCSIF of \$447,838 is recorded in the general fund. The audited financial statements of the JPA are available at the NCCSIF's office. The following is a summary of the claims liabilities for the last three fiscal years:

	Year Ended June 30, 2016	Year Ended June 30, 2015	Year Ended June 30, 2014
Claims payable, beginning of year	\$ 1,247,576	\$ 1,162,959	\$ 988,108
Fiscal year claims and changes in estimates	1,053,805	418,596	494,813
Claims payments	(522,456)	(333,979)	(319,962)
Claims payable, end of year	<u>\$ 1,778,925</u>	<u>\$ 1,247,576</u>	<u>\$ 1,162,959</u>

NOTE 9 - RETIREMENT PLANS

A. General Information about the Pension Plans

Plan Description

All qualified employees are eligible to participate in the City's Miscellaneous agent multiple employer defined benefit pension plan or the Safety (Fire and Police) cost-sharing multiple employer defined benefit pension plans (the Plans) administered by the California Public Employees' Retirement System (CalPERS). Benefit provisions under the Plans are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members. Benefits are based on age at retirement, highest salary for either a one or three year period and years of credited service. The cost of living adjustments for the Plans are applied as specified by the Public Employees' Retirement Law.

City of Rocklin
Notes to the Basic Financial Statements
June 30, 2016

The Plans' provisions and benefits in effect at June 30, 2016, are summarized as follows:

	Miscellaneous		Fire	Safety	
	Classic	PEPRA		Police	Police/PEPRA
Hire date	N/A	On or after January 1, 2013	N/A	N/A	On or after January 1, 2013
Benefit formula	2% @ 55	2% @ 62	3% @ 50	3% @ 50	2.7% @ 57
Benefit vesting schedule	5 Years	5 Years	5 Years	5 Years	5 Years
Benefit payments	Monthly for Life	Monthly for Life	Monthly for Life	Monthly for Life	Monthly for Life
Retirement age	50	52	50	50	50
Monthly benefits as a % of eligible compensation	1% to 2.5%	1% to 2.5%	3.00%	3.00%	2% to 2.7%
Required employee contribution rates	7.00%	6.25%	9.00%	9.00%	11.50%
Required employer contribution rates	18.139%	6.25%	25.887%	25.149%	11.143%

Employees Covered

At June 30, 2016, the following employees were covered by the benefit terms for the Plans:

	Miscellaneous	Fire	Police
Active	161	34	50
Transferred	90	38	22
Separated	136	6	10
Retired	99	19	35
Total Employees Covered	486	97	117

Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rates are the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. For the year ended June 30, 2016, the contributions recognized as part of pension expense for the Plans were as follows:

	Employer Contributions	Employee Contributions
Miscellaneous	\$ 2,539,038	\$ 729,001
Fire	\$ 1,191,493	\$ 246,194
Police	\$ 2,032,540	\$ 334,295

City of Rocklin
Notes to the Basic Financial Statements
June 30, 2016

B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

Pension Liability

As of June 30, 2016, the City reported net pension liabilities for each plan as follows:

	Net Pension Liability
Miscellaneous	\$ 17,538,037
Fire	6,617,214
Police	8,722,233
	<hr/>
Total Net Pension Liability	\$ 32,877,484

The City's net pension liability for the Fire and Police Plans are measured as the proportionate share of the net pension liability while the Miscellaneous plan's net pension liability is a direct calculation based on its actuarial study and is not proportionate. The net pension liability of all the Plans are measured as of June 30, 2015, and the total pension liability for the Plans used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2014 rolled forward to June 30, 2015 using standard update procedures. The City's proportion of the net pension liability for the Fire and Police Plans was based on a projection of the City's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. The City's proportionate share of the net pension liability for the Fire and Police Plans as of June 30, 2014 and 2015 was as follows:

	Fire	Police
Proportion - June 30, 2014	0.1521%	0.2042%
Proportion - June 30, 2015	0.1606%	0.2117%
Change	0.0085%	0.0075%

For the year ended June 30, 2016, the City recognized pension expense of \$2,269,412. The following summarizes the pension expense components by plan:

	Miscellaneous	Safety Fire	Safety Police	Totals
Expense per fund statements	\$ 1,483,481	\$ 996,333	\$ 1,938,675	\$ 4,418,489
GASB 68 adjustments (conversion entries)	(126,113)	(625,504)	(1,397,460)	(2,149,077)
Expense per government-wide statements	\$ 1,357,368	\$ 370,829	\$ 541,215	\$ 2,269,412

City of Rocklin
Notes to the Basic Financial Statements
June 30, 2016

At June 30, 2016, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Miscellaneous</u>	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 1,483,481	\$ -
Changes in assumptions	-	(855,239)
Differences between expected and actual experiences	170,291	-
Change in employer's proportion and differences the employer's contributions and the employer's proportionate share of contributions	-	(107,783)
Net differences between projected and actual earnings on plan investments	-	(380,653)
Total	<u>\$ 1,653,773</u>	<u>\$ (1,343,675)</u>
	<u>Fire</u>	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 996,333	\$ -
Changes in assumptions	-	(646,670)
Differences between expected and actual experiences	-	(140,600)
Change in employer's proportion and differences the employer's contributions and the employer's proportionate share of contributions	1,147,859	-
Net differences between projected and actual earnings on plan investments	-	(327,736)
Total	<u>\$ 2,144,192</u>	<u>\$ (1,115,006)</u>
	<u>Police</u>	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 1,938,675	\$ -
Changes in assumptions	-	(868,773)
Differences between expected and actual experiences	-	(188,890)
Change in employer's proportion and differences the employer's contributions and the employer's proportionate share of contributions	1,479,713	-
Net differences between projected and actual earnings on plan investments	-	(440,300)
Total	<u>\$ 3,418,388</u>	<u>\$ (1,497,963)</u>

City of Rocklin
Notes to the Basic Financial Statements
June 30, 2016

The City reported \$4,418,489 as deferred outflows of resources related to contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Fiscal Year Ended June 30:	Deferred Outflows/(inflows) of Resources		
	Miscellaneous	Fire	Police
2017	\$ 820,144	\$ 908,691	\$ 1,777,910
2018	(663,337)	(102,721)	(169,409)
2019	(362,089)	(179,101)	(228,572)
2020	515,379	402,317	540,496
Total	\$ 310,097	\$ 1,029,186	\$ 1,920,425

Actuarial Assumptions

The total pension liabilities in the June 30, 2014 actuarial valuations were determined using the following actuarial assumptions:

Valuation Date	June 30, 2014
Measurement Date	June 30, 2015
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.65%
Inflation	2.75%
Payroll Growth	3.00%
Projected Salary Increase	3.3% - 14.2% (1)
Investment Rate of Return	7.5% (2)
Mortality	(3)

- (1) Depending on age, service and type of employment
- (2) Net of pension plan investment expenses, including inflation
- (3) Derived using CalPERS' membership data for all funds

Discount Rate

The discount rate used to measure the total pension liability was 7.65 percent for the Plans. To determine whether the municipal bond rate should be used in the calculation of a discount rate for the Plans, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.65 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.65 percent will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website. According to Paragraph 30 of Statement 68, the long-term discount rate should be determined without reduction for pension plan administrative expense. GASB 68, paragraph 68 states that the long long-term expected rate of return should be determined net of pension plan investment expense but without reduction for pension plan administrative expense. The discount rate of 7.50 percent used for the June 30, 2014 measurement date was net of administrative expenses. The discount rate of 7.65 percent used for the June 30, 2015 measurement date is without reduction of pension plan administrative expense.

CalPERS is scheduled to review all actuarial assumptions as part of its regular Asset Liability

City of Rocklin
Notes to the Basic Financial Statements
June 30, 2016

Management (ALM) review cycle that is scheduled to be completed in February 2018. Any changes to the discount rate will require Board action and proper stakeholder outreach. For these reasons, CalPERS expects to continue using a discount rate net of administrative expenses for GASB 67 and 68 calculations through at least the 2017-18 fiscal year.

CalPERS will continue to check the materiality of the difference in calculation until such time as they change their methodology. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach.

Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent. The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

Asset Class	New Strategic Allocation	Real Return Years 1 - 10 (a)	Real Return Years 11+ (b)
Global Equity	47.00%	5.25%	5.71%
Global Fixed Income	19.00%	0.99%	2.43%
Inflation Sensitive	6.00%	0.45%	3.36%
Private Equity	12.00%	6.83%	6.95%
Real Estate	11.00%	4.50%	5.13%
Infrastructure and Forestland	3.00%	4.50%	5.09%
Liquidity	2.00%	-0.55%	-1.05%
Total	100.00%		

(a) An expected inflation of 2.5% used for this period.

(b) An expected inflation of 3.0% used for this period.

City of Rocklin
Notes to the Basic Financial Statements
June 30, 2016

C. Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the City's net pension liability for the Plans, calculated using the discount rate for the Plans, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	Misc	Fire	Police
1% Decrease	6.65%	6.65%	6.65%
Net Pension Liability	\$ 27,255,312	\$ 10,609,666	\$ 13,984,734
Current Discount Rate	7.65%	7.65%	7.65%
Net Pension Liability	\$ 17,538,037	\$ 6,617,214	\$ 8,722,233
1% Increase	8.65%	8.65%	8.65%
Net Pension Liability	\$ 9,549,082	\$ 3,343,476	\$ 4,407,078

Pension Plan Fiduciary Net Position

Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

NOTE 10 - OTHER POSTEMPLOYMENT BENEFITS PLAN

Plan Description

The City provides certain health care benefits for eligible retired employees through the California Public Employees' Retirement System (CalPERS) under the Public Employees' Medical and Hospital Care Act (PEHMCA). This is a cost-sharing multiple-employer defined benefit plan. Eligible retirees may enroll in any of the available CalPERS medical plans. CalPERS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the report may be obtained from the CalPERS website at www.calpers.ca.gov.

Commencing with fiscal year 2014, the City participates in the California Employers' Retiree Benefit Trust (CERBT) Fund, which is administered by CalPERS. CERBT is a tax-qualified irrevocable trust organized under Internal Revenue Code Section 115 and established to prefund retiree healthcare benefits. CERBT, an agent multiple-employer trust, issues a publicly available financial report including GASB Statement No. 43, Financial Reporting for Postemployment Benefits Plans Other Than Pension Plans, disclosure information in aggregate with the other CERBT participating employers. That report can be obtained from the CalPERS Web site at www.calpers.ca.gov.

City of Rocklin
Notes to the Basic Financial Statements
June 30, 2016

The following is a summary of the plan benefits from the most recent actuarial study dated June 30, 2015:

Eligibility	Full-time employees retiring directly from City under CalPERS at age 50 and 5 years or disability. Miscellaneous PEPRA retirees age 52 and 5 years.																																		
Medical	<p>Miscellaneous, Management & Confidential: Eligible retirees receive 100% of the City's monthly contribution of \$1,093 per month.</p> <p>Police, Fire and Public Safety Manager: Hired < 5/1/2003 Hired >= 5/1/2003</p> <p>Cap greater of City cap and State 100/90 premium:</p> <table border="1"> <thead> <tr> <th></th> <th>Single</th> <th>2-Party</th> <th>Family</th> </tr> </thead> <tbody> <tr> <td>2015</td> <td>\$ 1,093</td> <td>\$ 1,093</td> <td>\$ 1,093</td> </tr> <tr> <td>2016</td> <td>\$ 1,093</td> <td>\$ 1,093</td> <td>\$ 1,093</td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th></th> <th>Single</th> <th>2-Party</th> <th>Family</th> </tr> </thead> <tbody> <tr> <td>2015</td> <td>\$ 655</td> <td>\$ 1,246</td> <td>\$ 1,605</td> </tr> <tr> <td>2016</td> <td>\$ 705</td> <td>\$ 1,343</td> <td>\$ 1,727</td> </tr> </tbody> </table> <p>Vesting schedule applied:</p> <table border="1"> <thead> <tr> <th>CalPERS Service</th> <th>Vested Percent</th> </tr> </thead> <tbody> <tr> <td>< 10</td> <td>0%</td> </tr> <tr> <td>10</td> <td>50%</td> </tr> <tr> <td>↓</td> <td>↓</td> </tr> <tr> <td>> 20</td> <td>100%</td> </tr> </tbody> </table> <p>1) Minimum 5 years City service</p>		Single	2-Party	Family	2015	\$ 1,093	\$ 1,093	\$ 1,093	2016	\$ 1,093	\$ 1,093	\$ 1,093		Single	2-Party	Family	2015	\$ 655	\$ 1,246	\$ 1,605	2016	\$ 705	\$ 1,343	\$ 1,727	CalPERS Service	Vested Percent	< 10	0%	10	50%	↓	↓	> 20	100%
	Single	2-Party	Family																																
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10	50%																																		
↓	↓																																		
> 20	100%																																		
Surviving Spouse	Surviving spouse coverage based on retirement plan election Same benefit continues to surviving spouse																																		
Dental, Vision, Life	None																																		
Pay As You Go (\$000s)	<table border="1"> <thead> <tr> <th>Fiscal Year</th> <th>Payments</th> </tr> </thead> <tbody> <tr> <td>2014/15</td> <td>\$ 1,121</td> </tr> <tr> <td>2013/14</td> <td>1,016</td> </tr> <tr> <td>2012/13</td> <td>918</td> </tr> <tr> <td>2011/12</td> <td>806</td> </tr> <tr> <td>2010/11</td> <td>697</td> </tr> <tr> <td>2009/10</td> <td>578</td> </tr> <tr> <td>2008/09</td> <td>483</td> </tr> </tbody> </table>	Fiscal Year	Payments	2014/15	\$ 1,121	2013/14	1,016	2012/13	918	2011/12	806	2010/11	697	2009/10	578	2008/09	483																		
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Funding Policy

By Council resolution and through agreements with its labor units, the City contributes a fixed amount towards the CalPERS medical plan premium for all eligible retirees with retirees contributing any premium amounts in excess of the City Contribution. The City funds the OPEB on a prefunded phase in basis. The City recognizes its cost by budgeting for and expensing the “pay as you go” premiums, which amounted to \$1,221,630 for the year ended June 30, 2016. The City continues toward its goal of fully funding the OPEB obligation by making contributions to the California Employers’ Retiree Benefit Trust (CERBT). During fiscal year 2016, the City contributed \$4.266 million in to CERBT.

Annual OPEB Cost and Net OPEB Obligation

The City’s annual other postemployment benefit cost (expense) is calculated based on the annual required contribution (ARC) of the employer. The ARC represents the level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities (or

City of Rocklin
Notes to the Basic Financial Statements
June 30, 2016

funding excess) over a period not to exceed 30 years. The City plans to have the ARC fully funded by the end of fiscal year 2022.

The following table shows the components of the City’s annual OPEB cost for the year, the amount actually contributed to the Plan, and the changes in the City’s net OPEB obligation:

Annual required contribution	\$ 4,242,000
Interest on net OPEB obligation	1,232,000
Adjustment to annual required contribution	<u>(1,754,000)</u>
Annual OPEB cost (expense)	3,720,000
Contributions made	<u>(5,488,030)</u>
Increase (decrease) in net OPEB obligation	(1,768,030)
Net OPEB obligation - beginning of year	<u>20,365,567</u>
Net OPEB obligation - end of year	<u><u>\$ 18,597,537</u></u>

The City’s annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation for the fiscal year 2016 and the two preceding fiscal years were as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2014	\$ 4,310,000	64%	\$21,830,121
2015	3,481,789	98%	20,365,567
2016	3,720,000	148%	18,597,537

Funded Status and Funding Progress

The funded status of the Plan as of June 30, 2016 was as follows:

Actuarial accrued liability (AAL)	\$ 32,145,000
Value of plan assets	<u>8,342,146</u>
Unfunded actuarial accrued liability (UAAL)	<u><u>\$ 23,802,854</u></u>
Funded ratio (actuarial value of plan assets/AAL)	26%
Projected covered payroll (active Plan members)	\$ 20,553,000
UAAL as a percentage of covered payroll	116%

Actuarial valuations of an ongoing plan involve estimates of the value of expected benefit payments 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. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress on page 98, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. The numbers used in the schedule of funding progress are actuarial estimates and may not tie to the actual funding status numbers above as of June 30, 2016.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as

City of Rocklin
Notes to the Basic Financial Statements
June 30, 2016

understood by the employer and the plan participants) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing costs between the employer and plan participants to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The annual required contribution (ARC) was determined as part of a June 30, 2015, actuarial valuation using the entry age normal actuarial cost method. This is a projected benefit cost method, which takes into account those benefits that are expected to be earned in the future as well as those already accrued. The actuarial assumptions included (a) 4.5% return on the unfunded portion and 7.25% on the funded portion, (b) 3.25% projected annual salary increase, (c) 3.00% of general inflation increase, and (d) a healthcare trend of declining annual increases ranging from 7.0% to 7.2% in 2015 to 5% in 2021.

The unfunded actuarial accrued liability (UAAL) representing the difference between the actuarial accrued liability and the value of plan assets, amounted to \$23,802,854 million. As of June 30, 2016, the City had total assets of \$10,274,816 in a City Retirees Health Fund. \$7.4 million of these funds are currently invested in long-term bonds. As these investments mature, funds will be transferred to CERBT.

NOTE 11 - COMMITMENTS AND CONTINGENCIES

A. Commitments

The City had the following significant unexpended contractual commitments as of June 30, 2016:

Project Name	Original Commitment	Commitment Remaining
Quinn Quarry Park Phase II	\$ 34,980	\$ 32,660
Secret Ravine/Rocklin Bridge Repair	114,123	93,204
Granite Drive Storm Drain	616,719	70,595
Fire Station #1 New Design/Construction	386,826	376,826
Whitney Ranch Interchange	10,841,610	764,080
Winding Lost Ruhkala	106,900	6,530
Front Street Park and Ride	369,464	150,891
SCB/I-80 Landscape	300,606	300,606
	\$ 12,771,228	\$ 1,795,392

B. Lawsuits

The City is presently involved in certain matters of litigation that have arisen in the normal course of conducting City business. City management believes, based upon consultation with the City Attorney, that these cases, in the aggregate, are not expected to result in a material adverse financial impact on the City. Additionally, City management believes that the City's insurance programs are sufficient to cover any potential losses should an unfavorable outcome materialize.

City of Rocklin
Notes to the Basic Financial Statements
June 30, 2016

C. Federal, State and County Grant Programs (Contingencies)

The City participates in a number of Federal, State and County programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grantor program regulations, the City may be required to reimburse the grantor government. As of June 30, 2016, some amounts of grant expenditures have not been audited, but the City believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any individual governmental funds or the overall financial condition of the City.

NOTE 12 - SPECIAL TAX ASSESSMENT DISTRICTS

The Mello-Roos Community Facilities Act of 1982 (Mello-Roos Act) allows establishment of Community Facilities Districts (CFD). Under the Mello-Roos Act, special taxes are levied by CFD's to provide services such as police and fire protection, and to finance infrastructure improvements. The City of Rocklin has established CFD's that have issued bonds and levied taxes under the Mello-Roos Act. The City is not liable for repayment of these bonds and acts only as an agent for the property owners/bond holders in collecting and forwarding the special taxes. The assets held by the City on behalf of these districts and related liabilities are recorded in Agency funds. Special taxes have also been levied under the Mello-Roos Act to pay for services provided by CFD's #1, #5, and #6. The activities of these CFD's are accounted for in Special Revenue funds, which are presented in the City's Basic Financial Statements.

The Landscaping and Lighting Act of 1972 (Lighting Act) allows local government agencies to form Landscape and Lighting Districts for the purpose of financing the costs and expenses of landscaping and lighting public areas. The City has formed two districts which levy special assessments under the Lighting Act; Lighting Maintenance District No.1 and Landscaping and Lighting Maintenance District No.2. The activities of these districts are accounted for in Special Revenue funds and are included in the City's Basic Financial Statements. The disclosures in Note 12 include those required by California Government Code section 50075.1.

The following table presents the balances of the various district bonds as of June 30, 2016.

	Balance
Community Facilities District Bonds	June 30, 2016
CFD No. 3 2014 - Stanford Ranch Refunding	\$ 3,448,150
CFD No. 6 - Sunset West Drainage	1,260,000
CFD No. 7 - Sunset West Interchange/Major St	1,521,481
CFD No. 8 - Sunset West Park Drive	3,260,000
CFD No. 9 - Sunset West/Blue Oaks	3,885,000
CFD No. 10 - Whitney Ranch	27,090,000
CFD No. 11 - Sierra College Interchange	<u>7,447,199</u>
Total CFD Bonds	<u>\$ 47,911,830</u>

City of Rocklin
Notes to the Basic Financial Statements
June 30, 2016

Community Facilities District No. 1 Special Tax

Community Facilities District No. 1 was formed in 1986 to provide fire protection and suppression services and ambulance and paramedic services to various developments within the City of Rocklin. These services are provided by the City of Rocklin Fire Department. The cost for these services is born by the City and partially offset by the special tax levied on parcels within the district. As such, district expenditures are primarily a reimbursement to the City. For fiscal year 2016, revenues were \$1,387,646 and reimbursement expenditures were \$1,387,646. If expenditures exceed revenues in a fiscal year, the excess expenditures are paid with cash on hand. There were no active projects during the fiscal year.

Community Facilities District No. 3 Bonds

Community Facilities District No. 3 was formed in 1990 to issue bonds for street related improvements and projects, such as the construction of roadways, storm drainage facilities, sanitary sewer facilities, water lines, and gas lines. The district's improvements and projects have been completed. For fiscal year 2016, revenues were \$819,592 and expenditures were \$2,683,413. The primary source of revenues is special taxes and expenditures are for activities related to debt service. If expenditures exceed revenues in a fiscal year, the excess expenditures are paid with cash on hand.

Community Facilities District No. 5 Special Tax

Community Facilities District No. 5 was formed in 1996 to fund the operation and maintenance of street and parkway lights, streetscapes, open space, and parks in various developments within the City of Rocklin. For fiscal year 2016, revenues were \$3,965,330 and expenditures were \$4,052,601. The primary source of revenues is special taxes and expenditures are for operating costs such as payroll, maintenance, professional services, and utilities. If expenditures exceed revenues in a fiscal year, the excess expenditures are paid with cash on hand. There were no active projects during the fiscal year.

Community Facilities District No. 6 Bonds

Community Facilities District No. 6 was formed in 1998 to issue bonds for installation, construction, and acquisition of drainage facilities and open space. The district's improvements and projects have been completed. For fiscal year 2016, revenues were \$177,886 and expenditures were \$169,375. The primary source of revenues is special taxes and expenditures are for activities related to debt service. If expenditures exceed revenues in a fiscal year, the excess expenditures are paid with cash on hand.

Community Facilities District No. 6 Special Tax

A special tax has been levied to fund the operation and maintenance of the open space and storm drainage facilities of Community Facilities District No. 6. For fiscal year 2016, revenues were \$270,134 and expenditures were \$228,390. The primary source of revenue is special taxes and expenditures are for operating costs such as payroll, maintenance and professional services. If expenditures exceed revenues in a fiscal year, the excess expenditures are paid with cash on hand. There were no active projects during the fiscal year.

Community Facilities District No. 7 Bonds

Community Facilities District No. 7 was formed in 1997 to issue bonds for the construction and acquisition of a highway interchange and connectors to provide access between Blue Oaks Blvd. and Highway 65. The district's improvements and projects have been completed. For fiscal year 2016, revenues were \$274,660 and expenditures were \$267,480. The primary source of revenues is special taxes and expenditures are for activities related to debt service. If expenditures exceed revenues in a fiscal year, the excess expenditures are paid with cash on hand.

City of Rocklin
Notes to the Basic Financial Statements
June 30, 2016

Community Facilities District No. 8 Bonds

Community Facilities District No. 8 was formed in 1998 to issue bonds for the construction, acquisition, and widening of portions of Park Dr. and Blue Oaks Blvd. and the installation of backbone utility infrastructure within the same area. The district's improvements and projects have been completed. For fiscal year 2016, revenues were \$477,583 and expenditures were \$466,973. The primary source of revenues is special taxes and expenditures are for activities related to debt service. If expenditures exceed revenues in a fiscal year, the excess expenditures are paid with cash on hand.

Community Facilities District No. 9 Bonds

Community Facilities District No. 9 was formed in 1998 to issue bonds for the construction, acquisition, and widening of portions of Lone Tree, Blue Oaks, and West Oaks Boulevards and installation of traffic control lights. The district's improvements and projects have been completed. For fiscal year 2016, revenues were \$558,781 and expenditures were \$547,048. The primary source of revenues is special taxes and expenditures are for activities related to debt service. If expenditures exceed revenues in a fiscal year, the excess expenditures are paid with cash on hand.

Community Facilities District No. 10 Bonds

Community Facilities District No. 10 was formed in 2005 to issue bonds for the construction of transportation, wastewater system, drainage, and landscaping facilities and other public improvements for development within the Whitney Ranch District. In fiscal year 2016, a \$27.09 million special tax bond was issued to refund the original bonds and provide \$5.85 million for additional improvements. For fiscal year 2016 revenues were \$1,947,589 and expenditures were \$739,955. Expenditures for fiscal year 2016 were reduced as a result of the refunding of the original bonds. During the fiscal year \$1.978 million in improvement funds were used to pay for Phase I backbone improvements within the Whitney Ranch District.

Community Facilities District No. 11 Bonds

Community Facilities District No. 11 was formed in 2006 to issue bonds for the construction of a new interchange on Interstate 80 at Sierra College Blvd. This project has been completed. For fiscal year 2016, revenues were \$845,863 and expenditures were \$860,094. The primary source of revenues is special taxes and expenditures are for activities related to debt service. If expenditures exceed revenues in a fiscal year, the excess expenditures are paid with cash on hand.

Lighting Maintenance District No. 1

Lighting Maintenance District No. 1 was formed in 1979 to provide maintenance of streetlights and safety lighting throughout various portions of the City of Rocklin. During the fiscal year, 1,526 streetlights, 20 traffic signals, 2 flashing lights, and safety lighting was maintained. For fiscal year 2016, revenues were \$250,462 and expenditures were \$250,462. The primary source of revenues is special assessments and expenditures are primarily for payroll, maintenance, professional services, and utilities. There were no active projects during the fiscal year.

Landscaping and Lighting Maintenance District No. 2

Landscaping and Lighting Maintenance District No. 2 was formed in 1996 to provide maintenance of streetlights, safety lighting, and roadway landscaping throughout various portions of the City of Rocklin. During the fiscal year, 2,668 streetlights, 51 traffic signals, 55 irrigation timers for roadway landscaping and safety lighting was maintained. For fiscal year 2016, revenues were \$1,810,641 and expenditures were \$1,786,474. The primary source of revenues is special assessments and expenditures are primarily for payroll, maintenance, professional services, and utilities. There were no active projects during the fiscal year.

City of Rocklin
Notes to the Basic Financial Statements
June 30, 2016

Park Development and Maintenance Tax

The Park Development and Maintenance Tax was enacted in 1998 and reenacted in 2009, to provide development, installation, servicing, maintenance, repair and operation of parks in the City of Rocklin. From fiscal year 2010 through 2016, there have been no projects funded by the tax. The tax revenue has been primarily used for payroll, professional services and utilities in connection with park maintenance and operation. The table below presents historical park tax revenues and related expenditures for the last five fiscal years. Expenditures in excess of park tax revenues are paid from general fund.

Year Ended June 30,	Park Tax		Revenue
	Revenue	Expenditures	Over (Under) Expenditures
2012	516,046	1,068,575	\$ (552,529)
2013	524,645	1,054,337	(529,692)
2014	525,660	1,048,601	(522,941)
2015	526,905	1,079,407	(552,502)
2016	529,275	1,355,237	(825,962)
Total	<u>\$ 2,622,531</u>	<u>\$ 5,606,157</u>	<u>\$ (2,983,626)</u>

NOTE 13 - SUCCESSOR AGENCY TRUST (FORMER ROCKLIN REDEVELOPMENT AGENCY)

Pursuant to Assembly Bills 1X26 and 1484 (“the Bills”), all redevelopment agencies in the State of California were dissolved on February 1, 2012. The Bills authorized certain local agencies, such as a city or county, to become the Successor Agency. On January 1, 2012, the City Council elected to become the Successor Agency for the former Rocklin Redevelopment Agency. The Successor Agency is responsible for winding down the affairs of the former redevelopment agency, which includes making payments due for enforceable obligations and disposition of the assets of the former redevelopment agency. Examples of enforceable obligations include payments to contractors, bond debt service payments, and loan payments. The Successor Agency has an oversight board that supervises its work. The Oversight Board is comprised of representatives of the local agencies that serve the redevelopment project area.

Successor agencies are only allocated revenue in the amount necessary to pay the enforceable obligations of the former redevelopment agency. The agency will only receive this revenue until all enforceable obligations have been paid in full and all assets have been liquidated. The assets and activities of the dissolved redevelopment agency are reported in a fiduciary fund (private purpose trust fund) in the financial statements of the City.

On December 10, 2013, by resolution, the City Council elected to assume responsibility for performing the housing functions of the former Rocklin Redevelopment Agency. All housing assets were transferred from the Successor Agency Housing Fund to the City of Rocklin. The housing assets previously accounted for as a private purpose trust fund are now accounted for as a special revenue fund in the City's financial statements.

City of Rocklin
Notes to the Basic Financial Statements
June 30, 2016

Successor Agency Noncurrent Liabilities

The following is a summary of changes in long-term liabilities for governmental activities for the year ended June 30, 2016:

Description	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
General Long-Term Debt:					
2002 Refunding Tax Allocation Bonds	\$ 2,030,000	\$ -	\$ 60,000	\$ 1,970,000	\$ 80,000
2005 Refunding Tax Allocation Bonds	9,515,000	-	275,000	9,240,000	180,000
2007 Refunding Tax Allocation Bonds	13,810,000	-	365,000	13,445,000	465,000
Subtotal General Long-Term Debt	25,355,000	-	700,000	24,655,000	725,000
Unamortized Discounts:					
2002 Refunding Tax Allocation Bonds	(86,278)	-	(16,906)	(69,372)	-
2005 Refunding Tax Allocation Bonds	(78,217)	-	(3,911)	(74,306)	-
2007 Refunding Tax Allocation Bonds	(210,798)	-	(10,038)	(200,760)	-
Subtotal Unamortized Discounts	(375,293)	-	(30,855)	(344,438)	-
Subtotal General Long-Term Debt - Net	24,979,707	-	669,145	24,310,562	725,000
Other Noncurrent Liabilities:					
Quarry Loan Payable	128,802	-	128,802	-	-
Placer County Loan Payable	1,169,398	-	292,350	877,048	292,350
Subtotal Other Noncurrent Liabilities	1,298,200	-	421,152	877,048	292,350
Total Noncurrent Liabilities	\$ 26,277,907	\$ -	\$ 1,090,297	\$ 25,187,610	\$ 1,017,350

2002 Refunding Tax Allocation Bonds

On February 1, 2002, tax allocation bonds were issued, in the amount of \$13,730,000, to defease the 1994 tax allocation bonds of the Redevelopment Agency. The proceeds of the tax allocation bonds are being used to finance certain capital improvements within the Redevelopment Agency's project area. On February 23, 2007, \$10,535,000 of principal was defeased from the issuance of the 2002 Tax Allocation Bonds. The remaining bonds are payable from and secured by tax increment revenues payable to the Redevelopment Agency. Interest rates range from 4.60% to 5.50%. Principal payments ranging from \$75,000 to \$190,000 are payable annually on September 1 and interest payments ranging from \$5,225 to \$53,224 are payable semi-annually on March 1 and September 1 through September 1, 2032.

2005 Tax Allocation Bonds

On July 15, 2005, tax allocation bonds were issued, in the amount of \$11,900,000. A portion of the proceeds of the tax allocation bonds were used to defease the 1997 refunding tax allocation bonds of the Redevelopment Agency's project area and the remaining \$8 million was used for redevelopment projects. The bonds are payable from and secured by tax increment revenues payable to the Redevelopment Agency. Interest rates range from 3% to 4.5%. Principal payments ranging from \$180,000 to \$1,530,000 are payable annually on September 1 and interest payments ranging from \$34,425 to \$201,823 are payable semi-annually on March 1 and September 1, through September 1, 2035.

2007 Tax Allocation Bonds

On February 23, 2007, tax allocation bonds were issued in the amount of \$15,815,000 to partially defease

City of Rocklin
Notes to the Basic Financial Statements
June 30, 2016

the 2002 Tax Allocation Bond of the Agency and to fund the costs of capital improvements and facilities within the Agency. The bonds are payable from and secured by tax increment revenues payable to the Agency. Interest rates range from 4% to 4.375%. Principal payments ranging from \$90,000 to \$1,700,000 are payable annually on September 1 and interest payments ranging from \$15,969 to \$285,516 are payable semi-annually on March 1 and September 1, through September 1, 2037.

Quarry Loan Payable

On August 12, 2011, the Redevelopment Agency entered into an agreement for the purchase of the Big Gun Mining Quarry for \$1,000,000, with a \$400,000 down payment followed by five annual payments of \$133,529. Terms are 3.67% interest for five years. This loan was fully repaid during 2015/16.

Placer County Loan Payable

On May 1, 2014 the Successor Agency entered into a loan agreement with the Placer County Treasurer to retire the Bank of America line of credit. The loan proceeds of \$1,461,748 were used to pay off the remaining balance owed on the Bank of America line of credit. Terms are 1.75% for five years.

The following summarizes the Successor Agency's future bond debt service obligations:

Year Ending June 30,	Principal	Interest	Total
2017	\$ 725,000	\$ 1,066,436	\$ 1,791,436
2018	755,000	1,036,351	1,791,351
2019	785,000	1,004,706	1,789,706
2020	820,000	971,490	1,791,490
2021	855,000	936,821	1,791,821
2022-2026	4,840,000	4,098,225	8,938,225
2027-2031	5,980,000	2,915,969	8,895,969
2032-2036	7,465,000	1,401,844	8,866,844
2037-2041	2,430,000	85,094	2,515,094
Total	<u>\$ 24,655,000</u>	<u>\$ 13,516,936</u>	<u>\$ 38,171,936</u>



ROCKLIN
CALIFORNIA

REQUIRED SUPPLEMENTARY INFORMATION

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City of Rocklin
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual (GAAP Basis)
General Fund
For the year ended June 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes and assessments	\$ 23,085,000	\$ 23,085,000	\$ 26,709,095	\$ 3,624,095
License and permits	1,994,400	1,994,400	2,954,029	959,629
Fines and forfeitures	164,400	164,400	217,220	52,820
Intergovernmental	4,460,900	4,460,900	5,061,997	601,097
Charges for services	2,588,700	2,596,700	2,354,066	(242,634)
Use of money and property	1,516,500	1,516,500	2,009,380	492,880
Other revenues	3,533,800	3,525,800	4,648,794	1,122,994
Total Revenues	37,343,700	37,343,700	43,954,581	6,610,881
EXPENDITURES				
Current:				
General government	11,825,200	16,862,600	17,025,560	(162,960)
Public safety	20,470,600	20,470,600	20,420,022	50,578
General services	6,173,500	5,501,400	5,864,995	(363,595)
Culture and recreation	-	1,246,300	1,584,662	(338,362)
Community development	2,708,900	2,708,900	2,844,440	(135,540)
Capital outlay	206,900	309,900	456,518	(146,618)
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	9,917	(9,917)
Total Expenditures	41,385,100	47,099,700	48,206,114	(1,106,414)
Excess (Deficiency) of Revenues over Expenditures	(4,041,400)	(9,756,000)	(4,251,533)	5,504,467
OTHER FINANCING SOURCES (USES)				
Transfers in	3,507,600	3,507,600	4,595,358	1,087,758
Transfers out	(168,900)	(168,900)	(1,452,424)	(1,283,524)
Total Other Financing Sources (Uses)	3,338,700	3,338,700	3,142,934	(195,766)
Net Change in Fund Balances	(702,700)	(6,417,300)	(1,108,599)	5,308,701
Fund Balances Beginning	34,170,275	34,170,275	34,170,275	-
Fund Balances Ending	\$ 33,467,575	\$ 27,752,975	\$ 33,061,676	\$ 5,308,701

City of Rocklin
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual (GAAP Basis)
Rocklin Public Financing Authority Debt Service Fund
For the year ended June 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Use of money and property	\$ 529,500	\$ 529,500	\$ 531,179	\$ 1,679
Total Revenues	<u>529,500</u>	<u>529,500</u>	<u>531,179</u>	<u>1,679</u>
EXPENDITURES				
Current:				
General government	22,300	22,300	24,500	(2,200)
Debt service:				
Principal retirement	645,000	645,000	645,000	-
Interest and fiscal charges	357,100	357,100	357,106	(6)
Total Expenditures	<u>1,024,400</u>	<u>1,024,400</u>	<u>1,026,606</u>	<u>(2,206)</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(494,900)</u>	<u>(494,900)</u>	<u>(495,427)</u>	<u>(527)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(494,900)	(494,900)	(495,427)	(527)
Fund Balances Beginning	<u>10,994,195</u>	<u>10,994,195</u>	<u>10,994,195</u>	<u>-</u>
Fund Balances Ending	<u>\$ 10,499,295</u>	<u>\$ 10,499,295</u>	<u>\$ 10,498,768</u>	<u>\$ (527)</u>

City of Rocklin
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual (GAAP Basis)
SB325 Sales Tax
For the year ended June 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes and assessments	\$ 3,450,000	\$ 3,450,000	\$ 597,235	\$ (2,852,765)
Intergovernmental	230,000	230,000	455,131	225,131
Use of money and property	5,900	5,900	16,082	10,182
Total Revenues	3,685,900	3,685,900	1,068,448	(2,617,452)
EXPENDITURES				
Current:				
General government	23,100	23,100	62,055	(38,955)
General services	1,664,100	1,664,100	1,627,970	36,130
Capital outlay	2,191,700	2,191,700	667,271	1,524,429
Total Expenditures	3,878,900	3,878,900	2,357,296	1,521,604
Excess (Deficiency) of Revenues over Expenditures	(193,000)	(193,000)	(1,288,848)	(1,095,848)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(573,700)	(573,700)	(288,589)	285,111
Total Other Financing Sources (Uses)	(573,700)	(573,700)	(288,589)	285,111
Net Change in Fund Balances	(766,700)	(766,700)	(1,577,437)	(810,737)
Fund Balances Beginning	3,409,978	3,409,978	3,409,978	-
Fund Balances Ending	\$ 2,643,278	\$ 2,643,278	\$ 1,832,541	\$ (810,737)

City of Rocklin
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual (GAAP Basis)
Low and Moderate Income Housing Asset Fund
For the year ended June 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Use of money and property	\$ 1,800	\$ 1,800	\$ 165,155	\$ 163,355
Total Revenues	1,800	1,800	165,155	163,355
EXPENDITURES				
Current:				
Community development	-	-	9,001	(9,001)
Total Expenditures	-	-	9,001	(9,001)
Excess (Deficiency) of Revenues over Expenditures	1,800	1,800	156,154	154,354
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	1,800	1,800	156,154	154,354
Fund Balances Beginning	11,788,552	11,788,552	11,788,552	-
Fund Balances Ending	<u>\$ 11,790,352</u>	<u>\$ 11,790,352</u>	<u>\$ 11,944,706</u>	<u>\$ 154,354</u>

City of Rocklin
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual (GAAP Basis)
Traffic Circulation Impact Fee Fund
For the year ended June 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes and assessments	\$ 1,688,700	\$ 1,688,700	\$ 2,001,045	\$ 312,345
Charges for services	158,000	158,000	201,357	43,357
Use of money and property	-	-	3,970	3,970
Contributions from developers and homeowners	2,600,000	2,600,000	2,600,000	-
Other revenues	410,000	410,000	658,508	248,508
Total Revenues	4,856,700	4,856,700	5,464,880	608,180
EXPENDITURES				
Current:				
General services	192,600	192,600	65,782	126,818
Community development	-	-	52,824	(52,824)
Capital outlay	7,579,500	7,579,500	6,873,511	705,989
Debt service:				
Interest and fiscal charges	2,000	2,000	-	2,000
Total Expenditures	7,774,100	7,774,100	6,992,117	781,983
Excess (Deficiency) of Revenues over Expenditures	(2,917,400)	(2,917,400)	(1,527,237)	1,390,163
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(987,800)	(987,800)	(698,900)	288,900
Total Other Financing Sources (Uses)	(987,800)	(987,800)	(698,900)	288,900
Net Change in Fund Balances	(3,905,200)	(3,905,200)	(2,226,137)	1,679,063
Fund Balances Beginning	2,642,408	2,642,408	2,642,408	-
Fund Balances Ending	\$ (1,262,792)	\$ (1,262,792)	\$ 416,271	\$ 1,679,063

City of Rocklin

Schedule of Pension Contributions (GASB 68)

June 30, 2016

	2016	2015
Miscellaneous Plan		
Contractually Required Contributions (Actuarially Determined)	\$ 2,539,038	\$ 1,521,604
Contributions in Relation to Actuarially Determined Contributions	2,539,038	1,521,604
Contribution Deficiency (Excess)	\$ -	\$ -
Covered Employee Payroll	\$ 9,856,574	\$ 9,826,020
Contributions as a Percentage of Covered Payroll	25.76%	15.49%
Fire Safety Plan		
Contractually Required Contributions (Actuarially Determined)	\$ 1,191,493	\$ 936,853
Contributions in Relation to Actuarially Determined Contributions	1,191,493	936,853
Contribution Deficiency (Excess)	\$ -	\$ -
Covered Employee Payroll	\$ 3,235,643	\$ 3,476,699
Contributions as a Percentage of Covered Payroll	36.82%	26.95%
Police Safety Plan		
Contractually Required Contributions (Actuarially Determined)	\$ 2,032,540	\$ 1,291,347
Contributions in Relation to Actuarially Determined Contributions	2,032,540	1,291,347
Contribution Deficiency (Excess)	\$ -	\$ -
Covered Employee Payroll	\$ 4,264,942	\$ 5,037,770
Contributions as a Percentage of Covered Payroll	47.66%	25.63%

Notes to Schedule:

Valuation Date: June 30, 2014
 Assumptions Used: Entry Age Method used for Actuarial Cost Method
 Level Percentage of Payroll (Closed) Used Amortization Method
 3.8 Years Remaining Amortization Period
 Inflation Assumed at 2.75%
 Investment Rate of Returns set at 7.5%
 CalPERS mortality table using 20 years of membership data for all funds

Note: Fiscal year 2015 was the first year of implementation of GASB 68, therefore only two years have been shown.

City of Rocklin

Schedule of Net Pension Liabilities and Proportionate Shares (GASB 68) June 30, 2016

	2016	2015
Miscellaneous Plan		
Net Pension Liability	\$ 17,538,037	\$ 16,713,853
Covered Employee Payroll	\$ 9,856,574	\$ 9,826,020
Net Pension Liability as a % of Covered Employee Payroll	177.93%	170.10%
Plan Fiduciary's Net Position as a % of the Total Pension Liability	74.02%	74.18%
Fire Safety Plan		
Proportion of Net Pension Liability	0.1606%	0.1521%
Proportionate Share of Net Pension Liability	\$ 6,617,214	\$ 5,704,838
Covered Employee Payroll	\$ 3,235,643	\$ 3,476,699
Proportionate Share of Net Pension Liability as a % of Covered Employee Payroll	204.51%	164.09%
Plan Fiduciary's Net Position as a % of the Total Pension Liability	78.40%	81.42%
Police Safety Plan		
Proportion of Net Pension Liability	0.21170%	0.20420%
Proportionate Share of Net Pension Liability	\$ 8,722,233	\$ 7,659,899
Covered Employee Payroll	\$ 4,264,942	\$ 5,037,770
Proportionate Share of Net Pension Liability as a % of Covered Employee Payroll	204.51%	152.05%
Plan Fiduciary's Net Position as a % of the Total Pension Liability	78.40%	81.42%

Note: Fiscal year 2015 was the first year of implementation of GASB 68, therefore only two years have been shown.

City of Rocklin
Retiree Healthcare Plan
Schedule of Funding Progress
June 30, 2016

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a/c))
6/30/2012	\$ -	\$ 31,396,000	\$ 31,396,000	0.00%	\$ 16,956,000	185.16%
6/30/2013	-	30,473,000	30,473,000	0.00%	17,732,000	171.85%
6/30/2015	4,138,000	32,145,000	28,007,000	12.87%	20,553,000	136.27%

Source: Most recent actuarial study dated June 30, 2015.



ROCKLIN

CALIFORNIA

SUPPLEMENTARY INFORMATION

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City of Rocklin
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2016
(With comparative totals for June 30, 2015)

	Total Special Revenue Funds	Total Capital Projects Funds	Capital Construction Debt Service Fund ⁽¹⁾	Total Permanent Funds	Total Nonmajor Governmental Funds	
					2016	2015
ASSETS						
Cash and investments	\$ 6,312,420	\$ 2,710,422	\$ -	\$ -	\$ 9,022,842	\$ 9,975,002
Restricted cash and investments	119,060	3,198,699	-	518,614	3,836,373	635,600
Receivables:						
Taxes	121,919	-	-	-	121,919	3,274,974
Intergovernmental	680,776	-	-	-	680,776	292,369
Deposits receivable	-	-	-	-	-	35,000
Other receivables	414,331	-	-	-	414,331	255,708
Loans receivable	419,315	-	-	-	419,315	419,315
Total assets	\$ 8,067,821	\$ 5,909,121	\$ -	\$ 518,614	\$ 14,495,556	\$ 14,887,968
LIABILITIES, FUND BALANCES AND DEFERRED INFLOWS OF RESOURCES						
Liabilities:						
Accounts payable and accrued liabilities	\$ 622,468	\$ 45,888	\$ -	\$ -	\$ 668,356	\$ 936,203
Due to other funds	833,216	830,059	-	-	1,663,275	3,283,146
Unearned revenues	414,331	-	-	-	414,331	-
Total liabilities	1,870,015	875,947	-	-	2,745,962	4,219,349
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue	568,456	-	-	-	568,456	213,713
Fund Balances:						
Nonspendable:						
Endowments	-	-	-	491,455	491,455	491,455
Long-term receivables	419,315	-	-	-	419,315	419,315
Restricted	6,192,823	3,198,699	-	27,159	9,418,681	9,823,564
Committed	-	2,664,534	-	-	2,664,534	2,333,732
Unassigned (Deficit)	(982,788)	(830,059)	-	-	(1,812,847)	(2,613,160)
Total fund balances	5,629,350	5,033,174	-	518,614	11,181,138	10,454,906
Total liabilities, fund balances and deferred inflows of resources	\$ 8,067,821	\$ 5,909,121	\$ -	\$ 518,614	\$ 14,495,556	\$ 14,887,968

⁽¹⁾ The Capital Construction Debt Service Fund Accounts for the City's issuance and administration of the 2003 Certificates of Participation.

City of Rocklin
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the year ended June 30, 2016
(With comparative totals for June 30, 2015)

	Total Special Revenue Funds	Total Capital Projects Funds	Capital Construction Debt Service Fund	Total Permanent Funds	Total Nonmajor Governmental Funds	
					2016	2015
REVENUES						
Taxes and assessments	\$ 8,813,168	\$ 2,248,980	\$ -	\$ -	\$ 11,062,148	\$ 12,777,088
License and permits	-	50,652	-	-	50,652	9,914
Fines and forfeitures	10,597	-	-	-	10,597	1,424
Intergovernmental	4,149,736	-	-	-	4,149,736	932,856
Charges for services	1,657	72,141	-	-	73,798	6,720
Use of money and property	29,114	17,287	1	6,491	52,893	66,985
Contributions from developers and homeowners	-	2,144,217	-	-	2,144,217	1,350,688
Other revenues	18,629	825,619	-	-	844,248	422,736
Total Revenues	13,022,901	5,358,896	1	6,491	18,388,289	15,568,411
EXPENDITURES						
Current:						
General government	1,104,598	16,348	-	-	1,120,946	737,499
Public safety	40,075	-	-	-	40,075	156,633
General services	6,533,992	179,686	-	-	6,713,678	11,383,021
Community development	57,000	-	-	-	57,000	69,923
Capital outlay	4,780,074	4,747,787	-	-	9,527,861	2,132,359
Debt service:						
Principal	-	-	465,000	-	465,000	450,000
Interest and fiscal charges	-	-	71,455	-	71,455	89,305
Total Expenditures	12,515,739	4,943,821	536,455	-	17,996,015	15,018,740
Excess (Deficiency) of Revenues over Expenditures	507,162	415,075	(536,454)	6,491	392,274	549,671
OTHER FINANCING SOURCES (USES)						
Proceeds from debt issuance	-	5,852,781	-	-	5,852,781	-
Transfers in	2,464	-	536,454	-	538,918	849,667
Transfers out	(1,721,170)	(922,155)	-	(4,438)	(2,647,763)	(2,991,419)
Total Other Financing Sources (Uses)	(1,718,706)	4,930,626	536,454	(4,438)	3,743,936	(2,141,752)
Net Change in Fund Balances	(1,211,544)	5,345,701	-	2,053	4,136,210	(1,592,081)
Fund Balances Beginning	6,840,894	(312,527)	-	516,561	7,044,928	12,046,987
Fund Balances Ending	\$ 5,629,350	\$ 5,033,174	\$ -	\$ 518,614	\$ 11,181,138	\$ 10,454,906

NONMAJOR SPECIAL REVENUE FUNDS

Fund Title	Fund Description
Gas Tax	Accounts for funds received and expended for street maintenance purposes as defined in Sections 2105, 2106, 2107, and 2107.5 of the Streets and Highway Code.
Bicycle and Pedestrian Facilities	Accounts for grants received for bicycle and pedestrian facility purposes.
Prop 1B	Accounts for revenues received through Proposition 1B for street programs.
Recreation Facilities Contributions	Accounts for revenues received for recreation facilities construction and improvements.
Lighting Maintenance District #1	Accounts for funds received to maintain and operate the respective lighting district.
Landscaping and Lighting Maintenance District #2	Accounts for funds received to maintain and operate the respective landscaping and lighting district.
Community Facilities District #1	Accounts for revenues to be used on the respective community facilities district's operations and maintenance.
Community Facilities District #5	Accounts for revenues to be used on the respective community facilities district's operations and maintenance.
Community Facilities District #6	Accounts for revenues to be used on the respective community facilities district's operations and maintenance.
Housing Rehabilitation	Accounts for funds received for the City's housing rehabilitation programs.
Streets Grants	Accounts for funds received as reimbursement or grants related to street capital projects.
Asset Forfeiture	Accounts for funds received on forfeited assets to be used for Police services
Traffic Safety/PD Grants	Accounts for funds received for traffic safety programs and police grants.
CDBG HUD Entitlement	Accounts for entitlement grants and expenditures from CDBG federal awards.
Supplemental Law Enforcement Grant	Accounts for funds received to be used for public safety purposes.

City of Rocklin
Combining Balance Sheet
Special Revenue Nonmajor Governmental Funds
June 30, 2016
(With comparative totals for June 30, 2015)

	Gas Tax	Bicycle and Pedestrian Facilities	Prop 1B
ASSETS			
Cash and investments	\$ 1,981,646	\$ -	\$ -
Restricted cash and investments	-	-	-
Receivables:			
Taxes	-	-	-
Intergovernmental	-	49,431	112,285
Other receivables	-	-	-
Loans receivable	-	-	-
Total assets	\$ 1,981,646	\$ 49,431	\$ 112,285
LIABILITIES, FUND BALANCES AND DEFERRED INFLOWS OF RESOURCES			
Liabilities:			
Accounts payable and accrued liabilities	\$ 55,971	\$ -	\$ 60,416
Due to other funds	-	49,431	51,870
Unearned revenues	-	-	-
Total liabilities	55,971	49,431	112,286
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue	-	49,431	98,459
Fund Balances:			
Nonspendable:			
Long-term receivables	-	-	-
Restricted	1,925,675	-	-
Committed	-	-	-
Unassigned (Deficit)	-	(49,431)	(98,460)
Total fund balances	1,925,675	(49,431)	(98,460)
Total liabilities, fund balances and deferred inflows of resources	\$ 1,981,646	\$ 49,431	\$ 112,285

Continued

City of Rocklin
Combining Balance Sheet
Special Revenue Nonmajor Governmental Funds
June 30, 2016
(With comparative totals for June 30, 2015)

	Recreation Facilities Contributions	Lighting Maintenance District #1	Landscaping and Lighting Maintenance District #2
ASSETS			
Cash and investments	\$ 34,294	\$ -	\$ 1,458,266
Restricted cash and investments	-	-	-
Receivables:			
Taxes	-	12,463	60,613
Intergovernmental	-	-	-
Other receivables	-	-	-
Loans receivable	-	-	-
Total assets	\$ 34,294	\$ 12,463	\$ 1,518,879
LIABILITIES, FUND BALANCES AND DEFERRED INFLOWS OF RESOURCES			
Liabilities:			
Accounts payable and accrued liabilities	\$ -	\$ 4,279	\$ 48,305
Due to other funds	-	8,184	-
Unearned revenues	-	-	-
Total liabilities	-	12,463	48,305
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue	-	-	-
Fund Balances:			
Nonspendable:			
Long-term receivables	-	-	-
Restricted	34,294	-	1,470,574
Committed	-	-	-
Unassigned (Deficit)	-	-	-
Total fund balances	34,294	-	1,470,574
Total liabilities, fund balances and deferred inflows of resources	\$ 34,294	\$ 12,463	\$ 1,518,879

Continued

City of Rocklin
Combining Balance Sheet
Special Revenue Nonmajor Governmental Funds
June 30, 2016
(With comparative totals for June 30, 2015)

	Community Facilities District #1	Community Facilities District #5	Community Facilities District #6
ASSETS			
Cash and investments	\$ -	\$ 2,259,180	\$ 243,819
Restricted cash and investments	-	-	-
Receivables:			
Taxes	17,136	29,128	2,579
Intergovernmental	-	-	-
Other receivables	-	-	-
Loans receivable	-	-	-
Total assets	\$ 17,136	\$ 2,288,308	\$ 246,398
LIABILITIES, FUND BALANCES AND DEFERRED INFLOWS OF RESOURCES			
Liabilities:			
Accounts payable and accrued liabilities	\$ 17,136	\$ 200,349	\$ 25,452
Due to other funds	-	-	-
Unearned revenues	-	-	-
Total liabilities	17,136	200,349	25,452
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue	-	-	-
Fund Balances:			
Nonspendable:			
Long-term receivables	-	-	-
Restricted	-	2,087,959	220,946
Committed	-	-	-
Unassigned (Deficit)	-	-	-
Total fund balances	-	2,087,959	220,946
Total liabilities, fund balances and deferred inflows of resources	\$ 17,136	\$ 2,288,308	\$ 246,398

Continued

City of Rocklin
Combining Balance Sheet
Special Revenue Nonmajor Governmental Funds
June 30, 2016
(With comparative totals for June 30, 2015)

	Housing Rehabilitation	Streets Grants	Asset Forfeiture
ASSETS			
Cash and investments	\$ 231,915	\$ -	\$ 103,300
Restricted cash and investments	119,060	-	-
Receivables:			
Taxes	-	-	-
Intergovernmental	-	418,681	-
Other receivables	-	414,331	-
Loans receivable	419,315	-	-
Total assets	\$ 770,290	\$ 833,012	\$ 103,300
LIABILITIES, FUND BALANCES AND DEFERRED INFLOWS OF RESOURCES			
Liabilities:			
Accounts payable and accrued liabilities	\$ 100	\$ 196,158	\$ -
Due to other funds	800	636,855	-
Unearned revenues	-	414,331	-
Total liabilities	900	1,247,344	-
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue	-	415,233	-
Fund Balances:			
Nonspendable:			
Long-term receivables	419,315	-	-
Restricted	350,075	-	103,300
Committed	-	-	-
Unassigned (Deficit)	-	(829,565)	-
Total fund balances	769,390	(829,565)	103,300
Total liabilities, fund balances and deferred inflows of resources	\$ 770,290	\$ 833,012	\$ 103,300

Continued

City of Rocklin
Combining Balance Sheet
Special Revenue Nonmajor Governmental Funds
June 30, 2016
(With comparative totals for June 30, 2015)

	Traffic Safety/PD Grants	CDBG HUD Entitlement	Supplemental Law Enforcement Grant
ASSETS			
Cash and investments	\$ -	\$ -	\$ -
Restricted cash and investments	-	-	-
Receivables:			
Taxes	-	-	-
Intergovernmental	5,333	95,046	-
Other receivables	-	-	-
Loans receivable	-	-	-
Total assets	\$ 5,333	\$ 95,046	\$ -
LIABILITIES, FUND BALANCES AND DEFERRED INFLOWS OF RESOURCES			
Liabilities:			
Accounts payable and accrued liabilities	\$ 3,305	\$ 10,997	\$ -
Due to other funds	2,027	84,049	-
Unearned revenues	-	-	-
Total liabilities	5,332	95,046	-
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue	5,333	-	-
Fund Balances:			
Nonspendable:			
Long-term receivables	-	-	-
Restricted	-	-	-
Committed	-	-	-
Unassigned (Deficit)	(5,332)	-	-
Total fund balances	(5,332)	-	-
Total liabilities, fund balances and deferred inflows of resources	\$ 5,333	\$ 95,046	\$ -

Continued

City of Rocklin
Combining Balance Sheet
Special Revenue Nonmajor Governmental Funds
June 30, 2016
(With comparative totals for June 30, 2015)

	Total Special Revenue Nonmajor Governmental Funds	
	2016	2015
ASSETS		
Cash and investments	\$ 6,312,420	\$ 7,706,554
Restricted cash and investments	119,060	119,039
Receivables:		
Taxes	121,919	3,274,974
Intergovernmental	680,776	292,369
Other receivables	414,331	255,708
Loans receivable	419,315	419,315
Total assets	\$ 8,067,821	\$ 12,067,959
LIABILITIES, FUND BALANCES AND DEFERRED INFLOWS OF RESOURCES		
Liabilities:		
Accounts payable and accrued liabilities	\$ 622,468	\$ 933,388
Due to other funds	833,216	669,986
Unearned revenues	414,331	-
Total liabilities	1,870,015	1,603,374
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue	568,456	213,713
Fund Balances:		
Nonspendable:		
Long-term receivables	419,315	419,315
Restricted	6,192,823	9,798,458
Committed	-	33,099
Unassigned (Deficit)	(982,788)	-
Total fund balances	5,629,350	10,250,872
Total liabilities, fund balances and deferred inflows of resources	\$ 8,067,821	\$ 12,067,959
		Concluded

City of Rocklin
Combining Statement of Revenues,
Expenditures and
Changes in Fund Balances
Special Revenue Nonmajor
Governmental Funds
For the year ended June 30, 2016
(With comparative totals for June 30, 2015)

	Gas Tax	Bicycle and Pedestrian Facilities	Prop 1B
REVENUES			
Taxes and assessments	\$ 1,165,756	\$ -	\$ -
Fines and forfeitures	-	-	-
Intergovernmental	-	-	40,144
Charges for services	-	-	-
Use of money and property	11,383	-	-
Other revenues	-	-	-
Total Revenues	1,177,139	-	40,144
EXPENDITURES			
Current:			
General government	263,192	-	-
Public safety	-	-	-
General services	929,360	49,431	7,561
Community development	-	-	-
Capital outlay	15,971	-	133,825
Total Expenditures	1,208,523	49,431	141,386
Excess (Deficiency) of Revenues over Expenditures	(31,384)	(49,431)	(101,242)
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers out	(137,965)	-	-
Total Other Financing Sources (Uses)	(137,965)	-	-
Net Change in Fund Balances	(169,349)	(49,431)	(101,242)
Fund Balances Beginning	2,095,024	-	2,782
Fund Balances Ending	\$ 1,925,675	\$ (49,431)	\$ (98,460)

Continued

City of Rocklin
Combining Statement of Revenues,
Expenditures and
Changes in Fund Balances
Special Revenue Nonmajor
Governmental Funds
For the year ended June 30, 2016
(With comparative totals for June 30, 2015)

	Recreation Facilities Contributions	Lighting Maintenance District #1	Landscaping and Lighting Maintenance District #2
REVENUES			
Taxes and assessments	\$ -	\$ 250,462	\$ 1,803,637
Fines and forfeitures	-	-	-
Intergovernmental	-	-	-
Charges for services	1,000	-	-
Use of money and property	195	-	7,004
Other revenues	-	-	-
Total Revenues	1,195	250,462	1,810,641
EXPENDITURES			
Current:			
General government	-	30,105	264,608
Public safety	-	-	-
General services	-	220,357	1,501,266
Community development	-	-	-
Capital outlay	-	-	20,600
Total Expenditures	-	250,462	1,786,474
Excess (Deficiency) of Revenues over Expenditures	1,195	-	24,167
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers out	-	-	(10,563)
Total Other Financing Sources (Uses)	-	-	(10,563)
Net Change in Fund Balances	1,195	-	13,604
Fund Balances Beginning	33,099	-	1,456,970
Fund Balances Ending	\$ 34,294	\$ -	\$ 1,470,574

Continued

City of Rocklin
Combining Statement of Revenues,
Expenditures and
Changes in Fund Balances
Special Revenue Nonmajor
Governmental Funds
For the year ended June 30, 2016
(With comparative totals for June 30, 2015)

	Community Facilities District #1	Community Facilities District #5	Community Facilities District #6
REVENUES			
Taxes and assessments	\$ 1,386,989	\$ 3,937,163	\$ 269,161
Fines and forfeitures	-	-	-
Intergovernmental	-	-	-
Charges for services	657	-	-
Use of money and property	-	9,538	973
Other revenues	-	18,629	-
Total Revenues	1,387,646	3,965,330	270,134
EXPENDITURES			
Current:			
General government	-	502,609	38,744
Public safety	13,798	-	-
General services	-	3,466,592	187,347
Community development	-	-	-
Capital outlay	-	83,400	2,299
Total Expenditures	13,798	4,052,601	228,390
Excess (Deficiency) of Revenues over Expenditures	1,373,848	(87,271)	41,744
OTHER FINANCING SOURCES (USES)			
Transfers in	-	2,464	-
Transfers out	(1,373,848)	(36,681)	(1,398)
Total Other Financing Sources (Uses)	(1,373,848)	(34,217)	(1,398)
Net Change in Fund Balances	-	(121,488)	40,346
Fund Balances Beginning	-	2,209,447	180,600
Fund Balances Ending	\$ -	\$ 2,087,959	\$ 220,946

Continued

City of Rocklin
Combining Statement of Revenues,
Expenditures and
Changes in Fund Balances
Special Revenue Nonmajor
Governmental Funds
For the year ended June 30, 2016
(With comparative totals for June 30, 2015)

	Housing Rehabilitation	Streets Grants	Asset Forfeiture	Traffic Safety/PD Grants
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Fines and forfeitures	-	-	10,597	-
Intergovernmental	-	3,639,267	-	152,426
Charges for services	-	-	-	-
Use of money and property	21	-	-	-
Other revenues	-	-	-	-
Total Revenues	21	3,639,267	10,597	152,426
EXPENDITURES				
Current:				
General government	900	-	-	-
Public safety	-	-	-	26,277
General services	-	76,334	-	-
Community development	-	-	-	-
Capital outlay	-	4,392,498	-	131,481
Total Expenditures	900	4,468,832	-	157,758
Excess (Deficiency) of Revenues over Expenditures	(879)	(829,565)	10,597	(5,332)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	(879)	(829,565)	10,597	(5,332)
Fund Balances Beginning	770,269	-	92,703	-
Fund Balances Ending	\$ 769,390	\$ (829,565)	\$ 103,300	\$ (5,332)

Continued

City of Rocklin
Combining Statement of Revenues,
Expenditures and
Changes in Fund Balances
Special Revenue Nonmajor
Governmental Funds
For the year ended June 30, 2016
(With comparative totals for June 30, 2015)

	CDBG HUD Entitlement	Supplemental Law Enforcement Grant	Total Special Revenue Nonmajor Governmental Funds	
			2016	2015
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ 8,813,168	\$ 11,830,612
Fines and forfeitures	-	-	10,597	1,424
Intergovernmental	203,281	114,618	4,149,736	932,856
Charges for services	-	-	1,657	1,281
Use of money and property	-	-	29,114	52,730
Other revenues	-	-	18,629	15,000
Total Revenues	203,281	114,618	13,022,901	12,833,903
EXPENDITURES				
Current:				
General government	4,440	-	1,104,598	712,368
Public safety	-	-	40,075	156,633
General services	95,744	-	6,533,992	10,821,176
Community development	57,000	-	57,000	69,923
Capital outlay	-	-	4,780,074	2,112,709
Total Expenditures	157,184	-	12,515,739	13,872,809
Excess (Deficiency) of Revenues over Expenditures	46,097	114,618	507,162	(1,038,906)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	2,464	310,365
Transfers out	(46,097)	(114,618)	(1,721,170)	(2,432,975)
Total Other Financing Sources (Uses)	(46,097)	(114,618)	(1,718,706)	(2,122,610)
Net Change in Fund Balances	-	-	(1,211,544)	(3,161,516)
Fund Balances Beginning	-	-	6,840,894	13,412,388
Fund Balances Ending	\$ -	\$ -	\$ 5,629,350	\$ 10,250,872
				Concluded

City of Rocklin
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Special Revenue Nonmajor Governmental Funds
For the year ended June 30, 2016

	Gas Tax			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes and assessments	\$ 1,265,400	\$ 1,265,400	\$ 1,165,756	\$ (99,644)
Fines and forfeitures	-	-	-	-
Intergovernmental	-	-	-	-
Use of money and property	1,800	1,800	11,383	9,583
Charges for services	-	-	-	-
Other revenues	-	-	-	-
Total Revenues	1,267,200	1,267,200	1,177,139	(90,061)
EXPENDITURES				
Current:				
General government	109,700	109,700	263,192	(153,492)
Public safety	-	-	-	-
General services	1,035,100	1,011,100	929,360	81,740
Community development	-	-	-	-
Capital outlay	18,000	18,000	15,971	2,029
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	1,162,800	1,138,800	1,208,523	(69,723)
Excess (Deficiency) of Revenues over Expenditures	104,400	128,400	(31,384)	(159,784)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(127,500)	(127,500)	(137,965)	(10,465)
Total Other Financing Sources (Uses)	(127,500)	(127,500)	(137,965)	(10,465)
Net Change in Fund Balances	(23,100)	900	(169,349)	(170,249)
Fund Balances Beginning	2,095,024	2,095,024	2,095,024	-
Fund Balances Ending	\$ 2,071,924	\$ 2,095,924	\$ 1,925,675	\$ (170,249)

Continued

City of Rocklin

Statement of Revenues, Expenditures, and Changes in Fund Balances

Budget and Actual (GAAP Basis)

Special Revenue Nonmajor Governmental Funds

For the year ended June 30, 2016

	Bicycle and Pedestrian Facilities			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Fines and forfeitures	-	-	-	-
Intergovernmental	115,200	115,200	-	(115,200)
Use of money and property	-	-	-	-
Charges for services	-	-	-	-
Other revenues	-	-	-	-
Total Revenues	115,200	115,200	-	(115,200)
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
General services	1,600	1,600	49,431	(47,831)
Community development	-	-	-	-
Capital outlay	113,600	113,600	-	113,600
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	115,200	115,200	49,431	65,769
Excess (Deficiency) of Revenues over Expenditures	-	-	(49,431)	(49,431)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	-	-	(49,431)	(49,431)
Fund Balances Beginning	-	-	-	-
Fund Balances Ending	\$ -	\$ -	\$ (49,431)	\$ (49,431)

Continued

City of Rocklin
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Special Revenue Nonmajor Governmental Funds
For the year ended June 30, 2016

	Prop 1B			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes and assessments	\$ 35,200	\$ 35,200	\$ -	\$ (35,200)
Fines and forfeitures	-	-	-	-
Intergovernmental	470,000	470,000	40,144	(429,856)
Use of money and property	-	-	-	-
Charges for services	-	-	-	-
Other revenues	-	-	-	-
Total Revenues	505,200	505,200	40,144	(465,056)
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
General services	-	-	7,561	(7,561)
Community development	-	-	-	-
Capital outlay	505,200	505,200	133,825	371,375
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	505,200	505,200	141,386	363,814
Excess (Deficiency) of Revenues over Expenditures	-	-	(101,242)	(101,242)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	-	-	(101,242)	(101,242)
Fund Balances Beginning	2,782	2,782	2,782	-
Fund Balances Ending	\$ 2,782	\$ 2,782	\$ (98,460)	\$ (101,242)

Continued

City of Rocklin
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Special Revenue Nonmajor Governmental Funds
For the year ended June 30, 2016

	Recreation Facilities Contributions			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Fines and forfeitures	-	-	-	-
Intergovernmental	-	-	-	-
Use of money and property	-	-	195	195
Charges for services	-	-	1,000	1,000
Other revenues	-	-	-	-
Total Revenues	-	-	1,195	1,195
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
General services	-	-	-	-
Community development	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues over Expenditures	-	-	1,195	1,195
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	-	-	1,195	1,195
Fund Balances Beginning	33,099	33,099	33,099	-
Fund Balances Ending	\$ 33,099	\$ 33,099	\$ 34,294	\$ 1,195

Continued

City of Rocklin

Statement of Revenues, Expenditures, and

Changes in Fund Balances

Budget and Actual (GAAP Basis)

Special Revenue Nonmajor Governmental Funds

For the year ended June 30, 2016

	Lighting Maintenance District #1			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes and assessments	\$ 250,600	\$ 250,600	\$ 250,462	\$ (138)
Fines and forfeitures	-	-	-	-
Intergovernmental	-	-	-	-
Use of money and property	-	-	-	-
Charges for services	-	-	-	-
Other revenues	-	-	-	-
Total Revenues	250,600	250,600	250,462	(138)
EXPENDITURES				
Current:				
General government	30,100	30,100	30,105	(5)
Public safety	-	-	-	-
General services	220,000	220,000	220,357	(357)
Community development	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	250,100	250,100	250,462	(362)
Excess (Deficiency) of Revenues over Expenditures	500	500	-	(500)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(500)	(500)	-	500
Total Other Financing Sources (Uses)	(500)	(500)	-	500
Net Change in Fund Balances	-	-	-	-
Fund Balances Beginning	-	-	-	-
Fund Balances Ending	\$ -	\$ -	\$ -	\$ -

Continued

City of Rocklin

Statement of Revenues, Expenditures, and

Changes in Fund Balances

Budget and Actual (GAAP Basis)

Special Revenue Nonmajor Governmental Funds

For the year ended June 30, 2016

	Landscaping and Lighting Maintenance District #2			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
REVENUES				
Taxes and assessments	\$ 1,700,700	\$ 1,700,700	\$ 1,803,637	\$ 102,937
Fines and forfeitures	-	-	-	-
Intergovernmental	-	-	-	-
Use of money and property	3,700	3,700	7,004	3,304
Charges for services	-	-	-	-
Other revenues	-	-	-	-
Total Revenues	1,704,400	1,704,400	1,810,641	106,241
EXPENDITURES				
Current:				
General government	168,100	168,100	264,608	(96,508)
Public safety	-	-	-	-
General services	1,597,200	1,573,300	1,501,266	72,034
Community development	-	-	-	-
Capital outlay	20,600	20,600	20,600	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	1,785,900	1,762,000	1,786,474	(24,474)
Excess (Deficiency) of Revenues over Expenditures	(81,500)	(57,600)	24,167	81,767
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(7,900)	(7,900)	(10,563)	(2,663)
Total Other Financing Sources (Uses)	(7,900)	(7,900)	(10,563)	(2,663)
Net Change in Fund Balances	(89,400)	(65,500)	13,604	79,104
Fund Balances Beginning	1,456,970	1,456,970	1,456,970	-
Fund Balances Ending	\$ 1,367,570	\$ 1,391,470	\$ 1,470,574	\$ 79,104

Continued

City of Rocklin
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Special Revenue Nonmajor Governmental Funds
For the year ended June 30, 2016

	Community Facilities District #1			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes and assessments	\$ 1,365,800	\$ 1,365,800	\$ 1,386,989	\$ 21,189
Fines and forfeitures	-	-	-	-
Intergovernmental	-	-	-	-
Use of money and property	-	-	-	-
Charges for services	-	-	657	657
Other revenues	-	-	-	-
Total Revenues	1,365,800	1,365,800	1,387,646	21,846
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	13,900	13,900	13,798	102
General services	-	-	-	-
Community development	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	13,900	13,900	13,798	102
Excess (Deficiency) of Revenues over Expenditures	1,351,900	1,351,900	1,373,848	21,948
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(1,351,900)	(1,351,900)	(1,373,848)	(21,948)
Total Other Financing Sources (Uses)	(1,351,900)	(1,351,900)	(1,373,848)	(21,948)
Net Change in Fund Balances	-	-	-	-
Fund Balances Beginning	-	-	-	-
Fund Balances Ending	\$ -	\$ -	\$ -	\$ -

Continued

City of Rocklin
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Special Revenue Nonmajor Governmental Funds
For the year ended June 30, 2016

	Community Facilities District #5			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes and assessments	\$ 4,000,000	\$ 4,000,000	\$ 3,937,163	\$ (62,837)
Fines and forfeitures	-	-	-	-
Intergovernmental	-	-	-	-
Use of money and property	4,600	4,600	9,538	4,938
Charges for services	-	-	-	-
Other revenues	15,000	15,000	18,629	3,629
Total Revenues	4,019,600	4,019,600	3,965,330	(54,270)
EXPENDITURES				
Current:				
General government	396,800	396,800	502,609	(105,809)
Public safety	-	-	-	-
General services	3,532,400	3,512,700	3,466,592	46,108
Community development	-	-	-	-
Capital outlay	84,400	84,400	83,400	1,000
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	4,013,600	3,993,900	4,052,601	(58,701)
Excess (Deficiency) of Revenues over Expenditures	6,000	25,700	(87,271)	(112,971)
OTHER FINANCING SOURCES (USES)				
Transfers in	1,300	1,300	2,464	1,164
Transfers out	(29,900)	(29,900)	(36,681)	(6,781)
Total Other Financing Sources (Uses)	(28,600)	(28,600)	(34,217)	(5,617)
Net Change in Fund Balances	(22,600)	(2,900)	(121,488)	(118,588)
Fund Balances Beginning	2,209,447	2,209,447	2,209,447	-
Fund Balances Ending	\$ 2,186,847	\$ 2,206,547	\$ 2,087,959	\$ (118,588)

Continued

City of Rocklin
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Special Revenue Nonmajor Governmental Funds
For the year ended June 30, 2016

	Community Facilities District #6			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes and assessments	\$ 250,800	\$ 250,800	\$ 269,161	\$ 18,361
Fines and forfeitures	-	-	-	-
Intergovernmental	-	-	-	-
Use of money and property	400	400	973	573
Charges for services	-	-	-	-
Other revenues	-	-	-	-
Total Revenues	251,200	251,200	270,134	18,934
EXPENDITURES				
Current:				
General government	40,400	40,400	38,744	1,656
Public safety	-	-	-	-
General services	227,000	227,000	187,347	39,653
Community development	-	-	-	-
Capital outlay	2,300	2,300	2,299	1
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	269,700	269,700	228,390	41,310
Excess (Deficiency) of Revenues over Expenditures	(18,500)	(18,500)	41,744	60,244
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(1,000)	(1,000)	(1,398)	(398)
Total Other Financing Sources (Uses)	(1,000)	(1,000)	(1,398)	(398)
Net Change in Fund Balances	(19,500)	(19,500)	40,346	59,846
Fund Balances Beginning	180,600	180,600	180,600	-
Fund Balances Ending	\$ 161,100	\$ 161,100	\$ 220,946	\$ 59,846

Continued

City of Rocklin
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Special Revenue Nonmajor Governmental Funds
For the year ended June 30, 2016

	Housing Rehabilitation			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Fines and forfeitures	-	-	-	-
Intergovernmental	-	-	-	-
Use of money and property	-	-	21	21
Charges for services	-	-	-	-
Other revenues	-	-	-	-
Total Revenues	-	-	21	21
EXPENDITURES				
Current:				
General government	900	900	900	-
Public safety	-	-	-	-
General services	-	-	-	-
Community development	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	900	900	900	-
Excess (Deficiency) of Revenues over Expenditures	(900)	(900)	(879)	21
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	(900)	(900)	(879)	21
Fund Balances Beginning	770,269	770,269	770,269	-
Fund Balances Ending	\$ 769,369	\$ 769,369	\$ 769,390	\$ 21

Continued

City of Rocklin

Statement of Revenues, Expenditures, and Changes in Fund Balances

Budget and Actual (GAAP Basis)

Special Revenue Nonmajor Governmental Funds

For the year ended June 30, 2016

	Streets Grants			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Fines and forfeitures	-	-	-	-
Intergovernmental	5,241,000	5,241,000	3,639,267	(1,601,733)
Use of money and property	-	-	-	-
Charges for services	-	-	-	-
Other revenues	-	-	-	-
Total Revenues	5,241,000	5,241,000	3,639,267	(1,601,733)
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
General services	-	-	76,334	(76,334)
Community development	-	-	-	-
Capital outlay	5,241,000	5,241,000	4,392,498	848,502
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	5,241,000	5,241,000	4,468,832	772,168
Excess (Deficiency) of Revenues over Expenditures	-	-	(829,565)	(829,565)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	-	-	(829,565)	(829,565)
Fund Balances Beginning	-	-	-	-
Fund Balances Ending	\$ -	\$ -	\$ (829,565)	\$ (829,565)

Continued

City of Rocklin
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Special Revenue Nonmajor Governmental Funds
For the year ended June 30, 2016

	Asset Forfeiture			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Fines and forfeitures	-	-	10,597	10,597
Intergovernmental	-	-	-	-
Use of money and property	-	-	-	-
Charges for services	-	-	-	-
Other revenues	-	-	-	-
Total Revenues	-	-	10,597	10,597
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	65,000	65,000	-	65,000
General services	-	-	-	-
Community development	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	65,000	65,000	-	65,000
Excess (Deficiency) of Revenues over Expenditures	(65,000)	(65,000)	10,597	75,597
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	(65,000)	(65,000)	10,597	75,597
Fund Balances Beginning	92,703	92,703	92,703	-
Fund Balances Ending	\$ 27,703	\$ 27,703	\$ 103,300	\$ 75,597

Continued

City of Rocklin
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Special Revenue Nonmajor Governmental Funds
For the year ended June 30, 2016

	Traffic Safety/PD Grants			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Fines and forfeitures	-	-	-	-
Intergovernmental	-	-	152,426	152,426
Use of money and property	-	-	-	-
Charges for services	-	-	-	-
Other revenues	-	-	-	-
Total Revenues	-	-	152,426	152,426
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	-	-	26,277	(26,277)
General services	-	-	-	-
Community development	-	-	-	-
Capital outlay	-	-	131,481	(131,481)
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	-	-	157,758	(157,758)
Excess (Deficiency) of Revenues over Expenditures	-	-	(5,332)	(5,332)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	-	-	(5,332)	(5,332)
Fund Balances Beginning	-	-	-	-
Fund Balances Ending	\$ -	\$ -	\$ (5,332)	\$ (5,332)

Continued

City of Rocklin
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Special Revenue Nonmajor Governmental Funds
For the year ended June 30, 2016

	CDBG HUD Entitlement			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Fines and forfeitures	-	-	-	-
Intergovernmental	260,700	260,700	203,281	(57,419)
Use of money and property	-	-	-	-
Charges for services	-	-	-	-
Other revenues	-	-	-	-
Total Revenues	260,700	260,700	203,281	(57,419)
EXPENDITURES				
Current:				
General government	2,800	2,800	4,440	(1,640)
Public safety	-	-	-	-
General services	160,600	160,600	95,744	64,856
Community development	48,000	48,000	57,000	(9,000)
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	211,400	211,400	157,184	54,216
Excess (Deficiency) of Revenues over Expenditures	49,300	49,300	46,097	(3,203)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(49,300)	(49,300)	(46,097)	3,203
Total Other Financing Sources (Uses)	(49,300)	(49,300)	(46,097)	3,203
Net Change in Fund Balances	-	-	-	-
Fund Balances Beginning	-	-	-	-
Fund Balances Ending	\$ -	\$ -	\$ -	\$ -

Continued

City of Rocklin
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Special Revenue Nonmajor Governmental Funds
For the year ended June 30, 2016

	Supplemental Law Enforcement Grant			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Fines and forfeitures	-	-	-	-
Intergovernmental	100,000	100,000	114,618	14,618
Use of money and property	-	-	-	-
Charges for services	-	-	-	-
Other revenues	-	-	-	-
Total Revenues	100,000	100,000	114,618	14,618
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
General services	-	-	-	-
Community development	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues over Expenditures	100,000	100,000	114,618	14,618
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(100,000)	(100,000)	(114,618)	(14,618)
Total Other Financing Sources (Uses)	(100,000)	(100,000)	(114,618)	(14,618)
Net Change in Fund Balances	-	-	-	-
Fund Balances Beginning	-	-	-	-
Fund Balances Ending	\$ -	\$ -	\$ -	\$ -

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NONMAJOR CAPITAL PROJECTS FUNDS

Fund Title	Fund Description
Park Development Fees	Accounts for funds expended on City park projects and improvements.
Community Park Fees	Accounts for funds collected and expended for City park land and improvements.
Capital Construction Impact Fees	Accounts for the capital construction impact fee that is used for the expansion of facilities to serve new developments within the City.
Oak Tree Mitigation Fees	Accounts for funds collected for Oak Tree preservation activities including land acquisition and oak tree planting, acquisition, and maintenance.
Public Improvement Agreement	Accounts for funds expended for public improvement.
Whitney Ranch Trunk Sewer Project	Accounts for impact fees to fund the sewer trunk line upgrade.
Community Facilities District #10	Accounts for projects related to the respective community facilities district.

City of Rocklin
Combining Balance Sheet
Capital Projects Nonmajor Governmental Funds
June 30, 2016
(With comparative totals for June 30, 2015)

	Park Development Fees	Community Park Fees	Capital Construction Impact Fees
ASSETS			
Cash and investments	\$ -	\$ -	\$ 1,100,342
Restricted cash and investments	-	-	-
Deposits receivable	-	-	-
Total assets	\$ -	\$ -	\$ 1,100,342
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable and accrued liabilities	\$ -	\$ -	\$ 28,187
Due to other funds	204,486	625,573	-
Advances from other funds	-	-	-
Total liabilities	204,486	625,573	28,187
Fund Balances:			
Restricted	\$ -	\$ -	\$ -
Committed	-	-	1,072,155
Unassigned (Deficit)	(204,486)	(625,573)	-
Total fund balances	(204,486)	(625,573)	1,072,155
Total liabilities and fund balances	\$ -	\$ -	\$ 1,100,342

Continued

City of Rocklin
Combining Balance Sheet
Capital Projects Nonmajor Governmental Funds
June 30, 2016
(With comparative totals for June 30, 2015)

	Oak Tree Mitigation Fees	Whitney Ranch Trunk Sewer Project	Community Facilities District #10 Projects
ASSETS			
Cash and investments	\$ 1,542,589	\$ 67,491	\$ -
Restricted cash and investments	-	-	3,198,699
Deposits receivable	-	-	-
Total assets	\$ 1,542,589	\$ 67,491	\$ 3,198,699
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable and accrued liabilities	\$ 17,701	\$ -	\$ -
Due to other funds	-	-	-
Advances from other funds	-	-	-
Total liabilities	17,701	-	-
Fund Balances:			
Restricted	\$ -	\$ -	\$ 3,198,699
Committed	1,524,888	67,491	-
Unassigned (Deficit)	-	-	-
Total fund balances	1,524,888	67,491	3,198,699
Total liabilities and fund balances	\$ 1,542,589	\$ 67,491	\$ 3,198,699

Continued

City of Rocklin
Combining Balance Sheet
Capital Projects Nonmajor Governmental Funds
June 30, 2016
(With comparative totals for June 30, 2015)

	Total Capital Projects Nonmajor Governmental Funds	
	2016	2015
ASSETS		
Cash and investments	\$ 2,710,422	\$ 2,268,448
Restricted cash and investments	3,198,699	-
Deposits receivable	-	35,000
Total assets	\$ 5,909,121	\$ 2,303,448
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts payable and accrued liabilities	\$ 45,888	\$ 2,815
Due to other funds	830,059	2,613,160
Advances from other funds	-	-
Total liabilities	875,947	2,615,975
Fund Balances:		
Restricted	\$ 3,198,699	\$ -
Committed	2,664,534	2,300,633
Unassigned (Deficit)	(830,059)	(2,613,160)
Total fund balances	5,033,174	(312,527)
Total liabilities and fund balances	\$ 5,909,121	\$ 2,303,448
		Concluded

City of Rocklin
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Capital Projects Nonmajor Governmental Funds
For the year ended June 30, 2016
(With comparative totals for June 30, 2015)

	Park Development Fees	Community Park Fees	Capital Construction Impact Fees
REVENUES			
Taxes and assessments	\$ 1,387,181	\$ 332,427	\$ -
License and permits	-	-	-
Charges for services	-	72,141	-
Use of money and property	-	-	3,547
Contributions from developers and homeowners	-	-	2,144,217
Other revenue	-	-	825,619
Total Revenues	1,387,181	404,568	2,973,383
EXPENDITURES			
Current:			
General government	4,247	4,401	-
General services	-	-	39,055
Capital outlay	-	-	1,689,165
Total Expenditures	4,247	4,401	1,728,220
Excess (Deficiency) of Revenues over Expenditures	1,382,934	400,167	1,245,163
OTHER FINANCING SOURCES (USES)			
Proceeds from debt issuance	-	-	-
Transfers in	-	-	-
Transfers out	-	-	(841,254)
Total Other Financing Sources (Uses)	-	-	(841,254)
Net Change in Fund Balances	1,382,934	400,167	403,909
Fund Balances Beginning	(1,587,420)	(1,025,740)	668,246
Fund Balances Ending	\$ (204,486)	\$ (625,573)	\$ 1,072,155

Continued

City of Rocklin
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Capital Projects Nonmajor Governmental Funds
For the year ended June 30, 2016
(With comparative totals for June 30, 2015)

	Oak Tree Mitigation Fees	Whitney Ranch Trunk Sewer Project	Community Facilities District #10 Projects
REVENUES			
Taxes and assessments	\$ 529,372	\$ -	\$ -
License and permits	-	50,652	-
Charges for services	-	-	-
Use of money and property	10,104	189	3,447
Contributions from developers and homeowners	-	-	-
Other revenue	-	-	-
Total Revenues	539,476	50,841	3,447
EXPENDITURES			
Current:			
General government	7,700	-	-
General services	140,631	-	-
Capital outlay	401,093	-	2,657,529
Total Expenditures	549,424	-	2,657,529
Excess (Deficiency) of Revenues over Expenditures	(9,948)	50,841	(2,654,082)
OTHER FINANCING SOURCES (USES)			
Proceeds from debt issuance	-	-	5,852,781
Transfers in	-	-	-
Transfers out	(80,901)	-	-
Total Other Financing Sources (Uses)	(80,901)	-	5,852,781
Net Change in Fund Balances	(90,849)	50,841	3,198,699
Fund Balances Beginning	1,615,737	16,650	-
Fund Balances Ending	\$ 1,524,888	\$ 67,491	\$ 3,198,699

Continued

City of Rocklin
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Capital Projects Nonmajor Governmental Funds
For the year ended June 30, 2016
(With comparative totals for June 30, 2015)

	Total Capital Projects Nonmajor Governmental Funds	
	2016	2015
REVENUES		
Taxes and assessments	\$ 2,248,980	\$ 946,476
License and permits	50,652	9,914
Charges for services	72,141	5,439
Use of money and property	17,287	5,841
Contributions from developers and homeowners	2,144,217	1,350,688
Other revenue	825,619	407,736
Total Revenues	5,358,896	2,726,094
EXPENDITURES		
Current:		
General government	16,348	19,456
General services	179,686	561,845
Capital outlay	4,747,787	19,650
Total Expenditures	4,943,821	600,951
Excess (Deficiency) of Revenues over Expenditures	415,075	2,125,143
OTHER FINANCING SOURCES (USES)		
Proceeds from debt issuance	5,852,781	-
Transfers in	-	-
Transfers out	(922,155)	(553,829)
Total Other Financing Sources (Uses)	4,930,626	(553,829)
Net Change in Fund Balances	5,345,701	1,571,314
Fund Balances Beginning	(312,527)	(1,883,841)
Fund Balances Ending	\$ 5,033,174	\$ (312,527)
		Concluded

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NONMAJOR PERMANENT FUNDS

Fund Title	Fund Description
Wetlands Maintenance	Accounts for a \$38,000 required endowment from which the income will fund ongoing maintenance of the wetlands on a single lot parcel in Stanford Ranch Phase III.
Conservation Easement Endowment	Accounts for a \$453,455 required endowment from which the income will fund initial Preserve Area maintenance and operations.

City of Rocklin
Combining Balance Sheet
Permanent Nonmajor Governmental Funds
June 30, 2016
(With comparative totals for June 30, 2015)

	Wetlands Maintenance	Conservation Easement Endowment	Total Permanent Nonmajor Governmental Funds	
			2016	2015
ASSETS				
Restricted cash and investments	\$ 65,159	\$ 453,455	\$ 518,614	\$ 516,561
Total assets	\$ 65,159	\$ 453,455	\$ 518,614	\$ 516,561
FUND BALANCES				
Nonspendable endowments	\$ 38,000	\$ 453,455	\$ 491,455	\$ 491,455
Restricted	27,159	-	27,159	25,106
Total fund balances	\$ 65,159	\$ 453,455	\$ 518,614	\$ 516,561

City of Rocklin

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Permanent Nonmajor Governmental Funds

For the year ended June 30, 2016

(With comparative totals for June 30, 2015)

	Wetlands Maintenance	Conservation Easement Endowment	Total Permanent Nonmajor Governmental Funds	
			2016	2015
REVENUES				
Use of money and property	\$ 4,027	\$ 2,464	\$ 6,491	\$ 8,412
Total Revenues	<u>4,027</u>	<u>2,464</u>	<u>6,491</u>	<u>8,412</u>
EXPENDITURES				
Current:				
General government	-	-	-	5,675
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,675</u>
Excess (Deficiency) of Revenues over Expenditures	<u>4,027</u>	<u>2,464</u>	<u>6,491</u>	<u>2,737</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(1,974)	(2,464)	(4,438)	(4,615)
Total Other Financing Sources (Uses)	<u>(1,974)</u>	<u>(2,464)</u>	<u>(4,438)</u>	<u>(4,615)</u>
Net Change in Fund Balances	2,053	-	2,053	(1,878)
Fund Balances Beginning	<u>63,106</u>	<u>453,455</u>	<u>516,561</u>	<u>518,439</u>
Fund Balances Ending	<u>\$ 65,159</u>	<u>\$ 453,455</u>	<u>\$ 518,614</u>	<u>\$ 516,561</u>

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AGENCY FUNDS

Fund Title	Fund Description
Community Facilities District #3	Accounts for special taxes made on properties to pay for debt issued for infrastructure in the District.
Community Facilities District #6	Accounts for special taxes made on properties to pay for debt issued for infrastructure in the District.
Community Facilities District #7	Accounts for special taxes made on properties to pay for debt issued for infrastructure in the District.
Community Facilities District #8	Accounts for special taxes made on properties to pay for debt issued for infrastructure in the District.
Community Facilities District #9	Accounts for special taxes made on properties to pay for debt issued for infrastructure in the District.
Community Facilities District #10	Accounts for special taxes made on properties to pay for debt issued for infrastructure in the District.
Community Facilities District #11	Accounts for special taxes made on properties to pay for debt issued for infrastructure in the District.
Borowski Landfill Monitoring Trust	Accounts for amounts collected to monitor the Borowski Landfill.
North West Rocklin Annexation Area	Accounts for amounts collected to reimburse a developer for constructing backbone infrastructure in the respective area.

City of Rocklin
Combining Balance Sheet
Agency Funds
June 30, 2016

(With comparative totals for June 30, 2015)

	Community Facilities District #3	Community Facilities District #6	Community Facilities District #7
ASSETS			
Current assets:			
Cash and investments	\$ -	\$ -	\$ -
Cash and investments held by trustee	1,569,493	153,598	399,464
Receivables	20,275	1,342	1,352
Total assets	\$ 1,589,768	\$ 154,940	\$ 400,816
LIABILITIES			
Current liabilities:			
Due to other agencies	\$ 1,589,768	\$ 154,940	\$ 400,816
Total liabilities	\$ 1,589,768	\$ 154,940	\$ 400,816

Continued

City of Rocklin
Combining Balance Sheet
Agency Funds
June 30, 2016
(With comparative totals for June 30, 2015)

	Community Facilities District #8	Community Facilities District #9	Community Facilities District #10
ASSETS			
Current assets:			
Cash and investments	\$ -	\$ -	\$ -
Cash and investments held by trustee	423,790	487,459	3,327,284
Receivables	2,181	4,606	12,554
Total assets	<u>\$ 425,971</u>	<u>\$ 492,065</u>	<u>\$ 3,339,838</u>
LIABILITIES			
Current liabilities:			
Due to other agencies	\$ 425,971	\$ 492,065	\$ 3,339,838
Total liabilities	<u>\$ 425,971</u>	<u>\$ 492,065</u>	<u>\$ 3,339,838</u>

Continued

City of Rocklin
Combining Balance Sheet
Agency Funds
June 30, 2016
(With comparative totals for June 30, 2015)

	Community Facilities District #11	Borowski Landfill Monitoring Trust	Northwest Rocklin Annexation Area Trust
ASSETS			
Current assets:			
Cash and investments	\$ 2,428,519	\$ 7,157	\$ 39,641
Cash and investments held by trustee	-	-	-
Receivables	-	-	-
Total assets	\$ 2,428,519	\$ 7,157	\$ 39,641
LIABILITIES			
Current liabilities:			
Due to other agencies	\$ 2,428,519	\$ 7,157	\$ 39,641
Total liabilities	\$ 2,428,519	\$ 7,157	\$ 39,641

Continued

City of Rocklin
Combining Balance Sheet
Agency Funds
June 30, 2016
(With comparative totals for June 30, 2015)

	Totals	
	2016	2015
ASSETS		
Current assets:		
Cash and investments	\$ 2,475,317	\$ 2,444,216
Cash and investments held by trustee	6,361,088	7,882,659
Receivables	42,310	50,679
Total assets	<u>\$ 8,878,715</u>	<u>\$ 10,377,554</u>
LIABILITIES		
Current liabilities:		
Due to other agencies	\$ 8,878,715	\$ 10,377,554
Total liabilities	<u>\$ 8,878,715</u>	<u>\$ 10,377,554</u>
		Concluded

City of Rocklin
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the year ended June 30, 2016

	Balance July 01, 2015	Additions	Deductions	Balance June 30, 2016
COMMUNITY FACILITIES DISTRICT #3				
ASSETS				
Cash and investments	\$ 660	\$ -	\$ 660	\$ -
Cash and investments held by trustee	3,427,432	825,474	2,683,413	1,569,493
Receivables	25,497	20,275	25,497	20,275
Total assets	\$ 3,453,589	\$ 845,749	\$ 2,709,570	\$ 1,589,768
LIABILITIES				
Due to other agencies	\$ 3,453,589	\$ 845,749	\$ 2,709,570	\$ 1,589,768
Total liabilities	\$ 3,453,589	\$ 845,749	\$ 2,709,570	\$ 1,589,768

	Balance July 01, 2015	Additions	Deductions	Balance June 30, 2016
COMMUNITY FACILITIES DISTRICT #6				
ASSETS				
Cash and investments	\$ 50	\$ -	\$ 50	\$ -
Cash and investments held by trustee	144,326	178,647	169,375	153,598
Receivables	2,053	1,342	2,053	1,342
Total assets	\$ 146,429	\$ 179,989	\$ 171,478	\$ 154,940
LIABILITIES				
Due to other agencies	\$ 146,429	\$ 179,989	\$ 171,478	\$ 154,940
Total liabilities	\$ 146,429	\$ 179,989	\$ 171,478	\$ 154,940

	Balance July 01, 2015	Additions	Deductions	Balance June 30, 2016
COMMUNITY FACILITIES DISTRICT #7				
ASSETS				
Cash and investments	\$ 72	\$ -	\$ 72	\$ -
Cash and investments held by trustee	391,864	275,080	267,480	399,464
Receivables	1,700	1,352	1,700	1,352
Total assets	\$ 393,636	\$ 276,432	\$ 269,252	\$ 400,816
LIABILITIES				
Due to other agencies	\$ 393,636	\$ 276,432	\$ 269,252	\$ 400,816
Total liabilities	\$ 393,636	\$ 276,432	\$ 269,252	\$ 400,816

Cont'd

City of Rocklin
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the year ended June 30, 2016

	Balance July 01, 2015	Additions	Deductions	Balance June 30, 2016
COMMUNITY FACILITIES DISTRICT #8				
ASSETS				
Cash and investments	\$ 123	\$ -	\$ 123	\$ -
Cash and investments held by trustee	410,413	480,350	466,973	423,790
Receivables	4,825	2,181	4,825	2,181
Total assets	\$ 415,361	\$ 482,531	\$ 471,921	\$ 425,971
LIABILITIES				
Due to other agencies	\$ 415,361	\$ 482,531	\$ 471,921	\$ 425,971
Total liabilities	\$ 415,361	\$ 482,531	\$ 471,921	\$ 425,971
COMMUNITY FACILITIES DISTRICT #9				
	Balance July 01, 2015	Additions	Deductions	Balance June 30, 2016
ASSETS				
Cash and investments	\$ 160	\$ -	\$ 160	\$ -
Cash and investments held by trustee	473,047	561,460	547,048	487,459
Receivables	7,125	4,606	7,125	4,606
Total assets	\$ 480,332	\$ 566,066	\$ 554,333	\$ 492,065
LIABILITIES				
Due to other agencies	\$ 480,332	\$ 566,066	\$ 554,333	\$ 492,065
Total liabilities	\$ 480,332	\$ 566,066	\$ 554,333	\$ 492,065
COMMUNITY FACILITIES DISTRICT #10				
	Balance July 01, 2015	Additions	Deductions	Balance June 30, 2016
ASSETS				
Cash and investments	\$ 402	\$ -	\$ 402	\$ -
Cash and investments held by trustee	3,035,577	1,944,916	1,653,209	3,327,284
Receivables	9,479	12,554	9,479	12,554
Total assets	\$ 3,045,458	\$ 1,957,470	\$ 1,663,090	\$ 3,339,838
LIABILITIES				
Due to other agencies	\$ 3,045,458	\$ 1,957,470	\$ 1,663,090	\$ 3,339,838
Total liabilities	\$ 3,045,458	\$ 1,957,470	\$ 1,663,090	\$ 3,339,838

Cont'd

City of Rocklin
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the year ended June 30, 2016

	Balance July 01, 2015	Additions	Deductions	Balance June 30, 2016
COMMUNITY FACILITIES DISTRICT #11				
ASSETS				
Cash and investments	\$ 2,442,749	\$ 845,864	\$ 860,094	\$ 2,428,519
Cash and investments held by trustee	-	-	-	-
Receivables	-	-	-	-
Total assets	\$ 2,442,749	\$ 845,864	\$ 860,094	\$ 2,428,519
LIABILITIES				
Due to other agencies	\$ 2,442,749	\$ 845,864	\$ 860,094	\$ 2,428,519
Total liabilities	\$ 2,442,749	\$ 845,864	\$ 860,094	\$ 2,428,519
BOROWSKI LANDFILL MONITORING TRUST				
ASSETS				
Cash and investments	\$ -	\$ 51,498	\$ 44,341	\$ 7,157
Cash and investments held by trustee	-	-	-	-
Receivables	-	-	-	-
Total assets	\$ -	\$ 51,498	\$ 44,341	\$ 7,157
LIABILITIES				
Due to other agencies	\$ -	\$ 51,498	\$ 44,341	\$ 7,157
Total liabilities	\$ -	\$ 51,498	\$ 44,341	\$ 7,157
Northwest Rocklin Annexation Area Trust				
ASSETS				
Cash and investments	\$ -	\$ 39,641	\$ -	\$ 39,641
Cash and investments held by trustee	-	-	-	-
Receivables	-	-	-	-
Total assets	\$ -	\$ 39,641	\$ -	\$ 39,641
LIABILITIES				
Due to other agencies	\$ -	\$ 39,641	\$ -	\$ 39,641
Total liabilities	\$ -	\$ 39,641	\$ -	\$ 39,641
Totals				
ASSETS				
Cash and investments	\$ 2,444,216	\$ 937,003	\$ 905,902	\$ 2,475,317
Cash and investments held by trustee	7,882,659	4,265,927	5,787,498	6,361,088
Receivables	50,679	42,310	50,679	42,310
Total assets	\$ 10,377,554	\$ 5,245,240	\$ 6,744,079	\$ 8,878,715
LIABILITIES				
Due to other agencies	\$ 10,377,554	\$ 5,245,240	\$ 6,744,079	\$ 8,878,715
Total liabilities	\$ 10,377,554	\$ 5,245,240	\$ 6,744,079	\$ 8,878,715

Concluded



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STASTICAL INFORMATION

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STATISTICAL SECTION

This part of the City of Rocklin's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, footnotes, and required supplementary information says about the City's overall financial health

<u>Contents</u>	<u>Page(s)</u>
Financial Trends	
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	154-163
Revenue Capacity	
These schedules contain information to help the reader assess the City's property tax.	164-167
Debt Capacity	
These schedules contain information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	168-171
Demographic and Economic Information	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	172-173

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

City of Rocklin
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	2007	2008	2009	2010	2011
Governmental activities:					
Net investment in capital assets	\$ 314,002,830	\$ 333,102,023	\$ 340,423,304	\$ 336,857,846	\$ 299,354,604
Restricted	60,900,601	23,677,671	17,858,485	16,013,886	18,109,568
Unrestricted	35,479,788	67,611,423	60,361,488	51,212,204	43,464,022
Total Governmental Activities Net Position	<u>\$ 410,383,219</u>	<u>\$ 424,391,117</u>	<u>\$ 418,643,277</u>	<u>\$ 404,083,936</u>	<u>\$ 360,928,194</u>

Page 1 of 2 (continued)

City of Rocklin**Net Position by Component****Last Ten Fiscal Years****(accrual basis of accounting)**

	2012	2013	2014	2015	2016
Governmental activities:					
Net investment in capital assets	\$ 311,848,181	\$ 305,672,758	\$ 303,473,919	\$ 302,623,713	\$ 312,465,313
Restricted	15,572,366	15,031,994	24,905,118	22,509,945	26,651,163
Unrestricted	30,663,690	27,181,118	26,568,355	(7,435,357)	(2,310,614)
Total Governmental Activities Net Position	<u>\$ 358,084,237</u>	<u>\$ 347,885,870</u>	<u>\$ 354,947,392</u>	<u>\$ 317,698,301</u>	<u>\$ 336,805,862</u>

Page 2 of 2 (concluded)

City of Rocklin
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	2007	2008	2009	2010	2011
Expenses					
Governmental Activities:					
General Government	\$ 9,741,574	\$ 9,384,763	\$ 12,168,677	\$ 11,502,017	\$ 12,368,561
Public Safety	19,083,423	19,270,091	21,767,874	20,187,996	19,676,954
Public Works	11,290,399	13,831,854	11,875,302	13,203,578	-
General Services	-	-	-	-	21,459,947
Culture and Recreation	11,054,035	11,359,949	11,199,237	8,630,297	-
Community Development	4,711,041	5,480,752	3,825,794	6,975,124	39,474,367
Depreciation Expense	-	-	-	-	-
Interest Expense	1,679,110	2,099,964	2,193,456	2,225,218	2,185,827
Total Governmental Activities Expenses	<u>57,559,582</u>	<u>61,427,373</u>	<u>63,030,340</u>	<u>62,724,230</u>	<u>95,165,656</u>
Total Primary Government Expenses	<u>57,559,582</u>	<u>61,427,373</u>	<u>63,030,340</u>	<u>62,724,230</u>	<u>95,165,656</u>
Program Revenues					
Governmental Activities:					
Charges For Services:					
General Government	482,992	2,196,509	5,409,343	878,576	1,975,872
Public Safety	1,316,682	967,850	598,746	698,784	929,151
Public Works	23,643	678,409	262,526	27,097	-
General Services	-	-	-	-	3,096,172
Culture and Recreation	3,863,001	4,179,414	211,128	2,974,885	-
Community Development	5,017,222	1,426,974	1,451,804	1,061,768	1,359,902
Operating Grants and Contributions	510,641	1,192,355	3,898,104	2,891,635	8,514,569
Capital Grants and Contributions	16,291,432	19,471,148	2,701,074	3,845,572	1,061,788
Total Governmental Activities Program Revenues	<u>27,505,613</u>	<u>30,112,659</u>	<u>14,532,725</u>	<u>12,378,317</u>	<u>16,937,454</u>
Total Primary Government Program Revenues	<u>27,505,613</u>	<u>30,112,659</u>	<u>14,532,725</u>	<u>12,378,317</u>	<u>16,937,454</u>
Net (Expense)/Revenue					
Governmental activities	<u>(30,053,969)</u>	<u>(31,314,714)</u>	<u>(48,497,615)</u>	<u>(50,345,913)</u>	<u>(78,228,202)</u>
Total Primary Government Net Expense	<u>(30,053,969)</u>	<u>(31,314,714)</u>	<u>(48,497,615)</u>	<u>(50,345,913)</u>	<u>(78,228,202)</u>

Page 1 of 4 (continued)

City of Rocklin
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	2012	2013	2014	2015	2016
Expenses					
Governmental Activities:					
General Government	\$ 19,941,499	\$ 11,213,621	\$ 12,616,551	\$ 12,774,913	\$ 18,001,976
Public Safety	19,500,808	19,848,065	20,157,508	18,646,375	18,957,624
Public Works	-	-	-	-	-
General Services	21,000,764	26,624,188	26,870,694	29,624,287	21,964,264
Culture and Recreation	-	-	-	-	2,623,712
Community Development	2,388,154	2,488,541	2,111,334	2,070,085	2,892,219
Depreciation Expense	-	-	-	-	-
Interest Expense	1,801,574	709,181	521,835	570,731	423,478
Total Governmental Activities Expenses	<u>64,632,799</u>	<u>60,883,596</u>	<u>62,277,922</u>	<u>63,686,391</u>	<u>64,863,273</u>
Total Primary Government Expenses	<u>64,632,799</u>	<u>60,883,596</u>	<u>62,277,922</u>	<u>63,686,391</u>	<u>64,863,273</u>
Program Revenues					
Governmental Activities:					
Charges For Services:					
General Government	1,936,755	717,177	1,488,847	1,530,256	1,754,860
Public Safety	918,751	986,980	1,002,360	1,057,928	1,053,903
Public Works	-	-	-	-	-
General Services	2,926,972	2,867,552	5,164,288	4,805,284	3,176,280
Culture and Recreation	-	-	-	-	817,342
Community Development	1,408,754	2,838,162	3,663,216	3,821,613	5,562,685
Operating Grants and Contributions	7,875,912	7,023,612	5,027,116	5,280,395	11,304,860
Capital Grants and Contributions	110,327	387,952	3,031,936	185,434	12,126,192
Total Governmental Activities Program Revenues	<u>15,177,471</u>	<u>14,821,435</u>	<u>19,377,763</u>	<u>16,680,910</u>	<u>35,796,122</u>
Total Primary Government Program Revenues	<u>15,177,471</u>	<u>14,821,435</u>	<u>19,377,763</u>	<u>16,680,910</u>	<u>35,796,122</u>
Net (Expense)/Revenue					
Governmental activities	<u>(49,455,328)</u>	<u>(46,062,161)</u>	<u>(42,900,159)</u>	<u>(47,005,481)</u>	<u>(29,067,151)</u>
Total Primary Government Net Expense	<u>(49,455,328)</u>	<u>(46,062,161)</u>	<u>(42,900,159)</u>	<u>(47,005,481)</u>	<u>(29,067,151)</u>

Page 2 of 4 (continued)

City of Rocklin
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	2007	2008	2009	2010	2011
General Revenues and Other					
Changes In Net Position					
Governmental Activities:					
Taxes:					
Property Taxes	15,143,507	17,521,701	16,384,305	14,743,382	13,935,181
Sales and Use Taxes	6,505,180	8,813,096	8,071,160	6,378,150	5,040,007
Gas Tax	1,735,645	1,807,144	907,958	1,449,281	4,292,227
Transient Occupancy Tax	565,606	489,747	362,686	344,792	383,641
Other Taxes	4,876,889	4,054,247	4,972,089	4,201,280	4,248,516
Motor Vehicle Fees	3,841,341	3,855,901	3,953,712	3,935,363	3,760,265
Franchise Fees	1,514,343	1,547,104	1,588,179	1,594,426	1,762,153
Impact Fees	8,827,938	2,302,815	2,421,430	1,203,166	445,885
Investment Earnings	5,749,228	4,930,857	4,088,256	1,936,732	1,543,512
Other Revenues	1,155,580	-	-	-	-
Gain (Loss) on Sale of Assets	34,431	-	-	-	-
Extraordinary Gain on Dissolution of RDA	-	-	-	-	-
Total Governmental Activities	<u>49,949,688</u>	<u>45,322,612</u>	<u>42,749,775</u>	<u>35,786,572</u>	<u>35,411,387</u>
Total Primary Government	<u>49,949,688</u>	<u>45,322,612</u>	<u>42,749,775</u>	<u>35,786,572</u>	<u>35,411,387</u>
Change In Net Position					
Governmental activities	19,895,719	14,007,898	(5,747,840)	(14,559,341)	(42,816,815)
Total Primary Government	<u>\$ 19,895,719</u>	<u>\$ 14,007,898</u>	<u>\$ (5,747,840)</u>	<u>\$ (14,559,341)</u>	<u>\$ (42,816,815)</u>

Page 3 of 4 (continued)

Note: In 2010-11 the City combined Culture and Recreation and Public Works into General Services.

City of Rocklin
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	2012	2013	2014	2015	2016
General Revenues and Other					
Changes In Net Position					
Governmental Activities:					
Taxes:					
Property Taxes	11,146,605	9,551,975	10,347,611	10,921,437	9,833,055
Sales and Use Taxes	5,786,761	6,212,703	6,329,277	7,576,526	12,868,331
Gas Tax	3,210,518	3,506,863	4,645,010	4,709,456	4,634,924
Transient Occupancy Tax	395,656	403,176	474,424	539,796	572,498
Other Taxes	7,811,538	6,890,260	6,791,713	8,402,248	8,959,418
Motor Vehicle Fees	3,404,120	3,367,965	3,610,829	3,891,452	4,218,989
Franchise Fees	1,887,441	1,904,499	1,957,384	2,059,195	2,123,205
Impact Fees	541,592	2,011,105	2,636,172	3,124,079	3,045,750
Investment Earnings	1,263,775	1,588,595	1,531,756	1,789,996	1,879,887
Other Revenues	-	426,653	156,152	868,893	727,498
Gain (Loss) on Sale of Assets	-	-	-	(189,630)	(767,147)
Extraordinary Gain on Dissolution of RDA	10,471,411	-	11,481,353	-	-
Total Governmental Activities	45,919,417	35,863,794	49,961,681	43,693,448	48,096,408
Total Primary Government	45,919,417	35,863,794	49,961,681	43,693,448	48,096,408
Change In Net Position					
Governmental activities	(3,535,911)	(10,198,367)	7,061,522	(3,312,033)	19,029,257
Total Primary Government	<u>\$ (3,535,911)</u>	<u>\$ (10,198,367)</u>	<u>\$ 7,061,522</u>	<u>\$ (3,312,033)</u>	<u>\$ 19,029,257</u>

Page 4 of 4 (concluded)

Note: In 2010-11 the City combined Culture and Recreation and Public Works into General Services.

City of Rocklin**Fund Balances of Governmental Funds****Last Ten Fiscal Years****(modified accrual basis of accounting)**

	2007	2008	2009	2010	2011
General Fund:					
Nonspendable	\$ 5,369,029	\$ 2,061,255	\$ 1,867,628	\$ 1,823,650	\$ 6,048,708
Restricted	-	-	-	-	-
Committed	13,814,541	14,000,822	18,576,558	18,063,861	14,161,064
Assigned	-	-	-	-	-
Unassigned	15,215,200	20,170,526	14,718,374	13,358,257	13,534,025
Total General Fund	<u>34,398,770</u>	<u>36,232,603</u>	<u>35,162,560</u>	<u>33,245,768</u>	<u>33,743,797</u>
All Other Governmental Funds:					
Nonspendable	3,132,866	491,000	10,141,531	11,752,089	12,870,770
Restricted	57,362,464	56,637,710	40,652,117	35,839,982	17,618,113
Committed	-	-	-	-	-
Assigned	4,055,406	3,610,834	3,674,164	3,658,407	18,464,493
Unassigned	(3,794,895)	(4,967,897)	(6,749,516)	(8,573,488)	(8,674,542)
Total All Other Governmental Funds	<u>60,755,841</u>	<u>55,771,647</u>	<u>47,718,296</u>	<u>42,676,990</u>	<u>40,278,834</u>
Total All Governmental Funds	<u>\$ 95,154,611</u>	<u>\$ 92,004,250</u>	<u>\$ 82,880,856</u>	<u>\$ 75,922,758</u>	<u>\$ 74,022,631</u>

Page 1 of 2 (continued)

City of Rocklin**Fund Balances of Governmental Funds****Last Ten Fiscal Years****(modified accrual basis of accounting)**

	2012	2013	2014	2015	2016
General Fund:					
Nonspendable	\$ 948,708	\$ 1,408,708	\$ 1,408,708	\$ 1,408,708	\$ 1,408,708
Restricted	-	-	-	-	-
Committed	12,982,200	23,465,316	24,933,009	26,094,211	23,292,378
Assigned	-	-	-	-	-
Unassigned	15,019,151	6,525,014	7,085,097	6,667,356	8,360,590
Total General Fund	<u>28,950,059</u>	<u>31,399,038</u>	<u>33,426,814</u>	<u>34,170,275</u>	<u>33,061,676</u>
All Other Governmental Funds:					
Nonspendable	1,003,014	2,569,610	13,648,993	13,043,086	13,757,503
Restricted	15,080,911	14,539,426	24,412,499	21,804,777	23,287,775
Committed	-	-	2,326,197	3,645,358	2,664,534
Assigned	19,665,360	20,538,696	5,162,428	-	-
Unassigned	<u>(5,865,220)</u>	<u>(5,617,610)</u>	<u>(3,963,333)</u>	<u>(2,613,160)</u>	<u>(3,836,388)</u>
Total All Other Governmental Funds	<u>29,884,065</u>	<u>32,030,122</u>	<u>41,586,784</u>	<u>35,880,061</u>	<u>35,873,424</u>
Total All Governmental Funds	<u>\$ 58,834,124</u>	<u>\$ 63,429,160</u>	<u>\$ 75,013,598</u>	<u>\$ 70,050,336</u>	<u>\$ 68,935,100</u>

Page 2 of 2 (concluded)

City of Rocklin

Changes in Fund Balances of Governmental Funds Last Ten Fiscal Years (modified accrual basis of accounting)

	2007	2008	2009	2010	2011
Revenues					
Taxes and Assessments	\$ 34,163,786	\$ 40,391,755	\$ 38,661,519	\$ 28,990,898	\$ 31,194,723
Licenses and Permits	3,011,762	1,594,170	1,988,941	1,877,390	2,051,659
Fines and Forfeitures	343,526	255,774	355,926	322,076	290,302
Intergovernmental	5,651,430	2,236,983	3,999,483	7,330,605	8,012,591
Use of Money and Property	12,460,523	4,930,857	4,088,256	1,937,512	1,939,533
Charges for Services	7,078,697	5,144,855	3,576,100	3,763,720	3,670,824
Contributions from Dev. And Homeowners	13,096,873	18,426,520	1,532,596	867,288	391,375
Other Revenues	2,029,872	2,454,357	3,079,679	3,073,887	5,300,613
Total Revenues	77,836,469	75,435,271	57,282,500	48,163,376	52,851,620
Expenditures					
General Government	9,342,700	8,623,207	9,038,183	7,250,768	7,407,257
Public Safety	17,862,380	19,463,346	20,193,534	18,833,510	18,322,468
Public Works	3,680,194	4,690,723	3,875,990	4,699,101	-
General Services	-	-	-	-	12,173,194
Culture and Recreation	10,169,630	10,393,591	9,855,464	7,557,599	-
Community Development	4,399,735	8,480,771	7,633,718	6,975,124	3,817,974
Capital Outlay	26,546,570	23,484,206	15,454,132	6,736,882	8,347,901
Debt Service:					
Principal	1,313,686	1,345,000	1,630,000	2,020,000	2,497,869
Interest and Fiscal Charges	2,451,779	2,104,788	2,207,710	2,292,870	2,185,827
Total Expenditures	75,766,674	78,585,632	69,888,731	56,365,854	54,752,490
Excess of Revenues Over(Under) Expenditures	2,069,795	(3,150,361)	(12,606,231)	(8,202,478)	(1,900,870)
Other Financing Sources(Uses)					
PERS Side-Fund Payoff	-	-	-	-	-
Extraordinary loss on dissolution of RDA	-	-	-	-	-
Gain (Loss) on Sale of Assets	-	-	-	1,513	750
Transfer from Successor Agency	-	-	-	-	-
Transfers to Internal Service Funds	78,885	-	-	242,867	(8)
Long-Term Debt Proceeds	5,130,000	-	3,482,837	1,000,000	-
Total Other Financing Sources(Uses)	5,208,885	-	3,482,837	1,244,380	742
Net Change In Fund Balances	\$ 7,278,680	\$ (3,150,361)	\$ (9,123,394)	\$ (6,958,098)	\$ (1,900,128)
Debt Service as Percentage of Noncapital Expenditures	8.3%	6.7%	7.6%	9.5%	11.2%

Page 1 of 2 (continued)

City of Rocklin

Changes in Fund Balances of Governmental Funds Last Ten Fiscal Years (modified accrual basis of accounting)

	2012	2013	2014	2015	2016
Revenues					
Taxes and Assessments	\$ 31,273,388	\$ 32,533,333	\$ 35,251,049	\$ 37,896,309	\$ 40,369,523
Licenses and Permits	978,892	1,234,248	2,078,971	2,310,009	3,004,681
Fines and Forfeitures	200,457	155,846	160,913	564,913	227,817
Intergovernmental	4,495,057	6,381,554	8,599,289	5,412,142	9,666,864
Use of Money and Property	1,726,567	2,245,163	2,428,172	2,685,218	2,778,659
Charges for Services	3,971,307	4,739,901	5,233,861	4,345,836	2,629,221
Contributions from Dev. And Homeowners	449,309	770,016	1,695,692	2,850,688	4,744,217
Other Revenues	4,595,282	2,568,058	2,422,566	4,237,970	6,151,550
Total Revenues	47,690,259	50,628,119	57,870,513	60,303,085	69,572,532
Expenditures					
General Government	7,882,485	6,816,545	10,437,917	13,705,937	18,233,061
Public Safety	18,158,522	18,326,323	18,746,706	19,489,176	20,460,097
Public Works	-	-	-	-	-
General Services	10,075,239	16,953,922	16,707,672	19,237,232	14,272,425
Culture and Recreation	-	-	-	-	1,584,662
Community Development	2,388,154	2,488,541	2,111,334	2,228,394	2,963,265
Capital Outlay	2,757,092	3,457,179	8,239,277	9,313,759	17,525,161
Debt Service:					
Principal	2,075,000	1,000,000	1,030,000	1,070,000	1,110,000
Interest and Fiscal Charges	1,458,496	720,659	534,222	584,681	438,478
Total Expenditures	44,794,988	49,763,169	57,807,128	65,629,179	76,587,149
Excess of Revenues Over(Under) Expenditures	2,895,271	864,950	63,385	(5,326,094)	(7,014,617)
Other Financing Sources(Uses)					
PERS Side-Fund Payoff	(4,517,258)	-	-	-	-
Extraordinary loss on dissolution of RDA	(13,566,520)	-	-	-	-
Gain (Loss) on Sale of Assets	-	5,000	-	-	-
Transfer from Successor Agency	-	-	11,481,353	-	-
Transfers to Internal Service Funds	-	-	39,700	362,832	46,600
Long-Term Debt Proceeds	-	-	-	-	5,852,781
Total Other Financing Sources(Uses)	(18,083,778)	5,000	11,521,053	362,832	5,899,381
Net Change In Fund Balances	\$ (15,188,507)	\$ 869,950	\$ 11,584,438	\$ (4,963,262)	\$ (1,115,236)
Debt Service as Percentage of Noncapital Expenditures	9.2%	3.9%	3.3%	3.0%	2.7%

Page 2 of 2 (concluded)

City of Rocklin

Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years
(in thousands of dollars)

Fiscal Year	City of Rocklin			Taxable Assessed Value	Total Direct Tax Rate
	Secured	Public Utility	Unsecured		
2007	\$ 6,518,268,942	\$ 6,880,459	\$ 147,020,654	\$ 6,672,170,055	1.000%
2008	7,086,920,204	6,351,556	153,871,342	7,247,143,102	1.000%
2009	7,262,312,429	6,351,556	167,996,712	7,436,660,697	1.000%
2010	6,937,855,555	8,476,688	151,986,395	7,098,318,638	1.000%
2011	6,437,055,124	8,476,688	149,331,796	6,594,863,608	1.000%
2012	6,213,199,580	8,476,688	124,161,157	6,345,837,425	1.000%
2013	6,143,416,610	8,476,688	124,062,108	6,275,955,406	1.000%
2014	6,603,652,182	9,515,170	130,907,829	6,744,075,181	1.000%
2015	7,140,101,337	9,515,170	123,619,076	7,273,235,583	1.000%
2016	7,732,821,234	9,209,410	148,270,416	7,890,301,060	1.000%

All above are Full Value (100%)

Source: Placer County Assessor's Office

City of Rocklin**Direct and Overlapping Property Tax Rates****Last Ten Fiscal Years****(Rate per \$100 of assessed valuation)**

Fiscal Year	Direct Rates		Overlapping Rates						Total Tax Rate
	Basic Rate	Total Direct	Loomis Elementary	Placer County Water Agency	Placer Union High	Rocklin Unified School District	Roseville Elementary	Roseville High	
2007	1.0000	1.0000	0.0211	0.0000	0.0223	0.0000	0.0236	0.0272	1.0942
2008	1.0000	1.0000	0.0189	0.0000	0.0200	0.0750	0.0285	0.0294	1.1718
2009	1.0000	1.0000	0.0209	0.0000	0.0201	0.0754	0.0290	0.0321	1.1775
2010	1.0000	1.0000	0.0209	0.0000	0.0218	0.0843	0.0325	0.0359	1.1954
2011	1.0000	1.0000	0.0273	0.0000	0.0265	0.1113	0.0418	0.0431	1.2500
2012	1.0000	1.0000	0.0184	0.0000	0.0263	0.1293	0.0467	0.0420	1.2627
2013	1.0000	1.0000	0.0236	0.0000	0.0285	0.1362	0.0535	0.0446	1.2864
2014	1.0000	1.0000	0.0217	0.0000	0.0280	0.1355	0.0441	0.0514	1.2807
2015	1.0000	1.0000	0.0200	0.0000	0.0194	0.1364	0.0457	0.0485	1.2699
2016	1.0000	1.0000	0.0199	0.0000	0.0147	0.1343	0.0434	0.0454	1.2576

Source: Placer County Assessor Tax Rate Table

City of Rocklin
Principal Property Tax Payers
Current Year and Nine Years Ago
(amounts expressed in thousands)

Taxpayer	Primary Land Use	2016		2007		Percentage of Total Assessed	Percentage of Total Assessed
		Taxable Assessed Valuation ⁽¹⁾	Rank	Taxable Assessed Valuation	Rank		
Meridian Apartments LP	Residential	\$ 72,243,621	1	0.92%			
MGP X Properties LLC	Commercial	67,220,164	2	0.85%			
ARHC CAROCCA01	Institutional	53,260,962	3	0.68%			
Walmart Real Estate Business Trust	Commercial	38,280,215	4	0.49%			
Demmon Rocklin Ranch Partners LP	Residential	35,394,482	5	0.45%			
Williams Portfolio 8	Residential	33,718,534	6	0.43%			
Sunset Court at Stanford Ranch-344 LLC	Residential	32,748,870	7	0.42%	28,887,992	6	0.43%
Evergreen SR 1011 LP	Commercial	32,136,800	8	0.41%			
KBSIII Rocklin Corporate Center LLC	Commercial	28,783,320	9	0.36%			
Montessa Management LP	Residential	28,781,172	10	0.36%			
Demmon Meridian Partners LP	Residential				85,085,521	1	1.28%
Sunset Rancho Investors LLC	Vacant				74,524,841	2	1.12%
Sierrapine	Industrial				43,288,584	3	0.65%
Standard Pacific Corporation	Vacant				36,856,010	4	0.55%
The GAP Inc.	Industrial				31,357,724	5	0.47%
Oracle Corporation	Commercial				28,087,475	7	0.42%
Winsted Partners LLC	Residential				23,550,030	8	0.35%
United Natural Foods Inc.	Industrial				23,432,740	9	0.35%
Kobra Properties	Vacant				22,835,714	10	0.34%
Totals		<u>\$ 422,568,140</u>		<u>5.37%</u>	<u>\$ 397,906,631</u>		<u>5.96%</u>

Source(s): HdL Coren and Cone and Placer County Assessor Combined Tax Rolls and the SBE Non Unitary Tax Roll and Placer County Assessor 2006/07 Combined Tax Rolls and the SBE Non Unitary Tax Roll.

⁽¹⁾ Estimated calculations are performed on a parcel level, county/controllers' office neither calculates nor apportions revenues at a parcel level.

City of Rocklin

Property Tax Levies and Collections Last Ten Fiscal Years

Fiscal Year	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percent of Levy		Amount	As Percent Of Tax Levy
2007	\$ 15,143,507	\$ 15,143,507	100.00%	\$ -	15,143,507	100.00%
2008	17,521,701	17,521,701	100.00%	-	17,521,701	100.00%
2009	16,384,305	16,384,305	100.00%	-	16,384,305	100.00%
2010	14,743,382	14,743,382	100.00%	-	14,743,382	100.00%
2011	13,935,181	13,935,181	100.00%	-	13,935,181	100.00%
2012	11,146,605	11,146,605	100.00%	-	11,146,605	100.00%
2013	9,551,975	9,551,975	100.00%	-	9,551,975	100.00%
2014	10,347,611	10,347,611	100.00%	-	10,347,611	100.00%
2015	10,921,437	10,921,437	100.00%	-	10,921,437	100.00%
2016	12,344,380	12,344,380	100.00%	-	12,344,380	100.00%

Source: City financial records

Note: Amounts reported and collected under the Teeter Plan in which all taxes are distributed to the City in the year of the levy with the County of Placer retaining any interest or penalties on uncollected balances.

City of Rocklin

Ratios of Outstanding Debt by Type Last Ten Fiscal Years

Fiscal Year	Governmental Activities				Total Primary Government	Percentage of Personal Income	Debt Per Capita
	Promissory Notes	Certificates of Participation	Refunding Revenue Bonds	Tax Allocation Bonds			
2007	\$ 450,000	\$ 5,545,000	\$ 12,795,000	\$ 29,610,000	\$ 48,400,000	2%	924
2008	350,000	5,095,000	11,760,000	29,065,000	46,270,000	2%	856
2009	250,000	4,635,000	11,760,000	29,065,000	45,710,000	2%	831
2010	-	4,165,000	11,225,000	28,500,000	43,890,000	3%	783
2011	-	3,680,000	10,680,000	27,915,000	42,275,000	2%	725
2012	-	3,275,000	10,115,000	-	13,390,000	2%	229
2013	-	2,860,000	9,530,000	-	12,390,000	1%	208
2014	-	2,430,000	8,930,000	-	11,360,000	1%	190
2015	-	1,980,000	8,310,000	-	10,290,000	0%	171
2016	-	1,515,000	7,665,000	-	9,180,000	Not Available	Not Available

Source: City financial records

City of Rocklin
Direct and Overlapping Debt
June 30, 2016

2015/2016 Assessed Valuation:		\$ 7,889,889,710	
	Total Debt	% Applicable (1)	City's Share of Debt
Overlapping Tax and Assessment Debt:			
Rocklin Unified School District	\$ 61,238,305	98.51%	\$ 60,328,304
Placer Union High School District	26,417,543	1.695%	447,777
Roseville Joint Union High School District	74,101,462	0.054%	40,015
Loomis Union School District	4,395,000	6.546%	287,697
Roseville City School District	20,817,289	0.096%	19,985
Rocklin Unified School District Community Facilities District Nos. 1 and 2	41,753,371	99.891-99.905%	41,711,033
City of Rocklin Community Facilities District No. 3	3,448,150	100%	3,448,150
City of Rocklin Community Facilities District No. 6	1,260,000	100%	1,260,000
City of Rocklin Community Facilities District No. 7	1,521,481	100%	1,521,481
City of Rocklin Community Facilities District No. 8	3,260,000	100%	3,260,000
City of Rocklin Community Facilities District No. 9	3,885,000	100%	3,885,000
City of Rocklin Community Facilities District No. 10	27,090,000	100%	27,090,000
City of Rocklin Community Facilities District No. 11	7,447,199	100%	7,447,199
California Statewide Community Development Authority 1915 Act Bonds	11,529,955	100%	11,529,955
Total overlapping tax and assessment debt			\$ 162,276,596
Direct and Overlapping General Fund Debt:			
Placer County Certificates of Participation	\$ 33,910,000	12.323%	\$ 4,178,729
Placer County Office of Education Certificates of Participation	1,480,000	12.323%	182,380
Sierra Joint Community College District Certificates of Participation	7,254,000	9.318%	675,928
Rocklin Unified School District Certificates of Participation	13,880,000	98.514%	13,673,743
Placer Union High School District Certificates of Participation	3,765,000	1.695%	63,817
Roseville Joint Union High School District Certificates of Participation	1,100,000	0.054%	594
Loomis Union School District Certificates of Participation	2,805,000	5.363%	150,432
Roseville City School District Certificates of Participation	8,755,000	0.096%	8,405
City of Rocklin Certificates of Participation	1,515,000	100%	1,515,000
South Placer Fire Protection District Certificates of Participation	5,305,000	1%	63,183
Placer Mosquito & Vector Control District Certificates of Participation	3,705,000	12.323%	456,567
Total direct and overlapping general fund debt			\$ 20,968,778
Overlapping Tax Increment Debt (Successor Agency)	\$ 24,660,000	100%	\$ 24,660,000
Total direct debt			\$ 1,515,000
Total overlapping debt			\$ 206,390,374
Combined Total Debt			\$ 207,905,374 (2)
Ratios to Assessed Valuation:			
Total Overlapping Tax and Assessment Debt		2.06%	
Total Direct Debt		0.02%	
Combined Total Debt		2.64%	
Ratios to Redevelopment Successor Agency Incremental Valuation (\$532,455,191):			
Total Overlapping Tax Increment Debt		4.63%	

(1) The percentage of overlapping debt applicable to the city is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the city divided by the district's total taxable assessed value.

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

Source: California Municipal Statistics, Inc.

City of Rocklin
Legal Debt Margin Information
Last Ten Fiscal Years

	2007	2008	2009	2010	2011
Debt limit	\$ 977,740,341	\$ 1,063,038,031	\$ 1,089,346,864	\$ 1,040,678,333	\$ 965,558,269
Total net debt applicable to limit	-	-	-	-	-
Legal debt margin	\$ 977,740,341	\$ 1,063,038,031	\$ 1,089,346,864	\$ 1,040,678,333	\$ 965,558,269
Total debt applicable to the limit as a percentage of debt limit	0.0%	0.0%	0.0%	0.0%	0.0%

Page 1 of 2 (continued)

City of Rocklin
Legal Debt Margin Information
Last Ten Fiscal Years

	2012	2013	2014	2015	2016
Debt limit	\$ 931,979,937	\$ 921,512,492	\$ 990,547,827	\$ 1,071,015,201	\$ 1,226,867,673
Total net debt applicable to limit	-	-	-	-	-
Legal debt margin	\$ 931,979,937	\$ 921,512,492	\$ 990,547,827	\$ 1,071,015,201	\$ 1,226,867,673
Total debt applicable to the limit as a percentage of debt limit	0.0%	0.0%	0.0%	0.0%	0.0%

Legal Debt Margin Calculation for Fiscal Year 2016:

Assessed value - based on secured roll	\$ 8,179,117,818
Debt limit (15% of assessed value)	1,226,867,673
Debt applicable to limit:	
None	-
Legal Debt Margin	<u>\$ 1,226,867,673</u>

Page 2 of 2 (concluded)

City of Rocklin
Demographic and Economic Statistics
Last Ten Fiscal Years

Calendar Year	Population	Per Capita Personal Income	Personal Income (in thousands)	Unemployment Rate
2006	51,302	36,430	1,868,932	2.9%
2007	52,358	38,722	2,027,431	3.4%
2008	54,077	39,252	2,122,650	4.6%
2009	54,991	37,592	2,067,201	7.6%
2010	56,019	30,865	1,729,026	8.3%
2011	58,295	31,842	1,856,229	7.8%
2012	58,484	33,015	1,930,849	5.2%
2013	59,672	32,299	1,927,346	4.3%
2014	59,746	33,299	1,989,482	6.3%
2015	60,351	34,412	2,076,853	5.1%

Source: Population: California State Department of Finance. Unemployment Data: California Employment Development Department Income, Age, and Education Data: ESRI - Demographic Estimates are based on the last available Census. Projections are developed by incorporating all of the prior census data released to date. Demographic Data is totaled from Census Block Groups that overlap the City's boundaries 2010 and later - Income, Age and Education Data - US Census Bureau, most recent American Community Survey

City of Rocklin**Principal Employers****Current Year and One Year Ago**

Employer	2016			2015		
	Number of Employees	Rank	Percent of Total Employment	Number of Employees	Rank	Percent of Total Employment
Rocklin Unified School District	1,168	1	18.24%	860	1	14.73%
Oracle America, Inc.	800	2	12.49%	800	2	13.70%
United Natural Foods, Inc. (UNFI)	555	3	8.67%	700	3	11.99%
Esurance Insurance Services, Inc.	545	4	8.51%	520	4	8.91%
Sierra College	497	5	7.76%	480	5	8.22%
Purple Communications	428	6	6.68%			
Liberty Mutual				350	6	6.00%
Walmart	325	7	5.07%	325	7	5.57%
Ace Hardware Corporation	301	8	4.70%			
UPS	300	9	4.68%	276	9	4.73%
Rocklin Academy Charter Schools	299	10	4.67%			
K-LOVE Radio/Educational Media Foundation	275	11	4.29%	300	8	5.14%
R.C. Willey	273	12	4.26%	165	14	2.83%
City of Rocklin	239	13	3.73%	262	10	4.49%
GAP Inc. Direct	200	14	3.12%			
Bass Pro Shops				250	11	4.28%
Pacific Gas & Electric (PG&E)				200	12	3.43%
Target	200	15	3.12%	200	13	3.43%
SMA America, LLC.				150	15	2.57%
Total	<u>6,405</u>			<u>5,838</u>		

Source: City of Rocklin



ROCKLIN
CALIFORNIA

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