

CITY OF ROCKLIN, CALIFORNIA
COMPREHENSIVE ANNUAL
FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2013



Prepared by:
Finance and Administrative Services Department –
Kim Sarkovich, Assistant City Manager/Chief Financial Officer
Mary Rister, Finance Officer

City of Rocklin, California
Comprehensive Annual Financial Report
For the year ended June 30, 2013

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City of Rocklin

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February 25, 2014

Citizens of Rocklin
Honorable Mayor
And Members of the City Council

This Comprehensive Annual Financial Report for the City of Rocklin, California (the City), for the Fiscal Year ended June 30, 2013 is hereby submitted for your review. We are pleased to inform you that our auditors, JJACPA, Inc., have issued an unqualified (“clean”) opinion on the City’s financial statements for the year ended June 30, 2013. Their audit report can be found in the front of the financial section.

Management assumes all responsibility for the completeness and reliability of the information presented in this report. As such, management has established internal controls designed to safeguard government assets from loss, theft, misuse, and fraud and promote reliability in financial reporting in conformity with generally accepted accounting principles (GAAP). Since internal controls have inherent limitations, and the cost of implementing internal controls should not outweigh their benefits, internal controls have been designed to provide reasonable, rather than absolute, assurance that the financial statements are free from material misstatement.

This letter of transmittal is designed to complement the Management’s Discussion and Analysis (MD&A) and should be read in combination with it. The MD&A provides a narrative introduction, overview, and analysis to accompany the basic financial statements. The MD&A can be found immediately following the independent auditor’s report.

Profile of the Government

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 has a population of 58,484. The City has been historically known as a safe community with low crime rates, excellent schools, and beautiful parks. It is home to the

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Administrative Services 916.625.5000 • City Hall 916.625.5560 • Community Development 916.625.5100
Community Services & Facilities 916.625.5200 • Fire 916.625.5300 • Police 916.625.5400 • Public Works 916.625.5500



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accredited Sierra College and an accredited private institution of higher education; William Jessup University. Throughout the years, the City continues to be a leader in providing excellent services, a safe community, and a high quality of life.

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 policy-making 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 Front Street Historical Committee.

The City Council also acts as the Board of Directors for the Rocklin Public Finance Authority. The Rocklin Public Finance Authority was formed as a joint powers authority between the City and the former Rocklin Redevelopment Agency to serve as a financing mechanism of various capital projects. For financial reporting purposes the Rocklin Public Finance 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. (Page 35).

The City provides the following public services: public safety (police, fire), planning and zoning, street repair and maintenance, culture and recreation, economic development and general administrative services.

The annual budget serves as the foundation for the City's financial planning and control. Through the annual budget process City Council appropriates funds in order 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 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 possibly revises 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

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and adopted by City Council before June 30th of each year. A copy of the final budget is available for download on the City's website.

The Local Economy

The City of Rocklin continued to show economic improvements during the 2012/2013 fiscal year. The City's unemployment rate dropped from 6.7% for June, 2012 to 5.4% for June, 2013. The property taxes declined at a lower rate of 1.11% from the previous year's decline of 2.5%. Sales taxes increased 7.4% reflecting an increase in both the number of businesses in Rocklin and higher sales.

Acknowledgements

The preparation of this Comprehensive Annual Financial Report for the City of Rocklin would not have been possible without the efficient, dedicated efforts of the City's Finance Division, the auditing firm of JJACPA, Inc., and the cooperation of the numerous departments throughout the City. Also, we would like to thank the City Council for their leadership and support in planning and conducting the financial operations of the City.

Respectfully submitted,

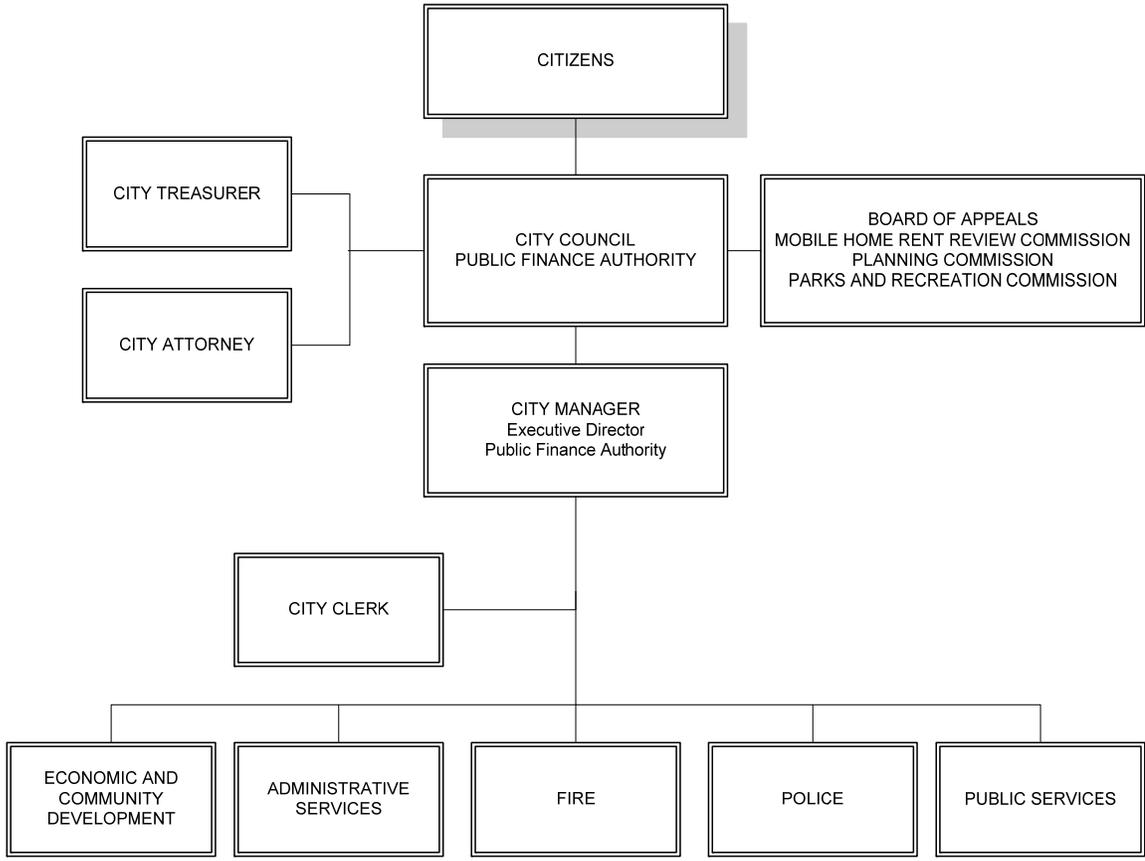
Kim Sarkovich
Assistant City Manager/Chief Financial Officer

Mary Rister
Finance Officer

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Organization Chart

City of Rocklin
Organization Chart



City of Rocklin, California
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List of Officials - Current

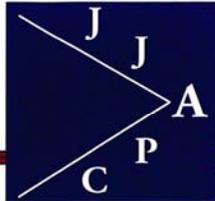
City Council

	<u>Term Expires</u>
➤ Scott Yuill, Mayor	November 2014
➤ George Magnuson, Vice Mayor	November 2016
➤ Diana Ruslin, Councilmember	November 2014
➤ Dave Butler, Councilmember	November 2016
➤ Greg Janda, Councilmember	November 2016

City Officials

	<u>Position</u>
➤ Ricky A. Horst	City Manager
➤ Ron Lawrence	Chief of Police
➤ Jim Summers	Fire Chief
➤ Kimberly Sarkovich	City Treasurer/Assistant City Manager/Chief Financial Officer
➤ Russell E. Hildebrand	City Attorney
➤ Barbara Ivanusich	City Clerk

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JJACPA, Inc.

A Professional Accounting Services Corp.

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and 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, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Rocklin, California (City), as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2013, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and budgetary comparison information and other information 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements and the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and the introductory and statistical sections are the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the introductory and statistical sections are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The combining and individual nonmajor fund financial statements and the introductory and statistical sections has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 31, 2014 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.

January 31, 2014

JJACPA, Inc.

**JJACPA, INC.
Dublin, CA**

City of Rocklin, California
Comprehensive Annual Financial Report
For the year ended June 30, 2013

Management's Discussion and Analysis

As management for the City of Rocklin (City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2013. We encourage readers to consider this document in conjunction with the Basic Financial Statements.

FINANCIAL HIGHLIGHTS

- The assets of the City exceeded liabilities at the close of fiscal year 2012-13 by \$347,885,870 (*net position*), of this amount, \$27,181,118 in *unrestricted net position* is available to meet ongoing obligations to citizens and creditors, \$15,031,994 in *restricted net position* must be used only for specific purposes and \$305,672,758 is *net invested in capital assets*.
- The City's total net position decreased by \$10,198,367 primarily a result of an increase in the net OPEB obligation of \$4,733,632 and capital asset depreciation of \$11,858,736.
- At the end of fiscal year 2012-13, the unassigned fund balance for General Fund is \$18,508,134 compared to last fiscal year's \$15,019,151. This is an increase of 23% over the prior fiscal year.

OVERVIEW OF THE COMPREHENSIVE ANNUAL FINANCIAL REPORT

This report has three major parts:

- 1) **Introductory section**, which includes the Transmittal Letter and general information about the City;
- 2) **Financial section**, which includes the Management's Discussion and Analysis (this part), the Basic Financial Statements, which include the Government-wide and the Fund Financial Statements along with the notes to these financial statements and Combining and Individual Fund Financial Statements and Schedules; and,
- 3) **Statistical section**, which includes detailed information as a context for understanding what the information in the financial statements and footnotes say about the City's overall financial health.

The Basic Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements consist of the government-wide financial statements, the fund financial statements, and the notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

City of Rocklin, California
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Management's Discussion and Analysis, Continued

OVERVIEW OF THE COMPREHENSIVE ANNUAL FINANCIAL REPORT, Continued

Government-wide financial statements present the financial picture of the City from the economic resources measurement focus using the accrual basis of accounting similar to a private-sector business.

The *statement of net position* presents information on all of the City's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of the related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*).

The governmental activities of the City consist of general government, community development, public safety, and general services.

The government-wide financial statements include the City (known as the primary government), and one component unit; the Rocklin Public Financing Authority (Authority). Although the Authority is a legally separate entity, it is integrated with functions of the City and, therefore, is a blended component unit of the City.

The government-wide financial statements can be found on pages 15 and 16 of this report.

Fund financial statements. 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 state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, 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.

City of Rocklin, California
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Management's Discussion and Analysis, Continued

OVERVIEW OF THE COMPREHENSIVE ANNUAL FINANCIAL REPORT, Continued

Governmental funds, continued

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains 39 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, public financing authority debt service fund, traffic circulation impact fee capital project fund and community facilities district #11 capital projects fund, all of which are considered to be major funds. Data from the other 35 non-major governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

The City adopts an annual appropriated budget for all funds. A budgetary comparison statement has been provided for the general fund and special revenue funds to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 18-26 of this report.

Proprietary funds. The City maintains one type of proprietary fund, an internal service fund. Internal service funds are an accounting methodology 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.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The internal service fund is combined into a single, aggregated presentation in the proprietary financial statements, since there is only a single fund for the fleet operations.

The basic proprietary fund financial statements can be found on pages 27-29 of this report.

Fiduciary funds. Fiduciary funds are used to account for assets held by the City in a purely custodial capacity. The reporting entity includes 10 agency funds and two private purpose trust funds for the former Rocklin Redevelopment Agency. Since agency funds are custodial in nature, (i.e. assets equal liabilities), they do not involve the measurement of results of the City's operations, they are not reflected in the government-wide financial statements.

The Statement of Fiduciary Net Position for Fiduciary Funds can be found on page 30 of this report.

City of Rocklin, California
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Management's Discussion and Analysis, Continued

OVERVIEW OF THE COMPREHENSIVE ANNUAL FINANCIAL REPORT, Continued

Notes to the basic financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 33-73 of this report.

Other supplemental information.

The combining statements referred to earlier in connection with non-major governmental funds and fiduciary funds are presented immediately following the notes to the basic financial statements. Combining and individual fund statements and schedules can be found on pages 76-118 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of the City's financial position. In the case of the City, assets exceeded liabilities by \$347,885,870 at the close of the most recent fiscal year. Capital assets (e.g., land, infrastructure, buildings, machinery, equipment, and vehicles), less any related debt used to acquire those assets, represent 88% of the City's net position. The City uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

City of Rocklin's Net Position

	Governmental Activities	
	2013	2012
Current and other assets	\$ 68,467,532	\$ 68,625,875
Noncurrent assets	319,471,466	325,726,889
Total assets	<u>387,938,998</u>	<u>394,352,764</u>
Current and other liabilities	4,761,265	4,146,829
Long-term liabilities	35,291,863	32,121,698
Total liabilities	<u>40,053,128</u>	<u>36,268,527</u>
Net position:		
Net invested in capital assets	305,672,758	311,848,181
Restricted	15,031,994	15,572,366
Unrestricted	<u>27,181,118</u>	<u>30,663,690</u>
Total net position	<u><u>\$ 347,885,870</u></u>	<u><u>\$ 358,084,237</u></u>

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Management's Discussion and Analysis, Continued

GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued

The remaining amount in *unrestricted net position* \$27,181,118 will be used to meet the City's ongoing obligations to citizens and creditors as funded through current revenues.

Governmental Activities

The cost of all governmental activities this year was \$60,883,596. However, as shown in the Statement of Activities on page 16, the amount that taxpayers ultimately financed for governmental activities was \$46,062,161. Those who directly benefited from city programs paid \$7,409,871. Other governments and organizations subsidized certain programs with grants and contributions in the amount of \$7,023,612 for operations and \$387,952 for capital. The City paid the remaining "public benefit" portion of government activities with \$9,551,975 in property taxes and \$26,311,819 in other general revenues.

Total resources available during the year to finance governmental operations were \$50,685,229. This consisted of \$14,821,435 in program revenues and \$35,863,794 in general revenues. Total governmental activities operating expenses during the year were \$60,883,596; thus net position at July 1, 2012, of \$358,084,237 decreased by \$10,198,367 to \$347,885,870 primarily a result of an increase in the OPEB obligation of \$4,733,632 and capital asset depreciation of 11,858,736.

A reconciliation of fund balance to net position is as follows:

Fund Balance to Net Position Reconciliation

	Fund Balance	Adjustments				Net Assets
		Capital Assets	Internal Service Fund	Internal Restrictions	Long-term Liabilities	
Governmental activities:						
Nonspendable:						
Advances to other funds	\$ 1,408,708	\$ -	\$ -	\$ (1,408,708)	\$ -	\$ -
Loans/Notes receivable	2,077,042	-	-	(2,077,042)	-	-
Endowments	492,568	-	-	(492,568)	-	-
Restricted	14,539,426	-	-	(14,539,426)	-	-
Committed	11,482,196	-	-	(11,482,196)	-	-
Assigned	20,538,696	-	-	(20,538,696)	-	-
Unassigned	12,890,524	-	-	(12,890,524)	-	-
Net invested in capital assets	-	314,593,699	3,469,059	-	(12,390,000)	305,672,758
Restricted	-	-	-	15,031,994	-	15,031,994
Unrestricted	-	-	1,760,898	48,397,166	(22,976,946)	27,181,118
Total governmental activities	\$ 63,429,160	\$ 314,593,699	\$ 5,229,957	\$ -	\$ (35,366,946)	\$ 347,885,870

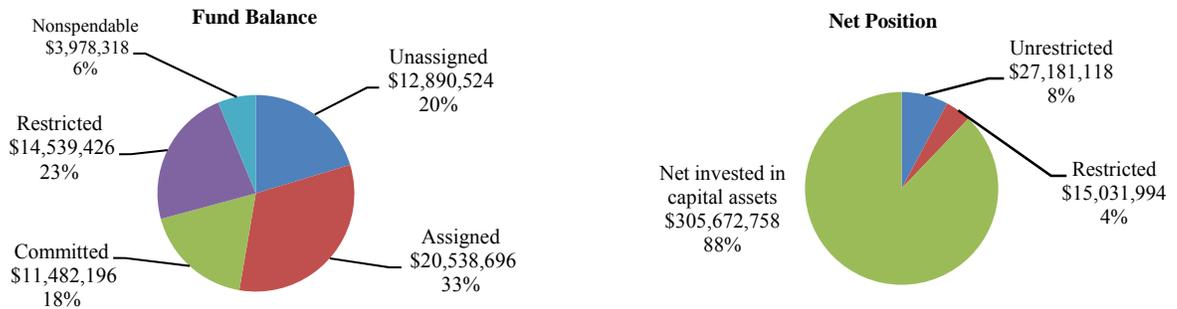
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Management’s Discussion and Analysis, Continued

GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued

Governmental Activities, Continued

Available net position is the amounts not subject to restriction in the current period, typically classified as designated or undesignated fund balance. These amounts are converted to net position by adding long-term assets and subtracting long-term liabilities. A graphic illustration of this conversion is as follows:



The City’s programs include: general government, public safety, general services and community development. Each program’s *net cost* (total cost less revenues generated by the activities) is presented below.

	Operating Revenue		Operating Expenses		Net (Expense) and Changes in Net Position	
	2013	2012	2013	2012	2013	2012
Governmental activities:						
General government	\$ 2,995,200	\$ 2,363,839	\$ 11,213,621	\$ 20,105,881	\$ (8,218,421)	\$ (17,742,042)
Public safety	3,137,771	2,731,307	19,848,065	19,500,808	(16,710,294)	(16,769,501)
General services	5,659,883	6,094,997	26,624,188	23,680,825	(20,964,305)	(17,585,828)
Community development	3,028,581	3,987,328	2,488,541	2,388,154	540,040	1,599,174
Interest	-	-	709,181	1,801,574	(709,181)	(1,801,574)
Total governmental activities	\$ 14,821,435	\$ 15,177,471	\$ 60,883,596	\$ 67,477,242	\$ (46,062,161)	\$ (52,299,771)

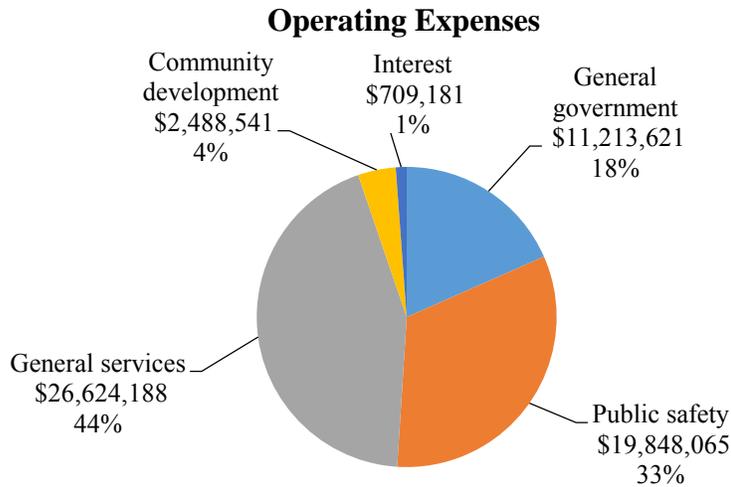
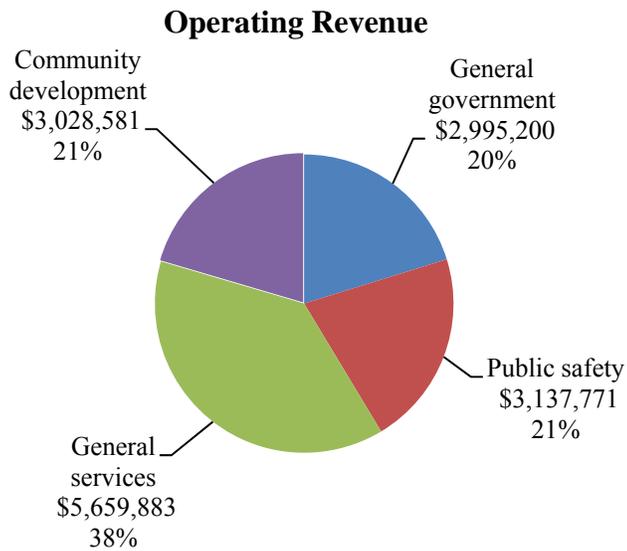
City of Rocklin, California
Comprehensive Annual Financial Report
For the year ended June 30, 2013

Management's Discussion and Analysis, Continued

GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued

Governmental Activities, Continued

Operating resources (program revenues) and operating expenses can be depicted graphically as follows:



City of Rocklin, California
Comprehensive Annual Financial Report
For the year ended June 30, 2013

Management's Discussion and Analysis, Continued

GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued

Cash Management

To obtain flexibility in cash management, the City employs a pooled cash system (Reference Note 2 in the notes to the basic financial statements). Under the pooled cash concept, the City invests the cash of all funds with maturities planned to coincide with cash needs. Idle cash is invested in certain eligible securities as constrained by law and further limited by the City's Investment Policy. The goals of the City's Investment Policy are safety, liquidity, and yield in that order.

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, 2013, net capital assets of the governmental activities totaled \$318,062,758. Depreciation on capital assets is recognized in the government-wide financial statements. The following table shows the City's Capital Assets net of depreciation:

<u>Governmental Activities</u>	<u>2013</u>	<u>2012</u>
Nondepreciable assets:		
Land	\$ 4,937,580	\$ 4,937,580
Land improvements	97,902	97,902
Park land	53,693,948	53,693,948
Construction in progress	5,171,868	4,139,862
Total nondepreciable assets	<u>63,901,298</u>	<u>62,869,292</u>
Depreciable assets:		
Buildings	33,851,346	33,851,346
Facilities & other improvements	3,611,716	3,595,517
Machinery & equipment	2,989,247	2,972,467
Fleet machinery & equipment	8,975,527	8,938,478
Park buildings	954,373	954,373
Park equipment	1,623,319	1,623,319
Park improvements	14,678,208	14,584,717
Infrastructure	347,969,755	344,726,039
Total depreciable assets	<u>414,653,491</u>	<u>411,246,256</u>
Accumulated depreciation	<u>(160,492,031)</u>	<u>(148,877,367)</u>
Total	<u>\$ 318,062,758</u>	<u>\$ 325,238,181</u>

Additional information on the City's capital assets can be found in Note 5 on page 49 of this report.

City of Rocklin, California
Comprehensive Annual Financial Report
For the year ended June 30, 2013

Management’s Discussion and Analysis, Continued

GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued

Debt Administration

Debt, considered a liability of governmental activities, increased by \$3,784,601, primarily a result of an increase in the OPEB obligation of \$4,733,632. Additional information can be found in Note 8 on page 52 of this report.

NEXT YEAR’S BUDGETED APPROPRIATIONS

The adopted budget for all City funds for the new fiscal year of 2013-2014 is \$60,876,300 and is summarized as follows:

	FY 2013-14	FY 2012-13	Amount Change	Percentage Change
General fund	\$ 35,150,500	\$ 33,919,843	\$ 1,230,657	3.6%
Special revenue funds	12,800,000	4,419,914	8,380,086	189.6%
Permanent funds	-	-	-	0.0%
Internal service funds	2,191,250	2,433,435	(242,185)	(10.0)%
Capital projects	10,198,700	4,952,761	5,245,939	105.9%
Total operations and projects	60,340,450	45,725,953	14,614,497	32.0%
Debt service	535,850	415,000	120,850	29.1%
Total budget	\$ 60,876,300	\$ 46,140,953	\$ 14,735,347	31.9%

1. General Fund – Shows an increase of \$1,230,657 or approximately 3.6%. This is primarily a result of various payroll activities.
2. Special Revenue Funds – Show an increase of \$8,380,086 or approximately 189.6%, which is a result of the addition of the Special District Service Budgets (Lighting and Landscaping #1 and #2, Community Facilities Districts#1, #5 and #6) to the City Budget presentation. In prior years the Special District Service Budgets were presented separately to the City Council.
3. Internal Service Funds – Show a decrease of \$242,185 or 10.0%, a result of a decrease in fleet vehicles purchased.
4. Capital Projects – Show an increase of \$5,245,939 or 105.9%, a result of an increase in capital projects and the overall capital improvement program addressing various street and interchange improvements, rehabilitation and new construction funded by revenues from traffic circulation impact fees, gas tax and grants.
5. Debt Service – Provides for the maintenance of the 2003 Certificates of Participation.

City of Rocklin, California
Comprehensive Annual Financial Report
For the year ended June 30, 2013

Management's Discussion and Analysis, Continued

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

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

BASIC FINANCIAL STATEMENTS

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City of Rocklin, California

Statement of Net Position

June 30, 2013

(With comparative totals for June 30, 2012)

	Governmental Activities	
	2013	2012
ASSETS		
Current assets:		
Cash and investments	\$ 49,084,843	\$ 49,597,612
Restricted cash and investments	11,946,747	12,329,012
Receivables, net	5,828,429	5,175,805
Inventory and prepaid items	100,171	121,156
Due from fiduciary activities	182,500	-
Prepaid items	345,549	-
Other assets	979,293	1,402,290
Total current assets	68,467,532	68,625,875
Noncurrent assets:		
Intangible assets, net	-	-
Advances to fiduciary activities	1,408,708	488,708
Capital assets, net	318,062,758	325,238,181
Total noncurrent assets	319,471,466	325,726,889
Total assets	\$ 387,938,998	\$ 394,352,764
LIABILITIES		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 3,074,122	\$ 2,484,933
Deposits payable	245,240	203,457
Interest payable	176,337	187,815
Compensated absences - current portion	1,265,566	1,270,624
Total current liabilities	4,761,265	4,146,829
Noncurrent liabilities:		
Long-term debt:		
Claims liabilities	988,108	699,525
Compensated absences	1,608,387	2,460,437
Net OPEB obligation	20,305,368	15,571,736
Due within one year	1,030,000	1,000,000
Due after one year	11,360,000	12,390,000
Total noncurrent liabilities	35,291,863	32,121,698
Total liabilities	40,053,128	36,268,527
NET POSITION		
Net invested in capital assets	305,672,758	311,848,181
Restricted	15,031,994	15,572,366
Unrestricted	27,181,118	30,663,690
Total net position	347,885,870	358,084,237
Total liabilities and net position	\$ 387,938,998	\$ 394,352,764

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

City of Rocklin, California

Statement of Activities

For the year ended June 30, 2013

(With comparative totals for the year ended June 30, 2012)

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	2013	2012
Governmental activities:						
General government	\$ 11,213,621	\$ 717,177	\$ 2,278,023	\$ -	\$ (8,218,421)	\$ (17,742,042)
Public safety	19,848,065	986,980	2,150,791	-	(16,710,294)	(16,769,501)
General services	26,624,188	2,867,552	2,441,517	350,814	(20,964,305)	(17,585,828)
Community development	2,488,541	2,838,162	153,281	37,138	540,040	1,599,174
Interest	709,181	-	-	-	(709,181)	(1,801,574)
Total governmental activities	\$ 60,883,596	\$ 7,409,871	\$ 7,023,612	\$ 387,952	\$ (46,062,161)	\$ (52,299,771)
General revenues:						
Taxes:						
Property taxes					9,551,975	11,146,605
Sales and use tax					6,212,703	5,786,761
Gas tax					3,506,863	3,210,518
Transient occupancy tax					403,176	395,656
Other taxes					6,890,260	7,811,538
Motor vehicle fees					3,367,965	3,404,120
Franchise fees					1,904,499	1,887,441
Impact fees					2,011,105	541,592
Interest and investment earnings					1,588,595	1,263,775
Miscellaneous					426,653	-
Total general revenues					35,863,794	35,448,006
Extraordinary Item:						
Gain on dissolution of redevelopment agency					-	10,471,411
Change in net position					(10,198,367)	(6,380,354)
Net position:						
Net position - beginning					358,084,237	364,464,591
Net position - ending					\$ 347,885,870	\$ 358,084,237

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

FUND FINANCIAL STATEMENTS

Fund	Description
General	Primary operating fund of the City: accounts for all activities except those legally or administratively required to be accounted for in other funds.
Public Financing Authority Debt Service	Accounts for the debt service for the Public Financing Authority.
Traffic Circulation Impact Fee Capital Projects	Accounts for activities related to congestion management.
Community Facilities District #11 Capital Projects	Accounts for improvements and projects within the District boundaries.

City of Rocklin, California

Balance Sheet

Governmental Funds

June 30, 2013

(With comparative totals for June 30, 2012)

	Major Funds		
	General Fund	Public Financing Authority Debt Service	Traffic Circulation Impact Fee Capital Projects
ASSETS			
Cash and investments	\$ 23,888,675	\$ 3,627	\$ 8,273,936
Restricted cash and investments	-	11,908,364	-
Receivables:			
Taxes	1,889,563	-	-
Interest	19,558	-	-
Intergovernmental	3,672	-	-
Loans/Notes receivable	-	-	1,576,983
Other receivable	550,689	-	-
Due from other funds	5,750,810	-	-
Due from fiduciary activities	182,500	-	-
Prepaid items	300,296	-	-
Other assets	979,293	-	-
Advance to Private Purpose Trust Fund	1,408,708	-	-
Total assets	<u>\$ 34,973,764</u>	<u>\$ 11,911,991</u>	<u>\$ 9,850,919</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities:			
Accounts payable and accrued liabilities	\$ 2,006,913	\$ 600	\$ 123,951
Deposits payable	245,240	-	-
Due to other funds	-	22,400	-
Compensated absences	1,221,319	-	-
Advances from Private Purpose Trust Fund	-	-	-
Advances from other funds	-	-	-
Total liabilities	<u>3,473,472</u>	<u>23,000</u>	<u>123,951</u>
Deferred inflow: Unavailable revenue	101,254	-	-
Total liabilities and deferred inflows	<u>3,574,726</u>	<u>23,000</u>	<u>123,951</u>
Fund balances:			
Nonspendable			
Advances to other funds	1,408,708	-	-
Loans/Notes receivable	-	-	1,576,983
Endowments	-	-	-
Restricted	-	11,888,991	-
Committed	11,482,196	-	-
Assigned	-	-	8,149,985
Unassigned (Deficit)	18,508,134	-	-
Total fund balances	<u>31,399,038</u>	<u>11,888,991</u>	<u>9,726,968</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 34,973,764</u>	<u>\$ 11,911,991</u>	<u>\$ 9,850,919</u>

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

Major Funds			
Community Facilities District #11 Capital Projects	Nonmajor Governmental Funds	2013	2012
\$ -	\$ 15,590,941	\$ 47,757,179	\$ 43,999,960
-	38,383	11,946,747	12,329,012
-	595,683	2,485,246	2,033,179
-	-	19,558	31,636
-	692,222	695,894	400,065
-	500,059	2,077,042	511,559
-	-	550,689	2,161,518
-	-	5,750,810	5,383,540
-	-	182,500	-
-	41,320	341,616	-
-	-	979,293	1,402,290
-	-	1,408,708	948,708
\$ -	\$ 17,458,608	\$ 74,195,282	\$ 69,201,467
\$ -	\$ 892,925	\$ 3,024,389	\$ 2,313,127
-	-	245,240	203,457
-	5,728,410	5,750,810	5,383,540
-	-	1,221,319	1,219,190
-	-	-	460,000
-	423,110	423,110	634,665
-	7,044,445	10,664,868	10,213,979
-	-	101,254	153,364
-	7,044,445	10,766,122	10,367,343
-	-	1,408,708	948,708
-	500,059	2,077,042	511,559
-	492,568	492,568	491,455
-	2,650,435	14,539,426	15,080,911
-	-	11,482,196	12,982,200
-	12,388,711	20,538,696	19,665,360
-	(5,617,610)	12,890,524	9,153,931
-	10,414,163	63,429,160	58,834,124
\$ -	\$ 17,458,608	\$ 74,195,282	\$ 69,201,467

City of Rocklin, California
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position

June 30, 2013

Total fund balances - total governmental funds \$ 63,429,160

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

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds balance sheet. 314,593,699

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds balance sheet. (35,291,863)

Interest payable on long-term debt does not require the use of current financial resources and, therefore, is not reported in the governmental funds. (176,337)

Unearned revenue is reported in governmental funds on the modified accrual basis and is recognized as revenue on the accrual basis in the government-wide statements. 101,254

Internal services funds are used by management to charge the costs of certain activities, such as insurance, to individual funds. The assets and liabilities of the internal service funds are:

Current assets	\$ 1,431,768	
Noncurrent assets	3,892,169	
Accounts payable and accrued liabilities	(49,733)	
Compensated absences	(44,247)	
	5,229,957	5,229,957

Net position of governmental activities \$347,885,870

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

City of Rocklin, California

Reconciliation of Fund Basis Balance Sheet to Government-wide Statement of Net Position

Governmental Activities

June 30, 2013

	Governmental Funds Balance Sheet	Internal Service Balances	Reclassifications	Changes in GAAP	Statement of Net Position
ASSETS					
Current assets:					
Cash and investments	\$ 47,757,179	\$ 1,327,664	\$ -	\$ -	\$ 49,084,843
Restricted cash and investments	11,946,747	-	-	-	11,946,747
Receivables (net)	5,828,429	-	-	-	5,828,429
Inventory and prepaid items	-	100,171	-	-	100,171
Due from other funds	5,750,810	-	(5,750,810)	-	-
Due from fiduciary activities	182,500	-	-	-	182,500
Prepaid items	341,616	3,933	-	-	345,549
Other assets	979,293	-	-	-	979,293
Total current assets	72,786,574	1,431,768	(5,750,810)	-	68,467,532
Noncurrent assets:					
Advances to other funds	-	423,110	(423,110)	-	-
Advances to (from) fiduciary activities	1,408,708	-	-	-	1,408,708
Capital assets, net	-	3,469,059	-	314,593,699	318,062,758
Total noncurrent assets	1,408,708	3,892,169	(423,110)	314,593,699	319,471,466
Total assets	\$ 74,195,282	\$ 5,323,937	\$ (6,173,920)	\$ 314,593,699	\$ 387,938,998
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES					
Current liabilities:					
Accounts payable and accrued liabilities	\$ 3,024,389	\$ 49,733	\$ -	\$ -	\$ 3,074,122
Deposits payable	245,240	-	-	-	245,240
Due to other funds	5,750,810	-	(5,750,810)	-	-
Interest payable	-	-	-	176,337	176,337
Compensated absences	1,221,319	44,247	-	-	1,265,566
Total current liabilities	10,241,758	93,980	(5,750,810)	176,337	4,761,265
Noncurrent liabilities:					
Long-term liabilities:					
Advances from other funds	423,110	-	(423,110)	-	-
Claims liabilities	-	-	-	988,108	988,108
Compensated absences	-	-	-	1,608,387	1,608,387
Net OPEB obligation	-	-	-	20,305,368	20,305,368
Due within one year	-	-	-	1,030,000	1,030,000
Due after one year	-	-	-	11,360,000	11,360,000
Total noncurrent liabilities	423,110	-	(423,110)	35,291,863	35,291,863
Total liabilities	10,664,868	93,980	(6,173,920)	35,468,200	40,053,128
Deferred inflows: Unavailable revenue	101,254	-	-	(101,254)	-
Total liabilities and deferred inflows	10,766,122	93,980	(6,173,920)	35,366,946	40,053,128
FUND BALANCES/NET POSITION					
Fund balances:					
Nonspendable					
Advances to other funds	1,408,708	-	(1,408,708)	-	-
Loans/Notes receivable	2,077,042	-	(2,077,042)	-	-
Endowments	492,568	-	(492,568)	-	-
Restricted	14,539,426	-	(14,539,426)	-	-
Committed	11,482,196	-	(11,482,196)	-	-
Assigned	20,538,696	-	(20,538,696)	-	-
Unassigned (Deficit)	12,890,524	-	(12,890,524)	-	-
Net position:					
Net invested in capital assets	-	3,469,059	-	302,203,699	305,672,758
Restricted	-	-	15,031,994	-	15,031,994
Unrestricted	-	1,760,898	48,397,166	(22,976,946)	27,181,118
Total fund balances/net position	63,429,160	5,229,957	-	279,226,753	347,885,870
Total liabilities and net position	\$ 74,195,282	\$ 5,323,937	\$ (6,173,920)	\$ 314,593,699	\$ 387,938,998

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

City of Rocklin, California

Statement of Revenues, Expenditures, and Changes in Fund Balances

Governmental Funds

For the year ended June 30, 2013

(With comparative totals for the year ended June 30, 2012)

	Major Funds		
	General Fund	Public Financing Authority Debt Service	Traffic Circulation Impact Fee Capital Projects
REVENUES:			
Taxes and assessments	\$ 19,943,367	\$ -	\$ 1,868,573
Licenses and permits	1,234,248	-	-
Fines and forfeitures	155,846	-	-
Intergovernmental	4,222,807	-	350,814
Use of money and property	1,561,560	629,843	9,913
Charges for services	4,692,262	-	-
Contributions from developers and homeowners	-	-	-
Other revenues	2,566,582	-	-
Total revenues	34,376,672	629,843	2,229,300
EXPENDITURES:			
Current:			
General government	6,352,757	27,891	-
Public safety	18,199,915	-	-
General services	7,720,647	-	-
Community development	2,111,159	-	9,690
Capital outlay	16,780	-	948,324
Debt service:			
Principal	-	585,000	-
Interest	92	425,200	-
Total expenditures	34,401,350	1,038,091	958,014
REVENUES OVER (UNDER) EXPENDITURES	(24,678)	(408,248)	1,271,286
OTHER FINANCING SOURCES (USES):			
PERS side fund payoff	-	-	-
Extraordinary loss on dissolution of redevelopment	-	-	-
Proceeds from sale of assets	5,000	-	-
Transfers in	4,785,352	3	-
Transfers out	(2,316,695)	(3)	(194,400)
Total other financing sources (uses)	2,473,657	-	(194,400)
Net change in fund balances	2,448,979	(408,248)	1,076,886
FUND BALANCES:			
Beginning of year	28,950,059	12,297,239	8,650,082
End of year	\$ 31,399,038	\$ 11,888,991	\$ 9,726,968

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

Major Funds				
Community Facilities District #11 Capital Projects		Other Governmental Funds	Totals	
			2013	2012
\$	-	\$ 10,721,393	\$ 32,533,333	\$ 31,273,388
	-	-	1,234,248	978,892
	-	-	155,846	200,457
	-	1,807,933	6,381,554	4,495,057
	-	43,847	2,245,163	1,726,567
	-	47,639	4,739,901	3,971,307
	-	770,016	770,016	449,309
	-	1,476	2,568,058	4,595,282
	-	13,392,304	50,628,119	47,690,259
	-	435,897	6,816,545	7,882,485
	-	126,408	18,326,323	18,158,522
	-	9,233,275	16,953,922	10,075,239
	-	367,692	2,488,541	2,388,154
	-	2,492,075	3,457,179	2,757,092
	-	415,000	1,000,000	2,075,000
	-	295,367	720,659	1,458,496
	-	13,365,714	49,763,169	44,794,988
	-	26,590	864,950	2,895,271
	-	-	-	(4,517,258)
	-	-	-	(13,566,520)
	-	-	5,000	-
	-	733,132	5,518,487	3,645,739
	-	(3,007,389)	(5,518,487)	(3,645,739)
	-	(2,274,257)	5,000	(18,083,778)
	-	(2,247,667)	869,950	(15,188,507)
	-	12,661,830	62,559,210	74,022,631
\$	-	\$ 10,414,163	\$ 63,429,160	\$ 58,834,124

City of Rocklin, California

Reconciliation of Fund Basis Statements to Government-wide Statement of Activities

For the year ended June 30, 2013

Functions/Programs	Fund Based Totals	Debt Service	PERS	Capital Asset (Additions)/ Retirements	Internal Service Fund	Government- wide Totals
			Side Fund/ OPEB Obligation			
Governmental activities:						
General government	\$ 6,816,545	\$ (563,467)	\$ 4,733,632	\$ 96,654	\$ - \$ 130,257	\$ 11,213,621
Public safety	18,326,323	-	-	1,521,742	-	19,848,065
General services	16,953,922	-	-	10,240,340	(570,074)	26,624,188
Community development	2,488,541	-	-	-	-	2,488,541
Capital outlay	3,457,179	-	-	-	(3,457,179)	-
Debt service/Interest	1,720,659	(1,011,478)	-	-	-	709,181
Total governmental activities	\$ 49,763,169	\$ (1,574,945)	\$ 4,733,632	\$ 11,858,736	\$ (4,027,253)	\$ 60,883,596

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

City of Rocklin, California

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities

For the year ended June 30, 2013

Net change in fund balances - total governmental funds	\$ 869,950
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Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets:

Capital asset purchases capitalized	\$ 3,457,179	
Capital asset retirements	570,074	
Depreciation expense	<u>(11,858,736)</u>	(7,831,483)

Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position:

Certificate of participation principal payments	415,000	
Public Financing Authority debt principal payments	<u>585,000</u>	1,000,000

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:

Change in interest payable	11,478	
Change in claim liabilities	(288,583)	
Change in long-term compensated absences	852,050	
Change in Net OPEB obligation	<u>(4,733,632)</u>	(4,158,687)

Some receivables are deferred in the governmental funds because the amounts do not represent current financial resources that are recognized under the accrual basis in the Statement of Activities.

52,110

Internal services funds are used by management to charge the vehicle fleet maintenance to individual funds. The change in net position of the Internal Service Funds (\$1,085,705), less amounts due to changes in capital assets \$955,448 reported above for capital assets.

(1,085,705)	
<u>955,448</u>	<u>(130,257)</u>

Change in net position of governmental activities

\$ (10,198,367)

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

City of Rocklin, California

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

Budget to Actual - General Fund

For the year ended June 30, 2013

	General Fund			Variance w/Amended Positive (Negative)
	Original Budget	Amended Budget	Actual	
REVENUES:				
Taxes and assessments	\$ 19,019,100	\$ 19,019,100	\$ 19,943,367	\$ 924,267
Licenses and permits	849,605	849,605	1,234,248	384,643
Fines and forfeitures	160,500	160,500	155,846	(4,654)
Intergovernmental	3,877,294	3,877,294	4,222,807	345,513
Use of money and property	1,600,209	1,600,209	1,561,560	(38,649)
Charges for services	3,962,758	3,962,758	4,692,262	729,504
Other revenues	1,664,556	1,664,556	2,566,582	902,026
Total revenues	31,134,022	31,134,022	34,376,672	3,242,650
EXPENDITURES:				
Current:				
General government	6,059,975	6,059,975	6,352,757	(292,782)
Public safety	17,949,834	17,949,834	18,199,915	(250,081)
General services	7,907,031	7,907,031	7,720,647	186,384
Community development	2,014,343	2,055,343	2,111,159	(55,816)
Capital outlay	130,500	130,500	16,780	113,720
Debt service:				
Interest	60	60	92	(32)
Total expenditures	34,061,743	34,102,743	34,401,350	(298,607)
REVENUES OVER (UNDER) EXPENDITURES	(2,927,721)	(2,968,721)	(24,678)	2,944,043
OTHER FINANCING SOURCES (USES):				
Proceeds from issuance of long-term debt	-	-	-	-
PERS side fund payoff	-	-	-	-
Proceeds from sale of assets	-	-	5,000	5,000
Transfers in	3,280,811	3,280,811	4,785,352	1,504,541
Transfers out	(141,844)	(141,844)	(2,316,695)	(2,174,851)
Total other financing sources (uses)	3,138,967	3,138,967	2,473,657	(665,310)
Net change in fund balances	211,246	170,246	2,448,979	2,278,733
FUND BALANCES:				
Beginning of year	28,950,059	28,950,059	28,950,059	-
End of year	\$ 29,161,305	\$ 29,120,305	\$ 31,399,038	\$ 2,278,733

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

City of Rocklin, California

Statement of Net Position

Fleet Management Internal Service Fund

June 30, 2013

(With comparative totals for June 30, 2012)

	Totals	
	2013	2012
ASSETS		
Current assets:		
Cash and investments	\$ 1,327,664	\$ 1,822,156
Inventory	100,171	121,156
Prepaid items	3,933	-
Total current assets	1,431,768	1,943,312
Noncurrent assets:		
Advances to other funds	423,110	634,665
Capital assets, net	3,469,059	3,872,667
Total assets	\$ 5,323,937	\$ 6,450,644
LIABILITIES AND NET POSITION		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 49,733	\$ 83,548
Compensated absences	44,247	51,434
Total current liabilities	93,980	134,982
Total liabilities	93,980	134,982
Net Position:		
Net invested in capital assets	3,469,059	3,872,667
Unrestricted	1,760,898	2,442,995
Total net position	5,229,957	6,315,662
Total liabilities and net position	\$ 5,323,937	\$ 6,450,644

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

City of Rocklin, California

Statement of Revenues, Expenses, and Changes in Fund Net Position

Fleet Management Internal Service Fund

For the year ended June 30, 2013

(With comparative totals for the year ended June 30, 2012)

	Totals	
	2013	2012
OPERATING REVENUES:		
Fleet management cost allocation	\$ 863,595	\$ 181,828
Other	-	-
Total operating revenues	<u>863,595</u>	<u>181,828</u>
OPERATING EXPENSES:		
Salaries and benefits	456,903	515,465
Services and supplies	852,093	973,575
Depreciation	<u>679,528</u>	<u>559,073</u>
Total operating expenses	<u>1,988,524</u>	<u>2,048,113</u>
OPERATING INCOME (LOSS)	<u>(1,124,929)</u>	<u>(1,866,285)</u>
NONOPERATING REVENUES (EXPENSES):		
Gain on sale of assets	16,263	76,398
Interest revenue	<u>22,961</u>	<u>31,434</u>
Total non-operating revenues (expenses), net	<u>39,224</u>	<u>107,832</u>
NET INCOME (LOSS) BEFORE TRANSFERS	(1,085,705)	(1,758,453)
Transfers in (out)	<u>-</u>	<u>-</u>
CHANGE IN NET POSITION	(1,085,705)	(1,758,453)
NET POSITION:		
Beginning of year	<u>6,315,662</u>	<u>8,074,115</u>
End of year	<u>\$ 5,229,957</u>	<u>\$ 6,315,662</u>

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

City of Rocklin, California

Statement of Cash Flows

Fleet Management Internal Service Fund

For the year ended June 30, 2013

(With comparative amounts for the year ended June 30, 2012)

	Totals	
	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from interfund services provided	\$ 863,595	\$ 181,828
Cash payments to suppliers for goods and services	(868,856)	(1,028,049)
Cash payments to employees for services	(464,090)	(516,879)
Net cash used by operating activities	(469,351)	(1,363,100)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Transfers received (paid)	211,555	211,554
Net cash provided by noncapital financing activities	211,555	211,554
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Proceeds from sale of capital assets	16,263	76,398
Acquisition and construction of capital assets	(275,920)	(258,220)
Net cash (used) by capital and related financing activities	(259,657)	(181,822)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Investment income received	22,961	31,434
Net cash provided by investing activities	22,961	31,434
Net increase (decrease) in cash and cash equivalents	(494,492)	(1,301,934)
CASH AND CASH EQUIVALENTS:		
Beginning of year	1,822,156	3,124,090
End of year	<u>\$ 1,327,664</u>	<u>\$ 1,822,156</u>
Reconciliation of income (loss) from operations to net cash used by operating activities:		
Operating income (loss)	\$ (1,124,929)	\$ (1,866,285)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation	679,528	559,073
(Increase) decrease in current assets:		
Inventory	20,985	(16,320)
Prepaid items	(3,933)	-
Increase (decrease) in liabilities:		
Accounts payable and accrued liabilities	(33,815)	(38,154)
Compensated absences	(7,187)	(1,414)
Net cash used by operating activities	\$ (469,351)	\$ (1,363,100)

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

City of Rocklin, California
Statement of Fiduciary Net Position

Fiduciary Funds

June 30, 2013

	Successor Agency Private Purpose Trust Funds	Agency Funds	Totals
ASSETS			
Current assets:			
Cash and investments	\$ 3,057,555	\$ 2,843,409	\$ 5,900,964
Cash and investments with trustee/fiscal agent	1,811,262	7,598,324	9,409,586
Accounts receivable	27,000	-	27,000
Loans receivable	10,458,201	-	10,458,201
Assessments	-	260,865	260,865
Total current assets	<u>15,354,018</u>	<u>10,702,598</u>	<u>26,056,616</u>
Non-Current assets:			
Advances to other funds	900,000	-	900,000
Intangible assets, net	1,212,019	-	1,212,019
Property, plant, and equipment, net	5,651,884	-	5,651,884
Property, plant, and equipment, net	<u>7,763,903</u>	<u>-</u>	<u>7,763,903</u>
Total assets	<u><u>\$23,117,921</u></u>	<u><u>\$ 10,702,598</u></u>	<u><u>\$33,820,519</u></u>
LIABILITIES AND NET POSITION			
Current liabilities:			
Accounts payable and accrued liabilities	\$ 3,030	\$ 9,441	\$ 12,471
Interest payable	386,456	-	386,456
Due to other funds	-	182,500	182,500
Due within one year	650,000	10,510,657	11,160,657
Total current liabilities	<u>1,039,486</u>	<u>10,702,598</u>	<u>11,742,084</u>
Long-term liabilities:			
Advances from other funds	900,000	-	900,000
Advances from City of Rocklin General Fund	1,408,708	-	1,408,708
Line of credit	2,354,092	-	2,354,092
Quarry loan payable	372,889	-	372,889
Due after one year	26,035,000	-	26,035,000
Total long-term liabilities	<u>31,070,689</u>	<u>-</u>	<u>31,070,689</u>
Total liabilities	<u>32,110,175</u>	<u><u>\$ 10,702,598</u></u>	<u>42,812,773</u>
Net Position (Deficit):			
net position held in trust for Redevelopment Dissolution	<u>(8,992,254)</u>	<u>-</u>	<u>(8,992,254)</u>
Total liabilities and net position	<u><u>\$23,117,921</u></u>	<u><u>\$ 10,702,598</u></u>	<u><u>\$33,820,519</u></u>

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

City of Rocklin, California
Statement of Changes in Fiduciary Net Position
Private Purpose Trust Funds
For the year ended June 30, 2013

	<u>Successor Agency</u> <u>Private Purpose</u> <u>Trust Funds</u>
ADDITIONS:	
Property taxes	\$ 3,763,754
Investment earnings	36,625
Total additions	<u>3,800,379</u>
DEDUCTIONS:	
Community development	1,360,948
Interest Expense	1,219,122
Total deductions	<u>2,580,070</u>
CHANGE IN FIDUCIARY NET POSITION	1,220,309
NET POSITION (DEFICIT):	
Beginning of year	(10,212,563)
End of year	<u>\$ (8,992,254)</u>

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

NOTES TO BASIC FINANCIAL STATEMENTS

City of Rocklin, California
Basic Financial Statements
For the year ended June 30, 2013

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City of Rocklin, California
Notes to Basic Financial Statements
For the year ended June 30, 2013

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 financial statements of the City have been prepared in accordance with accounting principles generally accepted in the United States (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting. The more significant of these accounting policies are described below.

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 by writing to the City of Rocklin, Finance Division, 3970 Rocklin Road, Rocklin, California 95677.

City of Rocklin, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Financial Reporting Entity, Continued

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

Public Financing Authority of the City of Rocklin

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.

The above component unit is included in the City's basic financial statements using the blended method.

Basis of Presentation

Government-Wide Financial Statements

The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues.

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. All taxes and internally dedicated resources are reported as *general revenues* rather than program revenues.

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, liabilities, fund equity, revenues, and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the City or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental fund are at least ten percent of the corresponding total for all funds of that category or type; and,

City of Rocklin, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Basis of Presentation, continued

Fund Financial Statements, continued

- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental fund are at least five percent of the corresponding total for all governmental funds combined.

Governmental Funds

The funds of the financial reporting entity are described below:

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.

Special Revenue Funds

The Special Revenue Funds are used to account for specific revenues that are legally or otherwise restricted to expenditures for particular purposes.

Capital Project Funds

The Capital Project Funds are used to account for financial resources used for the acquisition or construction of major capital facilities other than those financed by proprietary funds.

Permanent Funds

The Permanent Funds are used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used to support the City's programs.

Debt Service Funds

The Debt Service Funds account for the accumulation of financial resources for the payment of interest and principal on the general long-term debt of the City or its component units.

Proprietary Funds

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.

City of Rocklin, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Basis of Presentation, continued

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.

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. There are ten agency funds.

Measurement Focus

Measurement focus is a term used to describe which transactions are recorded within the various financial statements.

On the government-wide Statement of Net Position and the Statement of Activities, governmental activities are presented using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of net income, financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Fund equity is classified as Net Position, which serves as an indicator of financial position.

In the fund financial statements, the “current financial resources” measurement focus is used. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

The internal service funds and private purpose trust funds utilize an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of net income, financial position, and cash flows. Internal service funds and private purpose trust funds equity are classified as net position.

Agency funds are not involved in the measurement of results of operations; therefore, measurement focus is not applicable to them.

City of Rocklin, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means the amount is collectible within the current period or soon enough thereafter to pay current liabilities. The City considers all revenues reported in the governmental funds to be available if the revenues are collected within 60 days after year end. Expenditures (including capital outlay) are recorded when the related fund liability is incurred.

The internal service funds, private purpose trust funds, and agency funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Operating revenues in the fund are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

Assets, Liabilities, and Equity

Cash Deposits and Investments

The City’s cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

The City pools cash and investments from all funds for the purpose of increasing income through investment activities. Highly liquid money market investments with maturities of one year or less at time of purchase are stated at amortized cost. All other investments are stated at fair value in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. Market value is used as fair value for those securities for which market quotations are readily available.

The City participates in an investment pool managed by the State of California titled Local Agency Investment Fund (LAIF) which has invested some of the pooled funds in Structured Notes and Asset-Backed Securities. LAIF's investments are subject to credit risk with the full faith and credit of the State of California collateralizing these investments. In addition, these Structured Notes and Asset-Backed Securities are subject to market risk as to changes in interest rates.

City of Rocklin, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Assets, Liabilities, and Equity, Continued

Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as “due to and from other funds.” Long-term interfund loans (noncurrent portion) are reported as “advances from and to other funds.” Interfund receivables and payables between funds within governmental activities are eliminated in the Statement of Net Position. See Note 10 for details of interfund transactions, including receivables and payables at year-end.

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.

Inventories

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. Other inventories recorded in the Fleet Internal Service Fund are recorded at cost when consumed and represent vehicle parts and fuel.

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 \$5,000 for non-infrastructure capital assets and \$100,000 for infrastructure capital assets.

City of Rocklin, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Assets, Liabilities, and Equity, Continued

Capital Assets, continued

Government-Wide Statements

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.

Prior to July 1, 2003, governmental funds' infrastructure assets were not capitalized, since then these assets have been valued at estimated historical cost.

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 type of asset is as follows:

Equipment, machinery and vehicles	3 – 20 years
Facilities and improvements	15 years
Infrastructures	25 – 50 years
Buildings and building improvements	15 – 30 years

Fund Financial Statements

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 the same way as in the government-wide statements.

Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/ expenditure) until then. The government only has one item that qualifies for reporting in this category. It is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

City of Rocklin, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2013

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Assets, Liabilities, and Equity, Continued

Deferred outflows/inflows of resources, continued

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The government has only one type of item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: property taxes and special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

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.

Long-Term Debt, Continued

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), OPEB obligation, compensated absences and a liability for claims. Bond issuance costs and discounts are presented as intangible assets and amortized on a straight-line basis over the life of the debt in the government-wide statements.

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. The accounting for proprietary funds is the same in the fund statements as it is in the government-wide statements.

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.

City of Rocklin, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Assets, Liabilities, and Equity, Continued

Equity Classification

Government-Wide Statements

Equity is classified as net position and is displayed in three components:

- a. *Net invested in capital assets* – consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. *Restricted net position* – consists of net position with constraints placed on the use by external groups such as creditors, grantors, contributors, or by laws or regulations of other governments or law through constitutional provisions or enabling legislation.
- c. *Unrestricted net position* – all other net position that do not meet the definition of “restricted” or “net invested in capital assets.”

Fund Financial Statements

Governmental fund equity is classified as fund balance. Fund balance is classified as nonspendable, restricted, committed, assigned or unassigned as provided in Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. Proprietary fund equity is classified the same as in the government-wide statements. The classifications for governmental funds are defined as follows for the City:

Nonspendable Fund Balance –

- 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 notes or loans receivable)
- Resources that must be maintained intact pursuant to legal or contractual requirements (the principal of an endowment)

Restricted Fund Balance –

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

City of Rocklin, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Assets, Liabilities, and Equity, Continued

Equity Classification, Continued

Fund Financial Statements, continued

Committed Fund Balance –

- 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) that requires formal action at the same level to remove.
- Council Resolution is required to be taken to establish, modify, or rescind a fund balance commitment.

Assigned Fund Balance –

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

Unassigned Fund Balance –

- 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).

Revenues, Expenditures, and Expenses

Property Tax

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.

City of Rocklin, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Revenues, Expenditures, and Expenses, continued

Interfund Transfers

Resources are reallocated between funds by reporting them as interfund transfers. For the purposes of the Statement of Activities, all interfund transfers between individual governmental funds have been eliminated.

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. The City Manager is authorized to transfer budgeted amounts within any single fund. However, any revisions that alter total expenditures of any fund must be approved by the City Council.

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

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, 2013, 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.

City of Rocklin, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. Actual results could differ from those estimates.

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.

City of Rocklin, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2013

2. CASH AND INVESTMENTS

At June 30, 2013, the City's pooled cash and investments, classified by maturity, consisted of the following stated at fair market value:

	Maturities (in years)			Deposits	Fair Market Value
	<1	1 to 2	>2		
<u>Cash equivalents and investments pooled</u>					
<u>Pooled cash, at fair value</u>					
Cash in bank	\$ -	\$ -	\$ -	\$ 1,350,199	1,350,199
Petty cash	-	-	-	2,925	2,925
Money market accounts	56,709	-	-	-	56,709
Total pooled cash	<u>56,709</u>	<u>-</u>	<u>-</u>	<u>1,353,124</u>	<u>1,409,833</u>
<u>Pooled investments, at fair value</u>					
<u>Interest obligations</u>					
<u>Par</u>	<u>Rate</u>				
\$ 20,000	6.875%	Corporate notes	-	-	20,000
\$ 8,594,404	8.00%	Investment in Special Assessment Bonds	8,594,404	-	8,594,404
County Pooled Investment Account			8,020,919	-	8,020,919
Cash with fiscal agent - Union Bank money market			21,317,951	-	21,317,951
State of California Local Agency Investment Fund			36,979,036	-	36,979,036
Total pooled investments			<u>74,912,310</u>	<u>-</u>	<u>74,932,310</u>
Total cash equivalents and investments pooled			<u>\$ 74,969,019</u>	<u>\$ 1,353,124</u>	<u>\$ 76,342,143</u>

Amounts reported in:

Governmental activities - Unrestricted	\$ 44,226,735
Governmental activities - Restricted	11,946,747
Proprietary activities - Unrestricted	1,327,664
Fiduciary activities - Unrestricted	9,431,411
Fiduciary activities - Restricted	9,409,586
Total	<u>\$ 76,342,143</u>

<u>Investment Type</u>	<u>Fair Value</u>
Local Agency Investment Fund	\$ 36,979,036
Money Market Mutual Funds	21,317,951
City Special Assessment Bonds	8,594,404
County Treasurer's Investment Portfolio	8,020,919
Corporate Notes	20,000
Total fair value	<u>\$ 74,932,310</u>

Portfolio weighted average maturity

1.87**

**Does not include City Special Assessment Bonds

City of Rocklin, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2013

2. CASH AND INVESTMENTS, Continued

Amounts shown as restricted for both governmental and fiduciary activities represent fiscal agent accounts used only for the claims and the repayment of short-term and long-term debt.

Interest rate risk – In accordance with its investment policy, the City manages its exposures to declines in fair values by limiting the weighted average maturity of its investment portfolio to less than 5 years. As of June 30, 2013, the weighted average maturity was 1.87 years.

Credit risk – As of June 30, 2013, the City’s investments in money market funds were rated AAA by Standard & Poor’s and Fitch Ratings, and Aaa by Moody’s Investors Service. The State of California Local Agency Investment Fund is not rated.

Concentration of credit risk – The City’s investment policy does not allow for an investment in any one issuer that is in excess of five percent of the government’s total investments. The investments made by the City Treasurer are limited to those allowable under State statutes as incorporated into the City’s Investment Policy, which is accepted annually by the City Council. There were no concentrations in any one issuer for the year.

Custodial credit risk – deposits. For deposits, this is the risk that in the event of a bank failure, the City’s deposits may not be returned to it. The City’s Investment Policy addresses custodial credit risk, which follows the Government Code. As of June 30, 2013, the City had a balance of \$1,100,199 in the pool exposed to custodial credit risk because they exceeded the \$250,000 Federal Deposit Insurance Corporation’s insurance limits. The uninsured bank balance is collateralized by the pledging financial institutions at 110% of the deposits, in accordance with the State of California Government Code.

Custodial credit risk – investments. For investments, this 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 counterparty. 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.

3. ACCOUNTS RECEIVABLE

Accounts receivable consisted of the following at June 30, 2013:

	Governmental Activities	Fiduciary Activities	Total
Taxes	\$ 2,516,961	\$ -	\$ 2,516,961
Interest	19,558	-	19,558
Accounts	-	27,000	27,000
Intergovernmental	664,179	-	664,179
Loans/Notes receivable	2,077,042	10,458,201	12,535,243
Assessments	-	260,865	260,865
Other receivables	550,689	-	550,689
Total accounts receivable	<u>\$ 5,828,429</u>	<u>\$ 10,746,066</u>	<u>\$ 16,574,495</u>

City of Rocklin, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2013

3. ACCOUNTS RECEIVABLE, Continued

These amounts resulted in the following concentrations in receivables:

Other Governments	17.8%	Financial	0.1%
Special Assessments	1.9%	Individuals/Businesses	76.9%
Other	3.3%		

Amounts do not indicate a significant concentration (greater than 25%) with any single customer or agency.

4. LOANS AND NOTES RECEIVABLE

Through the City’s various housing rehabilitation funds and first-time home buyer’s funds, 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 and notes receivable for the year ended June 30, 2013, consisted of the following:

	Beginning July 1, 2012	Additions	Deletions	Ending June 30, 2013
Community Development Block Grant	\$ 470,559	\$ -	\$ (11,500)	\$ 459,059
First time home buyers	41,000	-	-	41,000
Total loans/notes receivable	<u>\$ 511,559</u>	<u>\$ -</u>	<u>\$ (11,500)</u>	<u>\$ 500,059</u>

The following is a summary of the loans and notes receivable outstanding as of June 30, 2013:

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, 2013, was \$459,059.

City of Rocklin, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2013

4. LOANS AND NOTES RECEIVABLE, Continued

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, 2013, was \$41,000.

5. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2013, was as follows:

	Balance June 30, 2012	Additions	Deletions	Transfers	Balance June 30, 2013
Governmental activities:					
Nondepreciable assets:					
Land	\$ 4,937,580	\$ -	\$ -	\$ -	\$ 4,937,580
Land improvements	97,902	-	-	-	97,902
Park Land	53,693,948	-	-	-	53,693,948
Construction in Progress	4,139,862	1,189,322	-	(157,316)	5,171,868
Total nondepreciable assets	62,869,292	1,189,322	-	(157,316)	63,901,298
Depreciable assets:					
Buildings	33,851,346	-	-	-	33,851,346
Facilities & other improvements	3,595,517	16,199	-	-	3,611,716
Machinery & equipment	2,972,467	16,780	-	-	2,989,247
Fleet machinery & equipment	8,938,478	333,366	(296,317)	-	8,975,527
Park Buildings	954,373	-	-	-	954,373
Park Equipment	1,623,319	-	-	-	1,623,319
Park Improvements	14,584,717	93,491	-	-	14,678,208
Infrastructure	344,726,039	3,243,716	-	-	347,969,755
Total depreciable assets	411,246,256	3,703,552	(296,317)	-	414,653,491
Total	474,115,548	4,892,874	(296,317)	(157,316)	478,554,789
Accumulated depreciation:					
Buildings	\$ 12,578,374	\$ 1,059,187	\$ -	\$ -	13,637,561
Facilities & other improvements	1,515,026	231,644	-	-	1,746,670
Machinery & equipment	2,799,314	71,282	-	-	2,870,596
Fleet machinery & equipment	5,065,811	679,529	(238,872)	-	5,506,468
Park Buildings	280,295	31,812	-	-	312,107
Park Equipment	1,473,319	81,383	-	-	1,554,702
Park Improvements	7,523,982	872,742	-	-	8,396,724
Infrastructure	117,641,246	8,831,157	(5,200)	-	126,467,203
Total accumulated depreciation	148,877,367	11,858,736	(244,072)	-	160,492,031
Total net capital assets	\$ 325,238,181	\$ (6,965,862)	\$ (52,245)	\$ (157,316)	\$ 318,062,758

City of Rocklin, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2013

5. CAPITAL ASSETS, Continued

Depreciation expense for capital assets was charged to functions as follows:

General government	\$ 96,654
Public safety	1,521,742
General services	<u>10,240,340</u>
Total	<u><u>\$ 11,858,736</u></u>

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities consisted of the following at June 30, 2013:

	<u>Governmental Activities</u>	<u>Fiduciary Activities</u>	<u>Total</u>
Accounts payable	\$ 1,863,944	\$ 12,471	\$ 1,876,415
Accrued payroll and related liabilities	<u>1,210,178</u>	<u>-</u>	<u>1,210,178</u>
Total	<u><u>\$ 3,074,122</u></u>	<u><u>\$ 12,471</u></u>	<u><u>\$ 3,086,593</u></u>

These amounts resulted in the following concentrations in payables:

Vendors 61% Employees 39%

Amounts do not indicate a significant concentration (greater than 25%) with any single vendor or employee.

City of Rocklin, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2013

7. SPECIAL ASSESSMENT DISTRICTS

Special Assessment bonds have been issued under the 1915 Bond Act and the Mello-Roos Community Facilities Act of 1982. The City is in no way liable for repayment of any bonds of the funds reflected in the Agency funds, according to bond counsel, but is acting only as an agent for the property owners/bond holders in collecting and forwarding the special assessments. Balances of the various assessment district bonds were as follows as of June 30, 2013:

Special Assessment District Bond	Balance June 30, 2013
CFD No. 3 2004 - Stanford Ranch Refunding	1,885,000
CFD No. 3 2005 - Stanford Ranch Refunding	4,685,000
CFD No. 3 2001C - Stanford Ranch	3,865,000
CFD No.6 - Sunset West Drainage	1,515,000
CFD No. 7 - Sunset West Interchange/Major St	2,086,721
CFD No. 8 - Sunset West Park Drive	3,920,000
CFD No. 9 - Sunset West/Blue Oaks	4,665,000
CFD No. 10 - Whitney Ranch	22,280,000
CFD No. 11 - Sierra College Interchange	8,794,404
Total	\$ 53,696,125

The City has no direct or contingent liability or moral obligation for the payment of these bonds. Assets held by the City on behalf of these districts are recorded in Agency Funds. Accordingly, these assets and outstanding bond obligations are not presented in the City's accompanying Basic Financial Statements.

City of Rocklin, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2013

8. LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities for governmental activities for the year ended June 30, 2013:

	Balance July 1, 2012	Additions	Retirements	Balance June 30, 2013	Due Within One Year
2003 Certificates of Participation	\$ 3,275,000	\$ -	\$ (415,000)	\$ 2,860,000	\$ 430,000
2003 Public Financing Authority (PFA) Refunding Revenue Bonds-Senior	9,135,000	-	(505,000)	8,630,000	520,000
2003 PFA Refunding Revenue Bonds - Subordinate	980,000	-	(80,000)	900,000	80,000
Total debt issuances	13,390,000	-	(1,000,000)	12,390,000	1,030,000
Claims payable	699,525	795,318	(506,735)	988,108	-
Compensated absences	3,731,061	-	(857,108)	2,873,953	1,265,566
Net OPEB obligation	15,571,736	4,733,632	-	20,305,368	-
Total	20,002,322	5,528,950	(1,363,843)	24,167,429	1,265,566
	<u>\$ 33,392,322</u>	<u>\$ 5,528,950</u>	<u>\$ (2,363,843)</u>	<u>\$ 36,557,429</u>	<u>\$ 2,295,566</u>

2003 Certificates of Participation

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 \$405,000 to \$525,000 are payable annually on September 1 and interest payments ranging from \$11,025 to \$89,503 are payable semi-annually on March 1 and September 1, through September 1, 2018.

City of Rocklin, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2013

8. LONG-TERM LIABILITIES, Continued

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 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 \$240,000 to \$850,000 are payable annually on September 1 and interest payments ranging from \$19,550 to \$220,402 are payable semi-annually on March 1 and September 1 through September 1, 2025, for the Senior issue. Principal payments ranging from \$65,000 to \$120,000 are payable annually on September 1 and interest payments ranging from \$3,375 to \$33,173 are payable on March 1 and September 1 through September 1, 2021, for the Subordinate issuance.

Claims Payable

The City has recorded a liability for potential claims in excess of amounts covered by the insurance pool. See Note 11 for further discussion on the City's risk management activities.

Compensated Absences

The City records employee absences, such as vacation, illness, and holidays, for which it is expected that employees will be paid as compensated absences. Compensated Absences had a balance of \$2,873,953 at June 30, 2013, of that amount, \$1,265,566 is expected to be paid within a year.

Net OPEB Obligation

A net OPEB obligation is the cumulative difference between annual OPEB cost and an employer's contributions to a plan. At June 30, 2013, the City had a Net OPEB Obligation of \$20,305,368. See Note 13 for further discussion on OPEB.

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, 2013, there were no arbitrage liabilities.

City of Rocklin, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2013

8. LONG-TERM LIABILITIES, Continued

Future debt service at June 30, 2013 is as follows for all debt except compensated absences and claims liabilities:

Year Ending June 30,	Governmental activities					
	2003 Certificates of Participation		2003 Refunding Revenue Bonds - Senior		2003 Refunding Revenue Bonds - Subordinate	
	Principal	Interest	Principal	Interest	Principal	Interest
2014	\$ 430,000	\$ 105,810	\$ 520,000	\$ 359,504	\$ 80,000	\$ 45,115
2015	450,000	89,305	535,000	341,032	85,000	41,193
2016	465,000	71,455	555,000	320,235	90,000	36,871
2017	485,000	52,455	580,000	297,535	95,000	32,187
2018-2022	1,030,000	43,428	3,265,000	1,102,883	550,000	78,241
2023-2027	-	-	3,175,000	300,495	-	-
Total	\$ 2,860,000	\$ 362,453	\$ 8,630,000	\$ 2,721,684	\$ 900,000	\$ 233,607
Due within one year	\$ 430,000	\$ 105,810	\$ 520,000	\$ 359,504	\$ 80,000	\$ 45,115
Due after one year	2,430,000	256,643	8,110,000	2,362,180	820,000	188,492
Total	\$ 2,860,000	\$ 362,453	\$ 8,630,000	\$ 2,721,684	\$ 900,000	\$ 233,607

	Total	
	Principal	Interest
2014	\$ 1,030,000	\$ 510,429
2015	1,070,000	471,530
2016	1,110,000	428,561
2017	1,160,000	382,177
2018-2022	4,845,000	1,224,552
2023-2027	3,175,000	300,495
Total	\$ 12,390,000	\$ 3,317,744
Due within one year	\$ 1,030,000	\$ 510,429
Due after one year	11,360,000	2,807,315
Total	\$ 12,390,000	\$ 3,317,744

9. NET POSITION/ FUND BALANCES

Net Position

	Governmental Activities
Net invested in capital assets	\$ 305,672,758
Restricted:	
Fund Balance Restrictions	14,517,134
Wetlands Maintenance	60,292
Conservation Easement	454,568
Total Restricted	15,031,994
Unrestricted	27,181,118
Total	\$ 347,885,870

City of Rocklin, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2013

9. NET POSITION/ FUND BALANCES, Continued

- Restricted balances are for the same purposes as fund balance restrictions, except for the following balances.
 - **Wetlands Maintenance** includes the endowment to be used for maintenance of the wetlands.
 - **Conservation Easement** includes the endowment to be used for Preserve Area maintenance and operations.

All other descriptions of restrictions are included in the restricted fund balance section below.

Fund Balances

Nonspendable fund balance consisted of the following at June 30, 2013:

Advances to other funds	\$ 1,408,708
Long-term loan/notes receivable	2,077,042
Endowments	<u>492,568</u>
Total	<u><u>\$ 3,978,318</u></u>

The following describes the purpose of each nonspendable amount:

- **Advances to other funds** include noncurrent portions of a long-term loan from one fund to another fund.
- **Long-term loans/notes receivable** includes noncurrent portions of loans and notes receivables.
- **Endowments** include \$492,568 from which income will fund maintenance of Wetlands and Preserve Area maintenance and operations

Restricted fund balance consisted of the following at June 30, 2013:

Debt Service	\$ 11,888,994
Gas Tax	2,021,707
Public Improvement Agreement	<u>628,725</u>
Total	<u><u>\$ 14,539,426</u></u>

The following describes the purpose of each restricted amount:

- **Debt service** includes amounts used for the debt service for the Public Financing Authority.
- **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.
- **Public improvement agreement** includes amounts used for public improvements.

City of Rocklin, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2013

9. NET POSITION/ FUND BALANCES, Continued

Committed fund balance consisted of the following at June 30, 2013:

Retiree's health insurance premiums	\$ 11,457,352
Disaster contingency	1,000,000
Self-insured losses	1,000,000
Technology fee	80,996
Building repair	626,514
ADA improvements	15,589
Parks repair and maintenance	279,887
Operating Reserve	8,325,450
Fleet Capital	<u>679,528</u>
Total	<u>\$ 23,465,316</u>

The following describes the purpose of each commitment:

- **Retiree's health insurance premiums** represent amounts set aside to fund future retiree health premiums.
- **Disaster contingency** includes amounts set aside in the event a major disaster emergency occurs.
- **Self-insured losses** includes amounts set aside for losses not covered under existing insurance programs.
- **Technology fee** includes 6% fee assessed on certain program revenues to fund the cost of technology systems.
- **Building repair** includes amounts set aside for public building repairs and maintenance.
- **ADA improvements** includes amounts set aside for ADA compliance.
- **Park repair and maintenance** includes amounts set aside for park repair and maintenance.
- **Operating Reserve** includes amounts set aside for operating expense contingencies.
- **Fleet Capital Reserve** includes amounts set aside for future capital purchases.

There were no deficit net asset balances at June 30, 2013.

Deficit fund balances consisted of the following:

Nonmajor Funds:

Lighting District #1 Special Revenue Fund (\$4) to be funded through future assessments within the District's boundaries.

City of Rocklin, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2013

9. NET POSITION/ FUND BALANCES, Continued

Park Development Capital Projects Fund (\$2,534,999) to be funded through future development fees.

Community Park Fees Capital Projects Fund (\$1,414,599) to be funded through future community park fees and reimbursable grants.

Capital Construction Projects Capital Projects Fund (\$1,668,008) to be funded through developer contributions.

10. INTERFUND TRANSACTIONS

Due to and due from other funds consisted of the following as of June 30, 2013:

	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
<u>Governmental Activities</u>		
<u>Major Funds:</u>		
General Fund	\$ 5,933,310	\$ -
Public Financing Authority Debt Service		22,400
<u>Nonmajor Funds:</u>		
SB325 Sales Tax	-	286,796
Bicycle Pedestrian Facilities	-	2,606
Housing Rehabilitation Special Revenue	-	92,128
Traffic Safety /PD Grants Special Revenue	-	63,360
DOE Grants Special Revenue	-	32,813
Prop 1B Special Revenue	-	56,665
Park Development Fees Capital Projects	-	2,534,999
Community Park Fees Capital Projects	-	1,414,599
Capital Construction Impact Fees Capital Projects	-	1,244,444
Community Facilities District #1 Special Revenue	-	-
Traffic Safety Special Revenue	-	-
<u>Fiduciary Activities</u>		
Community Facilities District #3	-	100,000
Community Facilities District #7	-	24,200
Community Facilities District #8	-	17,500
Community Facilities District #9	-	17,500
Community Facilities District #10	-	23,300
Total	<u><u>\$ 5,933,310</u></u>	<u><u>\$ 5,933,310</u></u>

Due to/from other funds

Due to and from balances result from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

City of Rocklin, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2013

10. INTERFUND TRANSACTIONS, Continued

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. The remaining balance owed is \$1,408,708. This amount is reported broad in the fund financial statements and is reported as an advance to fiduciary activities in the government-wide financial statements in the amount of \$1,408,708.

Transfers consisted of the following at June 30, 2013:

	<u>Transfers In</u>	<u>Transfers Out</u>
<u>Governmental Activities</u>		
<u>Major Funds:</u>		
General Fund	\$ 4,785,352	\$ 2,316,695
Public Financing Authority Debt Service	3	3
Traffic Circulation Impact Fee Capital Projects	-	194,400
Total Major Funds	<u>4,785,355</u>	<u>2,511,098</u>
<u>Non-major Funds:</u>		
<u>Special Revenue Funds:</u>		
Gas Tax	-	183,000
SB 325 Sales Tax	-	757,000
Bicycle and Pedestrian Facilities	-	-
Lighting District #1	197,105	-
Community Facilities District #1	-	1,272,431
Housing Rehabilitation	-	34,686
Recreation Facilities Contribution	-	53,800
Supplemental Law Enforcement Grant	-	100,000
Total Non-major Special Revenue Funds	<u>197,105</u>	<u>2,400,917</u>
<u>Capital Projects Funds:</u>		
Capital Construction Projects	-	536,027
Oak Tree Mitigation	-	30,000
Public Improvement Agreement	-	38,664
Total Non-major Capital Projects Funds	<u>-</u>	<u>604,691</u>
<u>Permanent Funds:</u>		
Wetlands Maintenance	-	1,781
Total Non-major Permanent Funds	<u>-</u>	<u>1,781</u>
<u>Debt Service Funds:</u>		
Capital Construction Debt Service	536,027	-
Total Non-major Debt Service Funds	<u>536,027</u>	<u>-</u>
Total Non-major Funds	<u>733,132</u>	<u>3,007,389</u>
Total Transfers	<u>\$ 5,518,487</u>	<u>\$ 5,518,487</u>

City of Rocklin, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2013

10. INTERFUND TRANSACTIONS, Continued

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.

11. RISK MANAGEMENT

The City is a member of the Northern California Cities Self Insurance Fund (NCCSIF) along with twenty-one 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 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's insurance coverage and the respective coverage providers are as follows:

Amount	Coverage Provider	Payment Source
Liability Claim:		
\$0 - \$50,000	Self-insured	Banking layer
\$50,001 - \$950,000	NCCSIF	Shared risk
\$950,001 - \$40,000,000	Excess coverage	CJPRM
Workers' Compensation:		
\$0 - \$100,000	Self-insured	Banking layer
\$100,001 - \$400,000	NCCSIF	Shared risk
\$400,001 - Statutory	Excess coverage	CSAC EIA

City of Rocklin, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2013

11. RISK MANAGEMENT, Continued

The City participates in excess California joint powers authorities. 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 \$979,293 is recorded in the general fund. The audited financial statements of the JPA are available at the NCCSIF's office.

	Beginning of Year Liability	Current Year Claims and Changes in Estimates	Claim Payments for Current and Prior Years	End of Year Liability
2010-2011	1,092,007	105,161	(321,420)	875,748
2011-2012	875,748	173,578	(349,801)	699,525
2012-2013	699,525	795,318	(506,735)	988,108

12. PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Plan Description

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

Funding Policy

Participants, depending on their bargaining unit and date of hire, are required to contribute between 6.25% to 11.5% of their annual covered salary. All or a portion of those contributions are made by the City on their behalf and for their account. For June 30, 2013, these contributions amounted to \$1,104,329. The City is required to contribute at an actuarially determined rate; the current rate is 14.740% for miscellaneous employees, and 24.706% for fire and police safety employees, of annual covered payroll. The contribution requirements of plan members and the City are established and may be amended by CalPERS.

City of Rocklin, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2013

12. PUBLIC EMPLOYEES' RETIREMENT SYSTEM, Continued

Annual Pension Cost

For 2013, the City's annual pension cost of \$3,442,212 for CalPERS was equal to the City's required and actual contribution. The required contribution was determined as part of the June 30, 2010, actuarial valuation using the entry age normal cost method. The actuarial assumptions included (a) 7.75% of investment rate of return (net of administrative expenses) and (b) 3.55% to 14.45% projected annual salary increases that vary by age, duration of service and type of employment. Both (a) and (b) included an inflation component of 3% and annual production growth of 0.25%.

The actuarial value of CalPERS assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a four-year period (smooth market value). CalPERS has increased the future rate the City pays to reflect an unfunded condition in the plan.

Fiscal Year	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
June 30, 2011	\$ 3,345,733	100%	-
June 30, 2012	3,617,734	100%	-
June 30, 2013	3,442,212	100%	-

13. POSTEMPLOYMENT HEALTH CARE BENEFITS

During fiscal year 2009, the City implemented the provisions of Governmental Accounting Standards Board Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions. This statement establishes uniform financial reporting standards for employers providing postemployment benefits other than pensions (OPEB). The provisions of this statement are applied prospectively and do not affect prior years financial statements. Required disclosures are presented below.

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 CalPERS at P.O. Box 942709, Sacramento, California 94229-2709.

City of Rocklin, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2013

13. POSTEMPLOYMENT HEALTH CARE BENEFITS, Continued

Plan Description, Continued

The plan provisions and benefits are summarized below:

Eligibility	<ul style="list-style-type: none"> Retire directly from City under CalPERS (age 50 and 5 years, or disability) 																						
Medical	<u>Hired Before May 1, 2003</u> <ul style="list-style-type: none"> City contributes 100% of premium up to the City cap: <table> <tr> <td>2012</td> <td>\$1,093</td> </tr> <tr> <td>2013</td> <td>1,093</td> </tr> </table>	2012	\$1,093	2013	1,093	<u>Hired on or after May 1, 2003</u> <ul style="list-style-type: none"> Contribution equal greater of the City cap and the State 100/90 premium: <table> <tr> <td></td> <td><u>2012</u></td> <td><u>2013</u></td> </tr> <tr> <td>EE</td> <td>\$566</td> <td>\$622</td> </tr> <tr> <td>EE+1</td> <td>1,074</td> <td>1,183</td> </tr> <tr> <td>Family</td> <td>1,382</td> <td>1,515</td> </tr> </table> <ul style="list-style-type: none"> Vesting schedule applied. 		<u>2012</u>	<u>2013</u>	EE	\$566	\$622	EE+1	1,074	1,183	Family	1,382	1,515	<u>Unrepresented/Hourly</u> <ul style="list-style-type: none"> Unrepresented Hourly employees receive the PEMHCA minimum <table> <tr> <td>2012</td> <td>\$113</td> </tr> <tr> <td>2013</td> <td>115</td> </tr> </table> <ul style="list-style-type: none"> Not included in last valuation 	2012	\$113	2013	115
2012	\$1,093																						
2013	1,093																						
	<u>2012</u>	<u>2013</u>																					
EE	\$566	\$622																					
EE+1	1,074	1,183																					
Family	1,382	1,515																					
2012	\$113																						
2013	115																						
Vesting Schedule	<ul style="list-style-type: none"> Minimum 5 years of City service % applies to City contribution as follows, based on CalPERS service: $< 10 \text{ yrs: } 0\%$ $\geq 10 \text{ yrs: } 50\% + 5\% \times \text{Service} > 10$ Max 100 % Disabled retirees 100% vested Terminations with 20+ years of service 100% vested and receive benefit at retirement 																						
Surviving Spouse Benefit	<ul style="list-style-type: none"> Surviving spouse coverage based on retirement plan election Same benefit continues to surviving spouse 																						
Other	<ul style="list-style-type: none"> No dental, vision, or life insurance benefits 																						
Pay as You Go Costs (,000s)	<u>Fiscal year</u>	<u>Payments</u>																					
	2012/13	\$918																					
	2011/12	806																					
	2010/11	697																					
	2009/10	578																					

There were 96 retirees enrolled in the plan at June 30, 2013.

City of Rocklin, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2013

13. POSTEMPLOYMENT HEALTH CARE BENEFITS, Continued

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 pay-as-you-go basis. The City recognizes its cost by budgeting for and expensing the premiums, which amounted to \$918,368 for the year ended June 30, 2013.

Annual OPEB Cost and Net OPEB Obligation

The annual required contribution (ARC) was determined as part of a June 30, 2012, 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, (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 8.5% to 8.9% in 2014 to 5% in 2020. The actuarial methods and assumptions used include techniques that smooth the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets. Actuarial calculations reflect a long-term perspective and actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to revision at least biannually as results are compared to past expectations and new estimates are made about the future.

The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) not to exceed thirty years. The following table shows the components of the City's annual OPEB costs for the year, the amount actually contributed to the plan, and changes in the City's annual OPEB costs for the year, the amount actually contributed to the plan and changes in the City's net OPEB obligation.

	<u>2013</u>	<u>2012</u>	<u>2011</u>
Annual Required Contribution (ARC) and Annual OPEB Cost	\$ 5,652,000	\$ 5,727,000	\$ 5,205,000
Contributions made:			
City portion of current year premiums paid	<u>918,368</u>	<u>806,452</u>	<u>697,085</u>
Annual OPEB cost (expense)	4,733,632	4,920,548	4,507,915
Net OPEB Obligation - beginning of year	<u>15,571,736</u>	<u>10,651,188</u>	<u>6,143,273</u>
Net OPEB Obligation - end of year	<u><u>\$ 20,305,368</u></u>	<u><u>\$ 15,571,736</u></u>	<u><u>\$ 10,651,188</u></u>
Percentage of annual OPEB cost contributed	<u>16%</u>	<u>14%</u>	<u>13%</u>

City of Rocklin, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2013

13. POSTEMPLOYMENT HEALTH CARE BENEFITS, Continued

The City's annual OPEB cost (expense) is equal to the ARC, and the net OPEB obligation for 2013 and the two preceding years were as follows:

Fiscal Year Ended	Annual OPEB Cost	Annual OPEB Cost Contributed	Net OPEB Obligation (Asset)
6/30/2011	5,205,000	13%	10,651,188
6/30/2012	5,727,000	14%	15,571,736
6/30/2013	5,652,000	16%	20,305,368

The actuarial accrued liability (AAL) representing the present value of future benefits, included in the actuarial study dated June 30, 2012, amounted to \$44.572 million and was unfunded since no assets had been transferred into a trust as of that date. As of June 30, 2013, the City had set aside a total of \$11,457,352 in a City Retirees Health Fund. The City is reviewing options to manage its OPEB liability and reduce its ARC. If the City does set up an irrevocable trust or participates in the California Employers Retirees Benefit Trust (CERBT), it will transfer some or all of the assets out of the Retirees Health Fund.

14. 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, 2013, 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.

15. COMMITMENTS

The City had the following significant unexpended contractual commitments as of June 30, 2013:

Grove Steet Roundabout	\$ 1,580,948
I/80 Rocklin Road Project	376,299
Whitney Ranch Interchange	218,018
Meyers Street Roundabout	1,521,849
Railroad Ave and Oak St Parking	<u>214,013</u>
Total commitments	<u><u>\$ 3,911,127</u></u>

City of Rocklin, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2013

16. SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY

On December 29, 2011, the California Supreme Court upheld Assembly Bill 1X 26 (“the Bill”) that provides for the dissolution of all redevelopment agencies in the State of California. This action impacted the reporting entity of the City of Rocklin that previously had reported a redevelopment agency within the reporting entity of the City as a blended component unit.

The Bill provides that upon dissolution of a redevelopment agency, either the city or another unit of local government will agree to serve as the “successor agency” to hold the assets until they are distributed to other units of state and local government. On January 1, 2012, the City Council elected to become the Successor Agency for the former redevelopment agency in accordance with the Bill.

After enactment of the law, which occurred on June 28, 2011, redevelopment agencies in the State of California cannot enter into new projects, obligations or commitments. Subject to the control of a newly established oversight board, remaining assets can only be used to pay enforceable obligations in existence at the date of dissolution (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments).

In future fiscal years, successor agencies will only be allocated revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the former redevelopment agency until all enforceable obligations of the prior redevelopment agency have been paid in full and all assets have been liquidated.

In accordance with the timeline set forth in the Bill (as modified by the California Supreme Court on December 29, 2011) all redevelopment agencies in the State of California were dissolved and ceased to operate as a legal entity as of February 1, 2012. After the date of dissolution, 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.

City of Rocklin, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2013

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

Loans and Notes Receivable

Loans and notes receivable for the year ended June 30, 2013, consisted of the following:

	Beginning July 1, 2012	Additions	Deletions	Ending June 30, 2012
First time home buyers	1,523,301	-	-	1,523,301
Down payment assistance	2,031,967	-	(63,537)	1,968,430
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	-	-	500,000
Whitney Rocklin, LP	2,100,000	-	-	2,100,000
Placer West Housing Partners, LP	300,387	11,083	-	311,470
Total loans/notes receivable	<u>\$ 10,510,655</u>	<u>\$ 11,083</u>	<u>\$ (63,537)</u>	<u>\$ 10,458,201</u>

The following is a summary of the loans and notes receivable outstanding as of June 30, 2013:

First Time Home Buyers – The RDA 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. The HOME notes receivable at June 30, 2013 was \$1,523,301.

Down Payment Assistance Loans – The 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, 2013 were \$1,968,430.

Villa Serena II Loan - On July 24, 2001, the 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, 2013, a balance of \$1,100,000 is outstanding.

College Manor – On November 1, 2007, the 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, 2013, a balance of \$650,000 is outstanding.

City of Rocklin, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2013

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

Loans and Notes Receivable, continued

Sunset Blvd. – On June 24, 2008, the Agency Board 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 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, 2013, a balance of \$575,000 is outstanding.

Whitney Rocklin, LP - On June 24, 2008, the Agency Board 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 multi-family housing project referred to as the Whitney Ranch Apartments. The loan provides for 3% simple interest for 30 years. Associated with this project, the 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, 2013, a balance of \$1,730,000 is outstanding.

HPD Shannon Bay, LP - On September 9, 2008, the Agency Board 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 following the execution date of January 11, 2012. 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 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, 2013, a balance of \$500,000 is outstanding.

Whitney Rocklin, LP - On December 9, 2008, the Agency Board 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, 2013, a balance of \$2,100,000 remains outstanding.

Placer West Housing Partners, LP – On December 8, 2009 the Agency Board 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, 2013 a balance of \$311,470 is outstanding.

City of Rocklin, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2013

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

INTANGIBLE ASSETS

Intangible assets include bond issuance costs and discounts, which are bound to the debt that was issued, amounts by issuance are as follows:

	Original Amount	Accumulated Amortization	Amortization Expense	Balance June 30, 2013
Intangible assets:				
2005 Tax Allocation Bonds:				
Bond issuance costs	\$ 506,422	\$ (118,167)	\$ (16,881)	\$ 371,374
Bond discount	117,327	(27,377)	(3,911)	86,039
Totals	<u>623,749</u>	<u>(145,544)</u>	<u>(20,792)</u>	<u>457,413</u>
2007 Tax Allocation Bonds:				
Bond issuance costs	370,662	(70,781)	(12,495)	287,386
Bond discount	301,140	(60,228)	(10,038)	230,874
Totals	<u>671,802</u>	<u>(131,009)</u>	<u>(22,533)</u>	<u>518,260</u>
2003 Refunding Revenue Bonds:				
Bond issuance costs	282,336	(149,472)	(16,608)	116,256
Bond discount	289,152	(152,156)	(16,906)	120,090
Totals	<u>571,488</u>	<u>(301,628)</u>	<u>(33,514)</u>	<u>236,346</u>
Intangible assets totals				
Bond issuance costs	1,159,420	(338,420)	(45,984)	775,016
Bond discount	707,619	(239,761)	(30,855)	437,003
Intangible assets totals	<u>\$ 1,867,039</u>	<u>\$ (578,181)</u>	<u>\$ (76,839)</u>	<u>\$ 1,212,019</u>

City of Rocklin, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2013

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

LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities for governmental activities for the year ended June 30, 2013:

	Balance July 1, 2012	Additions	Retirements	Balance June 30, 2013	Due Within One Year
2002 Refunding Tax Allocation Bonds	2,185,000	-	(50,000)	2,135,000	50,000
2005 Refunding Tax Allocation Bonds	10,385,000	-	(285,000)	10,100,000	285,000
2007 Refunding Tax Allocation Bonds	14,740,000	-	(290,000)	14,450,000	315,000
Total debt issuances	27,310,000	-	(625,000)	26,685,000	650,000
Line of credit	2,898,205	-	(544,113)	2,354,092	2,354,092
Quarry loan payable	488,491	-	(115,602)	372,889	119,844
Total	3,386,696	-	(659,715)	2,726,981	2,473,936
	<u>\$ 30,696,696</u>	<u>\$ -</u>	<u>\$ (1,284,715)</u>	<u>\$ 29,411,981</u>	<u>\$ 3,123,936</u>

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 2007 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%. New principal payments ranging from \$40,000 to \$190,000 are payable annually on September 1 and interest payments ranging from \$5,225 to \$63,466 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 will be 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 \$220,000 to \$1,530,000 are payable annually on September 1 and interest payments ranging from \$34,425 to \$266,743 are payable semi-annually on March 1 and September 1, through September 1, 2035.

City of Rocklin, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2013

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

LONG-TERM LIABILITIES, Continued

2007 Tax Allocation Bonds

On February 23, 2007, tax allocation bonds were issued in the amount of \$15,815,000 to partially defease 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 \$321,818 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 million, with a \$400,000 down payment followed by five annual payments of \$133,529. Terms are 3.67% interest for five years. As of June 30, 2013, the current balance on the note is \$372,889.

Line of Credit

On June 24, 2008, the Agency Board authorized a line of credit in the amount of \$5,000,000 with Bank of America, N.A. (Bank) to assist rehabilitation of existing affordable housing projects and construction of new affordable housing projects in the Agency's Project Area. The line will be available for the period August 1, 2008 through July 31, 2011 at the Bank's prime rate minus 1.75%. There is an outstanding balance of \$2,354,092 as of June 30, 2013.

City of Rocklin, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2013

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

LONG-TERM LIABILITIES, Continued

Year Ending June 30,	2002 Tax Allocation Bonds		2005 Tax Allocation Bonds	
	Principal	Interest	Principal	Interest
2014	\$ 50,000	\$ 113,300	\$ 285,000	\$ 428,854
2015	50,000	110,910	300,000	418,795
2016	60,000	108,207	275,000	408,595
2017	80,000	104,710	180,000	400,270
2018	85,000	100,510	190,000	393,285
2019-2023	480,000	430,614	1,090,000	1,842,396
2024-2028	460,000	296,500	2,210,000	1,535,413
2029-2033	870,000	124,575	1,175,000	1,126,366
2034-2038	-	-	4,395,000	302,513
Total	<u>\$ 2,135,000</u>	<u>\$ 1,389,326</u>	<u>\$ 10,100,000</u>	<u>\$ 6,856,487</u>
Due within one year	\$ 50,000	\$ 113,300	\$ 285,000	\$ 428,854
Due after one year	2,085,000	1,276,026	9,815,000	6,427,633
Total	<u>\$ 2,135,000</u>	<u>\$ 1,389,326</u>	<u>\$ 10,100,000</u>	<u>\$ 6,856,487</u>

	2007 Tax Allocation Bonds		Total	
	Principal	Interest	Principal	Interest
2014	\$ 315,000	\$ 604,931	\$ 650,000	\$ 1,147,085
2015	325,000	592,131	675,000	1,121,836
2016	365,000	578,331	700,000	1,095,133
2017	465,000	561,731	725,000	1,066,711
2018	480,000	542,831	755,000	1,036,626
2019-2023	2,705,000	2,404,091	4,275,000	4,677,101
2024-2028	2,585,000	1,831,144	5,255,000	3,663,057
2029-2033	4,495,000	1,101,078	6,540,000	2,352,019
2034-2038	2,715,000	423,172	7,110,000	725,685
Total	<u>\$ 14,450,000</u>	<u>\$ 8,639,440</u>	<u>\$ 26,685,000</u>	<u>\$ 16,885,253</u>
Due within one year	\$ 315,000	\$ 604,931	\$ 650,000	\$ 1,147,085
Due after one year	14,135,000	8,034,509	26,035,000	15,738,168
Total	<u>\$ 14,450,000</u>	<u>\$ 8,639,440</u>	<u>\$ 26,685,000</u>	<u>\$ 16,885,253</u>

City of Rocklin, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2013

17. LITIGATION

The City is a defendant in a number of lawsuits which have arisen in the normal course of business. While substantial damages are alleged in some of these actions, their outcome cannot be predicted with certainty. In the opinion of the City Attorney, these actions, when finally adjudicated, do not appear to have a materially adverse effect on the financial condition of the City.

18. NEW ACCOUNTING PRONOUNCEMENTS

The GASB has issued Statement No. 65, "Item Previously Reported as Assets and Liabilities." This Statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. The City implemented this Statement in Fiscal year 2012-13.

The GASB has issued Statement No. 66, "Technical Corrections – 2013". The objective of this Statement is to improve accounting and financial reporting for a governmental financial reporting entity by resolving conflicting guidance that resulted from the issuance of two pronouncements, Statements No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, and No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. The implementation of this Statement did not have an effect on these financial statements.

The GASB has issued Statement No. 67, "Financial Reporting for Pension Plans". The objective of this Statement is to improve financial reporting by state and local governmental pension plans. This Statement replaces the requirements of Statements No. 25, "Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans" and No. 50, "Pension Disclosures" as they relate to pension plans that are administered through trusts or equivalent arrangements (hereafter jointly referred to as trusts) that meet certain criteria. The requirements of Statements 25 and 50 remain applicable to pension plans that are not administered through trusts covered by the scope of this Statement and to defined contribution plans that provide postemployment benefits other than pensions. This Statement is effective for periods beginning after June 15, 2013. The implementation of this statement will not have an effect on these financial statements.

The GASB has issued Statement No. 68, "Accounting and Financial Reporting for Pensions - An Amendment of GASB Statement No. 27" The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. This Statement establishes accounting and financial reporting requirements related to pensions for governments whose employees are provided with pensions through pension plans that are covered by the scope of this Statement, as well as for nonemployer governments that have a legal obligation to contribute to those plans. This Statement will be effective for periods beginning after June 15, 2014. The City will implement this Statement in fiscal year 2014-15.

City of Rocklin, California
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2013

18. NEW ACCOUNTING PRONOUNCEMENTS, Continued

The GASB has issued Statement No. 69, “Government Combinations and Disposals of Government Operations”. This Statement establishes accounting and financial reporting standards related to government combinations and disposals of government operations. This Statement will be effective for government combinations and disposals of government operations occurring in financial reporting periods beginning after December 15, 2013. The City will implement this Statement in fiscal year 2014-15.

The GASB has issued Statement No. 70 “Accounting and Financial Reporting for Nonexchange Financial Guarantees”. The objective of this Statement is to improve accounting and financial reporting by state and local governments that extend and receive nonexchange financial guarantees. This Statement will be effective for periods beginning after June 15, 2013. The City will implement this Statement in fiscal year 2014-15.

19. SUBSEQUENT EVENTS

The former Rocklin Redevelopment Agency entered into a Line of Credit with Bank of America on June 24, 2008. The balance of the Line of Credit was due July 31, 2011. With the dissolution of redevelopment agencies the City of Rocklin Acting as Successor Agency for the former Rocklin Redevelopment Agency has been working with Bank of America, within the confines of the AB 1X 26 legislation to pay the balance owed on the Line of Credit.

The City of Rocklin acting as Successor Agency is currently working with the Placer County Treasurer, Department of Finance and Bank of America to secure a loan with Placer County to pay the balance owed on the Line of Credit.

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COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

City of Rocklin, California

Combining Balance Sheet

Non-major Governmental Funds

June 30, 2013

(With comparative totals for June 30, 2012)

	Governmental Funds				Non-Major Funds Totals	
	Special Revenue	Capital Projects	Permanent	Debt Service	2013	2012
ASSETS						
Cash and investments	\$ 13,153,636	\$ 1,960,825	\$ 476,478	\$ 2	\$ 15,590,941	\$ 14,409,830
Restricted cash and investments	-	-	38,382	1	38,383	38,383
Receivables:						
Taxes	595,683	-	-	-	595,683	268,428
Intergovernmental	692,222	-	-	-	692,222	238,712
Loans/Notes receivable	500,059	-	-	-	500,059	511,559
Other receivable	-	-	-	-	-	10,905
Prepaid items	41,320	-	-	-	41,320	-
Total assets	\$ 14,982,920	\$ 1,960,825	\$ 514,860	\$ 3	\$ 17,458,608	\$ 15,477,817
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable and accrued liabilities	\$ 874,432	\$ 18,493	\$ -	\$ -	\$ 892,925	\$ 522,868
Due to other funds	534,368	5,194,042	-	-	5,728,410	5,383,540
Advances from other funds	-	423,110	-	-	423,110	634,665
Total liabilities	1,408,800	5,635,645	-	-	7,044,445	6,541,073
Fund Balances (Deficits):						
Nonspendable						
Advances to other funds	-	-	-	-	-	-
Loans/Notes receivable	500,059	-	-	-	500,059	511,559
Endowments	-	-	492,568	-	492,568	491,455
Restricted	2,021,707	628,725	-	3	2,650,435	2,783,672
Assigned	11,052,358	1,314,061	22,292	-	12,388,711	11,015,278
Unassigned (Deficit)	(4)	(5,617,606)	-	-	(5,617,610)	(5,865,220)
Total fund balances (deficits)	13,574,120	(3,674,820)	514,860	3	10,414,163	8,936,744
Total liabilities and fund balances	\$ 14,982,920	\$ 1,960,825	\$ 514,860	\$ 3	\$ 17,458,608	\$ 15,477,817

City of Rocklin, California

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Non-major Governmental Funds

For the year ended June 30, 2013

(with comparative totals for the year ended June 30, 2012)

	Governmental Funds				Non-Major Funds	
	Special Revenue	Capital Projects	Permanent	Debt Service	Totals	
					2013	2012
REVENUES:						
Taxes and assessments	\$ 10,580,270	\$ 141,123	\$ -	\$ -	\$ 10,721,393	\$ 7,867,561
Fines and forfeitures	-	-	-	-	-	760
Intergovernmental	1,807,933	-	-	-	1,807,933	391,612
Use of money and property	37,898	3,191	2,758	-	43,847	34,575
Charges for services	1,000	46,639	-	-	47,639	41,036
Contributions from developers and homeowners	-	770,016	-	-	770,016	449,309
Other revenues	1,476	-	-	-	1,476	4,813
Total revenues	12,428,577	960,969	2,758	-	13,392,304	8,789,666
EXPENDITURES:						
Current:						
General government	433,707	2,190	-	-	435,897	393,801
Public safety	126,408	-	-	-	126,408	47,556
General services	9,105,589	127,686	-	-	9,233,275	4,048,704
Community development	98,738	268,954	-	-	367,692	75,459
Capital outlay	2,291,649	200,426	-	-	2,492,075	1,042,775
Debt service:						
Principal	-	-	-	415,000	415,000	905,000
Interest and fiscal charges	-	174,340	-	121,027	295,367	352,929
Total expenditures	12,056,091	773,596	-	536,027	13,365,714	6,866,224
REVENUES OVER (UNDER) EXPENDITURES	372,486	187,373	2,758	(536,027)	26,590	1,923,442
OTHER FINANCING SOURCES (USES):						
Proceeds from sale of assets	-	-	-	-	-	-
Extraordinary loss on dissolution of redevelopment	-	-	-	-	-	(11,468,033)
Transfers in	197,105	-	-	536,027	733,132	924,445
Transfers out	(2,400,917)	(604,691)	(1,781)	-	(3,007,389)	(2,807,347)
Total other financing sources (uses)	(2,203,812)	(604,691)	(1,781)	536,027	(2,274,257)	(13,350,935)
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING (USES)	(1,831,326)	(417,318)	977	-	(2,247,667)	(11,427,493)
FUND BALANCES (DEFICITS):						
Beginning of year	15,405,446	(3,257,502)	513,883	3	12,661,830	20,364,237
End of year	<u>\$ 13,574,120</u>	<u>\$(3,674,820)</u>	<u>\$ 514,860</u>	<u>\$ 3</u>	<u>\$ 10,414,163</u>	<u>\$ 8,936,744</u>

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NON-MAJOR SPECIAL REVENUE FUNDS

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.
SB325 Sales Tax	Accounts for sales tax revenue collected in accordance with Senate Bill 325 to be used for repair and maintenance of streets.
Bicycle and Pedestrian Facilities	Accounts for grants received for bicycle and pedestrian facility purposes.
Lighting District #1 & #2	Accounts for funds received to maintain and operate the respective lighting district.
Community Facilities District #1, #5 & #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.
Asset Forfeiture	Accounts for funds received on forfeited assets to be used for Police services.
Recreation Facilities Contributions	Accounts for revenues received for recreation facilities construction and improvements.
Traffic Safety/PD Grants	Accounts for funds received for traffic safety programs and police grants.
DOE Grants	Accounts for Department of Education grants received for culture and recreation
Supplemental Law Enforcement Grant	Accounts for funds received to be used for public safety purposes.
Prop 1B	Accounts for revenues received through Proposition 1B for street programs

City of Rocklin, California

Combining Balance Sheet

Non-major Special Revenue Funds

June 30, 2013

(With comparative totals for June 30, 2012)

	Special Revenue Funds			
	Gas Tax	SB325 Sales Tax	Bicycle and Pedestrian Facilities	Lighting District #1
ASSETS				
Cash and investments	\$ 1,923,545	\$ 3,879,293	\$ -	\$ 8,865
Receivables:				
Taxes	117,065	286,796	-	12,578
Intergovernmental	-	296,296	3,046	-
Loans/Notes receivable	-	-	-	-
Other receivable	-	-	-	-
Due from other funds	-	-	-	-
Prepaid items	11,079	2,738	-	872
Other assets	-	-	-	-
Advances to other funds	-	-	-	-
Total assets	\$ 2,051,689	\$ 4,465,123	\$ 3,046	\$ 22,315
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable and accrued liabilities	\$ 29,982	\$ 353,768	\$ 440	\$ 22,319
Due to other funds	-	286,796	2,606	-
Total liabilities	29,982	640,564	3,046	22,319
Fund Balances:				
Nonspendable				
Advances to other funds	-	-	-	-
Loans/Notes receivable	-	-	-	-
Restricted	2,021,707	-	-	-
Assigned	-	3,824,559	-	-
Unassigned (Deficit)	-	-	-	(4)
Total fund balances	2,021,707	3,824,559	-	(4)
Total liabilities and fund balances	\$ 2,051,689	\$ 4,465,123	\$ 3,046	\$ 22,315

Special Revenue Funds

Lighting District #2	Community Facilities District #1	Community Facilities District #5	Community Facilities District #6	Housing Rehabilitation
\$ 2,013,741	\$ -	\$ 3,530,447	\$ 254,076	\$ 312,771
73,878	24,367	68,312	12,687	-
-	-	-	-	100,528
-	-	-	-	500,059
-	-	-	-	-
6,704	-	17,709	2,158	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 2,094,323</u>	<u>\$ 24,367</u>	<u>\$ 3,616,468</u>	<u>\$ 268,921</u>	<u>\$ 913,358</u>
\$ 98,131	\$ 24,367	\$ 143,987	\$ 7,001	\$ 8,800
-	-	-	-	92,128
<u>98,131</u>	<u>24,367</u>	<u>143,987</u>	<u>7,001</u>	<u>100,928</u>
-	-	-	-	-
-	-	-	-	500,059
-	-	-	-	-
1,996,192	-	3,472,481	261,920	312,371
-	-	-	-	-
<u>1,996,192</u>	<u>-</u>	<u>3,472,481</u>	<u>261,920</u>	<u>812,430</u>
<u>\$ 2,094,323</u>	<u>\$ 24,367</u>	<u>\$ 3,616,468</u>	<u>\$ 268,921</u>	<u>\$ 913,358</u>

(continued)

City of Rocklin, California
Combining Balance Sheet, Continued
Non-major Special Revenue Funds
June 30, 2013
(With comparative totals for June 30, 2012)

	Special Revenue Funds			
	Asset Forfeiture	Recreation Facilities Contributions	Traffic Safety/PD Grants	DOE Grants
ASSETS				
Cash and investments	\$ 92,532	\$ 1,135,584	\$ -	\$ -
Receivables:				
Taxes	-	-	-	-
Intergovernmental	-	-	70,381	33,351
Loans/Notes receivable	-	-	-	-
Other receivable	-	-	-	-
Due from other funds	-	-	-	-
Prepaid items	-	-	-	60
Other assets	-	-	-	-
Advances to other funds	-	-	-	-
Total assets	\$ 92,532	\$ 1,135,584	\$ 70,381	\$ 33,411
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable and accrued liabilities	\$ -	\$ 46,063	\$ 7,021	598
Due to other funds	-	-	63,360	32,813
Total liabilities	-	46,063	70,381	33,411
Fund Balances:				
Nonspendable				
Advances to other funds	-	-	-	-
Loans/Notes receivable	-	-	-	-
Restricted	-	-	-	-
Assigned	92,532	1,089,521	-	-
Unassigned (Deficit)	-	-	-	-
Total fund balances	92,532	1,089,521	-	-
Total liabilities and fund balances	\$ 92,532	\$ 1,135,584	\$ 70,381	\$ 33,411

Special Revenue Funds		Non-Major Funds Totals	
Supplemental Law Enforcement Grant	Prop 1B	2013	2012
\$ -	\$ 2,782	\$ 13,153,636	\$ 11,461,478
-	-	595,683	268,428
31,715	156,905	692,222	238,712
-	-	500,059	511,559
-	-	-	10,905
-	-	-	-
-	-	41,320	-
-	-	-	-
-	-	-	-
<u>\$ 31,715</u>	<u>\$ 159,687</u>	<u>\$ 14,982,920</u>	<u>\$ 12,491,082</u>
\$ 31,715	\$ 100,240	\$ 874,432	\$ 511,696
-	56,665	534,368	299,026
<u>31,715</u>	<u>156,905</u>	<u>1,408,800</u>	<u>810,722</u>
-	-	-	-
-	-	500,059	511,559
-	-	2,021,707	1,651,031
-	2,782	11,052,358	9,663,811
-	-	(4)	(146,041)
<u>-</u>	<u>2,782</u>	<u>13,574,120</u>	<u>11,680,360</u>
<u>\$ 31,715</u>	<u>\$ 159,687</u>	<u>\$ 14,982,920</u>	<u>\$ 12,491,082</u>

(concluded)

City of Rocklin, California

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Non-major Special Revenue Funds

For the year ended June 30, 2013

(With comparative totals for the year ended June 30, 2012)

	Special Revenue Funds		
	Gas Tax	SB325 Sales Tax	Bicycle and Pedestrian Facilities
REVENUES:			
Taxes and assessments	\$ 1,342,665	\$ 2,908,975	\$ -
Fines and forfeitures	-	-	-
Intergovernmental	-	968,500	8,278
Use of money and property	2,152	3,423	-
Charges for services	-	-	-
Other revenues	-	-	-
Total revenues	1,344,817	3,880,898	8,278
EXPENDITURES:			
Current:			
General government	-	-	-
Public safety	-	-	-
General services	791,141	2,279,154	-
Community development	-	-	-
Capital outlay	-	2,010,315	8,278
Debt service:			
Principal	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	791,141	4,289,469	8,278
REVENUES OVER (UNDER) EXPENDITURES	553,676	(408,571)	-
OTHER FINANCING SOURCES (USES):			
Proceeds from sale of assets	-	-	-
Extraordinary loss on dissolution of redevelopment	-	-	-
Transfers in	-	-	-
Transfers out	(183,000)	(757,000)	-
Total other financing sources and uses	(183,000)	(757,000)	-
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING (USES)	370,676	(1,165,571)	-
FUND BALANCES (DEFICITS):			
Beginning of year	1,651,031	4,990,130	-
End of year	\$ 2,021,707	\$ 3,824,559	\$ -

Special Revenue Funds						
Lighting District #1	Lighting District #2	Community Facilities District #1	Community Facilities District #5	Community Facilities District #6	Housing Rehabilitation	
\$ 250,762	\$ 1,595,376	\$ 1,285,128	2,963,321	\$ 234,043	\$ -	
-	-	-	-	-	-	
-	-	-	-	-	157,386	
2	2,429	-	28,441	330	(193)	
-	-	-	-	-	-	
-	1,402	-	-	-	-	
<u>250,764</u>	<u>1,599,207</u>	<u>1,285,128</u>	<u>2,991,762</u>	<u>234,373</u>	<u>157,193</u>	
32,807	-	12,697	98,925	253,443	35,835	
-	-	-	-	-	-	
269,099	1,587,380	-	3,145,442	25,349	-	
-	-	-	-	-	98,338	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	-	-	-	-	-	
<u>301,906</u>	<u>1,587,380</u>	<u>12,697</u>	<u>3,244,367</u>	<u>278,792</u>	<u>134,173</u>	
(51,142)	11,827	1,272,431	(252,605)	(44,419)	23,020	
-	-	-	-	-	-	
-	-	-	-	-	-	
197,105	-	-	-	-	-	
-	-	(1,272,431)	-	-	(34,686)	
<u>197,105</u>	<u>-</u>	<u>(1,272,431)</u>	<u>-</u>	<u>-</u>	<u>(34,686)</u>	
145,963	11,827	-	(252,605)	(44,419)	(11,666)	
(145,967)	1,984,365	-	3,725,086	306,339	824,096	
<u>\$ (4)</u>	<u>\$ 1,996,192</u>	<u>\$ -</u>	<u>\$ 3,472,481</u>	<u>\$ 261,920</u>	<u>\$ 812,430</u>	

(continued)

City of Rocklin, California

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

Non-major Special Revenue Funds

For the year ended June 30, 2013

(With comparative totals for the year ended June 30, 2012)

	Special Revenue Funds			
	Asset Forfeiture	Recreation Facilities Contributions	Traffic Safety/PD Grants	DOE Grants
REVENUES:				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Fines and forfeitures	-	-	-	-
Intergovernmental	-	-	123,968	77,732
Use of money and property	17	1,297	-	-
Charges for services	-	1,000	-	-
Other revenues	-	-	74	-
Total revenues	<u>17</u>	<u>2,297</u>	<u>124,042</u>	<u>77,732</u>
EXPENDITURES:				
Current:				
General government	-	-	-	-
Public safety	2,440	-	123,968	-
General services	-	136,858	-	77,732
Community development	-	-	-	-
Capital outlay	-	90,720	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	<u>2,440</u>	<u>227,578</u>	<u>123,968</u>	<u>77,732</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(2,423)</u>	<u>(225,281)</u>	<u>74</u>	<u>-</u>
OTHER FINANCING SOURCES (USES):				
Proceeds from sale of assets	-	-	-	-
Extraordinary loss on dissolution of redevelopment	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	(53,800)	-	-
Total other financing sources and uses	<u>-</u>	<u>(53,800)</u>	<u>-</u>	<u>-</u>
SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING (USES)	<u>(2,423)</u>	<u>(279,081)</u>	<u>74</u>	<u>-</u>
FUND BALANCES (DEFICITS):				
Beginning of year	94,955	1,368,602	(74)	-
End of year	<u>\$ 92,532</u>	<u>\$ 1,089,521</u>	<u>\$ -</u>	<u>\$ -</u>

Special Revenue Funds		Non-Major Funds Totals	
Supplemental Law Enforcement Grant	Prop 1B	2013	2012
\$ -	\$ -	\$ 10,580,270	\$ 7,866,199
-	-	-	760
100,000	372,069	1,807,933	391,612
-	-	37,898	25,538
-	-	1,000	1,000
-	-	1,476	4,813
<u>100,000</u>	<u>372,069</u>	<u>12,428,577</u>	<u>8,289,922</u>
-	-	433,707	393,801
-	-	126,408	47,556
-	793,434	9,105,589	3,966,244
-	400	98,738	71,825
-	182,336	2,291,649	799,038
-	-	-	500,000
-	-	-	48,558
-	<u>976,170</u>	<u>12,056,091</u>	<u>5,827,022</u>
<u>100,000</u>	<u>(604,101)</u>	<u>372,486</u>	<u>2,462,900</u>
-	-	-	-
-	-	-	(11,468,033)
-	-	197,105	384,472
<u>(100,000)</u>	<u>-</u>	<u>(2,400,917)</u>	<u>(2,090,134)</u>
<u>(100,000)</u>	<u>-</u>	<u>(2,203,812)</u>	<u>(13,173,695)</u>
-	(604,101)	(1,831,326)	(10,710,795)
-	606,883	15,405,446	22,391,155
<u>\$ -</u>	<u>\$ 2,782</u>	<u>\$ 13,574,120</u>	<u>\$ 11,680,360</u>

(concluded)

City of Rocklin, California

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual

Gas Tax Special Revenue Fund

For the year ended June 30, 2013

	Budgeted Amounts		Actual	Variance w/Final Positive (Negative)
	Original	Final		
REVENUES:				
Taxes and assessments	\$ 1,460,900	\$ 1,460,900	\$ 1,342,665	\$ (118,235)
Use of money and property	2,700	2,700	2,152	(548)
Total revenues	1,463,600	1,463,600	1,344,817	(118,783)
EXPENDITURES:				
Current:				
General services	1,576,876	1,576,876	791,141	785,735
Total expenditures	1,576,876	1,576,876	791,141	785,735
REVENUES OVER (UNDER) EXPENDITURES	(113,276)	(113,276)	553,676	666,952
OTHER FINANCING SOURCES (USES):				
Transfers out	(355,000)	(355,000)	(183,000)	172,000
Total other financing sources (uses)	(355,000)	(355,000)	(183,000)	172,000
Net change in fund balances	(468,276)	(468,276)	370,676	838,952
FUND BALANCES:				
Beginning of year	1,651,031	1,651,031	1,651,031	-
End of year	\$ 1,182,755	\$ 1,182,755	\$ 2,021,707	\$ 838,952

City of Rocklin, California

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual

SB325 Sales Tax Special Revenue Fund

For the year ended June 30, 2013

	Budgeted Amounts		Actual	Variance w/Final Positive (Negative)
	Original	Final		
REVENUES:				
Taxes and assessments	\$ 2,473,055	\$ 2,473,055	\$ 2,908,975	\$ 435,920
Intergovernmental	1,060,358	1,060,358	968,500	(91,858)
Use of money and property	4,600	4,600	3,423	(1,177)
Total revenues	3,538,013	3,538,013	3,880,898	342,885
EXPENDITURES:				
Current:				
General services	2,334,777	2,334,777	2,279,154	55,623
Capital outlay	2,320,658	3,496,658	2,010,315	1,486,343
Total expenditures	4,655,435	5,831,435	4,289,469	1,541,966
REVENUES OVER (UNDER) EXPENDITURES	(1,117,422)	(2,293,422)	(408,571)	1,884,851
OTHER FINANCING SOURCES (USES):				
Transfers out	(988,900)	(988,900)	(757,000)	231,900
Total other financing sources (uses)	(988,900)	(988,900)	(757,000)	231,900
Net change in fund balances	(2,106,322)	(3,282,322)	(1,165,571)	2,116,751
FUND BALANCES:				
Beginning of year	4,990,130	4,990,130	4,990,130	-
End of year	\$ 2,883,808	\$ 1,707,808	\$ 3,824,559	\$ 2,116,751

City of Rocklin, California

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual

Bicycle and Pedestrian Facilities Special Revenue Fund

For the year ended June 30, 2013

	Budgeted Amounts		Actual	Variance w/Final Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 10,400	\$ 10,400	\$ 8,278	\$ (2,122)
Total revenues	10,400	10,400	8,278	(2,122)
EXPENDITURES:				
Capital outlay	10,400	10,400	8,278	2,122
Total expenditures	10,400	10,400	8,278	2,122
REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
OTHER FINANCING SOURCES (USES):				
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	-	-	-
FUND BALANCES (DEFICIT):				
Beginning of year	-	-	-	-
End of year	\$ -	\$ -	\$ -	\$ -

City of Rocklin, California

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual

Lighting District #1 Special Revenue Fund

For the year ended June 30, 2013

	Budgeted Amounts		Actual	Variance w/Final Positive (Negative)
	Original	Final		
REVENUES:				
Taxes and assessments	\$ 250,700	\$ 250,700	\$ 250,762	\$ 62
Use of money and property	-	-	2	2
Other revenues	365	365	-	(365)
Total revenues	251,065	251,065	250,764	(301)
EXPENDITURES:				
Current:				
General government	32,805	32,805	32,807	(2)
General services	219,660	219,660	269,099	(49,439)
Total expenditures	252,465	252,465	301,906	(49,441)
REVENUES OVER (UNDER) EXPENDITURES	(1,400)	(1,400)	(51,142)	(49,742)
OTHER FINANCING SOURCES (USES):				
Transfers in	141,844	141,844	197,105	55,261
Total other financing sources (uses)	141,844	141,844	197,105	55,261
Net change in fund balances	140,444	140,444	145,963	5,519
FUND BALANCES (DEFICIT):				
Beginning of year	(145,967)	(145,967)	(145,967)	-
End of year	\$ (5,523)	\$ (5,523)	\$ (4)	\$ 5,519

City of Rocklin, California

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual

Lighting District #2 Special Revenue Fund

For the year ended June 30, 2013

	Budgeted Amounts		Actual	Variance w/Final Positive (Negative)
	Original	Final		
REVENUES:				
Taxes and assessments	\$ 1,606,697	\$ 1,606,697	\$ 1,595,376	\$ (11,321)
Use of money and property	4,700	4,700	2,429	(2,271)
Other revenues	-	-	1,402	1,402
Total revenues	1,611,397	1,611,397	1,599,207	(12,190)
EXPENDITURES:				
Current:				
General services	1,594,540	1,594,540	1,587,380	7,160
Total expenditures	1,594,540	1,594,540	1,587,380	7,160
REVENUES OVER (UNDER) EXPENDITURES	16,857	16,857	11,827	(5,030)
OTHER FINANCING SOURCES (USES):				
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	16,857	16,857	11,827	(5,030)
FUND BALANCES:				
Beginning of year	1,984,365	1,984,365	1,984,365	-
End of year	\$ 2,001,222	\$ 2,001,222	\$ 1,996,192	\$ (5,030)

City of Rocklin, California

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual

Community Facilities District #1 Special Revenue Fund

For the year ended June 30, 2013

	Budgeted Amounts		Actual	Variance w/Final Positive (Negative)
	Original	Final		
REVENUES:				
Taxes and assessments	\$ 1,288,932	\$ 1,288,932	\$ 1,285,128	\$ (3,804)
Total revenues	<u>1,288,932</u>	<u>1,288,932</u>	<u>1,285,128</u>	<u>(3,804)</u>
EXPENDITURES:				
Current:				
General government	12,899	12,899	12,697	202
Total expenditures	<u>12,899</u>	<u>12,899</u>	<u>12,697</u>	<u>202</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>1,276,033</u>	<u>1,276,033</u>	<u>1,272,431</u>	<u>(3,602)</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	(1,202,850)	(1,202,850)	(1,272,431)	(69,581)
Total other financing sources (uses)	<u>(1,202,850)</u>	<u>(1,202,850)</u>	<u>(1,272,431)</u>	<u>(69,581)</u>
Net change in fund balances	<u>73,183</u>	<u>73,183</u>	<u>-</u>	<u>(73,183)</u>
FUND BALANCES:				
Beginning of year	-	-	-	-
End of year	<u>\$ 73,183</u>	<u>\$ 73,183</u>	<u>\$ -</u>	<u>\$ (73,183)</u>

City of Rocklin, California

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual

Community Facilities District #5 Special Revenue Fund

For the year ended June 30, 2013

	Budgeted Amounts		Actual	Variance w/Final Positive (Negative)
	Original	Final		
REVENUES:				
Taxes and assessments	\$ 2,925,337	\$ 2,925,337	2,963,321	\$ 37,984
Use of money and property	9,000	9,000	28,441	19,441
Total revenues	<u>2,934,337</u>	<u>2,934,337</u>	<u>2,991,762</u>	<u>57,425</u>
EXPENDITURES:				
Current:				
General government	60,800	60,800	98,925	(38,125)
General services	<u>3,173,598</u>	<u>3,173,598</u>	<u>3,145,442</u>	<u>28,156</u>
Total expenditures	<u>3,234,398</u>	<u>3,234,398</u>	<u>3,244,367</u>	<u>(9,969)</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(300,061)</u>	<u>(300,061)</u>	<u>(252,605)</u>	<u>47,456</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	<u>1,100</u>	<u>1,100</u>	<u>-</u>	<u>(1,100)</u>
Total other financing sources (uses)	<u>1,100</u>	<u>1,100</u>	<u>-</u>	<u>(1,100)</u>
Net change in fund balances	<u>(298,961)</u>	<u>(298,961)</u>	<u>(252,605)</u>	<u>46,356</u>
FUND BALANCES:				
Beginning of year	<u>3,725,086</u>	<u>3,725,086</u>	<u>3,725,086</u>	<u>-</u>
End of year	<u>\$ 3,426,125</u>	<u>\$ 3,426,125</u>	<u>\$ 3,472,481</u>	<u>\$ 46,356</u>

City of Rocklin, California

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual

Community Facilities District #6 Special Revenue Fund

For the year ended June 30, 2013

	Budgeted Amounts		Actual	Variance w/Final Positive (Negative)
	Original	Final		
REVENUES:				
Taxes and assessments	\$ 231,923	\$ 231,923	\$ 234,043	\$ 2,120
Use of money and property	700	700	330	(370)
Total revenues	232,623	232,623	234,373	1,750
EXPENDITURES:				
Current:				
General government	257,069	257,069	253,443	3,626
General services	22,000	22,000	25,349	(3,349)
Total expenditures	279,069	279,069	278,792	277
REVENUES OVER (UNDER) EXPENDITURES	(46,446)	(46,446)	(44,419)	2,027
Net change in fund balances	(46,446)	(46,446)	(44,419)	2,027
FUND BALANCES:				
Beginning of year	306,339	306,339	306,339	-
End of year	\$ 259,893	\$ 259,893	\$ 261,920	\$ 2,027

City of Rocklin, California

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual

Housing Rehabilitation Special Revenue Fund

For the year ended June 30, 2013

	Budgeted Amounts		Actual	Variance w/Final Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 180,926	\$ 180,926	\$ 157,386	\$ (23,540)
Use of money and property	-	-	(193)	(193)
Other revenues	-	-	-	-
Total revenues	180,926	180,926	157,193	(23,733)
EXPENDITURES:				
Current:				
General government	57,213	57,213	35,835	21,378
Community development	37,138	37,138	98,338	(61,200)
Capital outlay	57,603	57,603	-	57,603
Total expenditures	151,954	151,954	134,173	17,781
REVENUES OVER (UNDER) EXPENDITURES	28,972	28,972	23,020	(5,952)
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	(33,685)	(33,685)	(34,686)	(1,001)
Total other financing sources (uses)	(33,685)	(33,685)	(34,686)	(1,001)
Net change in fund balances	(4,713)	(4,713)	(11,666)	(6,953)
FUND BALANCES:				
Beginning of year	824,096	824,096	824,096	-
End of year	\$ 819,383	\$ 819,383	\$ 812,430	\$ (6,953)

City of Rocklin, California

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual

Asset Forfeiture Special Revenue Fund

For the year ended June 30, 2013

	Budgeted Amounts		Actual	Variance w/Final Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property			\$ 17	17
Total revenues	-	-	17	17
EXPENDITURES:				
Current:				
Public safety	35,000	35,000	2,440	32,560
Total expenditures	35,000	35,000	2,440	32,560
REVENUES OVER (UNDER) EXPENDITURES				
	(35,000)	(35,000)	(2,423)	32,577
OTHER FINANCING SOURCES (USES):				
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	(35,000)	(35,000)	(2,423)	32,577
FUND BALANCES:				
Beginning of year	94,955	94,955	94,955	-
End of year	\$ 59,955	\$ 59,955	\$ 92,532	\$ 32,577

City of Rocklin, California

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual

Recreation Facilities Contribution Special Revenue Fund

For the year ended June 30, 2013

	Budgeted Amounts		Actual	Variance w/Final Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ 2,600	\$ 2,600	\$ 1,297	\$ (1,303)
Charges for services	500	500	1,000	500
Total revenues	3,100	3,100	2,297	(803)
EXPENDITURES:				
Current:				
General services	170,000	170,000	136,858	33,142
Capital outlay	231,000	231,000	90,720	140,280
Total expenditures	401,000	401,000	227,578	173,422
REVENUES OVER (UNDER) EXPENDITURES	(397,900)	(397,900)	(225,281)	172,619
OTHER FINANCING SOURCES (USES):				
Transfers out	(61,800)	(61,800)	(53,800)	8,000
Total other financing sources (uses)	(61,800)	(61,800)	(53,800)	8,000
Net change in fund balances	(459,700)	(459,700)	(279,081)	180,619
FUND BALANCES:				
Beginning of year	1,368,602	1,368,602	1,368,602	-
End of year	\$ 908,902	\$ 908,902	\$ 1,089,521	\$ 180,619

City of Rocklin, California

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual

Traffic Safety/PD Grants Special Revenue Fund

For the year ended June 30, 2013

	Budgeted Amounts		Actual	Variance w/Final Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 6,100	\$ 6,100	\$ 123,968	\$ 117,868
Other revenues	-	-	74	74
Total revenues	6,100	6,100	124,042	117,942
EXPENDITURES:				
Current:				
Public safety	6,100	6,100	123,968	(117,868)
Total expenditures	6,100	6,100	123,968	(117,868)
REVENUES OVER (UNDER)				
EXPENDITURES	-	-	74	74
Net change in fund balances	-	-	74	74
FUND BALANCES:				
Beginning of year	(74)	(74)	(74)	-
End of year	\$ (74)	\$ (74)	\$ -	\$ 74

City of Rocklin, California

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual

DOE Grants Special Revenue Fund

For the year ended June 30, 2013

	Budgeted Amounts		Actual	Variance w/Final Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 81,043	\$ 81,043	\$ 77,732	\$ (3,311)
Total revenues	<u>81,043</u>	<u>81,043</u>	<u>77,732</u>	<u>(3,311)</u>
EXPENDITURES:				
Current:				
General services	81,043	81,043	77,732	3,311
Total expenditures	<u>81,043</u>	<u>81,043</u>	<u>77,732</u>	<u>3,311</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	-	-	-
FUND BALANCES:				
Beginning of year	-	-	-	-
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

City of Rocklin, California

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual

Supplemental Law Enforcement Grant Special Revenue Fund

For the year ended June 30, 2013

	Budgeted Amounts		Actual	Variance w/Final Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 100,000	\$ 100,000	\$ 100,000	\$ -
Total revenues	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>-</u>
EXPENDITURES:				
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>-</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	(100,000)	(100,000)	(100,000)	-
Total other financing sources (uses)	<u>(100,000)</u>	<u>(100,000)</u>	<u>(100,000)</u>	<u>-</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES:				
Beginning of year	-	-	-	-
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

City of Rocklin, California

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual

Prop 1B Special Revenue Fund

For the year ended June 30, 2013

	Budgeted Amounts		Actual	Variance w/Final Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ -	\$ -	\$ 372,069	\$ 372,069
Use of money and property	-	-	-	-
Total revenues	-	-	372,069	372,069
EXPENDITURES:				
Current:				
General government				-
General services	-	-	793,434	(793,434)
Public ways and facilities				-
Culture and recreation				-
Community development	-	-	400	(400)
Capital outlay	-	298,489	182,336	116,153
Total expenditures	-	298,489	976,170	(677,681)
REVENUES OVER (UNDER) EXPENDITURES	-	(298,489)	(604,101)	(305,612)
OTHER FINANCING SOURCES (USES):				
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	(298,489)	(604,101)	(305,612)
FUND BALANCES:				
Beginning of year	606,883	606,883	606,883	-
End of year	\$ 606,883	\$ 308,394	\$ 2,782	\$ (305,612)

NON-MAJOR CAPITAL PROJECTS, PERMANENT, AND DEBT SERVICE FUNDS

<u>Fund</u>	<u>Description</u>
<u>Capital Projects Funds:</u>	
Park Development	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 Projects	Accounts for funds expended on general City projects.
Oak Tree Mitigation	Accounts for funds collected for Oak Tree preservation.
Public Improvement Agreement	Accounts for funds expended for public improvement.
<u>Permanent Funds:</u>	
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.
<u>Debt Service Funds:</u>	
Capital Construction	Accounts for the City's issuance and administration of the 2003 Certificates of Participation.

City of Rocklin, California

Combining Balance Sheet

Non-major Capital Project, Permanent, and Debt Service Funds

June 30, 2013

(With comparative totals for June 30, 2012)

	Capital Projects Funds				
	Park Development	Community Park Fees	Capital Construction Projects	Oak Tree Mitigation	Public Improvement Agreement
ASSETS					
Cash and investments	\$ -	\$ -	\$ -	\$ 1,315,071	\$ 645,754
Restricted cash and investments	-	-	-	-	-
Receivables:					
Intergovernmental	-	-	-	-	-
Total assets	\$ -	\$ -	\$ -	\$ 1,315,071	\$ 645,754
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable and accrued liabilities	\$ -	\$ -	\$ 454	\$ 1,010	\$ 17,029
Due to other funds	2,534,999	1,414,599	1,244,444	-	-
Advances from other funds	-	-	423,110	-	-
Total liabilities	2,534,999	1,414,599	1,668,008	1,010	17,029
Fund Balances:					
Nonspendable					
Advances to other funds	-	-	-	-	-
Loans/Notes receivable	-	-	-	-	-
Endowments	-	-	-	-	-
Restricted	-	-	-	-	628,725
Assigned	-	-	-	1,314,061	-
Unassigned (Deficit)	(2,534,999)	(1,414,599)	(1,668,008)	-	-
Total fund balances	(2,534,999)	(1,414,599)	(1,668,008)	1,314,061	628,725
Total liabilities and fund balances	\$ -	\$ -	\$ -	\$ 1,315,071	\$ 645,754

Permanent Funds		Debt Service Fund	Non-Major Funds Totals	
Wetlands Maintenance	Conservation Easement Endowment	Capital Construction Debt Service	2013	2012
\$ 21,910	\$ 454,568	\$ 2	\$ 2,437,305	\$ 2,948,352
38,382	-	1	38,383	38,383
-	-	-	-	-
<u>\$ 60,292</u>	<u>\$ 454,568</u>	<u>\$ 3</u>	<u>\$ 2,475,688</u>	<u>\$ 2,986,735</u>
\$ -	\$ -	\$ -	\$ 18,493	\$ 11,172
-	-	-	5,194,042	5,084,514
-	-	-	423,110	634,665
-	-	-	<u>5,635,645</u>	<u>5,730,351</u>
-	-	-	-	-
-	-	-	-	-
38,000	454,568	-	492,568	491,455
-	-	3	628,728	1,132,641
22,292	-	-	1,336,353	1,351,467
-	-	-	(5,617,606)	(5,719,179)
<u>60,292</u>	<u>454,568</u>	<u>3</u>	<u>(3,159,957)</u>	<u>(2,743,616)</u>
<u>\$ 60,292</u>	<u>\$ 454,568</u>	<u>\$ 3</u>	<u>\$ 2,475,688</u>	<u>\$ 2,986,735</u>

City of Rocklin, California

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Non-major Capital Project, Permanent and Debt Service Funds

For the year ended June 30, 2013

(With comparative totals for the year ended June 30, 2012)

	Capital Projects Funds				
	Park Development	Community Park Fees	Capital Construction Projects	Oak Tree Mitigation	Public Improvement Agreement
REVENUES:					
Taxes and assessments	\$ -	\$ -	\$ -	\$ 141,123	\$ -
Intergovernmental	-	-	-	-	-
Use of money and property	-	-	-	1,585	1,606
Charges for services	-	46,639	-	-	-
Contributions from developers and homeowners	-	-	770,016	-	-
Other revenues	-	-	-	-	-
Total revenues	-	46,639	770,016	142,708	1,606
EXPENDITURES:					
Current:					
General government	-	-	2,190	-	-
Public safety	-	-	-	-	-
General services	-	-	-	127,686	-
Community development	-	-	2,525	-	266,429
Capital outlay	-	-	-	-	200,426
Debt service:					
Principal	-	-	-	-	-
Interest and fiscal charges	73,800	40,500	60,040	-	-
Total expenditures	73,800	40,500	64,755	127,686	466,855
REVENUES OVER (UNDER) EXPENDITURES	(73,800)	6,139	705,261	15,022	(465,249)
OTHER FINANCING SOURCES (USES):					
Transfers in	-	-	-	-	-
Transfers out	-	-	(536,027)	(30,000)	(38,664)
Total other financing sources and (uses)	-	-	(536,027)	(30,000)	(38,664)
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING (USES)	(73,800)	6,139	169,234	(14,978)	(503,913)
FUND BALANCES (DEFICITS):					
Beginning of year	(2,461,199)	(1,420,738)	(1,837,242)	1,329,039	1,132,638
End of year	<u>\$ (2,534,999)</u>	<u>\$ (1,414,599)</u>	<u>\$ (1,668,008)</u>	<u>\$ 1,314,061</u>	<u>\$ 628,725</u>

Permanent Funds		Debt Service Fund	Non-Major Funds Totals	
Wetlands Maintenance	Conservation Easement Endowment	Capital Construction Debt Service	2013	2012
\$ -	\$ -	\$ -	\$ 141,123	\$ 1,362
-	-	-	-	-
2,198	560	-	5,949	9,037
-	-	-	46,639	40,036
-	-	-	770,016	449,309
-	-	-	-	-
2,198	560	-	963,727	499,744
-	-	-	2,190	-
-	-	-	-	-
-	-	-	127,686	82,460
-	-	-	268,954	3,634
-	-	-	200,426	243,737
-	-	415,000	415,000	405,000
-	-	121,027	295,367	304,371
-	-	536,027	1,309,623	1,039,202
2,198	560	(536,027)	(345,896)	(539,458)
-	-	536,027	536,027	539,973
(1,781)	-	-	(606,472)	(717,213)
(1,781)	-	536,027	(70,445)	(177,240)
417	560	-	(416,341)	(716,698)
59,875	454,008	3	(2,743,616)	(2,026,918)
\$ 60,292	\$ 454,568	\$ 3	\$ (3,159,957)	\$ (2,743,616)

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AGENCY FUNDS

Fund	Description
Private Purpose Trust Funds	
Successor Agency - Non Housing	Accounts for activities related to the Former Redevelopment Agency's non-housing funds.
Successor Agency - Housing	Accounts for activities related to the Former Redevelopment Agency's low and moderate income housing funds.
Agency Funds	
Community Facilities Districts #2-#11	Accounts for assessments 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.

City of Rocklin, California
Combining Statement of Net Position
Private Purpose Trust Funds
June 30, 2013

	Successor Agency		
	Non-Housing	Housing	Totals
ASSETS			
Current assets:			
Cash and investments	\$ 2,967,877	\$ 89,678	\$ 3,057,555
Restricted cash and investments	1,811,262	-	1,811,262
Accounts receivable	27,000	-	27,000
Loans receivable	-	10,458,201	10,458,201
Total current assets	<u>4,806,139</u>	<u>10,547,879</u>	<u>15,354,018</u>
Non-Current assets:			
Advances to other funds	-	900,000	900,000
Intangible assets, net	1,212,019	-	1,212,019
Property, plant, and equipment, net	5,651,884	-	5,651,884
Total Non-current assets	<u>6,863,903</u>	<u>900,000</u>	<u>7,763,903</u>
Total assets	<u>\$ 11,670,042</u>	<u>\$ 11,447,879</u>	<u>\$ 23,117,921</u>
LIABILITIES AND NET POSITION			
Current liabilities:			
Accounts payable and accrued liabilities	\$ 3,030	\$ -	\$ 3,030
Interest payable	386,456	-	386,456
Due within one year	650,000	-	650,000
Total current liabilities	<u>1,039,486</u>	<u>-</u>	<u>1,039,486</u>
Long-term liabilities:			
Advances from other funds	900,000	-	900,000
Advances from City of Rocklin General Fund	1,408,708	-	1,408,708
Line of credit	2,354,092	-	2,354,092
Quarry loan payable	372,889	-	372,889
Due after one year	26,035,000	-	26,035,000
Total long-term liabilities	<u>31,070,689</u>	<u>-</u>	<u>31,070,689</u>
Total liabilities	<u>32,110,175</u>	<u>-</u>	<u>32,110,175</u>
Net Position (Deficit):			
Net position held in trust for Redevelopment Dissolution	<u>(20,440,133)</u>	<u>11,447,879</u>	<u>-</u>
Total liabilities and net position	<u>\$ 11,670,042</u>	<u>\$ 11,447,879</u>	<u>\$ 23,117,921</u>

City of Rocklin, California
Combining Statement of Changes in Fiduciary Net Position
Private Purpose Trust Funds
For the year ended June 30, 2013

	<u>Successor Agency</u>		
	<u>Non-Housing</u>	<u>Housing</u>	<u>Totals</u>
ADDITIONS:			
Property taxes	3,568,709	\$ 195,045	\$ 3,763,754
Investment earnings	(599)	37,224	36,625
Total additions	<u>3,568,110</u>	<u>232,269</u>	<u>3,800,379</u>
DEDUCTIONS:			
Community development	1,108,526	252,422	1,360,948
Interest expense	1,219,122	-	1,219,122
Total deductions	<u>2,327,648</u>	<u>252,422</u>	<u>2,580,070</u>
CHANGE IN FIDUCIARY NET POSITION	1,240,462	(20,153)	1,220,309
NET POSITION (DEFICIT):			
Beginning of year	<u>(21,680,595)</u>	<u>11,468,032</u>	<u>(10,212,563)</u>
End of year	<u>\$ (20,440,133)</u>	<u>\$ 11,447,879</u>	<u>\$ (8,992,254)</u>

City of Rocklin, California
Combining Statement of Assets and Liabilities

Agency Funds

June 30, 2013

(With comparative totals for June 30, 2012)

	Community Facilities District #2	Community Facilities District #3	Community Facilities District #4	Community Facilities District #6
ASSETS				
Cash and investments	\$ 9,277	\$ -	\$ 9,782	\$ -
Cash and investments held by trustees	-	3,386,492	-	133,127
Receivables:				
Accounts	-	-	-	-
Assessments	164	39,344	2,649	4,655
Total assets	\$ 9,441	\$ 3,425,836	\$ 12,431	\$ 137,782
LIABILITIES				
Accounts payable and accrued liabilities	\$ 9,441	\$ -	\$ -	\$ -
Due to other funds	-	100,000	-	-
Due to others	-	3,325,836	12,431	137,782
Total liabilities	\$ 9,441	\$ 3,425,836	\$ 12,431	\$ 137,782

Community Facilities District #7	Community Facilities District #8	Community Facilities District #9	Community Facilities District #10	Community Facilities District #11
\$ -	\$ -	\$ -	\$ -	\$ 2,815,195
336,835	375,392	478,056	2,888,422	-
-	-	-	-	-
61,371	13,171	36,812	38,895	63,804
<u>\$ 398,206</u>	<u>\$ 388,563</u>	<u>\$ 514,868</u>	<u>\$ 2,927,317</u>	<u>\$ 2,878,999</u>
\$ -	\$ -	\$ -	\$ -	\$ -
24,200	17,500	17,500	23,300	-
374,006	371,063	497,368	2,904,017	2,878,999
<u>\$ 398,206</u>	<u>\$ 388,563</u>	<u>\$ 514,868</u>	<u>\$ 2,927,317</u>	<u>\$ 2,878,999</u>

City of Rocklin, California

Combining Statement of Assets and Liabilities, Continued

Agency Funds

June 30, 2013

(With comparative totals for June 30, 2012)

	Boroski Landfill Monitoring Trust	Totals	
		2013	2012
ASSETS			
Cash and investments	\$ 9,155	\$ 2,843,409	\$ 6,652,387
Cash and investments held by trustees	-	7,598,324	7,577,403
Receivables:			
Accounts	-	-	346
Assessments	-	260,865	133,861
Total assets	\$ 9,155	\$ 10,702,598	\$ 14,363,997
LIABILITIES			
Accounts payable and accrued liabilities	\$ -	\$ 9,441	\$ 88,604
Due to other funds	-	182,500	-
Due to others	9,155	10,510,657	14,275,393
Total liabilities	\$ 9,155	\$ 10,702,598	\$ 14,363,997

(concluded)

City of Rocklin, California
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the year ended June 30, 2013

	Balance July 1, 2012	Additions	Deductions	Balance June 30, 2013
COMMUNITY FACILITIES DISTRICT #2				
ASSETS				
Cash and investments	\$ 158,359	\$ 9,277	\$ (158,359)	\$ 9,277
Cash and investments held by trustees	-	-	-	-
Receivables:				
Assessments	953	164	(953)	164
Total assets	<u>\$ 159,312</u>	<u>\$ 9,441</u>	<u>\$ (159,312)</u>	<u>\$ 9,441</u>
LIABILITIES				
Accounts payable and accrued liabilities	\$ -	\$ 9,441	\$ -	\$ 9,441
Due to (from) others	159,312	-	(159,312)	-
Total liabilities	<u>\$ 159,312</u>	<u>\$ 9,441</u>	<u>\$ (159,312)</u>	<u>\$ 9,441</u>
COMMUNITY FACILITIES DISTRICT #3				
ASSETS				
Cash and investments	\$ 259	\$ -	\$ (259)	\$ -
Cash and investments held by trustees	3,263,988	3,386,492	(3,263,988)	3,386,492
Receivables:				
Assessments	38,979	39,344	(38,979)	39,344
Total assets	<u>\$ 3,303,226</u>	<u>\$ 3,425,836</u>	<u>\$ (3,303,226)</u>	<u>\$ 3,425,836</u>
LIABILITIES				
Due to other funds	\$ -	\$ 100,000	\$ -	\$ 100,000
Due to (from) others	3,303,226	3,325,836	(3,303,226)	3,325,836
Total liabilities	<u>\$ 3,303,226</u>	<u>\$ 3,425,836</u>	<u>\$ (3,303,226)</u>	<u>\$ 3,425,836</u>
COMMUNITY FACILITIES DISTRICT #4				
ASSETS				
Cash and investments	\$ 54,690	\$ 9,782	\$ (54,690)	\$ 9,782
Receivables:				
Assessments	296	2,649	(296)	2,649
Total assets	<u>\$ 54,986</u>	<u>\$ 12,431</u>	<u>\$ (54,986)</u>	<u>\$ 12,431</u>
LIABILITIES				
Due to (from) others	\$ 54,986	\$ 12,431	\$ (54,986)	\$ 12,431
Total liabilities	<u>\$ 54,986</u>	<u>\$ 12,431</u>	<u>\$ (54,986)</u>	<u>\$ 12,431</u>

(continued)

City of Rocklin, California
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the year ended June 30, 2013

	Balance July 1, 2012	Additions	Deductions	Balance June 30, 2013
COMMUNITY FACILITIES DISTRICT #6				
ASSETS				
Cash and investments	\$ 891	\$ -	\$ (891)	\$ -
Cash and investments held by trustees	125,746	133,127	(125,746)	133,127
Receivables:				
Assessments	5,839	4,655	(5,839)	4,655
Total assets	<u>\$ 132,476</u>	<u>\$ 137,782</u>	<u>\$ (132,476)</u>	<u>\$ 137,782</u>
LIABILITIES				
Due to (from) others	\$ 132,476	\$ 137,782	\$ (132,476)	\$ 137,782
Total liabilities	<u>\$ 132,476</u>	<u>\$ 137,782</u>	<u>\$ (132,476)</u>	<u>\$ 137,782</u>
COMMUNITY FACILITIES DISTRICT #7				
ASSETS				
Cash and investments	\$ 15	\$ -	\$ (15)	\$ -
Cash and investments held by trustees	381,760	336,835	(381,760)	336,835
Receivables:				
Assessments	6,364	61,371	(6,364)	61,371
Total assets	<u>\$ 388,139</u>	<u>\$ 398,206</u>	<u>\$ (388,139)</u>	<u>\$ 398,206</u>
LIABILITIES				
Due to other funds	\$ -	\$ 24,200	\$ -	\$ 24,200
Due to (from) others	388,139	374,006	(388,139)	374,006
Total liabilities	<u>\$ 388,139</u>	<u>\$ 398,206</u>	<u>\$ (388,139)</u>	<u>\$ 398,206</u>
COMMUNITY FACILITIES DISTRICT #8				
ASSETS				
Cash and investments	\$ 285	\$ -	\$ (285)	\$ -
Cash and investments held by trustees	348,568	375,392	(348,568)	375,392
Receivables:				
Assessments	9,601	13,171	(9,601)	13,171
Total assets	<u>\$ 358,454</u>	<u>\$ 388,563</u>	<u>\$ (358,454)</u>	<u>\$ 388,563</u>
LIABILITIES				
Due to other funds	\$ -	\$ 17,500	\$ -	\$ 17,500
Due to (from) others	358,454	371,063	(358,454)	371,063
Total liabilities	<u>\$ 358,454</u>	<u>\$ 388,563</u>	<u>\$ (358,454)</u>	<u>\$ 388,563</u>

(continued)

City of Rocklin, California
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the year ended June 30, 2013

	Balance July 1, 2012	Additions	Deductions	Balance June 30, 2013
COMMUNITY FACILITIES DISTRICT #9				
ASSETS				
Cash and investments	\$ 368	\$ -	\$ (368)	\$ -
Cash and investments held by trustees	565,562	478,056	(565,562)	478,056
Receivables:				
Assessments	22,455	36,812	(22,455)	36,812
Total assets	<u>\$ 588,385</u>	<u>\$ 514,868</u>	<u>\$ (588,385)</u>	<u>\$ 514,868</u>
LIABILITIES				
Due to other funds	\$ -	\$ 17,500	\$ -	\$ 17,500
Due to (from) others	588,385	497,368	(588,385)	497,368
Total liabilities	<u>\$ 588,385</u>	<u>\$ 514,868</u>	<u>\$ (588,385)</u>	<u>\$ 514,868</u>
COMMUNITY FACILITIES DISTRICT #10				
ASSETS				
Cash and investments	\$ 642	\$ -	\$ (642)	\$ -
Cash and investments held by trustees	2,891,779	2,888,422	(2,891,779)	2,888,422
Receivables:				
Assessments	11,526	38,895	(11,526)	38,895
Total assets	<u>\$ 2,903,947</u>	<u>\$ 2,927,317</u>	<u>\$ (2,903,947)</u>	<u>\$ 2,927,317</u>
LIABILITIES				
Due to other funds	\$ -	\$ 23,300	\$ -	\$ 23,300
Due to (from) others	2,903,947	2,904,017	(2,903,947)	2,904,017
Total liabilities	<u>\$ 2,903,947</u>	<u>\$ 2,927,317</u>	<u>\$ (2,903,947)</u>	<u>\$ 2,927,317</u>
COMMUNITY FACILITIES DISTRICT #11				
ASSETS				
Cash and investments	\$ 2,661,381	\$ 2,815,195	\$ (2,661,381)	\$ 2,815,195
Cash and investments held by trustees	-	-	-	-
Receivables:				
Assessments	-	63,804	-	63,804
Total assets	<u>\$ 2,661,381</u>	<u>\$ 2,878,999</u>	<u>\$ (2,661,381)</u>	<u>\$ 2,878,999</u>
LIABILITIES				
Due to (from) others	\$ 2,661,381	\$ 2,878,999	\$ (2,661,381)	\$ 2,878,999
Total liabilities	<u>\$ 2,661,381</u>	<u>\$ 2,878,999</u>	<u>\$ (2,661,381)</u>	<u>\$ 2,878,999</u>

(continued)

City of Rocklin, California
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the year ended June 30, 2013

	Balance July 1, 2012	Additions	Deductions	Balance June 30, 2013
BOROWSKI LANDFILL MONITORING TRUST				
ASSETS				
Cash and investments	\$ -	\$ 9,155	\$ -	\$ 9,155
Receivables:				
Accounts	346	-	(346)	-
Total assets	\$ 346	\$ 9,155	\$ (346)	\$ 9,155
LIABILITIES				
Accounts payable	\$ 346	\$ -	\$ (346)	\$ -
Due to (from) others	-	9,155	-	9,155
Total liabilities	\$ 346	\$ 9,155	\$ (346)	\$ 9,155
TOTAL OF ALL AGENCY FUNDS				
ASSETS				
Cash and investments	\$ 6,652,387	\$ 2,843,409	\$ (6,652,387)	\$ 2,843,409
Cash and investments held by trustees	7,577,403	7,598,324	(7,577,403)	7,598,324
Receivables:				
Accounts	346	-	(346)	-
Assessments	133,861	260,865	(133,861)	260,865
Total assets	\$ 14,363,997	\$ 10,702,598	\$ (14,363,997)	\$ 10,702,598
LIABILITIES				
Accounts payable	\$ 88,604	\$ 9,441	\$ (88,604)	\$ 9,441
Due to other funds	-	182,500	-	182,500
Due to (from) others	14,275,393	10,510,657	(14,275,393)	10,510,657
Total liabilities	\$ 14,363,997	\$ 10,702,598	\$ (14,363,997)	\$ 10,702,598

(concluded)

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.

Contents	Page(s)
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.	120-129
Revenue Capacity	
These schedules contain information to help the reader assess the City's property tax.	130-135
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.	136-139
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.	140-141

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The City implemented GASB 34 in 2002-03; schedules presenting government-wide information include information beginning in that year.

City of Rocklin, California
Net Position - Governmental activities
 Last ten fiscal years
 (Fiscal year ended June 30)

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Governmental activities:				
Net invested in capital assets	\$ 221,459,502	\$ 258,716,605	\$ 301,542,340	\$ 314,002,830
Restricted	64,972,457	73,109,220	55,165,034	60,900,601
Unrestricted	<u>29,427,071</u>	<u>30,625,389</u>	<u>33,780,126</u>	<u>35,479,788</u>
Total governmental activities net position	<u>\$ 315,859,030</u>	<u>\$ 362,451,214</u>	<u>\$ 390,487,500</u>	<u>\$ 410,383,219</u>

<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
\$ 333,102,023	\$ 340,423,304	\$ 336,857,846	\$ 299,354,604	\$ 311,848,181	\$ 305,672,758
23,677,671	17,858,485	16,013,886	18,109,568	15,572,366	15,031,994
<u>67,611,423</u>	<u>60,361,488</u>	<u>51,212,204</u>	<u>43,464,022</u>	<u>30,663,690</u>	<u>27,181,118</u>
<u>\$ 424,391,117</u>	<u>\$ 418,643,277</u>	<u>\$ 404,083,936</u>	<u>\$ 360,928,194</u>	<u>\$ 358,084,237</u>	<u>\$ 347,885,870</u>

City of Rocklin, California

Changes in Net Position

Last ten fiscal years

(Fiscal year ended June 30)

(Accrual basis of accounting)

	2004	2005	2006	2007
Expenses:				
Governmental activities:				
General government	\$ 6,709,784	\$ 6,614,335	\$ 8,752,178	\$ 9,741,574
Public safety	10,415,163	13,373,870	15,388,277	19,083,423
Public works	9,174,823	10,472,840	10,418,079	11,290,399
General services	-	-	-	-
Culture and recreation	7,946,700	8,483,351	11,070,914	11,054,035
Community development	3,657,170	4,979,356	4,769,873	4,711,041
Depreciation expense	-	-	-	-
Interest expense	994,662	1,258,812	1,400,509	1,679,110
Total governmental activities expenses	<u>38,898,302</u>	<u>45,182,564</u>	<u>51,799,830</u>	<u>57,559,582</u>
Total primary government expenses	<u>\$ 38,898,302</u>	<u>\$ 45,182,564</u>	<u>\$ 51,799,830</u>	<u>\$ 57,559,582</u>
Program revenues:				
Governmental activities:				
Charges for services:				
General government	\$ 471,039	\$ 450,316	\$ 501,652	\$ 482,992
Public safety	1,019,992	1,066,612	1,122,727	1,316,682
Public works	20,014	25,324	29,270	23,643
General services	-	-	-	-
Culture and recreation	3,322,390	2,638,833	3,342,358	3,863,001
Community development	4,905,305	4,636,463	5,536,884	5,017,222
Operating grants and contributions	416,730	563,811	2,548,421	510,641
Capital grants and contributions	542,282	45,048,679	24,891,312	16,291,432
Total governmental activities program revenues	<u>10,697,752</u>	<u>54,430,038</u>	<u>37,972,624</u>	<u>27,505,613</u>
Total primary government program revenues	<u>\$ 10,697,752</u>	<u>\$ 54,430,038</u>	<u>\$ 37,972,624</u>	<u>\$ 27,505,613</u>
Net (Expense)/Revenue				
Governmental activities	<u>\$ (28,200,550)</u>	<u>\$ 9,247,474</u>	<u>\$ (13,827,206)</u>	<u>\$ (30,053,969)</u>
Total primary government net expense	<u>\$ (28,200,550)</u>	<u>\$ 9,247,474</u>	<u>\$ (13,827,206)</u>	<u>\$ (30,053,969)</u>

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

2008	2009	2010	2011	2012	2013
\$ 9,384,763	\$ 12,168,677	\$ 11,502,017	\$ 12,368,561	\$ 19,941,499	\$ 11,213,621
19,270,091	21,767,874	20,187,996	19,676,954	19,500,808	19,848,065
13,831,854	11,875,302	13,203,578	-	-	-
-	-	-	21,459,947	21,000,764	26,624,188
11,359,949	11,199,237	8,630,297	-	-	-
5,480,752	3,825,794	6,975,124	39,474,367	2,388,154	2,488,541
-	-	-	-	-	-
2,099,964	2,193,456	2,225,218	2,185,827	1,801,574	709,181
<u>61,427,373</u>	<u>63,030,340</u>	<u>62,724,230</u>	<u>95,165,656</u>	<u>64,632,799</u>	<u>60,883,596</u>
<u>\$ 61,427,373</u>	<u>\$ 63,030,340</u>	<u>\$ 62,724,230</u>	<u>\$ 95,165,656</u>	<u>\$ 64,632,799</u>	<u>\$ 60,883,596</u>
\$ 2,196,509	\$ 5,409,343	\$ 878,576	\$ 1,975,872	\$ 1,936,755	\$ 717,177
967,850	598,746	698,784	929,151	918,751	986,980
678,409	262,526	27,097	-	-	-
-	-	-	3,096,172	2,926,972	2,867,552
4,179,414	211,128	2,974,885	-	-	-
1,426,974	1,451,804	1,061,768	1,359,902	1,408,754	2,838,162
1,192,355	3,898,104	2,891,635	8,514,569	7,875,912	7,023,612
19,471,148	2,701,074	3,845,572	1,061,788	110,327	387,952
<u>30,112,659</u>	<u>14,532,725</u>	<u>12,378,317</u>	<u>16,937,454</u>	<u>15,177,471</u>	<u>14,821,435</u>
<u>\$ 30,112,659</u>	<u>\$ 14,532,725</u>	<u>\$ 12,378,317</u>	<u>\$ 16,937,454</u>	<u>\$ 15,177,471</u>	<u>\$ 14,821,435</u>
\$ (31,314,714)	\$ (48,497,615)	\$ (50,345,913)	\$ (78,228,202)	\$ (49,455,328)	\$ (46,062,161)
<u>\$ (31,314,714)</u>	<u>\$ (48,497,615)</u>	<u>\$ (50,345,913)</u>	<u>\$ (78,228,202)</u>	<u>\$ (49,455,328)</u>	<u>\$ (46,062,161)</u>

(continued)

City of Rocklin, California

Changes in Net Position

Last ten fiscal years

(Fiscal year ended June 30)

(Accrual basis of accounting)

	2004	2005	2006	2007
General Revenues and Other Changes in Net Position:				
Governmental activities:				
Taxes:				
Property taxes, levied for general purposes	\$ 8,374,684	\$ 11,930,652	\$ 13,077,447	\$ 15,143,507
Sales and use tax	6,484,553	5,611,018	5,032,904	6,505,180
Gas tax	3,038,425	3,431,137	4,048,413	1,735,645
Transient occupancy taxes	-	1,017,429	604,642	565,606
Other	1,822,047	1,552,253	1,592,552	4,876,889
Motor vehicle fees	2,003,039	3,566,850	3,755,883	3,841,341
Franchise fees	1,261,835	1,376,480	1,457,402	1,514,343
Impact fees	4,432,850	3,855,636	7,469,174	8,827,938
Investment earnings	1,586,360	3,818,710	3,152,136	5,749,228
Miscellaneous	823,886	1,111,581	1,687,041	1,155,580
Gain (loss) on sale of assets	-	-	(14,102)	34,431
Extraordinary gain on dissolution of redevelopment agency	-	-	-	-
Total governmental activities	<u>29,827,679</u>	<u>37,271,746</u>	<u>41,863,492</u>	<u>49,949,688</u>
Total primary government	<u>\$ 29,827,679</u>	<u>\$ 37,271,746</u>	<u>\$ 41,863,492</u>	<u>\$ 49,949,688</u>
Changes in Net Position				
Governmental activities	<u>\$ 1,627,129</u>	<u>\$ 46,519,220</u>	<u>\$ 28,036,286</u>	<u>\$ 19,895,719</u>
Total primary government	<u>\$ 1,627,129</u>	<u>\$ 46,519,220</u>	<u>\$ 28,036,286</u>	<u>\$ 19,895,719</u>

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

2008	2009	2010	2011	2012	2013
\$ 17,521,701	\$ 16,384,305	\$ 14,743,382	\$ 13,935,181	\$ 11,146,605	\$ 9,551,975
8,813,096	8,071,160	6,378,150	5,040,007	5,786,761	6,212,703
1,807,144	907,958	1,449,281	4,292,227	3,210,518	3,506,863
489,747	362,686	344,792	383,641	395,656	403,176
4,054,247	4,972,089	4,201,280	4,248,516	7,811,538	6,890,260
3,855,901	3,953,712	3,935,363	3,760,265	3,404,120	3,367,965
1,547,104	1,588,179	1,594,426	1,762,153	1,887,441	1,904,499
2,302,815	2,421,430	1,203,166	445,885	541,592	2,011,105
4,930,857	4,088,256	1,936,732	1,543,512	1,263,775	1,588,595
-	-	-	-	-	426,653
-	-	-	-	-	-
-	-	-	-	10,471,411	-
<u>45,322,612</u>	<u>42,749,775</u>	<u>35,786,572</u>	<u>35,411,387</u>	<u>45,919,417</u>	<u>35,863,794</u>
<u>\$ 45,322,612</u>	<u>\$ 42,749,775</u>	<u>\$ 35,786,572</u>	<u>\$ 35,411,387</u>	<u>\$ 45,919,417</u>	<u>\$ 35,863,794</u>
\$ 14,007,898	\$ (5,747,840)	\$ (14,559,341)	\$ (42,816,815)	\$ (3,535,911)	\$ (10,198,367)
<u>\$ 14,007,898</u>	<u>\$ (5,747,840)</u>	<u>\$ (14,559,341)</u>	<u>\$ (42,816,815)</u>	<u>\$ (3,535,911)</u>	<u>\$ (10,198,367)</u>

(concluded)

City of Rocklin, California
Fund Balances, Governmental Funds

Last ten fiscal years
(Fiscal year ended June 30)

	2004	2005	2006	2007
General Fund				
Nonspendable	\$ 202,126	\$ 222,338	\$ 244,572	\$ 5,369,029
Committed	6,518,097	9,122,917	11,300,720	13,814,541
Unassigned	19,260,657	21,108,235	20,084,521	15,215,200
Total general fund	<u>25,980,880</u>	<u>30,453,490</u>	<u>31,629,813</u>	<u>34,398,770</u>
All Other Governmental Funds				
Nonspendable	\$ 2,622,843	\$ 2,758,352	\$ 2,960,864	\$ 3,132,866
Restricted	57,364,554	69,041,506	51,437,156	57,362,464
Assigned	6,482,459	4,032,095	5,757,378	4,055,406
Unassigned (deficit)	(263,578)	(2,702,088)	(3,909,280)	(3,794,895)
Total all other governmental funds	<u>66,206,278</u>	<u>73,129,865</u>	<u>56,246,118</u>	<u>60,755,841</u>
Total all governmental funds	<u>\$ 92,187,158</u>	<u>\$ 103,583,355</u>	<u>\$ 87,875,931</u>	<u>\$ 95,154,611</u>

2008	2009	2010	2011	2012	2013
\$ 2,061,255	\$ 1,867,628	\$ 1,823,650	\$ 6,048,708	\$ 948,708	\$ 1,408,708
14,000,822	18,576,558	18,063,861	14,161,064	12,982,200	11,482,196
20,170,526	14,718,374	13,358,257	13,534,025	15,019,151	18,508,134
<u>36,232,603</u>	<u>35,162,560</u>	<u>33,245,768</u>	<u>33,743,797</u>	<u>28,950,059</u>	<u>31,399,038</u>
\$ 491,000	\$ 10,141,531	\$ 11,752,089	\$ 12,870,770	\$ 1,003,014	\$ 2,569,610
56,637,710	40,652,117	35,839,982	17,618,113	15,080,911	14,539,426
3,610,834	3,674,164	3,658,407	18,464,493	19,665,360	20,538,696
(4,967,897)	(6,749,516)	(8,573,488)	(8,674,542)	(5,865,220)	(5,617,610)
<u>55,771,647</u>	<u>47,718,296</u>	<u>42,676,990</u>	<u>40,278,834</u>	<u>29,884,065</u>	<u>32,030,122</u>
<u>\$ 92,004,250</u>	<u>\$ 82,880,856</u>	<u>\$ 75,922,758</u>	<u>\$ 74,022,631</u>	<u>\$ 58,834,124</u>	<u>\$ 63,429,160</u>

City of Rocklin, California

Changes in Fund Balances, Governmental Funds

Last ten fiscal years

(Fiscal year ended June 30)

(Modified accrual basis of accounting)

	2004	2005	2006
Revenues:			
Taxes and assessments	\$ 22,268,208	\$ 25,174,353	\$ 29,103,934
Licenses and permits	3,323,649	2,763,428	3,907,127
Fines, forfeitures and penalties	212,659	214,119	205,709
Intergovernmental	1,586,363	3,818,710	2,875,891
Use of money and property	6,122,756	7,931,410	9,498,950
Charges for services	6,187,910	28,971,348	6,250,237
Contributions from developers and homeowners	-	21,716,831	25,272,727
Other revenues	823,886	1,111,585	1,803,980
Total revenues	\$ 40,525,431	\$ 91,701,784	\$ 78,918,555
Expenditures:			
General government	\$ 6,764,267	\$ 6,261,000	\$ 8,255,800
Public safety	10,419,285	13,440,469	15,366,655
Public works	2,794,755	2,793,855	3,633,435
General services	-	-	-
Culture and recreation	7,197,243	8,005,293	10,545,557
Community development	3,466,691	4,635,729	4,503,658
Capital outlay	14,356,753	42,697,281	58,344,090
Debt service:			
Principal	920,315	859,849	3,961,813
Interest and fiscal charges	1,444,546	1,681,075	1,914,971
Total expenditures	\$ 47,363,855	\$ 80,374,551	\$ 106,525,979
Reconciliation of Governmental Revenues			
Less Expenditures to Fund Equity:			
Revenues over (under) expenditures	\$ (6,838,424)	\$ 11,327,233	\$ (27,607,424)
Other financing sources (uses):			
PERS side fund payoff	-	-	-
Extraordinary loss on dissolution of redevelopment	-	-	-
Gain (loss) on sale of assets	-	-	-
Transfers to Internal Service Funds	59,773	-	-
Residual equity transfers	-	-	-
Proceeds of debt issued (refunds)	4,739,176	(4,000)	11,900,000
Total other financing sources (uses)	4,798,949	(4,000)	11,900,000
Net change in fund balances	\$ (2,039,475)	\$ 11,323,233	\$ (15,707,424)
Debt service as a percentage of noncapital expenditures	8%	7%	14%

2007	2008	2009	2010	2011	2012	2013
\$ 34,163,786	\$ 40,391,755	\$ 38,661,519	\$ 28,990,898	\$ 31,194,723	\$ 31,273,388	\$ 32,533,333
3,011,762	1,594,170	1,988,941	1,877,390	2,051,659	978,892	1,234,248
343,526	255,774	355,926	322,076	290,302	200,457	155,846
5,651,430	2,236,983	3,999,483	7,330,605	8,012,591	4,495,057	6,381,554
12,460,523	4,930,857	4,088,256	1,937,512	1,939,533	1,726,567	2,245,163
7,078,697	5,144,855	3,576,100	3,763,720	3,670,824	3,971,307	4,739,901
13,096,873	18,426,520	1,532,596	867,288	391,375	449,309	770,016
2,029,872	2,454,357	3,079,679	3,073,887	5,300,613	4,595,282	2,568,058
<u>\$ 77,836,469</u>	<u>\$ 75,435,271</u>	<u>\$ 57,282,500</u>	<u>\$ 48,163,376</u>	<u>\$ 52,851,620</u>	<u>\$ 47,690,259</u>	<u>\$ 50,628,119</u>
\$ 9,342,700	\$ 8,623,207	\$ 9,038,183	\$ 7,250,768	\$ 7,407,257	\$ 7,882,485	\$ 6,816,545
17,862,380	19,463,346	20,193,534	18,833,510	18,322,468	18,158,522	18,326,323
3,680,194	4,690,723	3,875,990	4,699,101	-	-	-
-	-	-	-	12,173,194	10,075,239	16,953,922
10,169,630	10,393,591	9,855,464	7,557,599	-	-	-
4,399,735	8,480,771	7,633,718	6,975,124	3,817,974	2,388,154	2,488,541
26,546,570	23,484,206	15,454,132	6,736,882	8,347,901	2,757,092	3,457,179
1,313,686	1,345,000	1,630,000	2,020,000	2,497,869	2,075,000	1,000,000
2,451,779	2,104,788	2,207,710	2,292,870	2,185,827	1,458,496	720,659
<u>\$ 75,766,674</u>	<u>\$ 78,585,632</u>	<u>\$ 69,888,731</u>	<u>\$ 56,365,854</u>	<u>\$ 54,752,490</u>	<u>\$ 44,794,988</u>	<u>\$ 49,763,169</u>
\$ 2,069,795	\$ (3,150,361)	\$ (12,606,231)	\$ (8,202,478)	\$ (1,900,870)	\$ 2,895,271	\$ 864,950
-	-	-	-	-	(4,517,258)	-
-	-	-	-	-	(13,566,520)	-
-	-	-	1,513	750	-	5,000
78,885	-	-	242,867	(8)	-	-
-	-	-	-	-	-	-
5,130,000	-	3,482,837	1,000,000	-	-	-
<u>5,208,885</u>	<u>-</u>	<u>3,482,837</u>	<u>1,244,380</u>	<u>742</u>	<u>(18,083,778)</u>	<u>5,000</u>
<u>\$ 7,278,680</u>	<u>\$ (3,150,361)</u>	<u>\$ (9,123,394)</u>	<u>\$ (6,958,098)</u>	<u>\$ (1,900,128)</u>	<u>\$ (15,188,507)</u>	<u>\$ 869,950</u>
<u>8%</u>	<u>7%</u>	<u>8%</u>	<u>10%</u>	<u>11%</u>	<u>9%</u>	<u>4%</u>

City of Rocklin, California

Assessed Value and Actual Value of Taxable Property

For the last ten fiscal years

City of Rocklin:	Secured	Public Utility	Unsecured	Total	Total Direct Tax Rate
FY 03-04	4,331,413,033	4,719,545	95,548,686	4,431,681,264	1.0000
FY 04-05	5,054,741,098	7,432,725	125,189,070	5,187,362,893	1.0000
FY 05-06	5,881,267,000	6,994,849	135,840,714	6,024,102,563	1.0000
FY 06-07	6,518,268,942	6,880,459	147,020,654	6,672,170,055	1.0000
FY 07-08	7,086,920,204	6,351,556	153,871,342	7,247,143,102	1.0000
FY 08-09	7,262,312,429	6,351,556	167,996,712	7,436,660,697	1.0000
FY 09-10	6,937,855,555	8,476,688	151,986,395	7,098,318,638	1.0000
FY 10-11	6,437,055,124	8,476,688	149,331,796	6,594,863,608	1.0000
FY 11-12	6,213,199,580	8,476,688	124,161,157	6,345,837,425	1.0000
FY 12-13	6,143,416,610	8,476,688	124,062,108	6,275,955,406	1.0000

All above are Full Value (100%)

Source: Placer County Assessor

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City of Rocklin, California

Direct and Overlapping Property Tax Rates

For the last ten fiscal years

(Rate per \$100 of assessed value)

	Direct Rates		Overlapping Rates		
	Basic Rate	Total Direct	Loomis Elementary	Placer County	Placer Union
				Water Agency	High
FY 03-04	1.0000	1.0000	0.0345	0.0041	0.0148
FY 04-05	1.0000	1.0000	0.0303	0.0034	0.0146
FY 05-06	1.0000	1.0000	0.0264	0.0010	0.0142
FY 06-07	1.0000	1.0000	0.0211	0.0000	0.0223
FY 07-08	1.0000	1.0000	0.0189	0.0000	0.0200
FY 08-09	1.0000	1.0000	0.0209	0.0000	0.0201
FY 09-10	1.0000	1.0000	0.0209	0.0000	0.0218
FY 10-11	1.0000	1.0000	0.0273	0.0000	0.0265
FY 11-12	1.0000	1.0000	0.0184	0.0000	0.0263
FY 12-13	1.0000	1.0000	0.0236	0.0000	0.0285

Source: Placer County Assessor 2001/02 - 2011/11 Tax Rate Table

Overlapping Rates

Rocklin Unified School District	Roseville Elementary	Roseville High	Total Tax Rate
0.0828	0.0362	0.0218	1.1942
0.0815	0.0306	0.0201	1.1805
0.0688	0.0359	0.0384	1.1847
0.0000	0.0236	0.0272	1.0942
0.0750	0.0285	0.0294	1.1718
0.0754	0.0290	0.0321	1.1775
0.0843	0.0325	0.0359	1.1954
0.1113	0.0418	0.0431	1.2500
0.1293	0.0467	0.0420	1.2627
0.1362	0.0535	0.0446	1.2864

City of Rocklin, California

Principal Property Tax Payers

Current year and nine years ago

Property Owner	Primary Land Use	2012-13			2003-04		
		Assessed Valuation ¹	Rank	% of Total	Assessed Valuation	Rank	% of Total
MGP X Properties LLC	Commercial	\$ 62,370,791	1	0.99%			
Meridian Apartments LP	Residential	48,262,898	2	0.77			
Demmon Rocklin Ranch Partners LP	Residential	33,971,853	3	0.54	45,798,388	3	1.03
Sunset Court at Stanford Ranch-344 LLC	Residential	31,343,200	4	0.50	\$ 27,356,944	4	0.62
Evergreen Rocklin Land Joint Venture	Vacant	29,810,000	5	0.47			
Rocklin MSL LLC	Institutional	28,441,884	6	0.45			
Montessa at Rocklin LLC	Residential	27,553,000	7	0.44			
United Natural Foods Inc.	Industrial	27,149,300	8	0.43			
Winsted Partners LLC	Residential	25,574,811	9	0.41	23,041,260	6	0.52
Williams Portfolio 8	Residential	24,772,170	10	0.39			
Sierrapine	Industrial				51,684,732	1	1.17
UBS Lease Finance LLC	Commercial				46,292,058	2	1.04
Cal Stanford Oaks LLC	Recreational				26,564,211	5	0.60
Richmond American Homes of CA	Vacant				19,920,408	7	0.45
Safeway, Inc.	Commercial				18,626,406	8	0.42
Bre Properties Inc	Residential				16,630,789	9	0.38
John W. Heckenlively Trustee et al	Residential				16,395,663	10	0.37
		<u>\$ 339,249,907</u>		<u>5.41</u>	<u>\$ 292,310,859</u>		<u>6.60%</u>

Source(s): HdL Coren and Cone and Placer County Assessor 2012/13 Combined Tax Rolls and the SBE Non Unitary Tax Roll and Placer County Assessor 2003/04 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, California
Property Tax Levies and Collections
For the last ten fiscal years

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2004	22,268,208	22,268,208	100%	-	22,268,208	100%
2005	25,174,353	25,174,353	100%	-	25,174,353	100%
2006	29,103,934	29,103,934	100%	-	29,103,934	100%
2007	34,163,786	34,163,786	100%	-	34,163,786	100%
2008	40,391,755	40,391,755	100%	-	40,391,755	100%
2009	38,661,519	38,661,519	100%	-	38,661,519	100%
2010	28,990,898	28,990,898	100%	-	28,990,898	100%
2011	31,194,723	31,194,723	100%	-	31,194,723	100%
2012	31,273,388	31,273,388	100%	-	31,273,388	100%
2013	32,533,333	32,533,333	100%	-	32,533,333	100%

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, California
Ratios of Outstanding Debt by Type
For the last ten fiscal years

Fiscal Year Ended June 30,	Governmental Activities					Total Primary Government	Percentage of Personal Income	Per Capita
	Capital Leases	Promissory Notes	Certificates of Participation	Refunding Revenue Bonds	Tax Allocation Bonds			
2004	39,837	750,000	6,650,000	14,030,000	16,180,000	37,649,837	3%	756.70
2005	-	650,000	6,420,000	13,790,000	15,975,000	36,835,000	4%	722.58
2006	-	550,000	5,985,000	13,300,000	24,985,000	44,820,000	3%	873.65
2007	-	450,000	5,545,000	12,795,000	29,610,000	48,400,000	3%	924.41
2008	-	350,000	5,095,000	11,760,000	29,065,000	46,270,000	4%	855.63
2009	-	250,000	4,635,000	11,760,000	29,065,000	45,710,000	4%	831.23
2010	-	-	4,165,000	11,225,000	28,500,000	43,890,000	5%	783.48
2011	-	-	3,680,000	10,680,000	27,915,000	42,275,000	5%	725.19
2012	-	-	3,275,000	10,115,000	-	13,390,000	13%	229.61
2013	-	-	2,860,000	9,530,000	-	12,390,000		

Source: City financial records

City of Rocklin, California

Direct and Overlapping Debt

June 30, 2013

2012-13 Assessed Valuation:		\$ 6,278,702,436	
Overlapping Tax and Assessment Debt:	<u>Total Debt</u>	<u>% Applicable ⁽¹⁾</u>	<u>City's Share of Debt</u>
Rocklin Unified School District	\$ 69,463,935	98.444%	\$ 68,383,076
Placer Union High School District	32,534,040	1.270	413,182
Roseville Joint Union High School District	89,038,664	0.048	42,739
Loomis Union School District	5,600,000	5.000	280,000
Roseville City School District	27,472,522	0.087	23,901
Rocklin Unified School District Community Facilities District Nos. 1 and 2	56,441,924	99.045-100.000	56,317,681
City of Rocklin Community Facilities District No. 3	10,435,000	100.000	10,435,000
City of Rocklin Community Facilities District No. 6	1,515,000	100.000	1,515,000
City of Rocklin Community Facilities District No. 7	2,086,721	100.000	2,086,721
City of Rocklin Community Facilities District No. 8	3,920,000	100.000	3,920,000
City of Rocklin Community Facilities District No. 9	4,665,000	100.000	4,665,000
City of Rocklin Community Facilities District No. 10	22,280,000	100.000	22,280,000
City of Rocklin Community Facilities District No. 11	9,355,000	100.000	9,355,000
California Statewide Community Development Authority 1915 Act Bonds	5,294,923	Various	2,810,085
Total overlapping tax and assessment debt			<u>\$ 182,527,385</u>
Direct and Overlapping General Fund Debt:			
Placer County Certificates of Participation	\$ 43,720,000	12.098%	5,289,246
Placer County Office of Education Certificates of Participation	1,970,000	12.098	238,331
Sierra Joint Community College District Certificates of Participation	10,793,000	8.949	965,866
Rocklin Unified School District Certificates of Participation	19,380,000	98.444	19,078,447
Placer Union High School District Certificates of Participation	6,390,000	1.270	81,153
Roseville Joint Union High School District Certificates of Participation	2,620,000	0.048	1,258
Loomis Union School District Certificates of Participation	3,995,000	4.030	160,999
Roseville City School District Certificates of Participation	11,300,000	0.087	9,831
City of Rocklin Certificates of Participation	2,860,000	100.000	2,860,000
Placer Mosquito & Vector Control District Certificates of Participation	4,300,000	12.098	520,214
Total direct and overlapping general fund debt			<u>29,205,345</u>
Overlapping Tax Increment Debt (Successor Agency)	<u>\$ 26,685,000</u>	100.000%	<u>\$ 26,685,000</u>
Total direct debt			\$ 2,860,000
Total overlapping debt			\$ 235,557,730
Combined Total Debt			\$ 238,417,730 ⁽²⁾
Ratios to Assessed Valuation:			
Total Overlapping Tax and Assessment Debt		2.91%	
Total Direct Debt		0.05%	
Combined Total Debt		3.80%	
Ratios to Redevelopment Successor Agency Incremental Valuation (\$408,710,622):			
Total Overlapping Tax Increment Debt		6.53%	

⁽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,

City of Rocklin, California

Legal Debt Margin Information

Last ten fiscal years

(Dollars in thousands)

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Debt limit	\$ 649,711,955	\$ 758,211,165	\$ 882,190,050	\$ 977,740,341
Total net debt applicable to limit	-	-	-	-
Legal debt margin	<u>\$ 649,711,955</u>	<u>\$ 758,211,165</u>	<u>\$ 882,190,050</u>	<u>\$ 977,740,341</u>
Total net debt applicable to the limit as a percentage of debt limit	0%	0%	0%	0%

Legal Debt Margin Calculation for Fiscal Year 2013

Assessed value - based on secured roll	\$ 6,143,416,610
Debt limit (15% of assessed value)	\$ 921,512,492
Debt applicable to limit:	
None	<u>-</u>
Legal debt margin	<u>\$ 921,512,492</u>

2008	2009	2010	2011	2012	2013
\$ 1,063,038,031	\$ 1,089,346,864	\$ 1,040,678,333	\$ 965,558,269	\$ 931,979,937	\$ 921,512,492
-	-	-	-	-	-
<u>\$ 1,063,038,031</u>	<u>\$ 1,089,346,864</u>	<u>\$ 1,040,678,333</u>	<u>\$ 965,558,269</u>	<u>\$ 931,979,937</u>	<u>\$ 921,512,492</u>
0%	0%	0%	0%	0%	0%

City of Rocklin, California

Demographic and Economic Statistics

Last ten calendar years

Calendar Year	Population	Per Capita Personal Income	Personal Income (In Thousands)	Unemployment Rate
2004	49,755	30,659	1,525,444	3.3
2005	50,977	32,981	1,681,251	3.1
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	58,316	33,015	1,930,849	5.2
2013	58,484	33,806	1,995,568	5.3

Source: Population: California State Department of Finance. Unemployment Data: California Employment Development Department 2000-2009 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, California

Principal Employers

Current year and one year ago

Employer	2012-2013			2011- 2012		
	Employees	Rank	Percentage of Top 15 Employment	Employees	Rank	Percentage of Top 15 Employment
Rocklin Unified School District	1000	1	23.28%	861	1	20.04%
Oracle	799	2	18.60%	622	2	14.48%
Sierra College	491	3	11.43%	481	3	11.20%
Esurance	341	4	7.94%	-	-	-
City of Rocklin	224	5	5.21%	226	5	5.26%
Walmart	214	6	4.98%	-	-	-
K-LOVE Radio	205	7	4.77%	290	4	6.75%
R.C. Willey	165	8	3.84%	133	7	3.10%
Gold Country Broker	145	9	3.38%	-	-	-
Ecorp Consulting	134	10	3.12%	145	6	3.38%
Trofholz Technologies	132	11	3.07%	30	11	0.70%
Financial Pacific Insurance Group	121	12	2.82%	112	9	2.61%
Verifone	115	13	2.68%	118	8	2.75%
Builders & Tradesmen's Insurance Services	110	14	2.56%	96	10	2.23%
Group Delta Consultants	100	15	2.33%	-	-	-
Total	<u>4,296</u>			<u>3,114</u>		

Source: City Business License records

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