



City of Rocklin, California

Comprehensive Annual Financial Report

June 30, 2015

Prepared by:

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

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**CITY OF ROCKLIN
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE YEAR ENDED JUNE 30, 2015**

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INRODUCTORY SECTION

**CITY OF ROCKLIN**

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

April 26, 2016

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

This Comprehensive Annual Financial Report (CAFR) for the City of Rocklin, California (the City), for the Fiscal Year ended June 30, 2015 is hereby submitted for your review. We are pleased to inform you our auditors, Chavan & Associates, LLP, have issued an unmodified (“clean”) opinion on the City’s financial statements for the year ended June 30, 2015. The independent auditor’s report is presented as the first item in the financial section of the report.

Management assumes all responsibility for the completeness and reliability of the information presented in this report. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and present fairly the respective financial position and changes of the City, as of June 30, 2015.

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

PROFILE OF THE CITY

The City, incorporated in 1893, is located on Interstate 80 and Highway 65, 20 miles northeast of Sacramento at the base of the Sierra foothills in Placer County, California. The City encompasses 20 square miles and as of 2015 had a population of 60,252. The City has been historically known as a safe community with low crime rates, excellent schools, and beautiful parks. It is home to the accredited Sierra College and an accredited private institution of higher education; William Jessup University. The City continues to be a leader in providing excellent services, a safe community, and a high quality of life.

The City provides the following public services: public safety (police, fire), planning and zoning, construction and maintenance of streets, parks, storm drains and other infrastructure, culture and recreation, economic development and general administrative services. The City maintains a website located at: <https://www.rocklin.ca.us> that provides online services and extensive information about the City.

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

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

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

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

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

ECONOMIC FACTORS AND OUTLOOK

The City of Rocklin continued to show economic improvements during the 2014/2015 fiscal year. New residential and commercial development activity brought an increase in population and job growth. The unemployment rate for the City dropped to 4.9% in 2015. Sales Tax revenue increased 20.4%. Increases in property values resulted in an increase in Property Tax revenues of 11.5% over the previous year. The

City is expected to show continued economic improvements in the next fiscal year which will result in additional property and sales tax growth. The City is projecting a 4.7% increase in property taxes and 12.9% increase in sales tax for fiscal year 2015/2016.

ACKNOWLEDGMENTS

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

Respectfully submitted,



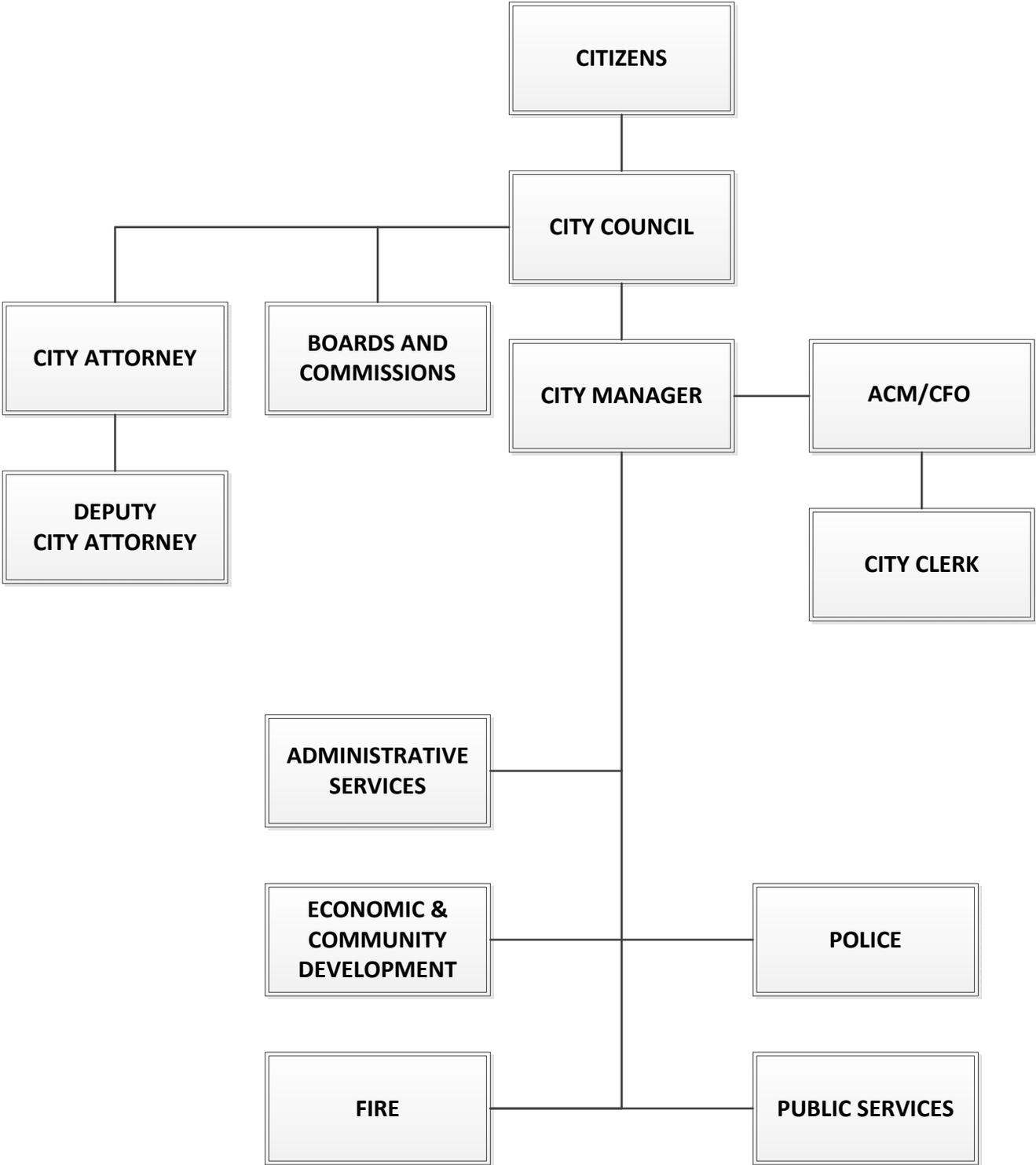
Kim Sarkovich
Assistant City Manager/Chief Financial Officer



Mary Rister
Finance Officer

City of Rocklin

Organizational Chart



City of Rocklin
Comprehensive Annual Financial Report
For the year ended June 30, 2015

List of Officials - Current

City Council

	<u>Term Expires</u>
Greg Janda, Mayor	November 2016
Dave Butler, Vice Mayor	November 2016
George Magnuson, Councilmember	November 2016
Diana Ruslin, Councilmember	November 2018
Scott Yuill, Councilmember	November 2018

City Officials

	<u>Position</u>
Ricky A. Horst	City Manager
Ron Lawrence	Chief of Police
Kurt Snyder	Interim Fire Chief
Kim Sarkovich	Assistant City Manager/Chief Financial Officer
Russell E. Hildebrand	City Attorney
Barbara Ivanusich	City Clerk



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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Rocklin (the "City"), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Rocklin, as of June 30, 2015, 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

Comparative Information

The financial statements of the City for the year ended June 30, 2014, were audited by another auditor who expressed an unmodified opinion on those statements on February 2, 2015.



Required Supplementary Information

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

Supplementary Information

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

New Accounting Principles

As discussed in Notes 1 and 9 to the financial statements, the City adopted the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, effective June 30, 2015 and GASB Statement No 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date—an amendment of GASB Statement No. 68*.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 22, 2015 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

C & A LLP

October 22, 2015
San Jose, California



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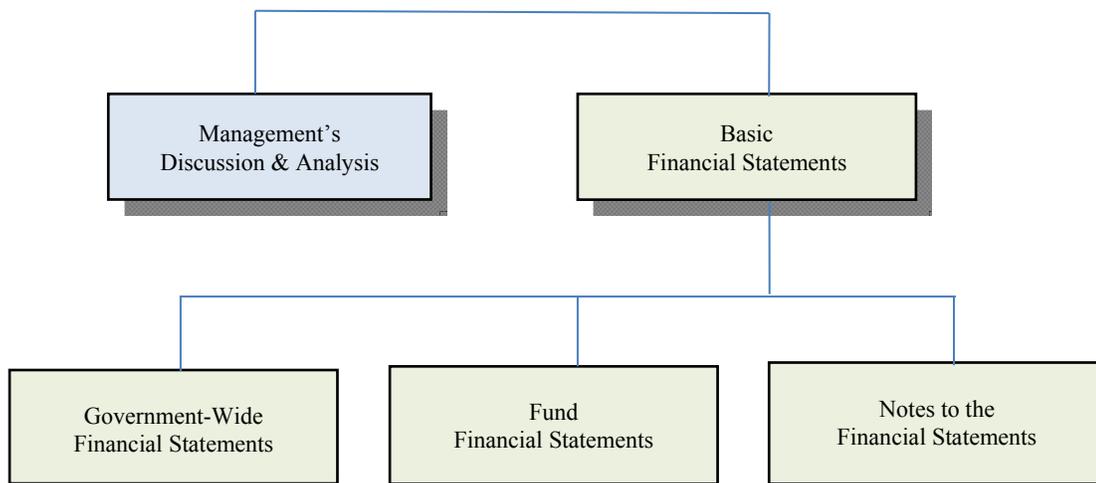
**MANAGEMENT'S DISCUSSION
AND ANALYSIS**

INTRODUCTION

The Management’s Discussion and Analysis (MD&A) is a required section of the City’s Comprehensive Annual Financial Report, as shown in the overview below. The purpose of the MD&A is to present a discussion and analysis of the City’s financial performance during the fiscal year that ended on June 30, 2015. This report will (1) provide an overview of the City’s financial activity, (2) identify changes in the City’s financial position, (3) focus on significant financial issues, (4) identify any individual fund issues or concerns, and (5) provide descriptions of significant asset and debt activity.

This information, presented in conjunction with the Basic Financial Statements is intended to provide a comprehensive understanding of the City’s operations and financial standing.

Required Components of the Comprehensive Annual Financial Report



FISCAL YEAR 2014/2015 FINANCIAL HIGHLIGHTS

- As of the close of the fiscal year 2014/2015, the assets and deferred outflows of the City exceeded liabilities and deferred inflows by \$317.7 million (government-wide net position).
- In December 2015, Fitch Ratings affirmed the City’s ratings of “AAA” for general obligation bonds and “AA+” for Certificates of Participation with a stable outlook. In addition, the City has maintained its Standard and Poor’s ratings of “AA+” for general obligation bonds and “AA” for Certificates of Participation.
- The unassigned fund balance in the General Fund decreased 6% from the prior year amount of \$7.1 million to \$6.7 million, primarily due to increases in committed balances for Operating Reserve and Retiree’s Health Insurance Reserve.
- General Fund revenues were \$39.23 million, while General Fund expenditures were \$42.14 million. Transfers in to the General Fund from other funds were \$5.76 million and transfers out totaled \$2.10 million, resulting in a Net Change in General Fund Balance of \$743,461.
- The City’s Government-Wide General Revenues increased 14% from \$38.5 million to \$43.9 million from the prior year. General revenues include items such as property tax, sales tax, gas tax, motor vehicle fees, franchise fees, impact fees, investment earnings, and other revenues.

- The City's Government-Wide expenses increased 2% from \$62.3 million to 63.7 million from the prior year, due mainly to increases in General Services Expenses.
- The City continued toward its goal of fully funding the City's Other Post Employment Benefit (OPEB) obligation by making contributions during the fiscal year to the California Employers' Retiree Benefit Trust (CERBT). The CERBT is a tax-qualified irrevocable trust established to prefund retiree health benefits. During the fiscal year, the City contributed \$2.3 million to the CERBT.
- Beginning in fiscal year 2014/2015, the City implemented the provisions of GASB 68, which required the City's net pension obligation to be reported in the Government-Wide Financial Statements. Significant impacts of this implementation are summarized below:
 - As reported on the Statement of Activities, a prior period reduction of \$33.9 million was necessary to restate the beginning of the year net position of \$354.9 million to \$321.0 million as a result of recording the City's net pension obligation.
 - The City's net pension obligation of \$30.078 million was added to the Statement of Net Position as a noncurrent liability resulting in a total Net Position of \$317.7 million as of June 30, 2015.
 - Unrestricted net position decreased from \$26.6 million as of June 30, 2014 to negative \$7.4 million as of June 30, 2015 (reduction of \$34.0 million).
- In addition to proactively addressing the OPEB obligation, the city has been proactively addressing the Pension obligation. One new effort, which the City instituted is a new key management practice, "Unfunded Pension Liability Reduction", which utilizes 50% of any increase in General fund unassigned (unreserved) fund balance as of the Fiscal Year-end to pay down the City's unfunded pension liability.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Basic Financial Statements are comprised of 1) Government-wide (City-wide) Financial Statements, 2) Fund Financial Statements, and; (3) Notes to the Financial Statements. The Government-wide and Fund Financial statements provide the reader two different perspectives of the City's financial activities and financial position.

The Government-Wide Financial Statements

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

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

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

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

Fund Financial Statements

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

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

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

Governmental Funds – The City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances available at year-end. Financial statements are prepared on the modified accrual basis, which means they measure only current financial resources and uses. Carrying amounts for capital assets and other long-lived assets, along with long-term liabilities are not presented on the balance sheet in the governmental fund financial statements. Unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the City's near-term financing requirements. For fiscal year 2014/2015, the City had 4 major funds, 16 non-major special revenue funds, 6 non-major capital projects funds, and 2 permanent funds.

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

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reported in the Government-Wide financial statements because the resources of these funds are not available to support the City of Rocklin's own programs. The accounting for fiduciary funds is much like that used for business type activities. For fiscal year 2014/2015, the City had one private purpose trust fund and 8 agency funds.

NOTES TO THE FINANCIAL STATEMENTS

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

REQUIRED SUPPLEMENTARY INFORMATION

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

SUPPLEMENTARY INFORMATION

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as an indicator of the City's financial position. The City's Total Net Position decreased \$37.2 million, from \$354.9 million in fiscal year 2013/2014 to \$317.7 million in fiscal year 2014/2015. A significant portion of the City's net position (\$302.6 million) was net investment in capital assets, (e.g., land, buildings, general government infrastructure, equipment, and vehicles) net of accumulated depreciation and reduced by any related debt used to acquire or construct those assets. The City uses capital assets to provide services to its citizens and therefore these assets are not available for future spending.

As mentioned previously, the City implemented GASB 68 as of June 30, 2015, which resulted in a decrease to beginning net position of \$33.9 million. The City's Net Pension obligation as of June 30, 2015 is \$30.078 million which is included in the \$62.65 million Noncurrent Liabilities total below. Total Net Position decreased \$37.2 million to \$317.7 million primarily as a result of the recordation of the Net Pension obligation. See note 9 for detailed information related to the Plans and GASB 68.

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

Table 1 - Net Position				
	Governmental Activities		Dollar	Percent
	2015	2014	Change	Change
Assets				
Current and other assets	\$ 78,293,509	\$ 82,278,701	\$ (3,985,192)	-4.8%
Capital assets - net	312,913,713	314,833,919	(1,920,206)	-0.6%
Total Assets	\$ 391,207,222	\$ 397,112,620	\$ (5,905,398)	-1.5%
Deferred Outflows of Resources				
	\$ 5,763,071	\$ -	\$ 5,763,071	100.0%
Liabilities				
Current and other liabilities	\$ 9,090,340	\$ 7,187,968	\$ 1,902,372	26.5%
Noncurrent liabilities	62,652,013	34,977,260	27,674,753	79.1%
Total Liabilities	\$ 71,742,353	\$ 42,165,228	\$ 29,577,125	70.1%
Deferred Inflows of Resources				
	\$ 7,529,639	\$ -	\$ 7,529,639	100.0%
Net Position				
Net investment in capital assets	\$ 302,623,713	\$ 303,473,919	\$ (850,206)	-0.3%
Restricted	22,509,945	24,905,118	(2,395,173)	-9.6%
Unrestricted	(7,435,357)	26,568,355	(34,003,712)	-128.0%
Total Net Position	\$ 317,698,301	\$ 354,947,392	\$ (37,249,091)	-10.5%

Governmental Activities

As shown in the *Statement of Activities* schedule below, the net change in program revenues from the prior fiscal year for governmental activities is a decrease of \$2.7 million. The net change in general revenues from the prior year is an increase of \$5.4 million, for a total increase in revenues (excluding special items) of \$2.7 million. The net change in expenses from the prior year was an increase of \$1.4 million. As shown below, there was a one-time transfer, in 2013/2014, of \$11.5 million from the Successor Agency to the City related to the housing program.

With total program, general revenues and special item for fiscal year 2014/2015 at \$60.4 million and total expenses at \$63.7 million, the change in net position for current activity was a decrease of \$3.3 million, excluding the prior period adjustments totaling \$33.9 million from GASB 68.

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

Table 2 - Statement of Activities

Functions/Programs	Governmental Activities		Dollar Change	Percent Change
	2015	2014		
Program Revenues				
Charges for services	\$ 11,215,081	\$ 11,318,711	\$ (103,630)	-0.92%
Operating grants and contributions	5,280,395	5,027,116	253,279	5.04%
Capital grants and contributions	185,434	3,031,936	(2,846,502)	-93.88%
Total Program Revenues	16,680,910	19,377,763	(2,696,853)	-13.92%
General Revenues				
Taxes and assessments	41,224,189	36,792,420	4,431,769	12.05%
Investment earnings	1,789,996	1,531,756	258,240	16.86%
Other revenues	868,893	156,152	712,741	456.44%
Total General Revenues	43,883,078	38,480,328	5,402,750	14.04%
Special Item Loss on Disposal of Capital Assets	(189,630)	-	(189,630)	-100.00%
Special Item Transfer from Successor Agency	-	11,481,353	(11,481,353)	-100.00%
Total General Revenues and Special Item	43,693,448	49,961,681	(6,268,233)	-12.55%
Expenses				
General government	12,774,913	12,616,551	158,362	1.26%
Public safety	18,646,375	20,157,508	(1,511,133)	-7.50%
General services	29,624,287	26,870,694	2,753,593	10.25%
Community development	2,070,085	2,111,334	(41,249)	-1.95%
Interest on fiscal charges	570,731	521,835	48,896	9.37%
Total Expenses	63,686,391	62,277,922	1,408,469	2.26%
Increase / (Decrease) in Net Position	(3,312,033)	7,061,522	(10,373,555)	-146.90%
Prior Period Adjustments	(33,937,058)	-	(33,937,058)	-100.00%
Net Position, Beginning of Year	354,947,392	347,885,870	7,061,522	2.03%
Net Position, End of Year	\$ 317,698,301	\$ 354,947,392	\$ (37,249,091)	-10.49%

Governmental Revenues

Significant changes in governmental revenues consisted of the following:

- Capital grants and contributions decreased by \$2.8 million (94%) as a result of completion of grant funded Infrastructure projects completed in 2013/2014.
- Taxes, including assessments and related fees, increased by \$4.4 million (12%) from increases in property taxes, special assessments, transient tax, sales tax and impact fees.
- Investment earnings increased by \$258,240 (12%) from interest received on housing loans, partially offset by market fluctuations.
- Other Revenues increased \$712,741 (456%) primarily due to the City receiving Mandated Payments from the State of California.
- In 2013/2014, the City of Rocklin became the housing successor for the former Rocklin Redevelopment Agency. As a result, there was a onetime transfer of \$11.5 million from the Successor Agency to the City for the housing program.

Governmental Expenses

Significant changes in governmental expenses consisted of the following:

- General Service expenses increased by \$2.8 million (10%) due to an increase in depreciation expense on capital assets of \$3.3 million, net of the GASB 68 expense decrease of \$371,867. The increased depreciation was a result of recently completed infrastructure projects being depreciated in 2014/2015.

FINANCIAL ANALYSIS OF THE CITY’S FUNDS

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

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

	Major Funds					Total
	General Fund	Rocklin Public Financing Authority Debt Service Fund	Low and Moderate Income Housing Asset Fund	Traffic Circulation Impact Fee Fund	Nonmajor Governmental Funds	
Total Revenues	\$ 39,225,040	\$ 565,028	\$ 425,153	\$4,519,453	\$ 15,568,411	\$ 60,303,085
Total Expenditures	(42,144,128)	(1,021,251)	(125,000)	(7,320,060)	(15,018,740)	(65,629,179)
Revenues Over (Under) Expenditures	(2,919,088)	(456,223)	300,153	(2,800,607)	549,671	(5,326,094)
Transfers In	5,760,112	-	-	-	848,639	6,608,751
Transfers Out	(2,097,563)	-	-	(1,157,965)	(2,990,391)	(6,245,919)
Net Change in Fund Balances	743,461	(456,223)	300,153	(3,958,572)	(1,592,081)	(4,963,262)
Beginning of Year	33,426,814	11,450,418	11,488,399	6,600,980	12,046,987	75,013,598
End of Year	\$ 34,170,275	\$ 10,994,195	\$ 11,788,552	\$ 2,642,408	\$ 10,454,906	\$ 70,050,336

The total change in fund balance during the year, including Major Funds and Other Governmental Funds, was a decrease of \$5.0 million. Total ending fund balance was \$70.1 million.

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, 2015, net capital assets of the governmental activities totaled \$312.9 million. Depreciation on capital assets is recognized in the Government-Wide Financial Statements and totaled \$11.7 million. The following table summarizes the City's capital assets at the end of the year:

Table 4 - Capital Assets at Year End - Net

	Governmental Activities		Dollar Change	% Change
	2015	2014		
Land	\$ 5,230,395	\$ 5,230,395	\$ -	0.00%
Land improvements	108,402	108,402	-	0.00%
Park Land	53,693,948	53,693,948	-	0.00%
Construction in Progress	15,464,618	12,705,867	2,758,751	21.71%
Buildings	17,905,587	19,154,598	(1,249,011)	-6.52%
Facilities & other improvements	1,536,525	1,633,795	(97,270)	-5.95%
Machinery & equipment	136,400	62,440	73,960	118.45%
Fleet machinery & equipment	2,784,380	3,020,734	(236,354)	-7.82%
Park Buildings	578,642	610,454	(31,812)	-5.21%
Park Equipment	-	16,128	(16,128)	-100.00%
Park Improvements	4,582,154	5,412,752	(830,598)	-15.35%
Infrastructures	210,892,662	213,184,406	(2,291,744)	-1.08%
Total Capital Assets, Net	<u>\$ 312,913,713</u>	<u>\$ 314,833,919</u>	<u>\$ (1,920,206)</u>	-0.61%

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

DEBT ADMINISTRATION

During the year, Long-Term Debt from governmental activities increased by \$27.8 million primarily due the implementation of GASB 68.

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

Table 5 - Long-Term Debt				
	Governmental Activities			
	2015	2014	Dollar Change	% Change
2003 Certificates of Participation	\$ 1,980,000	\$ 2,430,000	\$ (450,000)	-18.52%
2003 PFA Refunding Revenue				
Bonds-Senior	7,575,000	8,110,000	(535,000)	-6.60%
2003 PFA Refunding Revenue				
Bonds - Subordinate	735,000	820,000	(85,000)	-10.37%
Claims Payable	1,247,576	1,162,959	84,617	7.28%
Net Pension Obligation	30,078,590	-	30,078,590	100.00%
Net OPEB Obligation	20,365,567	21,830,121	(1,464,554)	-6.71%
Compensated Absences	3,169,496	3,021,108	148,388	4.91%
Total Long-Term Debt	<u>\$ 65,151,229</u>	<u>\$ 37,374,188</u>	<u>\$ 27,777,041</u>	74.32%

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

GENERAL FUND BUDGETARY HIGHLIGHTS

Changes from the City's General Fund 2014/2015 original budget to the final budget are detailed in the Required Supplementary Information Section along with a comparison to actual activity for the year ended. Changes to the City's budget that increase or decrease appropriations in a fund must be approved by a resolution of the City Council. The Final Budget for General Fund general government expenditures was increased by \$2.6 million during the year in order to make an additional payment of \$1,500,000 to the California Employers’ Retiree Benefit Trust Fund (CERBT) to reduce the City’s retiree health liability and a \$952,000 additional payment to CALPERS to reduce the City’s pension liability.

REQUEST FOR FINANCIAL INFORMATION

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

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ROCKLIN

CALIFORNIA

BASIC FINANCIAL STATEMENTS

City of Rocklin
Statement of Net Position
June 30, 2015
(With comparative totals for June 30, 2014)

	Governmental Activities	
	2015	2014
ASSETS		
Current Assets:		
Cash and investments	\$ 45,959,147	\$ 49,691,443
Restricted cash and investments	11,628,071	11,488,875
Receivables - net	6,708,701	5,504,294
Other assets	-	980,983
Inventory and prepaid items	37,251	48,024
Total Current Assets	64,333,170	67,713,619
Noncurrent Assets:		
Loans receivable	11,651,631	12,256,374
Advances to fiduciary activities	2,308,708	2,308,708
Capital assets - net	312,913,713	314,833,919
Total Noncurrent Assets	326,874,052	329,399,001
Total Assets	\$ 391,207,222	\$ 397,112,620
DEFERRED OUTFLOWS OF RESOURCES		
Pension Contributions	\$ 5,763,071	\$ -
LIABILITIES		
Current Liabilities:		
Accounts payable and accrued liabilities	\$ 5,548,447	\$ 3,885,724
Deposits	852,837	741,366
Interest payable	150,000	163,950
Other liabilities	39,840	-
Compensated absences - current portion	1,389,216	1,326,928
Long-term debt - due within one year	1,110,000	1,070,000
Total Current Liabilities	9,090,340	7,187,968
Noncurrent Liabilities:		
Long-term debt - due after one year	9,180,000	10,290,000
Claims payable	1,247,576	1,162,959
Compensated absences	1,780,280	1,694,180
Net pension obligation	30,078,590	-
Net OPEB obligation	20,365,567	21,830,121
Total Noncurrent Liabilities	62,652,013	34,977,260
Total Liabilities	\$ 71,742,353	\$ 42,165,228
DEFERRED INFLOWS OF RESOURCES		
Differences Between Projected and Actual Earning from Pensions	\$ 7,529,639	\$ -
NET POSITION		
Net investment in capital assets	\$ 302,623,713	\$ 303,473,919
Restricted	22,509,945	24,905,118
Unrestricted	(7,435,357)	26,568,355
Total Net Position	\$ 317,698,301	\$ 354,947,392

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

City of Rocklin
Statement of Activities
For the year ended June 30, 2015
(With comparative totals for June 30, 2014)

Functions/Programs	Expenses	Program Revenues			Total	Net (Expense) Revenue and Change in Net Position	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions		2015	2014
Primary Government:							
Governmental Activities:							
General government	\$12,774,913	\$ 1,530,256	\$ 2,202,360	\$ -	\$ 3,732,616	\$ (9,042,297)	\$ (9,381,106)
Public safety	18,646,375	1,057,928	781,696	-	1,839,624	(16,806,751)	(17,021,818)
General services	29,624,287	4,805,284	2,231,689	146,446	7,183,419	(22,440,868)	(17,677,417)
Community development	2,070,085	3,821,613	64,650	38,988	3,925,251	1,855,166	1,702,017
Interest and fiscal charges	570,731	-	-	-	-	(570,731)	(521,835)
Total Governmental Activities	\$63,686,391	\$ 11,215,081	\$ 5,280,395	\$ 185,434	\$ 16,680,910	(47,005,481)	(42,900,159)
General Revenues and Special Items:							
Taxes:							
Property taxes						10,921,437	10,347,611
Sales and use taxes						7,576,526	6,329,277
Gas tax						4,709,456	4,645,010
Transient occupancy taxes						539,796	474,424
Other taxes						8,402,248	6,791,713
Total taxes						32,149,463	28,588,035
Motor vehicle fees						3,891,452	3,610,829
Franchise fees						2,059,195	1,957,384
Impact fees						3,124,079	2,636,172
Investment earnings						1,789,996	1,531,756
Other revenues						868,893	156,152
Total General Revenues						43,883,078	38,480,328
Special item - loss on disposal of capital assets						(189,630)	-
Special item - transfer from Successor Agency						-	11,481,353
Total General Revenues and Special Items						43,693,448	49,961,681
Change in Net Position						(3,312,033)	7,061,522
Net Position - Beginning of Year						354,947,392	347,885,870
Prior Period Adjustments GASB 68						(33,937,058)	-
Net Position - Beginning of Year, As Adjusted						321,010,334	347,885,870
Net Position - End of Year						\$ 317,698,301	\$ 354,947,392

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

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MAJOR GOVERNMENTAL FUNDS

Fund Title	Fund Description
General Fund	Primary operating fund of the City: accounts for all activities except those legally or administratively required to be accounted for in other funds.
Rocklin Public Financing Authority Debt Service	Accounts for the debt service for the Rocklin Public Financing Authority.
Low and Moderate Income Housing Asset Special Revenue	Accounts for the housing assets of the former Rocklin Redevelopment Agency transferred to the City of Rocklin as Housing Successor.
Traffic Circulation Impact Fee Capital Projects	Accounts for activities related to traffic congestion management.

City of Rocklin

Balance Sheet

Governmental Funds

June 30, 2015

(With comparative totals for June 30, 2014)

	Major Funds			
	General Fund	Rocklin Public Financing Authority Debt Service Fund	Low and Moderate Income Housing Asset Fund	Traffic Circulation Impact Fee Fund
ASSETS				
Cash and investments	\$ 32,179,005	\$ 1,724	\$ 987,018	\$ 2,619,212
Restricted cash and investments	-	10,992,471	-	-
Receivables:				
Taxes	2,414,393	-	-	-
Interest receivable	29,106	-	-	-
Intergovernmental	12,869	-	-	-
Deposits receivable	-	-	-	-
Other receivables	394,283	-	-	-
Due from other funds	3,283,146	-	-	-
Loans receivable	-	-	9,901,534	1,330,782
Other assets	-	-	-	-
Advances to fiduciary activities	1,408,708	-	900,000	-
Total assets	\$ 39,721,510	\$ 10,994,195	\$ 11,788,552	\$ 3,949,994
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable and accrued liabilities	\$ 3,330,111	\$ -	\$ -	\$ 1,127,585
Deposits	672,836	-	-	180,001
Due to other funds	-	-	-	-
Unearned revenues	137,508	-	-	-
Other liabilities	39,840	-	-	-
Compensated absences	1,370,940	-	-	-
Advances from other funds	-	-	-	-
Total liabilities	5,551,235	-	-	1,307,586
DEFERRED INFLOWS OF RESOURCES				
State Transit Assistance - unavailable revenue	-	-	-	-
Fund Balances:				
Nonspendable:				
Endowments	-	-	-	-
Advances to fiduciary activities	1,408,708	-	900,000	-
Long-term receivables	-	-	9,901,534	1,330,782
Restricted	-	10,994,195	987,018	-
Committed	26,094,211	-	-	1,311,626
Assigned	-	-	-	-
Unassigned (Deficit)	6,667,356	-	-	-
Total fund balances	34,170,275	10,994,195	11,788,552	2,642,408
Total liabilities and fund balances	\$ 39,721,510	\$ 10,994,195	\$ 11,788,552	\$ 3,949,994

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

Continued

City of Rocklin

Balance Sheet

Governmental Funds

June 30, 2015

(With comparative totals for June 30, 2014)

	Nonmajor Governmental Funds	Total Governmental Funds	
		2015	2014
ASSETS			
Cash and investments	\$ 9,975,002	\$ 45,761,961	\$ 48,716,249
Restricted cash and investments	635,600	11,628,071	11,488,875
Receivables:			
Taxes	3,274,974	5,689,367	2,363,315
Interest receivable	-	29,106	138,408
Intergovernmental	292,369	305,238	2,544,377
Deposits receivable	35,000	35,000	-
Other receivables	255,708	649,991	366,654
Due from other funds	-	3,283,146	5,981,970
Loans receivable	419,315	11,651,631	12,256,374
Other assets	-	-	980,983
Advances to fiduciary activities	-	2,308,708	2,308,708
Total assets	\$ 14,887,968	\$ 81,342,219	\$ 87,145,913
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable and accrued liabilities	\$ 936,203	\$ 5,393,899	\$ 3,827,883
Deposits	-	852,837	741,366
Due to other funds	3,283,146	3,283,146	5,981,970
Unearned revenues	-	137,508	88,832
Other liabilities	-	39,840	-
Compensated absences	-	1,370,940	1,280,709
Advances from other funds	-	-	211,555
Total liabilities	4,219,349	11,078,170	12,132,315
DEFERRED INFLOWS OF RESOURCES			
State Transit Assistance - unavailable revenue	213,713	213,713	-
Fund Balances:			
Nonspendable:			
Endowments	491,455	491,455	492,619
Advances to fiduciary activities	-	2,308,708	2,308,708
Long-term receivables	419,315	11,651,631	12,256,374
Restricted	9,823,564	21,804,777	24,412,499
Committed	2,333,732	29,739,569	27,259,206
Assigned	-	-	5,162,428
Unassigned (Deficit)	(2,613,160)	4,054,196	3,121,764
Total fund balances	10,454,906	70,050,336	75,013,598
Total liabilities and fund balances	\$ 14,887,968	\$ 81,342,219	\$ 87,145,913

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

Concluded

City of Rocklin
Reconciliation of the Government Funds Balance Sheet
to the Government-Wide Statement of Net Position
June 30, 2015

Total Fund Balances - Total Governmental Funds \$ 70,050,336

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

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

Capital assets	482,447,554
Less: accumulated depreciation	<u>(172,318,222)</u>
Total Capital Assets	<u>310,129,332</u>

Interest payable on long-term debt did not require current financial resources. Therefore, interest payable was not reported as a liability in Governmental Funds Balance Sheet. (150,000)

Internal service funds are used by management to charge the costs of vehicle maintenance and various insurance costs to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the Statement of Net Position. 2,821,994

Contributions made to pension plans will not be included in the calculation of the City's net pension liability of the plan year included in this report and have been deferred and reported as deferred outflows of resources. 5,763,071

The difference between projected and actual earnings from pension plan assets is not included in the plan's actuarial study until the next fiscal year and are reported as deferred inflows of resources in the Statement of Net Position. (7,529,639)

Certain revenues were recorded as deferred inflows of resources in the governmental funds because they did not meet the revenue recognition criteria of availability. However, they were included as revenue in the Government-Wide Statement of Activities under the full accrual basis 213,713

Liabilities were reported for certain revenues that were not available to pay current period expenditures and were reported as unearned in the fund statements. 137,508

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

Long-term debt	(10,290,000)
Compensated absences	(1,756,281)
Claims payable	(1,247,576)
Net pension obligation	(30,078,590)
Net OPEB obligation	<u>(20,365,567)</u>
Total Long-Term Obligations	<u>(63,738,014)</u>

Net Position of Governmental Activities \$ 317,698,301

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

City of Rocklin
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Governmental Funds
For the year ended June 30, 2015
(With comparative totals for June 30, 2014)

	Major Funds			
	General Fund	Rocklin Public Financing Authority Debt Service Fund	Low and Moderate Income Housing Asset Fund	Traffic Circulation Impact Fee Fund
REVENUES				
Taxes and assessments	\$ 22,378,046	\$ -	\$ -	2,741,175
License and permits	2,300,095	-	-	-
Fines and forfeitures	563,489	-	-	-
Intergovernmental	4,479,286	-	-	-
Charges for services	4,307,392	-	-	31,724
Use of money and property	1,608,754	565,028	425,153	19,298
Contributions from developers and homeowners	-	-	-	1,500,000
Other revenues	3,587,978	-	-	227,256
Total Revenues	39,225,040	565,028	425,153	4,519,453
EXPENDITURES				
Current:				
General government	12,947,670	19,026	101	1,641
Public safety	19,332,543	-	-	-
General services	7,704,559	-	-	149,652
Community development	2,033,572	-	124,899	-
Capital outlay	12,633	-	-	7,168,767
Debt service:				
Principal	-	620,000	-	-
Interest and fiscal charges	113,151	382,225	-	-
Total Expenditures	42,144,128	1,021,251	125,000	7,320,060
Excess (Deficiency) of Revenues over Expenditures	(2,919,088)	(456,223)	300,153	(2,800,607)
OTHER FINANCING SOURCES (USES)				
Transfer (to) from Successor Agency	-	-	-	-
Transfers in	5,760,112	-	-	-
Transfers out	(2,097,563)	-	-	(1,157,965)
Total Other Financing Sources (Uses)	3,662,549	-	-	(1,157,965)
Net Change in Fund Balances	743,461	(456,223)	300,153	(3,958,572)
Fund Balances Beginning	33,426,814	11,450,418	11,488,399	6,600,980
Fund Balances Ending	\$ 34,170,275	\$ 10,994,195	\$ 11,788,552	\$ 2,642,408

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

Continued

City of Rocklin
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Governmental Funds
For the year ended June 30, 2015
(With comparative totals for June 30, 2014)

	Nonmajor Governmental Funds	Total Governmental Funds	
		2015	2014
REVENUES			
Taxes and assessments	\$ 12,777,088	\$ 37,896,309	\$ 35,251,049
License and permits	9,914	2,310,009	2,078,971
Fines and forfeitures	1,424	564,913	160,913
Intergovernmental	932,856	5,412,142	8,599,289
Charges for services	6,720	4,345,836	5,233,861
Use of money and property	66,985	2,685,218	2,428,172
Contributions from developers and homeowners	1,350,688	2,850,688	1,695,692
Other revenues	422,736	4,237,970	2,422,566
Total Revenues	15,568,411	60,303,085	57,870,513
EXPENDITURES			
Current:			
General government	737,499	13,705,937	10,437,917
Public safety	156,633	19,489,176	18,746,706
General services	11,383,021	19,237,232	16,707,672
Community development	69,923	2,228,394	2,111,334
Capital outlay	2,132,359	9,313,759	8,239,277
Debt service:			
Principal	450,000	1,070,000	1,030,000
Interest and fiscal charges	89,305	584,681	534,222
Total Expenditures	15,018,740	65,629,179	57,807,128
Excess (Deficiency) of Revenues over Expenditures	549,671	(5,326,094)	63,385
OTHER FINANCING SOURCES (USES)			
Transfer (to) from Successor Agency	-	-	11,481,353
Transfers in	849,667	6,609,779	5,122,603
Transfers out	(2,991,419)	(6,246,947)	(5,082,903)
Total Other Financing Sources (Uses)	(2,141,752)	362,832	11,521,053
Net Change in Fund Balances	(1,592,081)	(4,963,262)	11,584,438
Fund Balances Beginning	12,046,987	75,013,598	63,429,160
Fund Balances Ending	\$ 10,454,906	\$ 70,050,336	\$ 75,013,598

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

Concluded

City of Rocklin

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

For the year ended June 30, 2015

Net Change in Fund Balances - Total Governmental Funds	\$ (4,963,262)
Amounts reported for governmental activities in the Statement of Activities were different because:	
Governmental Funds report capital outlay as expenditures. However, in the Government-Wide Statement of Activities, the cost of those assets was allocated over their estimated useful lives as depreciation expense.	
Capital outlay	9,675,585
Depreciation expense	(11,169,617)
The gains and losses from the disposal of long-lived assets such as capital assets is not a current economic resource and therefore is not reported in the fund statements but is reported in the Government-Wide Statement of Activities as a special item.	(189,823)
Internal service funds are used by management to charge the costs of vehicle maintenance, and various insurance costs to individual funds. The net revenue or (excess expenses) of the internal service funds is reported with government activities.	(1,420,993)
Certain revenues were not recorded or recorded as unearned revenue in the governmental funds because they did not meet the revenue recognition criteria of availability. However, they were included as revenue in the Government-Wide Statement of Activities under the full accrual basis.	48,676
Certain revenues were recorded as deferred inflows of resources in the governmental funds because they did not meet the revenue recognition criteria of availability. However, they were included as revenue in the Government-Wide Statement of Activities under the full accrual basis.	213,713
Long-term compensated absences and claims payables were reported in the Government-Wide Statement of Activities, but they did not require the use of current financial resources and were not reported as expenditures in governmental funds.	
Compensated absences	(82,519)
Claims liabilities	(84,616)
In governmental funds, actual contributions to pension plans are reported as expenditures in the year incurred. However, in the Government-Wide Statement of Activities, only the current year pension expense as noted in the plans' valuation reports is reported as an expense, as adjusted for deferred inflows and outflows of resources.	2,112,319
Repayment of long-term debt was an expenditure in governmental funds, but the repayment reduced long-term liabilities in the Government-Wide Statement of Net Position.	1,070,000
Certain expenses reported in the statement of activities do not require the use of current financial resources and are not reported as expenditures in the fund statements as follows:	
Other postemployment benefits	1,464,554
Interest expense on long-term debt was reported in the Government-Wide Statement of Activities, but it did not require the use of current financial resources. Therefore, interest expense was not reported as expenditures in governmental funds. The following amount represented the net change in accrued interest from prior year.	<u>13,950</u>
Change in Net Position of Governmental Activities	<u><u>\$ (3,312,033)</u></u>

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

City of Rocklin
Statement of Net Position
Fleet Management Internal Service Fund
June 30, 2015
(With comparative totals for June 30, 2014)

	Totals	
	2015	2014
ASSETS		
Current assets:		
Cash and investments	\$ 197,186	\$ 975,194
Accounts receivable	-	78,040
Intergovernmental	-	13,500
Inventory	37,251	48,024
Total current assets	<u>234,437</u>	<u>1,114,758</u>
Non-current assets:		
Advances to other funds	-	211,555
Capital assets - net	2,784,380	3,020,734
Total non-current assets	<u>2,784,380</u>	<u>3,232,289</u>
Total assets	<u><u>\$ 3,018,817</u></u>	<u><u>\$ 4,347,047</u></u>
LIABILITIES		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 154,548	\$ 57,841
Compensated absences	18,276	20,417
Total current liabilities	<u>172,824</u>	<u>78,258</u>
Non-current liabilities:		
Compensated absences	23,999	25,802
Total non-current liabilities	<u>23,999</u>	<u>25,802</u>
Total liabilities	<u><u>\$ 196,823</u></u>	<u><u>\$ 104,060</u></u>
NET POSITION		
Net Investment in capital assets	\$ 2,784,380	\$ 3,020,734
Unrestricted	37,614	1,222,253
Total net position	<u><u>\$ 2,821,994</u></u>	<u><u>\$ 4,242,987</u></u>

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

City of Rocklin
Statement of Revenues, Expenses and Changes in Fund Net Position
Fleet Management Internal Service Fund
For the year ended June 30, 2015
(With comparative totals for June 30, 2014)

	Totals	
	2015	2014
OPERATING REVENUES		
Fleet management cost allocation	\$ 1,023,410	\$ 1,045,728
Intergovernmental	34,430	-
Other revenue	3,660	-
Total operating revenues	1,061,500	1,045,728
OPERATING EXPENSES		
Salaries and benefits	510,217	457,794
Services and supplies	994,893	920,080
Depreciation	575,167	634,040
Total operating expenses	2,080,277	2,011,914
Operating income (loss)	(1,018,777)	(966,186)
NONOPERATING REVENUES(EXPENSES)		
Gain (loss) on sale of assets	(46,325)	3,791
Interest on fiscal charges	-	-
Investment earnings	6,941	15,125
Total nonoperating revenues(expenses)	(39,384)	18,916
Income (loss) before operating transfers	(1,058,161)	(947,270)
Transfers in	-	-
Transfers out	(362,832)	(39,700)
Change in net position	(1,420,993)	(986,970)
Total net position - beginning	4,242,987	5,229,957
Total net position - ending	\$ 2,821,994	\$ 4,242,987

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

City of Rocklin
Statement of Cash Flows
Proprietary Funds
For the year ended June 30, 2015
(With comparative totals for June 30, 2014)

	Totals	
	2015	2014
Cash flows from operating activities:		
Receipts from interfund services provided	\$ 1,101,450	\$ 954,188
Other receipts	51,590	-
Payments to suppliers for goods and services	(896,658)	(855,892)
Payments to employees for services	(504,916)	(455,822)
Net cash provided (used) by operating activities	<u>(248,534)</u>	<u>(357,526)</u>
Cash flows from noncapital financing activities:		
Interfund transactions	(151,277)	171,855
Net cash provided (used) by noncapital financing activities	<u>(151,277)</u>	<u>171,855</u>
Cash flows from capital financing activities:		
Purchases (sales) of capital assets - net	(385,138)	73,309
Interest paid on long-term debt	-	(255,233)
Net cash provided (used) by capital financing activities	<u>(385,138)</u>	<u>(181,924)</u>
Cash flows from investing activities:		
Investment income received	6,941	15,125
Net cash provided (used) by investing activities	<u>6,941</u>	<u>15,125</u>
Net increase (decrease) in cash and cash equivalents	(778,008)	(352,470)
Cash and cash equivalents - beginning	975,194	1,327,664
Cash and cash equivalents - ending	<u>\$ 197,186</u>	<u>\$ 975,194</u>
Reconciliation of operating income to net cash provided (used)		
by operating activities:		
Operating income (loss)	\$ (1,018,777)	\$ (966,186)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation	575,167	634,040
Change in operating assets and liabilities:		
Accounts receivable	78,040	(78,040)
Due from other governments	13,500	(13,500)
Inventory	10,773	52,147
Prepaid items	-	3,933
Accounts payable and accrued liabilities	96,707	8,108
Compensated absences	(3,944)	1,972
Net cash provided (used) by operating activities	<u>\$ (248,534)</u>	<u>\$ (357,526)</u>

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

City of Rocklin
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2015

	Successor Agency		
	Private-Purpose		
	Trust Funds	Agency Funds	Totals
ASSETS			
Current assets:			
Cash and investments	\$ 3,577,814	\$ 2,444,216	\$ 6,022,030
Cash and investment with trustee/fiscal agent	1,811,330	7,882,659	9,693,989
Accounts receivable	27,000	50,679	77,679
Total current assets	<u>5,416,144</u>	<u>10,377,554</u>	<u>15,793,698</u>
Non-current assets:			
Property, plant and equipment - net	5,303,252	-	5,303,252
Total assets	<u><u>\$ 10,719,396</u></u>	<u><u>\$ 10,377,554</u></u>	<u><u>\$ 21,096,950</u></u>
LIABILITIES			
Current liabilities:			
Accounts payable and accrued liabilities	\$ 204,618	\$ -	\$ 204,618
Due to other agencies	-	10,377,554	10,377,554
Interest payable	422,550	-	422,550
Due within one year	1,121,152	-	1,121,152
Total current liabilities	<u>1,748,320</u>	<u>10,377,554</u>	<u>12,125,874</u>
Noncurrent liabilities:			
Advances from City of Rocklin	2,308,708	-	2,308,708
Loans payable	877,048	-	877,048
Bonds payable - net	24,279,707	-	24,279,707
Total liabilities	<u><u>\$ 29,213,783</u></u>	<u><u>\$ 10,377,554</u></u>	<u><u>\$ 39,591,337</u></u>
NET POSITION			
Held in trust for Redevelopment Dissolution	<u><u>\$ (18,494,387)</u></u>		<u><u>\$ (18,494,387)</u></u>

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

City of Rocklin
Statement of Changes in Fiduciary Net Position
Private Purpose Trust Funds
For the year ended June 30, 2015

	Successor Agency <u>Private-Purpose Trust Funds</u>
ADDITIONS	
Property taxes	\$ 2,788,617
Investment earnings	122,299
Other revenue	<u>476,145</u>
Total additions	<u>3,387,061</u>
DEDUCTIONS	
General government	279,117
General services	14,768
Interest expense	1,934,477
Depreciation	112,215
Capital outlay	<u>306,543</u>
Total deductions	<u>2,647,120</u>
Change in net position	739,941
Total net position - beginning	<u>(19,234,328)</u>
Total net position - ending	<u><u>\$ (18,494,387)</u></u>

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



ROCKLIN
CALIFORNIA

NOTES TO FINANCIAL STATEMENTS

City of Rocklin
Notes to the Basic Financial Statements
June 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

A. Financial Reporting Entity

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

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

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

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

Rocklin Public Financing Authority

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

City of Rocklin
Notes to the Basic Financial Statements
June 30, 2015

B. Basis of Presentation, Accounting and Measurement Focus

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

Government-Wide Financial Statements

The City's government-wide financial statements include a *Statement of Net Position* and a *Statement of Activities*. These statements present summaries of governmental activities for the City. Fiduciary activities of the City are not included in these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. The City did not have any business-type activities during the year.

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

Certain types of transactions are reported as program revenues for the City in three categories:

- Charges for services
- Operating grants and contributions
- Capital grants and contributions

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

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

- Transfers in/Transfers out
- Internal Service Fund charges

Governmental Fund Financial Statements

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

City of Rocklin
Notes to the Basic Financial Statements
June 30, 2015

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

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

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

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

The following funds are major funds:

General Fund

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

Rocklin Public Financing Authority Debt Service Fund

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

Low and Moderate Income Housing Asset Fund

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

Traffic Construction Impact Fee Capital Projects Fund

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

City of Rocklin
Notes to the Basic Financial Statements
June 30, 2015

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

Special Revenue Funds

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

Capital Project Funds

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

Debt Service Funds

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

Permanent Funds

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

Proprietary Funds

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

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

The City’s internal service funds are proprietary funds. Internal service funds account for charges to City departments for services provided, on a cost reimbursement basis, in relation to fleet services in the following fund:

Fleet Internal Service Fund

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

Fiduciary Funds

Private Purpose Trust Funds

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

City of Rocklin
Notes to the Basic Financial Statements
June 30, 2015

Agency Funds

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

C. Cash Deposits and Investments

The City pools its available cash for investment purposes. The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturity of three months or less from the date of acquisition. Cash and cash equivalents are combined with investments and displayed as Cash and Investments.

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

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

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

The City participates in an investment pool managed by the State of California titled Local Agency Investment Fund (LAIF), which has invested a portion of the pool 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 change in interest rates.

D. Interfund Receivables and Payables

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

E. Receivables

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

City of Rocklin
Notes to the Basic Financial Statements
June 30, 2015

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

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

F. Loans Receivable

Under the City's housing assistance program, loans are made to qualified individuals and businesses within prescribed project areas for the purpose of housing acquisition, housing rehabilitation and/or economic development. The majority of these loans are on a deferred payback program. Repayments of the outstanding loans are applied to the principal balance of the loan receivable. The long-term portion of loans receivable has been offset by *Unearned Revenues* in the accompanying financial statements, as applicable.

G. Inventories

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

H. Capital Assets

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

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

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

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

City of Rocklin
Notes to the Basic Financial Statements
June 30, 2015

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

I. Deferred Outflows/Deferred Inflows

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

J. Interest Payable

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

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

K. Claims Payable

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

L. Compensated Absences

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

M. Long-Term Debt

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

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

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

City of Rocklin
Notes to the Basic Financial Statements
June 30, 2015

government-wide statements. Debt proceeds are reported as liabilities and payments are reported as reductions to the liability and as interest expense.

N. Pension Expense

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

O. Fund Balances

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

Nonspendable

- Assets that will never to convert to cash (prepaid items, inventory).
- Assets that will not convert to cash soon enough to affect the current period (long-term loans receivable).
- Resources that must be maintained intact pursuant to legal or contractual requirements (the principal of an endowment).

Restricted

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

Committed

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

Assigned

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

Unassigned

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

City of Rocklin
Notes to the Basic Financial Statements
June 30, 2015

Flow Assumption / Spending Order Policy

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

P. Net Position

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

Net Investment in Capital Assets

This amount consists of capital assets net of accumulated depreciation and reduced by outstanding debt that is attributed to the acquisition, construction, or improvement of the assets. In addition, deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt also are included in the net investment in capital assets component of net position.

Restricted Net Position

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

Unrestricted Net Position

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

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

Use of Restricted/Unrestricted Net Position

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

Q. Interfund Transactions

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

R. Property Taxes and Special Assessments

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

City of Rocklin
Notes to the Basic Financial Statements
June 30, 2015

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

S. Stewardship, Compliance, and Accountability

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

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

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, 2015, based on the calculations by City Management, proceeds of taxes did not exceed the appropriations limit.
4. Budgeted appropriations for the various governmental funds become effective each July 1st.

T. Unearned Revenue

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

U. Use of Estimates

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

V. Subsequent Events

Management has considered subsequent events through April 26, 2016, the date which the financial

City of Rocklin
Notes to the Basic Financial Statements
June 30, 2015

statements were available to be issued. The financial statements include all events or transactions, including estimates, required to be recognized in accordance with generally accepted accounting principles. Management has determined that there are no non-recognized subsequent events that require additional disclosure.

W. Comparative Data

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

X. Implemented New GASB Pronouncements

GASB Statement No. 68 – *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27 (Issued 06/12)*. 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 replaces the requirements of Statement No. 27, Accounting for Pensions by State and Local Governmental Employers, as well as the requirements of Statement No. 50, Pension Disclosures, as they relate to pensions that are provided through pension plans administered as trusts or equivalent arrangements (hereafter jointly referred to as trusts) that meet certain criteria. This Statement establishes a definition of a pension plan that reflects the primary activities associated with the pension arrangement-determining pensions, accumulating and managing assets dedicated for pensions, and paying benefits to plan members as they come due. This Statement has been implemented as of June 30, 2015 resulting in a prior period adjustment of \$33.9 million. See Note 9 for information related to the financial statement impact of this statement.

GASB Statement No. 69 – In January, 2013, GASB issued Statement No. 69, *Government Combinations and Disposal of Government Operations*. This Statement establishes accounting and financial reporting standards related to government combinations and disposal of government operations. As used in this Statement, combinations includes a variety of transactions referred to as mergers, acquisitions, and transfers of operations. There was no financial statement effect related to this Statement.

GASB Statement No. 70 – In April, 2013, GASB issued Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*. Some governments extend financial guarantees for the obligations of another government, a not-for-profit entity, or private entity without directly receiving equal or approximately equal value in exchange (a nonexchange transaction). The City does not participate in nonexchange financial guarantees. Therefore, this Statement had no financial statement effect.

GASB Statement No. 71 – In November, 2013, GASB issued Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date—an amendment of GASB Statement No. 68*. The objective of this Statement is to address an issue regarding application of the transition provisions of Statement No. 68, Accounting and Financial Reporting for Pensions. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or non-employer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability. The provisions of this Statement were required to be applied simultaneously with the provisions of Statement 68 and have been implemented as of June 30, 2015. See Note 9 for information related to the financial statement impact of this statement.

City of Rocklin
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Y. Upcoming New Accounting Pronouncements

GASB Statement No. 72 – In February, 2015, GASB issued Statement No. 72, *Fair Value Measurement and Application*. This Statement addresses accounting and financial reporting issues related to fair value measurements. The definition of *fair value* is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This Statement provides guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2015 (fiscal year ending June 30, 2016).

GASB Statement No. 73 – *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. Effective date: the provisions in Statement 73 are effective for fiscal years beginning after June 15, 2015—except those provisions that address employers and governmental non-employer contributing entities for pensions that are not within the scope of Statement 68, which are effective for fiscal years beginning after June 15, 2016. The objective of this Statement is to improve the usefulness of information about pensions included in the general purpose external financial reports of state and local governments for making decisions and assessing accountability. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. This Statement also clarifies the application of certain provisions of Statements 67 and 68.

GASB Statement No. 74 – *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. Effective date: the provisions in Statement 74 are effective for fiscal years beginning after June 15, 2016. The objective of this Statement is to improve the usefulness of information about postemployment benefits other than pensions (other postemployment benefits or OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability. This Statement replaces Statements No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*. It also includes requirements for defined contribution OPEB plans that replace the requirements for those OPEB plans in Statement No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans*, as amended, Statement 43, and Statement No. 50, *Pension Disclosures*.

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

The scope of this Statement addresses accounting and financial reporting for OPEB that is provided to the employees of state and local governmental employers. This Statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and

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expense/expenditures. For defined benefit OPEB, this Statement identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. Note disclosure and required supplementary information requirements about defined benefit OPEB also are addressed. In addition, this Statement details the recognition and disclosure requirements for employers with payables to defined benefit OPEB plans that are administered through trusts that meet the specified criteria and for employers whose employees are provided with defined contribution OPEB. This Statement also addresses certain circumstances in which a non-employer entity provides financial support for OPEB of employees of another entity.

GASB Statement No. 76 – *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments.* Effective date: the provisions in Statement 76 are effective for reporting periods beginning after June 15, 2015. The objective of this Statement is to identify—in the context of the current governmental financial reporting environment—the hierarchy of generally accepted accounting principles (GAAP). The “GAAP hierarchy” consists of the sources of accounting principles used to prepare financial statements of state and local governmental entities in conformity with GAAP and the framework for selecting those principles. This Statement reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and non-authoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP. This Statement supersedes Statement No. 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments.* The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2015, and should be applied retroactively.

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

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

NOTE 2 - CASH AND INVESTMENTS

As of June 30, 2015, cash and investments were reported in the financial statements as follows:

	Fair Value		Total Cash and Investments
	Governmental Activities	Fiduciary Activities	
Cash and investments	\$ 45,959,147	\$ 6,022,030	\$ 51,981,177
Restricted cash and investments	11,628,071	9,693,989	21,322,060
Total cash and investments	<u>\$ 57,587,218</u>	<u>\$ 15,716,019</u>	<u>\$ 73,303,237</u>

A. Cash Deposits

The California Government Code requires California banks and savings and loan associations to secure the City's cash deposits by pledging securities as collateral. This Code states that collateral pledged in

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Notes to the Basic Financial Statements
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this manner shall have the effect of perfecting a security interest, and places the City ahead of general creditors of the institution.

The market value of pledged securities must equal at least 110 percent of the City's cash deposits. California law also allows institutions to secure City deposits by pledging first trust deed mortgage notes that have a value of 150 percent of the City's total cash deposits. The City has waived the collateral requirements for cash deposits which are fully insured to \$250,000 by the Federal Deposit Insurance Corporation (FDIC). The bank balances before reconciling items totaled \$3,768,186 at June 30, 2015 and could be different from carrying amounts due to deposits in transit and outstanding checks. The amount uninsured was \$3,399,146 which was collateralized by securities held by pledging financial institutions.

B. Investment Policies

City Investment Policy

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

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

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

The City is in compliance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investments Pools* which requires the City's investments be recorded at fair value instead of cost. Under GASB 31, the carrying value of investments are adjusted to reflect their fair value at each fiscal year-end, with the effects of these adjustments included in the carrying value of the investments.

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D. Local Agency Investment Fund

The City's investments with LAIF at June 30, 2015, include a portion of the pool funds invested in Structured Notes and Asset-Backed Securities. These investments include the following:

Structured Notes

These are debt securities (other than asset-backed securities) whose cash flow characteristics (coupon rate, redemption amount, or stated maturity) depend upon one or more indices and/or that have embedded forwards or options.

Asset-Backed Securities

The bulk of asset-backed securities are mortgage-backed securities, entitle their purchasers to receive a share of the cash flows from a pool of assets such as principal and interest repayments from a pool of mortgages (such as CMO's) or credit card receivables.

LAIF is overseen by the Local Agency Investment Advisory Board (LAIB), which consists of five members, in accordance with State statute. The approved investments policy is listed on the LAIB website, located at <http://www.treasurer.ca.gov/pmia-laif/>.

E. Risk Disclosures

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the term of an investment's maturity, the greater the sensitivity to changes in market interest rates. It is the City's practice to manage its exposure to interest rate risk by purchasing a combination of shorter and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for City's operations. The City's policy is to limit the weighted average maturity of its investment portfolio to less than five years. As of June 30, 2015, the weighted average maturity was 1.67 years.

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of an investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. As of June 30, 2015, the City's investments were in compliance with the ratings required by the City's investment policy, indenture agreements and Government Code.

Concentrations of Credit Risk

The investment policy of the City contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. As of June 30, 2015, the City had no investments in any one issuer exceeding that allowed by City policy.

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for investments. For the investments maintained by the City, no security was uninsured or unregistered or held by a brokerage firm which is also the counterparty for the security. With respect to investments, custodial

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credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as LAIF).

As of June 30, 2015, the City's investments had the following maturities and ratings:

Cash or Investment Type	Fair Value	Investment Maturities in		Year End Rating		
		<1	>2	Exempt	AAAm/Aaa-mf	Not Rated
Local Agency Investment Fund (LAIF)	\$ 30,676,541	\$ 30,676,541	\$ -	\$ 30,676,541	\$ -	\$ -
Money Market/Mutual Funds	11,949,758	11,949,758	-	-	11,949,758	-
Special Assessment Bonds	16,671,869	819,669	15,852,200	-	-	16,671,869
County Treasurer's Investment Portfolio	10,209,807	10,209,807	-	10,209,807	-	-
Corporate Notes	25,276	-	25,276	-	-	25,276
Cash on Hand	1,800	1,800	-	1,800	-	-
Cash Deposits	3,768,186	3,768,186	-	3,768,186	-	-
Total Cash and Investments	<u>\$ 73,303,237</u>	<u>\$ 57,425,761</u>	<u>\$ 15,877,476</u>	<u>\$ 44,656,334</u>	<u>\$ 11,949,758</u>	<u>\$ 16,697,145</u>

NOTE 3 - INTERFUND TRANSACTIONS

A. Interfund Receivables and Payables

Due to/from Other Funds

The timing of when cash is received and paid can result in a negative cash balance in a fund as of fiscal year end. At year-end, a liability, "Due To Other Funds" is created to eliminate any negative cash balances along with a corresponding asset, "Due From Other Funds". In the following fiscal year, the liabilities are settled and the assets are liquidated. As of June 30, 2015, interfund receivables and payables consisted of the following:

	Due from Other Funds	Due to Other Funds
General Fund	\$ 3,283,146	\$ -
SB325 Sales Tax	-	392,362
Bicycle and Pedestrian Facilities	-	39,636
Prop 1B	-	69,834
Lighting Maintenance District #1	-	8,512
Traffic Safety/PD Grants	-	122,073
CDBG HUD Entitlement	-	37,569
Park Development Fees	-	1,587,420
Community Park Fees	-	1,025,740
Total	<u>\$ 3,283,146</u>	<u>\$ 3,283,146</u>

Advances to/from other funds

The City advanced funds to the former Redevelopment Agency to assist with the purchase of land and building for the new Rocklin library. As of June 30, 2015, the remaining balance owed is \$1,408,708. This amount is reported in the fund financial statements as an advance to private purpose trust fund and as an advance to fiduciary activities in the government-wide financial statements.

During fiscal year 2013-14, the City of Rocklin became the Housing Successor for the former Rocklin Redevelopment Agency low and moderate income housing functions. This included a \$900,000 receivable (advance) for a loan that the low and moderate housing fund provided the redevelopment

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agency debt service fund for the payment of 2010-11 Supplemental Educational Revenue Augmentation Fund shift. As of June 30, 2015, the remaining balance owed is \$900,000. This amount is reported in the fund financial statements as an advance to private purpose trust fund and as an advance to fiduciary activities in the governmental-wide financial statements.

B. Transfers In/Out

Interfund transfers result from the movement of resources from one fund to another within the governmental unit. At June 30, 2015, interfund transfers consisted of the following:

Fund	Fund Type	Transfer in	Transfer out
Major Funds:			
General Fund	General	\$ 5,760,112	\$ 2,097,563
Traffic Circulation Impact Fee	Capital Projects	-	1,157,965
Nonmajor Funds:			
Capital Construction Debt Service	Debt Service	539,302	-
Gas Tax	Special Revenue	-	310,211
SB 325 Sales Tax	Special Revenue	-	512,120
Recreation Facilities Contribution	Special Revenue	-	99,719
Lighting Maintenance District #1	Special Revenue	-	474
Landscaping and Lighting Maintenance District #2	Special Revenue	240,859	6,998
Community Facilities District #1	Special Revenue	-	1,338,930
Community Facilities District #5	Special Revenue	50,390	28,665
Community Facilities District #6	Special Revenue	19,116	997
CDBG HUD Entitlement	Special Revenue	-	28,631
Supplemental Law Enforcement Grant	Special Revenue	-	106,230
Capital Construction Impact Fees	Capital Projects	-	539,620
Oak Tree Mitigation	Capital Projects	-	14,209
Wetlands Maintenance	Permanent	-	1,907
Conservation Easement Endowment Fund	Permanent	-	2,708
Total Nonmajor Funds		849,667	2,991,419
Internal Service Funds:			
Fleet Management	Internal Service	-	362,832
Total Transfers		\$ 6,609,779	\$ 6,609,779

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.

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NOTE 4 - LOANS 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 receivable consisted of the following as of June 30, 2015:

Loans Receivable	Beginning July 01, 2014	Additions	Deletions	Ending June 30, 2015
Highway 65 Sunset Blvd. Interchange	1,529,858	-	199,076	\$ 1,330,782
Community Development Block Grant	446,044	-	35,000	411,044
First time home buyers	1,551,572	-	268,667	1,282,905
Down payment assistance	1,762,430	-	102,000	1,660,430
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	311,470	-	-	311,470
Total Loans Receivable	<u>\$ 12,256,374</u>	<u>\$ -</u>	<u>\$ 604,743</u>	<u>\$ 11,651,631</u>

The following is a summary of the loans and notes receivable outstanding as of June 30, 2015:

Highway 65 Sunset Interchange Loan

As members of the “Bizz Johnson Joint Powers Authority (JPA)”; Placer County, City of Roseville, and the City of Rocklin made loans to the JPA for the construction of the Sunset Blvd. Highway 65 interchange. The original loan amount from the City of Rocklin was \$2,033,684. The loan does not bear interest. The JPA makes annual payments on the loan. At June 30, 2015, a balance of \$1,330,782 is outstanding.

Community Development Block Grant (CDBG) Revolving Loans

The City participates in a CDBG Revolving loan program. The program is federally funded and provides housing rehabilitation loans to eligible applicants. The City makes loans to resident homeowners who qualify as low income, some of which are deferred and are not repaid until the title to the property changes. The balance of these loans at June 30, 2015, was \$411,044.

First Time Home Buyers

The City has made various loans to qualifying participants within the City as part of the Federal First Time Home Buyers Program (HOME). Interest rates vary depending on the terms of the loan and interest is deferred until the loan is refinanced or title to the property changes and may be waived under certain conditions if the loan is carried to full term. For the City, the HOME notes receivable balance at June 30, 2015, was \$1,282,905.

Down Payment Assistance Loans

The former Rocklin Redevelopment Agency began a down payment assistance program in 2007 to help low and moderate income individuals with purchases of a home. Qualifying individuals receive down payment assistance with the loan deferred as long as it is an owner-occupied dwelling. Interest and/or

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principal may be waived if certain terms are met by the borrower. The Down Payment Assistance loans receivable at June 30, 2015 were \$1,660,430.

Villa Serena II Loan

On July 24, 2001, the former Rocklin Redevelopment Agency entered into an agreement with Stanford Arms, a California Limited Partnership, for a loan in the amount of \$1,100,000. The loan has been used to assist with the construction of the Villa Serena affordable senior project known as Stanford Arms. The loan is at 3% simple interest and is to be repaid from residual receipts over a thirty-year period. The loan is secured by a deed of trust covering the property, improvements, and fixtures and by all deposits of the borrower. At June 30, 2015, a balance of \$1,100,000 is outstanding.

College Manor

On November 1, 2007, the former Rocklin Redevelopment Agency entered into an agreement with CAHA College Manor LP, a California Limited Partnership, for a loan in the amount of \$650,000. The loan has been used to finance the acquisition and renovation of low income apartments located at 4201 Racetrack Road. The loan is at 3% simple interest and is to be repaid from residual receipts over a fifty-five year period. At June 30, 2015, a balance of \$650,000 is outstanding.

Sunset Blvd

On June 24, 2008, the former Rocklin Redevelopment Agency authorized a loan in the amount of \$575,000 to Sunset Street Housing Partners for an existing apartment complex located at 3655 Sunset Blvd. The loan provides for 3% simple interest for 30 years with payments to begin after the second anniversary of the loan document execution date. Associated with this project, the former Rocklin Redevelopment Agency also approved Conduit Debt issuance in the maximum amount of \$10,000,000 in multifamily revenue bonds by the California Statewide Communities Development Authority. At June 30, 2015, a balance of \$575,000 is outstanding.

Whitney Rocklin, LP

On June 24, 2008, the former Rocklin Redevelopment Agency authorized a loan in the amount of \$1,595,000, which was later amended to \$1,730,000 on December 9, 2008, to Whitney Rocklin LP to assist with construction of a 156 unit multifamily housing project referred to as the Whitney Ranch Apartments. The loan provides for 3% simple interest for 30 years. Associated with this project, the former Rocklin Redevelopment Agency also approved Conduit Debt issuance in the maximum amount of \$18,000,000 in multifamily revenue bonds by the California Statewide Communities Development Authority. At June 30, 2015, a balance of \$1,730,000 is outstanding.

HPD Shannon Bay, LP

On September 9, 2008, the former Rocklin Redevelopment Agency authorized a housing rehabilitation loan in the amount of \$500,000 with HPD Shannon Bay LP for a 50 unit multi-family housing project referred to as the Shannon Bay Apartments. The loan provides for 3% simple interest for 30 years with a 5 year period of interest only payments. The loan then converts to an amortizing loan during which time an annual payment of \$25,296 will be paid and at the end of the loan term a balloon payment for the remaining balance becomes due and payable. Associated with this project, the former Rocklin Redevelopment Agency also approved Conduit Debt issuance in the maximum amount of \$6,000,000 in multifamily revenue bonds by the California Statewide Communities Development Authority. At June 30, 2015, a balance of \$500,000 is outstanding.

Whitney Rocklin, LP

On December 9, 2008, the former Rocklin Redevelopment Agency authorized a loan in the amount of \$2,100,000 to subsidize 70 low income rental units into very low income units referred to as the Whitney

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Ranch Apartments. The loan provides for 3% simple interest for 30 years. At June 30, 2015, a balance of \$2,100,000 remains outstanding.

Placer West Housing Partners, LP

On December 8, 2009 the former Rocklin Redevelopment Agency authorized a housing rehabilitation loan in the amount of \$500,000 with Placer West Housing Partners LP for a 44-unit affordable housing project located a 6055 Placer West Drive in Rocklin. The loan provides for 3% simple interest for 30 years with partial interest only payments in the amount of \$2,000 to begin on the second anniversary of the loan document execution date of December 22, 2009. A balloon payment of the remaining unpaid balance of principal and interest shall be due at the conclusion of the loan term. At June 30, 2015 a balance of \$311,470 is outstanding.

NOTE 5 - CAPITAL ASSETS

Capital assets consisted of the following as of June 30, 2015:

Governmental activities:	Balance July 01, 2014	Additions	Retirements	Transfers	Balance June 30, 2015
Nondepreciable Capital Assets:					
Land	\$ 5,230,395	\$ -	\$ -	\$ -	\$ 5,230,395
Land improvements	108,402	-	-	-	108,402
Park Land	53,693,948	-	-	-	53,693,948
Construction in progress	12,705,867	9,507,991	-	(6,749,240)	15,464,618
Total nondepreciable capital assets	71,738,612	9,507,991	-	(6,749,240)	74,497,363
Depreciable capital assets:					
Buildings	33,851,346	-	(1,041,497)	-	32,809,849
Facilities & other improvements	3,611,716	20,750	-	121,550	3,754,016
Machinery & equipment	2,279,240	146,847	(342,545)	-	2,083,542
Fleet machinery & equipment	8,865,488	397,294	(342,936)	-	8,919,846
Park Buildings	954,373	-	-	-	954,373
Park Equipment	1,623,319	-	-	-	1,623,319
Park Improvements	14,678,208	-	-	-	14,678,208
Infrastructure	345,756,490	-	(337,296)	6,627,690	352,046,884
Total depreciable capital assets	411,620,180	564,891	(2,064,274)	6,749,240	416,870,037
Total capital assets	483,358,792	10,072,882	(2,064,274)	-	491,367,400
Accumulated depreciation:					
Buildings	14,696,748	1,059,187	(851,673)	-	14,904,262
Facilities & other improvements	1,977,921	239,570	-	-	2,217,491
Machinery & equipment	2,216,800	72,888	(342,546)	-	1,947,142
Fleet Machinery & equipment	5,844,754	575,167	(284,455)	-	6,135,466
Park Buildings	343,919	31,812	-	-	375,731
Park Equipment	1,607,191	16,128	-	-	1,623,319
Park Improvements	9,265,456	830,598	-	-	10,096,054
Infrastructure	132,572,084	8,919,434	(337,296)	-	141,154,222
Total accumulated depreciation	168,524,873	11,744,784	(1,815,970)	-	178,453,687
Total capital assets - net	\$ 314,833,919	\$ (1,671,902)	\$ (248,304)	\$ -	\$ 312,913,713

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

General Government	\$ 80,007
Public Safety	803,604
General Services	10,861,173
Total Depreciation Expense	<u>\$ 11,744,784</u>

NOTE 6 - NONCURRENT LIABILITIES

The City's noncurrent liabilities consisted of the following as of June 30, 2015:

Description	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
2003 Certificates of Participation	\$ 2,430,000	\$ -	\$ 450,000	\$ 1,980,000	\$ 465,000
2003 Rocklin Public Financing Authority (RPFA) Refunding Revenue Bonds-Senior	8,110,000	-	535,000	7,575,000	555,000
2003 RPFA Refunding Revenue Bonds - Subordinate	820,000	-	85,000	735,000	90,000
Subtotal General Long-Term Debt	11,360,000	-	1,070,000	10,290,000	1,110,000
Claims Payable	1,162,959	418,596	333,979	1,247,576	-
Net Pension Obligations	-	33,957,476	3,878,886	30,078,590	-
Net OPEB Obligation	21,830,121	6,181,789	7,646,343	20,365,567	-
Compensated Absences	3,021,108	154,538	6,150	3,169,496	1,389,216
Total Noncurrent Liabilities	<u>\$ 37,374,188</u>	<u>\$ 40,712,399</u>	<u>\$ 12,935,358</u>	<u>\$ 65,151,229</u>	<u>\$ 2,499,216</u>

2003 Certificates of Participation (COPS)

In December 2003, the City issued certificates of participation in the amount of \$6,650,000. The proceeds from this issuance were used to finance a portion of the police station construction costs and related facilities and defease outstanding 1995 certificates of participation. The required reserve balances provide the security for this issuance. Interest rates range from 2% to 4.20%. Principal payments ranging from \$465,000 to \$525,000 are payable annually on September 1 and interest payments ranging from \$11,025 to \$40,378 are payable semi-annually on March 1 and September 1, through September 1, 2018.

2003 Senior and Subordinate Refunding Revenue Bonds

In January 2004, the Rocklin Public Financing Authority issued \$12,575,000 of Senior Refunding Revenue Bonds and \$1,455,000 of Subordinate Refunding Revenue Bonds. Proceeds from these bonds were used to refund the outstanding 1999 Rocklin Public Financing Authority Revenue Bonds. The Bonds are secured by revenues from specific assessment districts. Interest rates range from 2% to 4.6% for the Senior issue and 3.125% to 5.625% for the Subordinate issue. Principal payments ranging from \$555,000 to \$850,000 are payable annually on September 1 and interest payments ranging from \$19,550 to \$165,338 are payable semi-annually on March 1 and September 1 through September 1, 2025, for the Senior issue. Principal payments ranging from \$90,000 to \$120,000 are payable annually on September 1 and interest payments ranging from \$19,561 to \$21,633 are payable on March 1 and September 1 through September 1, 2021, for the Subordinate issuance.

City of Rocklin
Notes to the Basic Financial Statements
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Claims Payable

The City has recorded a liability for potential claims in excess of amounts covered by the insurance pool. At June 30, 2015, the City had a claims payable liability of \$1,247,576. See Note 8 for further discussion on the City’s risk management activities.

Net Pension Obligation

As a result of the implementation of GASB 68, the City has recorded a net pension liability for its CalPERS Miscellaneous, Fire and Police pension plans. At June 30, 2015, the City had a net pension liability of \$30,078,590. See Note 9 for further discussion on the pension liability.

Net OPEB Obligation

A net Other Post Employment Benefit (OPEB) obligation is the cumulative difference between annual OPEB cost and an employer’s contributions to a plan. At June 30, 2015, the City had a net OPEB obligation of \$20,365,567. See Note 10 for further discussion on OPEB.

Compensated Absences

The City records compensated absences for all employee absences that are expected to be paid such as vacation, illness, and holidays. Compensated absences had a balance of \$3,169,496 at June 30, 2015, of that amount; \$1,389,216 is expected to be paid within a year.

Arbitrage

The Tax Reform Act of 1986 instituted certain arbitrage restrictions with respect to the issuance of tax-exempt bonds after August 31, 1986. Arbitrage regulations deal with the investment of all tax exempt bond proceeds at an interest yield greater than the interest yield to bondholders. Generally, all interest paid to bondholders can be retroactively rendered taxable if applicable rebates are not reported and paid to the Internal Revenue Service (IRS) at least every five years. The City performed calculations of excess investment earnings on various bonds and financings and at June 30, 2015, there were no arbitrage liabilities.

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

Year Ending June 30,	Principal	Interest	Total
2016	\$ 1,110,000	\$ 428,561	\$ 1,538,561
2017	1,160,000	382,177	1,542,177
2018	1,205,000	333,490	1,538,490
2019	1,255,000	282,230	1,537,230
2020	760,000	239,154	999,154
2021-2025	3,950,000	637,324	4,587,324
2026-2030	850,000	19,550	869,550
Total	<u>\$ 10,290,000</u>	<u>\$ 2,322,486</u>	<u>\$ 12,612,486</u>

City of Rocklin
Notes to the Basic Financial Statements
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NOTE 7 - NET POSITION/FUND BALANCE

A. Net Position

Net position consisted of the following at June 30, 2015:

	Net Investment in			Total
	Capital Assets	Restricted	Unrestricted	Governmental
				Activities
Net Investment in Capital Assets	\$ 302,623,713	\$ -	\$ -	\$ 302,623,713
Fund Balance Restrictions	-	21,779,671	-	21,779,671
State Transit Assistance Grant	-	213,713	-	213,713
Wetlands Maintenance	-	63,106	-	63,106
Conservation Easement Endowment	-	453,455	-	453,455
Unrestricted	-	-	(7,435,357)	(7,435,357)
Total	\$ 302,623,713	\$ 22,509,945	\$ (7,435,357)	\$ 317,698,301

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

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

B. Fund Balances

Fund Balances consisted of the following at June 30, 2015:

	Nonspendable	Restricted	Committed	Unassigned	Total
					Governmental
					Funds
Endowments	\$ 491,455	\$ -	\$ -	\$ -	\$ 491,455
Advances to Fiduciary Activities	2,308,708	-	-	-	2,308,708
Long-term receivables	11,651,631	-	-	-	11,651,631
Debt Service	-	10,994,195	-	-	10,994,195
Low and Moderate Income Housing	-	987,018	-	-	987,018
Wetlands Maintenance	-	25,106	-	-	25,106
Gas Tax	-	2,095,024	-	-	2,095,024
Sales Tax	-	3,409,978	-	-	3,409,978
Prop 1B	-	2,782	-	-	2,782
Lighting Districts	-	1,456,970	-	-	1,456,970
Community Facilities District	-	2,390,047	-	-	2,390,047
Housing Rehabilitation	-	350,954	-	-	350,954
Asset Forfeiture	-	92,703	-	-	92,703
Recreation Facilities Contributions	-	-	33,099	-	33,099
Capital Construction Impact Fee	-	-	668,246	-	668,246
Oak Tree Mitigation Fees	-	-	1,615,737	-	1,615,737
Whitney Ranch Trunk Sewer Project	-	-	16,650	-	16,650
Traffic Circulation Impact Fees	-	-	1,311,626	-	1,311,626
General Fund	-	-	-	6,667,356	6,667,356
Operating Reserve	-	-	9,357,875	-	9,357,875
Disaster Contingency	-	-	1,000,000	-	1,000,000
Self-Insured Losses	-	-	1,000,000	-	1,000,000
Streets Maintenance	-	-	1,363,060	-	1,363,060
Code Enforcement	-	-	268,785	-	268,785
Economic Development	-	-	268,785	-	268,785
Technology Fee	-	-	382,273	-	382,273
Retiree's Health	-	-	10,420,211	-	10,420,211
Fleet Capital	-	-	1,439,459	-	1,439,459
Parks Repair and Maintenance	-	-	45,273	-	45,273
ADA Improvements	-	-	48,352	-	48,352
Building Repair Reserve	-	-	500,138	-	500,138
Park Development Capital Projects	-	-	-	(1,587,420)	(1,587,420)
Community Parks Fund	-	-	-	(1,025,740)	(1,025,740)
Total	\$ 14,451,794	\$ 21,804,777	\$ 29,739,569	\$ 4,054,196	\$ 70,050,336

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Nonspendable fund balances included the following as of June 30, 2015:

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

Restricted fund balances included the following as of June 30, 2015:

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

Committed fund balances included the following as of June 30, 2015:

1. **Recreation facilities contributions** includes amounts set aside for recreation facilities construction and improvements.
2. **General Fund:**
 - a. **Operating Reserve** includes amounts set aside for operating expense contingencies.
 - b. **Disaster contingency** includes amounts set aside in the event a major disaster emergency occurs.
 - c. **Self-insured losses** includes amounts set aside for losses not covered under existing insurance programs.
 - d. **Streets maintenance** includes amounts set aside for the repair and maintenance of City streets.
 - e. **Code enforcement** includes amounts set aside for City code enforcement.
 - f. **Economic development** includes amounts set aside to promote economic development within the City.
 - g. **Technology fee** includes a 6% fee assessed on certain program revenues to fund the cost of technology systems.
 - h. **Retiree's health insurance premiums** represent amounts set aside to fund future retiree health premiums.
3. **Fleet Capital Reserve** includes amounts set aside for future capital purchases.
4. **Park repair and maintenance** includes amounts set aside for park repair and maintenance.
5. **ADA improvements** includes amounts set aside for ADA compliance.
6. **Capital construction impact fee** includes amounts set aside for city construction projects.

City of Rocklin
Notes to the Basic Financial Statements
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7. **Oak tree mitigation** includes amounts set aside for oak tree preservation.
8. **Whitney Ranch trunk sewer project** includes amounts to be used for the sewer trunk line upgrade.

Assigned fund balances included the following as of June 30, 2015:

1. **Asset forfeiture** are funds received on forfeited assets to be used for Police services.
2. **Traffic circulation impact fees** are for activities related to congestion management.

C. Deficit Net Position and Deficit Fund Balances

Deficit Net Position

The City’s unrestricted net position was a deficit \$7,435,357 as of June 30, 2015. This was a result of the implementation of GASB 68 which required the City to record a noncurrent net pension liability of \$30.1 million.

Deficit Fund Balances

The Park Development Capital Projects Fund had a deficit fund balance of \$1,587,420 as of June 30, 2015 that is to be funded through future development fees.

The Community Park Fees Capital Projects Fund had a deficit fund balance of \$1,025,740 as of June 30, 2015 that is to be funded through future community park fees and reimbursable grants.

NOTE 8 - RISK MANAGEMENT

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

<u>Amount</u>	<u>Coverage Provider</u>	<u>Payment Source</u>
Liability Claim:		
\$0 - \$50,000	Self-insured	Banking layer
\$50,001 - \$450,000	NCCSIF	Shared risk
\$450,001 - \$40,000,000	Excess coverage	CJPRMA
Workers' Compensation:		
\$0 - \$100,000	Self-insured	Banking layer
\$100,001 - \$400,000	NCCSIF	Shared risk
\$400,001 - Statutory	Excess coverage	CSAC EIA

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

A member from each city governs the NCCSIF. City Council members do not have significant oversight responsibility, since they evenly share all factors of responsibility with the other cities. The City does not retain the risk of loss. However, ultimate liability for payment of claims and insurance premiums resides with member cities. The NCCSIF is empowered to make supplemental assessments as needed to

City of Rocklin
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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 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 \$931,192 is recorded in the general fund. The audited financial statements of the JPA are available at the NCCSIF's office. The following is a summary of the claims liabilities for the last three fiscal years:

	Year Ended June 30, 2015	Year Ended June 30, 2014	Year Ended June 30, 2013
Claims payable, beginning of year	\$ 1,162,959	\$ 988,108	\$ 699,525
Fiscal year claims and changes in estimates	418,596	494,813	795,318
Claims payments	(333,979)	(319,962)	(506,735)
Claims payable, end of year	<u>\$ 1,247,576</u>	<u>\$ 1,162,959</u>	<u>\$ 988,108</u>

NOTE 9 - RETIREMENT PLANS

A. General Information about the Pension Plans

Plan Description

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

Benefits Provided

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

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The Plans' provisions and benefits in effect at June 30, 2015, are summarized as follows:

	Miscellaneous		Safety		
	Tier 1	PEPRA	Fire	Police	Police/PEPRA
Hire date	N/A	On or after January 1, 2013	N/A	N/A	On or after January 1, 2013
Benefit formula	2% @ 55	2% @ 62	3% @ 50	3% @ 50	2.7% @ 57
Benefit vesting schedule	5 Years	5 Years	5 Years	5 Years	5 Years
Benefit payments	Monthly for Life	Monthly for Life	Monthly for Life	Monthly for Life	Monthly for Life
Retirement age	50	52	50	50	50
Monthly benefits as a % of eligible compensation	1% to 2.5%	1% to 2.5%	3.00%	3.00%	2% to 2.7%
Required employee contribution rates	7.00%	6.25%	9.00%	9.00%	11.50%
Required employer contribution rates	17.06%	17.06%	27.85%	27.85%	11.50%

Employees Covered

At June 30, 2015, the following employees were covered by the benefit terms for the Plans:

	Miscellaneous	Fire	Police
Active	165	35	52
Transferred	94	36	22
Separated	129	7	11
Retired	83	16	31
Total	471	94	116

Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rates are the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. For the year ended June 30, 2015, the contributions recognized as part of pension expense for the Plans were as follows:

	Employer	Employee
	Contributions	Contributions
Miscellaneous	\$ 1,521,604	\$ 714,896
Fire	\$ 707,697	\$ 510,219
Police	\$ 950,227	\$ 524,179

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

Pension Liability

As of June 30, 2015, the City reported net pension liabilities for each plan as follows:

	Net Pension Liability
Miscellaneous	\$ 16,713,853
Fire	5,704,838
Police	7,659,899
Total Net Pension Liability	<u>\$ 30,078,590</u>

The City's net pension liability for the Fire and Police Plans are measured as the proportionate share of the net pension liability while the Miscellaneous plan's net pension liability is a direct calculation based on its actuarial study and is not proportionate. The net pension liability of all the Plans are measured as of June 30, 2014, and the total pension liability for the Plans used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2013 rolled forward to June 30, 2014 using standard update procedures. The City's proportion of the net pension liability for the Fire and Police Plans was based on a projection of the City's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. The City's proportionate share of the net pension liability for the Fire and Police Plans as of June 30, 2013 and 2014 was as follows:

	Fire	Police
Proportion - June 30, 2013	0.1579%	0.2120%
Proportion - June 30, 2014	0.1521%	0.2042%
Change	<u>-0.0058%</u>	<u>-0.0078%</u>

For the year ended June 30, 2015, the City recognized pension expense of \$3,650,753. At June 30, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Miscellaneous		Fire		Police	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 2,539,038	\$ -	\$ 1,191,493	\$ -	\$ 2,032,540	\$ -
Adjustment due to differences in proportions	-	-	-	18,046	-	220,112
Net differences between projected and actual earnings on plan investments	-	3,256,226	-	1,722,478	-	2,312,777
Totals	<u>\$ 2,539,038</u>	<u>\$ 3,256,226</u>	<u>\$ 1,191,493</u>	<u>\$ 1,740,524</u>	<u>\$ 2,032,540</u>	<u>\$ 2,532,889</u>

The City reported \$5,763,071 as deferred outflows of resources related to contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the year ended June

City of Rocklin
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30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Fiscal Year Ended June 30	Recognized to Pension Expense		
	Miscellaneous	Fire	Police
2016	\$ (814,057)	\$ (437,065)	\$ (656,805)
2017	(814,057)	(437,065)	(656,805)
2018	(814,057)	(435,776)	(641,084)
2019	(814,055)	(430,618)	(578,195)
Totals	<u>\$ (3,256,226)</u>	<u>\$ (1,740,524)</u>	<u>\$ (2,532,889)</u>

Actuarial Assumptions

The total pension liabilities in the June 30, 2013 actuarial valuations were determined using the following actuarial assumptions:

Valuation Date	June 30, 2013
Measurement Date	June 30, 2014
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.50%
Inflation	2.75%
Payroll Growth	3.00%
Projected Salary Increase	3.3% - 14.2% (1)
Investment Rate of Return	7.5% (2)
Mortality	(3)

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

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2013 valuation were based on the results of a January 2014 actuarial experience study for the period 1997 to 2011. Further details of the Experience Study can found on the CalPERS website.

Discount Rate

The discount rate used to measure the total pension liability was 7.50 percent for the Plans. To determine whether the municipal bond rate should be used in the calculation of a discount rate for the Plans, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.50 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.50 percent will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website. According to Paragraph 30 of Statement 68, the long-term discount rate should be determined without reduction for pension plan administrative expense. The 7.50 percent investment return assumption used in this accounting valuation is net of administrative expenses. Administrative expenses are assumed to be 15 basis points. An investment return excluding administrative expenses would have been 7.65 percent. Using this lower discount rate has resulted in a

City of Rocklin
Notes to the Basic Financial Statements
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slightly higher Total Pension Liability and Net Pension Liability. CalPERS checked the materiality threshold for the difference in calculation and did not find it to be a material difference.

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

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

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

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

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

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

City of Rocklin
Notes to the Basic Financial Statements
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C. Sensitivity of the Net Pension Liability to Changes in the Discount Rate

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

	Miscellaneous	Fire	Police
1% Decrease	6.50%	6.50%	6.50%
Net Pension Liability	\$ 25,828,220	\$ 9,817,287	\$ 13,181,694
Current Discount Rate	7.50%	7.50%	7.50%
Net Pension Liability	\$ 16,713,853	\$ 5,704,838	\$ 7,659,899
1% Increase	8.50%	8.50%	8.50%
Net Pension Liability	\$ 9,181,921	\$ 2,316,357	\$ 3,110,178

Pension Plan Fiduciary Net Position

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

NOTE 10 - OTHER POSTEMPLOYMENT BENEFITS PLAN

Plan Description

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

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

City of Rocklin
Notes to the Basic Financial Statements
June 30, 2015

The following is a summary of the plan benefits from the most recent actuarial study dated June 30, 2013:

Eligibility	Full-time employees retiring directly from City under CalPERS (age 50 and 5 years, or disability)																																			
Medical	Hired < 5/1/2003 City cap: <table border="1"> <thead> <tr> <th></th> <th>Single</th> <th>2-Party</th> <th>Family</th> </tr> </thead> <tbody> <tr> <td>2012</td> <td>\$ 1,093</td> <td>\$ 1,093</td> <td>\$ 1,093</td> </tr> <tr> <td>2013</td> <td>\$ 1,093</td> <td>\$ 1,093</td> <td>\$ 1,093</td> </tr> </tbody> </table>		Single	2-Party	Family	2012	\$ 1,093	\$ 1,093	\$ 1,093	2013	\$ 1,093	\$ 1,093	\$ 1,093	Hired > 5/1/2003 Cap greater of City cap and State 100/90 premium: <table border="1"> <thead> <tr> <th></th> <th>Single</th> <th>2-Party</th> <th>Family</th> </tr> </thead> <tbody> <tr> <td>2013</td> <td>\$ 622</td> <td>\$ 1,183</td> <td>\$ 1,515</td> </tr> <tr> <td>2014</td> <td>\$ 642</td> <td>\$ 1,218</td> <td>\$ 1,559</td> </tr> </tbody> </table> Vesting schedule applied: <table border="1"> <thead> <tr> <th>CalPERS Service</th> <th>Vested Percent</th> </tr> </thead> <tbody> <tr> <td>< 10</td> <td>0%</td> </tr> <tr> <td>10</td> <td>50%</td> </tr> <tr> <td>↓</td> <td>↓</td> </tr> <tr> <td>> 20</td> <td>100%</td> </tr> </tbody> </table> 1) Minimum 5 years City service 2) 100% vest at disability retirement 3) Vested termination benefit with 20 years of City service		Single	2-Party	Family	2013	\$ 622	\$ 1,183	\$ 1,515	2014	\$ 642	\$ 1,218	\$ 1,559	CalPERS Service	Vested Percent	< 10	0%	10	50%	↓	↓	> 20	100%
	Single	2-Party	Family																																	
2012	\$ 1,093	\$ 1,093	\$ 1,093																																	
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	Single	2-Party	Family																																	
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CalPERS Service	Vested Percent																																			
< 10	0%																																			
10	50%																																			
↓	↓																																			
> 20	100%																																			
Surviving	Surviving spouse coverage based on retirement plan election Same benefit continues to surviving spouse																																			
Dental, Vision, Life	None																																			
Other	Implicit rate subsidy not included Exposure Draft Actuarial Standard of Practice No. 6																																			
Pay As You Go (\$000s)	Fiscal Year	Payments																																		
	2013/14	\$ 1,016																																		
	2012/13	918																																		
	2011/12	806																																		
	2010/11	697																																		
	2009/10	578																																		
	2008/09	483																																		

Funding Policy

By Council resolution and through agreements with its labor units, the City contributes a fixed amount towards the CalPERS medical plan premium for all eligible retirees with retirees contributing any premium amounts in excess of the City Contribution. The City funds the OPEB on a prefunded phase in basis. The City recognizes its cost by budgeting for and expensing the premiums, which amounted to \$1,121,343 for the year ended June 30, 2015. The City continues toward its goal of fully funding the OPEB obligation by making contributions to the California Employers' Retiree Benefit Trust (CERBT). During fiscal year 2014/2015, the City contributed \$2.3 million to the CERBT.

Annual OPEB Cost and Net OPEB Obligation

The City's annual other postemployment benefit cost (expense) is calculated based on the annual required contribution (ARC) of the employer. The ARC represents the level of funding that, if paid on an ongoing

City of Rocklin
Notes to the Basic Financial Statements
June 30, 2015

basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The City plans to have the ARC fully funded by the end of fiscal year 2022.

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

Annual required contribution	\$ 3,938,000
Interest on net OPEB obligation	1,081,000
Other adjustments and expenses	3,789
Adjustment to annual required contribution	<u>(1,541,000)</u>
Annual OPEB cost (expense)	3,481,789
Contributions made	<u>(3,398,343)</u>
Increase in net OPEB obligation	83,446
Beginning balance adjustments	(1,548,000)
Net OPEB obligation - beginning of year	<u>21,830,121</u>
Net OPEB obligation - end of year	<u>\$ 20,365,567</u>

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation for the fiscal year 2015 and the two preceding fiscal years were as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2013	\$ 5,652,000	16%	\$20,305,368
2014	4,310,000	64%	21,830,121
2015	3,481,789	98%	20,365,567

Funded Status and Funding Progress

The funded status of the Plan as of June 30, 2015 was as follows:

Actuarial accrued liability (AAL)	\$ 30,473,000
Value of plan assets	<u>4,044,727</u>
Unfunded actuarial accrued liability (UAAL)	<u>\$ 26,428,273</u>
Funded ratio (actuarial value of plan assets/AAL)	13%

Actuarial valuations of an ongoing plan involve estimates of the value of expected benefit payments and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions

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

City of Rocklin
Notes to the Basic Financial Statements
June 30, 2015

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

The annual required contribution (ARC) was determined as part of a June 30, 2013, actuarial valuation using the entry age normal actuarial cost method. This is a projected benefit cost method, which takes into account those benefits that are expected to be earned in the future as well as those already accrued. The actuarial assumptions included (a) 4.5% return on the unfunded portion and 7.25% on the funded portion, (b) 3.25% projected annual salary increase, (c) 3.00% of general inflation increase, and (d) a healthcare trend of declining annual increases ranging from 8.0% to 8.3% in 2015 to 5% in 2020.

The unfunded actuarial accrued liability (UAAL) representing the difference between the actuarial accrued liability and the value of plan assets, amounted to \$26,428,273 million. As of June 30, 2015, the City had total assets of \$11,197,211 in a City Retirees Health Fund. These funds are currently invested. As investments mature, available funds will be transferred to CERBT.

NOTE 11 - COMMITMENTS AND CONTINGENCIES

A. Commitments

The City had the following significant unexpended contractual commitments as of June 30, 2015:

Project Name	Original Commitment	Commitment Remaining
Quinn Quarry Park	\$ 2,380,000	\$ 2,189,635
Springview Meadows Drainage	94,256	83,537
University Ave Extension	3,307,319	647,235
Sunset Bridge Repair	376,499	376,499
Roadway Resurfacing (High Density Mineral Bond)	598,007	598,007
Whitney Ranch Interchange	9,351,088	6,554,668
Winding Lost Ruhkala	86,500	59,914
Rocklin Road/I-80 Interchange	714,099	324,072
	\$ 16,907,768	\$ 10,833,567

B. Lawsuits

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

City of Rocklin
Notes to the Basic Financial Statements
June 30, 2015

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

The City participates in a number of Federal, State and County programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grantor program regulations, the City may be required to reimburse the grantor government. As of June 30, 2015, some amounts of grant expenditures have not been audited, but the City believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any individual governmental funds or the overall financial condition of the City.

NOTE 12 - SPECIAL TAX ASSESSMENT DISTRICTS

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

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

The following table presents the balances of the various district bonds as of June 30, 2015.

Community Facilities District Bonds	Balance June 30, 2015
CFD No. 3 2004 - Stanford Ranch Refunding	\$ 650,000
CFD No. 3 2005 - Stanford Ranch Refunding	1,625,000
CFD No. 3 2014 - Stanford Ranch Refunding	3,620,476
CFD No. 6 - Sunset West Drainage	1,350,000
CFD No. 7 - Sunset West Interchange/Major St	1,714,974
CFD No. 8 - Sunset West Park Drive	3,495,000
CFD No. 9 - Sunset West/Blue Oaks	4,160,000
CFD No. 10 - Whitney Ranch	21,460,000
CFD No. 11 - Sierra College Interchange	7,666,868
Total CFD Bonds	<u>\$ 45,742,318</u>

City of Rocklin
Notes to the Basic Financial Statements
June 30, 2015

Community Facilities District No. 1 Special Tax

Community Facilities District No. 1 was formed in 1986 to provide fire protection and suppression services and ambulance and paramedic services to various developments within the City of Rocklin. These services are provided by the City of Rocklin Fire Department. The cost for these services is born by the City and partially offset by the special tax levied on parcels within the district. As such, district expenditures are primarily a reimbursement to the City. For fiscal year 2015, revenues were \$1,352,389 and reimbursement expenditures were \$1,338,930. If expenditures exceed revenues in a fiscal year, the excess expenditures are paid with cash on hand. There were no active projects during the fiscal year.

Community Facilities District No. 3 Bonds

Community Facilities District No. 3 was formed in 1990 to issue bonds for street related improvements and projects, such as the construction of roadways, storm drainage facilities, sanitary sewer facilities, water lines, and gas lines. The district's improvements and projects have been completed. For fiscal year 2015, revenues were \$2,782,368 and expenditures were \$2,731,212. The primary source of revenues is special taxes and expenditures are for activities related to debt service. If expenditures exceed revenues in a fiscal year, the excess expenditures are paid with cash on hand.

Community Facilities District No. 5 Special Tax

Community Facilities District No. 5 was formed in 1996 to fund the operation and maintenance of street and parkway lights, streetscapes, open space, and parks in various developments within the City of Rocklin. For fiscal year 2015, revenues were \$3,604,755 and expenditures were \$4,206,830. The primary source of revenues is special taxes and expenditures are for operating costs such as payroll, maintenance, professional services, and utilities. If expenditures exceed revenues in a fiscal year, the excess expenditures are paid with cash on hand. There were no active projects during the fiscal year.

Community Facilities District No. 6 Bonds

Community Facilities District No. 6 was formed in 1998 to issue bonds for installation, construction, and acquisition of drainage facilities and open space. The district's improvements and projects have been completed. For fiscal year 2015, revenues were \$174,630 and expenditures were \$169,669. The primary source of revenues is special taxes and expenditures are for activities related to debt service. If expenditures exceed revenues in a fiscal year, the excess expenditures are paid with cash on hand.

Community Facilities District No. 6 Special Tax

A special tax has been levied to fund the operation and maintenance of the open space and storm drainage facilities of Community Facilities District No. 6. For fiscal year 2015, revenues were \$252,222 and expenditures were \$225,840. The primary source of revenue is special taxes and expenditures are for operating costs such as payroll, maintenance and professional services. If expenditures exceed revenues in a fiscal year, the excess expenditures are paid with cash on hand. There were no active projects during the fiscal year.

Community Facilities District No. 7 Bonds

Community Facilities District No. 7 was formed in 1997 to issue bonds for the construction and acquisition of a highway interchange and connectors to provide access between Blue Oaks Blvd. and Highway 65. The district's improvements and projects have been completed. For fiscal year 2015, revenues were \$274,519 and expenditures were \$263,165. The primary source of revenues is special taxes and expenditures are for activities related to debt service. If expenditures exceed revenues in a fiscal year, the excess expenditures are paid with cash on hand.

City of Rocklin
Notes to the Basic Financial Statements
June 30, 2015

Community Facilities District No. 8 Bonds

Community Facilities District No. 8 was formed in 1998 to issue bonds for the construction, acquisition, and widening of portions of Park Dr. and Blue Oaks Blvd. and the installation of backbone utility infrastructure within the same area. The district's improvements and projects have been completed. For fiscal year 2015, revenues were \$481,649 and expenditures were \$460,860. The primary source of revenues is special taxes and expenditures are for activities related to debt service. If expenditures exceed revenues in a fiscal year, the excess expenditures are paid with cash on hand.

Community Facilities District No. 9 Bonds

Community Facilities District No. 9 was formed in 1998 to issue bonds for the construction, acquisition, and widening of portions of Lone Tree, Blue Oaks, and West Oaks Boulevards and installation of traffic control lights. The district's improvements and projects have been completed. For fiscal year 2015, revenues were \$562,071 and expenditures were \$543,193. The primary source of revenues is special taxes and expenditures are for activities related to debt service. If expenditures exceed revenues in a fiscal year, the excess expenditures are paid with cash on hand.

Community Facilities District No. 10 Bonds

Community Facilities District No. 10 was formed in 2005 to issue bonds for the construction of transportation, wastewater system, drainage, and landscaping facilities and other public improvements for development within the Whitney Ranch District. For fiscal year 2015, revenues were \$1,608,447 and expenditures were \$1,545,938. The primary source of revenues is special taxes and expenditures are for activities related to debt service. If expenditures exceed revenues in a fiscal year, the excess expenditures are paid with cash on hand.

Community Facilities District No. 11 Bonds

Community Facilities District No. 11 was formed in 2006 to issue bonds for the construction of a new interchange on Interstate 80 at Sierra College Blvd. This project has been completed. For fiscal year 2015, revenues were \$876,868 and expenditures were \$849,239. The primary source of revenues is special taxes and expenditures are for activities related to debt service. If expenditures exceed revenues in a fiscal year, the excess expenditures are paid with cash on hand.

Lighting Maintenance District No. 1

Lighting Maintenance District No. 1 was formed in 1979 to provide maintenance of streetlights and safety lighting throughout various portions of the City of Rocklin. During the fiscal year, 1,526 streetlights, 20 traffic signals, 2 flashing lights, and safety lighting was maintained. For fiscal year 2015, revenues were \$250,711 and expenditures were \$250,237. The primary source of revenues is special assessments and expenditures are primarily for payroll, maintenance, professional services, and utilities. There were no active projects during the fiscal year.

Landscaping and Lighting Maintenance District No. 2

Landscaping and Lighting Maintenance District No. 2 was formed in 1996 to provide maintenance of streetlights, safety lighting, and roadway landscaping throughout various portions of the City of Rocklin. During the fiscal year, 2,668 streetlights, 51 traffic signals, 55 irrigation timers for roadway landscaping and safety lighting was maintained. For fiscal year 2015, revenues were \$1,689,740 and expenditures were \$2,106,235. The primary source of revenues is special assessments and expenditures are primarily for payroll, maintenance, professional services, and utilities. There were no active projects during the fiscal year.

City of Rocklin
Notes to the Basic Financial Statements
June 30, 2015

Park Development and Maintenance Tax

The Park Development and Maintenance Tax was enacted in 1998 and reenacted in 2009, to provide development, installation, servicing, maintenance, repair and operation of parks in the City of Rocklin. From fiscal year 2010 through 2015, there have been no projects funded by the tax. The tax revenue has been primarily used for payroll, professional services and utilities in connection with park maintenance and operation. The table below presents historical park tax revenues and related expenditures for the last five fiscal years. Expenditures in excess of park tax revenues are paid from general fund.

Year Ended June 30,	Park Tax Revenue	Expenditures	Revenue Over (Under) Expenditures
2011	\$ 510,083	\$ 1,279,103	\$ (769,020)
2012	516,046	1,068,575	(552,529)
2013	524,645	1,054,337	(529,692)
2014	525,660	1,048,601	(522,941)
2015	526,905	1,079,407	(552,502)
Total	<u>\$ 2,603,339</u>	<u>\$ 5,530,023</u>	<u>\$ (2,926,684)</u>

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

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

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

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

City of Rocklin
Notes to the Basic Financial Statements
June 30, 2015

Successor Agency Noncurrent Liabilities

The following is a summary of changes in long-term liabilities for governmental activities for the year ended June 30, 2015:

Description	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
General Long-Term Debt:					
2002 Refunding Tax Allocation Bonds	\$ 2,080,000	\$ -	\$ 50,000	\$ 2,030,000	\$ 60,000
2005 Refunding Tax Allocation Bonds	9,815,000	-	300,000	9,515,000	275,000
2007 Refunding Tax Allocation Bonds	14,135,000	-	325,000	13,810,000	365,000
Subtotal General Long-Term Debt	26,030,000	-	675,000	25,355,000	700,000
Unamortized Discounts:					
2002 Refunding Tax Allocation Bonds	(103,184)	-	(16,906)	(86,278)	-
2005 Refunding Tax Allocation Bonds	(82,128)	-	(3,911)	(78,217)	-
2007 Refunding Tax Allocation Bonds	(220,836)	-	(10,038)	(210,798)	-
Subtotal Unamortized Discounts	(406,148)	-	(30,855)	(375,293)	-
Subtotal General Long-Term Debt - Net	25,623,852	-	644,145	24,979,707	700,000
Other Noncurrent Liabilities:					
Quarry Loan Payable	253,045	-	124,243	128,802	128,802
Placer County Loan Payable	1,461,748	-	292,350	1,169,398	292,350
Subtotal Other Noncurrent Liabilities	1,714,793	-	416,593	1,298,200	421,152
Total Noncurrent Liabilities	\$ 27,338,645	\$ -	\$ 1,060,738	\$ 26,277,907	\$ 1,121,152

2002 Refunding Tax Allocation Bonds

On February 1, 2002, tax allocation bonds were issued, in the amount of \$13,730,000, to defease the 1994 tax allocation bonds of the Redevelopment Agency. The proceeds of the tax allocation bonds are being used to finance certain capital improvements within the Redevelopment Agency's project area. On February 23, 2007, \$10,535,000 of principal was defeased from the issuance of the 2002 Tax Allocation Bonds. The remaining bonds are payable from and secured by tax increment revenues payable to the Redevelopment Agency. Interest rates range from 4.60% to 5.50%. Principal payments ranging from \$60,000 to \$190,000 are payable annually on September 1 and interest payments ranging from \$5,225 to \$54,709 are payable semi-annually on March 1 and September 1 through September 1, 2032.

2005 Tax Allocation Bonds

On July 15, 2005, tax allocation bonds were issued, in the amount of \$11,900,000. A portion of the proceeds of the tax allocation bonds were used to defease the 1997 refunding tax allocation bonds of the Redevelopment Agency's project area and the remaining \$8 million was used for redevelopment projects. The bonds are payable from and secured by tax increment revenues payable to the Redevelopment Agency. Interest rates range from 3% to 4.5%. Principal payments ranging from \$180,000 to \$1,530,000 are payable annually on September 1 and interest payments ranging from \$34,425 to \$206,773 are payable semi-annually on March 1 and September 1, through September 1, 2035.

2007 Tax Allocation Bonds

On February 23, 2007, tax allocation bonds were issued in the amount of \$15,815,000 to partially defease the 2002 Tax Allocation Bond of the Agency and to fund the costs of capital improvements and facilities

City of Rocklin
Notes to the Basic Financial Statements
June 30, 2015

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 \$292,816 are payable semi-annually on March 1 and September 1, through September 1, 2037.

Quarry Loan Payable

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

Placer County Loan Payable

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

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

Year Ending June 30,	Principal	Interest	Total
2016	\$ 700,000	\$ 1,094,858	\$ 1,794,858
2017	725,000	1,066,436	1,791,436
2018	755,000	1,036,351	1,791,351
2019	785,000	1,004,706	1,789,706
2020	820,000	971,490	1,791,490
2021-2025	4,645,000	4,300,402	8,945,402
2026-2030	5,725,000	3,177,739	8,902,739
2031-2035	7,140,000	1,731,794	8,871,794
2036-2040	4,060,000	228,019	4,288,019
Total	<u>\$ 25,355,000</u>	<u>\$ 14,611,795</u>	<u>\$ 39,966,795</u>

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ROCKLIN
CALIFORNIA

REQUIRED SUPPLEMENTARY INFORMATION

City of Rocklin
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual (GAAP Basis)
General Fund
For the year ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes and assessments	\$ 20,899,500	\$ 20,899,500	\$ 22,378,046	\$ 1,478,546
License and permits	1,502,800	1,502,800	2,300,095	797,295
Fines and forfeitures	172,900	172,900	563,489	390,589
Intergovernmental	4,078,900	4,078,900	4,479,286	400,386
Charges for services	3,953,100	3,953,100	4,307,392	354,292
Use of money and property	1,494,900	1,494,900	1,608,754	113,854
Other revenues	3,336,900	3,336,900	3,587,978	251,078
Total Revenues	35,439,000	35,439,000	39,225,040	3,786,040
EXPENDITURES				
Current:				
General government	10,753,299	13,351,499	12,947,670	403,829
Public safety	19,879,600	20,094,200	19,332,543	761,657
General services	7,693,100	7,693,100	7,704,559	(11,459)
Community development	2,024,900	2,135,100	2,033,572	101,528
Capital outlay	7,000	7,000	12,633	(5,633)
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	112,500	113,151	(651)
Total Expenditures	40,357,899	43,393,399	42,144,128	1,249,271
Excess (Deficiency) of Revenues over Expenditures	(4,918,899)	(7,954,399)	(2,919,088)	5,035,311
OTHER FINANCING SOURCES (USES)				
Transfers in	4,623,400	4,623,400	5,760,112	1,136,712
Transfers out	(440,600)	(965,900)	(2,097,563)	(1,131,663)
Total Other Financing Sources (Uses)	4,182,800	3,657,500	3,662,549	5,049
Net Change in Fund Balances	(736,099)	(4,296,899)	743,461	5,040,360
Fund Balances Beginning	33,426,814	33,426,814	33,426,814	-
Fund Balances Ending	<u>\$ 32,690,715</u>	<u>\$ 29,129,915</u>	<u>\$ 34,170,275</u>	<u>\$ 5,040,360</u>

City of Rocklin
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual (GAAP Basis)
Rocklin Public Financing Authority Debt Service Fund
For the year ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Use of money and property	\$ 564,709	\$ 564,709	\$ 565,028	\$ 319
Total Revenues	<u>564,709</u>	<u>564,709</u>	<u>565,028</u>	<u>319</u>
EXPENDITURES				
Current:				
General government	19,900	19,900	19,026	874
Debt service:				
Principal retirement	620,000	620,000	620,000	-
Interest and fiscal charges	382,250	382,250	382,225	25
Total Expenditures	<u>1,022,150</u>	<u>1,022,150</u>	<u>1,021,251</u>	<u>899</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(457,441)</u>	<u>(457,441)</u>	<u>(456,223)</u>	<u>1,218</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(457,441)	(457,441)	(456,223)	1,218
Fund Balances Beginning	11,450,418	11,450,418	11,450,418	-
Fund Balances Ending	<u>\$ 10,992,977</u>	<u>\$ 10,992,977</u>	<u>\$ 10,994,195</u>	<u>\$ 1,218</u>

City of Rocklin
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual (GAAP Basis)
Low and Moderate Income Housing Asset Fund
For the year ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Use of money and property	\$ -	\$ -	\$ 425,153	\$ 425,153
Total Revenues	-	-	425,153	425,153
EXPENDITURES				
Current:				
General government	-	-	101	(101)
Community development	-	124,900	124,899	1
Debt service:				
Interest and fiscal charges	-	-	-	-
Total Expenditures	-	124,900	125,000	(100)
Excess (Deficiency) of Revenues over Expenditures	-	(124,900)	300,153	425,053
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	-	(124,900)	300,153	425,053
Fund Balances Beginning	11,488,399	11,488,399	11,488,399	-
Fund Balances Ending	\$ 11,488,399	\$ 11,363,499	\$ 11,788,552	\$ 425,053

City of Rocklin
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual (GAAP Basis)
Traffic Circulation Impact Fee Fund
For the year ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes and assessments	\$ 3,731,400	\$ 3,731,400	\$ 2,741,175	\$ (990,225)
Charges for services	148,400	148,400	31,724	(116,676)
Use of money and property	5,300	5,300	19,298	13,998
Contributions from developers and homeowners	4,100,000	4,100,000	1,500,000	(2,600,000)
Other revenues	581,300	581,300	227,256	(354,044)
Total Revenues	8,566,400	8,566,400	4,519,453	(4,046,947)
EXPENDITURES				
Current:				
General government	-	-	1,641	(1,641)
General services	144,100	144,100	149,652	(5,552)
Capital outlay	11,252,000	11,252,000	7,168,767	4,083,233
Debt service:				
Interest and fiscal charges	-	-	-	-
Total Expenditures	11,396,100	11,396,100	7,320,060	4,076,040
Excess (Deficiency) of Revenues over Expenditures	(2,829,700)	(2,829,700)	(2,800,607)	29,093
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(1,493,600)	(1,493,600)	(1,157,965)	335,635
Total Other Financing Sources (Uses)	(1,493,600)	(1,493,600)	(1,157,965)	335,635
Net Change in Fund Balances	(4,323,300)	(4,323,300)	(3,958,572)	364,728
Fund Balances Beginning	6,600,980	6,600,980	6,600,980	-
Fund Balances Ending	\$ 2,277,680	\$ 2,277,680	\$ 2,642,408	\$ 364,728

City of Rocklin

Schedule of Pension Contributions (GASB 68)

June 30, 2015

Miscellaneous Plan	2015
Contractually Required Contributions (Actuarially Determined)	\$ 1,521,604
Contributions in Relation to Actuarially Determined Contributions	1,521,604
Contribution Deficiency (Excess)	<u><u>\$ -</u></u>
Covered Employee Payroll	\$ 9,826,020
Contributions as a Percentage of Covered Payroll	15.49%
Fire Safety Plan	2015
Contractually Required Contributions (Actuarially Determined)	\$ 936,853
Contributions in Relation to Actuarially Determined Contributions	936,853
Contribution Deficiency (Excess)	<u><u>\$ -</u></u>
Covered Employee Payroll	\$ 3,476,699
Contributions as a Percentage of Covered Payroll	26.95%
Police Safety Plan	2015
Contractually Required Contributions (Actuarially Determined)	\$ 1,291,347
Contributions in Relation to Actuarially Determined Contributions	1,291,347
Contribution Deficiency (Excess)	<u><u>\$ -</u></u>
Covered Employee Payroll	\$ 5,037,770
Contributions as a Percentage of Covered Payroll	25.63%

Notes to Schedule:

Valuation Date: June 30, 2013
Assumptions Used: Entry Age Method used for Actuarial Cost Method
Level Percentage of Payroll (Closed) Used Amortization Method
3.8 Years Remaining Amortization Period
Inflation Assumed at 2.75%
Investment Rate of Returns set at 7.5%
CalPERS mortality table using 20 years of membership data for all funds

Note: Fiscal year 2015 was the first year of implementation of GASB 68, therefore only one year is shown.

City of Rocklin

Schedule of Net Pension Liabilities and Proportionate Shares (GASB 68) June 30, 2015

Miscellaneous Plan	2015
Net Pension Liability	\$ 16,713,853
Covered Employee Payroll	\$ 9,826,020
Net Pension Liability as a % of Covered Employee Payroll	170.10%
Plan Fiduciary's Net Position as a % of the Total Pension Liability	74.18%
Fire Safety Plan	2015
Proportion of Net Pension Liability	0.09168%
Proportionate Share of Net Pension Liability	\$ 5,704,838
Covered Employee Payroll	\$ 3,476,699
Proportionate Share of Net Pension Liability as a % of Covered Employee Payroll	164.09%
Plan Fiduciary's Net Position as a % of the Total Pension Liability	81.42%
Police Safety Plan	2015
Proportion of Net Pension Liability	0.12310%
Proportionate Share of Net Pension Liability	\$ 7,659,899
Covered Employee Payroll	\$ 5,037,770
Proportionate Share of Net Pension Liability as a % of Covered Employee Payroll	152.05%
Plan Fiduciary's Net Position as a % of the Total Pension Liability	81.42%

Note: Fiscal year 2015 was the first year of implementation of GASB 68, therefore only one year is shown.

City of Rocklin
Retiree Healthcare Plan
Schedule of Funding Progress
June 30, 2015

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a/c))
6/30/2010	\$ -	\$ 41,873,000	\$ 41,873,000	0.00%	\$ 18,853,000	222.10%
6/30/2012	-	31,396,000	31,396,000	0.00%	16,956,000	185.16%
6/30/2013	-	30,473,000	30,473,000	0.00%	17,732,000	171.85%

Source: Most recent actuarial study dated June 30, 2013.



ROCKLIN
CALIFORNIA

SUPPLEMENTARY INFORMATION

City of Rocklin
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2015
(With comparative totals for June 30, 2014)

	Total Special Revenue Funds	Total Capital Projects Funds	Capital Construction Debt Service Fund ⁽¹⁾	Total Permanent Funds	Total Nonmajor Governmental Funds	
					2015	2014
ASSETS						
Cash and investments	\$ 7,706,554	\$ 2,268,448	\$ -	\$ -	\$ 9,975,002	\$ 15,579,440
Restricted cash and investments	119,039	-	-	516,561	635,600	38,001
Receivables:						
Taxes	3,274,974	-	-	-	3,274,974	322,934
Intergovernmental	292,369	-	-	-	292,369	722,186
Deposits receivable	-	35,000	-	-	35,000	-
Other receivables	255,708	-	-	-	255,708	-
Loans receivable	419,315	-	-	-	419,315	474,315
Total assets	\$ 12,067,959	\$ 2,303,448	\$ -	\$ 516,561	\$ 14,887,968	\$ 17,136,876
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable and accrued liabilities	\$ 933,388	\$ 2,815	\$ -	\$ -	\$ 936,203	\$ 581,972
Due to other funds	669,986	2,613,160	-	-	3,283,146	860,156
Advances from other funds	-	-	-	-	-	211,555
Total liabilities	1,603,374	2,615,975	-	-	4,219,349	1,653,683
DEFERRED INFLOWS OF RESOURCES						
State Transit Assistance - unavailable revenue	213,713	-	-	-	213,713	-
Fund Balances:						
Nonspendable:						
Endowments	-	-	-	491,455	491,455	492,619
Long-term receivables	419,315	-	-	-	419,315	474,315
Restricted	9,798,458	-	-	25,106	9,823,564	12,625,883
Committed	33,099	2,300,633	-	-	2,333,732	2,326,197
Assigned	-	-	-	-	-	91,306
Unassigned (Deficit)	-	(2,613,160)	-	-	(2,613,160)	(527,127)
Total fund balances	10,250,872	(312,527)	-	516,561	10,454,906	15,483,193
Total liabilities and fund balances	\$ 12,067,959	\$ 2,303,448	\$ -	\$ 516,561	\$ 14,887,968	\$ 17,136,876

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

City of Rocklin
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the year ended June 30, 2015
(With comparative totals for June 30, 2014)

	Total Special Revenue Funds	Total Capital Projects Funds	Capital Construction Debt Service Fund	Total Permanent Funds	Total Nonmajor Governmental Funds	
					2015	2014
REVENUES						
Taxes and assessments	\$ 11,830,612	\$ 946,476	\$ -	\$ -	\$ 12,777,088	\$ 11,800,427
License and permits	-	9,914	-	-	9,914	-
Fines and forfeitures	1,424	-	-	-	1,424	848
Intergovernmental	932,856	-	-	-	932,856	1,224,878
Charges for services	1,281	5,439	-	-	6,720	8,700
Use of money and property	52,730	5,841	2	8,412	66,985	54,561
Contributions from developers and homeowners	-	1,350,688	-	-	1,350,688	1,695,692
Other revenues	15,000	407,736	-	-	422,736	-
Total Revenues	12,833,903	2,726,094	2	8,412	15,568,411	14,785,106
EXPENDITURES						
Current:						
General government	712,368	19,456	-	5,675	737,499	361,045
Public safety	156,633	-	-	-	156,633	168,107
General services	10,821,176	561,845	-	-	11,383,021	9,749,877
Community development	69,923	-	-	-	69,923	67,081
Capital outlay	2,112,709	19,650	-	-	2,132,359	825,538
Debt service:						
Principal	-	-	450,000	-	450,000	430,000
Interest and fiscal charges	-	-	89,305	-	89,305	120,403
Total Expenditures	13,872,809	600,951	539,305	5,675	15,018,740	11,722,051
Excess (Deficiency) of Revenues over Expenditures	(1,038,906)	2,125,143	(539,303)	2,737	549,671	3,063,055
OTHER FINANCING SOURCES (USES)						
Transfers in	310,365	-	539,302	-	849,667	535,807
Transfers out	(2,432,975)	(553,829)	-	(4,615)	(2,991,419)	(2,479,430)
Total Other Financing Sources (Uses)	(2,122,610)	(553,829)	539,302	(4,615)	(2,141,752)	(1,943,623)
Net Change in Fund Balances	(3,161,516)	1,571,314	(1)	(1,878)	(1,592,081)	1,119,432
Fund Balances Beginning	13,412,388	(1,883,841)	1	518,439	12,046,987	14,363,761
Fund Balances Ending	\$ 10,250,872	\$ (312,527)	\$ -	\$ 516,561	\$ 10,454,906	\$ 15,483,193

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NONMAJOR SPECIAL REVENUE FUNDS

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

City of Rocklin
Combining Balance Sheet
Special Revenue Nonmajor Governmental Funds
June 30, 2015
(With comparative totals for June 30, 2014)

	Gas Tax	SB325 Sales Tax	Bicycle and Pedestrian Facilities	Prop 1B
ASSETS				
Cash and investments	\$ 2,082,817	\$ 1,238,218	\$ -	\$ 2,782
Restricted cash and investments	-	-	-	-
Receivables:				
Taxes	159,937	2,960,161	-	-
Intergovernmental	-	7,752	40,228	80,543
Other receivables	-	255,196	-	-
Loans receivable	-	-	-	-
Total assets	\$ 2,242,754	\$ 4,461,327	\$ 40,228	\$ 83,325
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable and accrued liabilities	\$ 147,730	\$ 445,274	\$ 592	\$ 10,709
Due to other funds	-	392,362	39,636	69,834
Advances from other funds	-	-	-	-
Total liabilities	147,730	837,636	40,228	80,543
DEFERRED INFLOWS OF RESOURCES				
State Transit Assistance - unavailable revenue	-	213,713	-	-
Fund Balances:				
Nonspendable:				
Long-term receivables	-	-	-	-
Restricted	2,095,024	3,409,978	-	2,782
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned (Deficit)	-	-	-	-
Total fund balances	2,095,024	3,409,978	-	2,782
Total liabilities and fund balances	\$ 2,242,754	\$ 4,461,327	\$ 40,228	\$ 83,325

Continued

City of Rocklin
Combining Balance Sheet
Special Revenue Nonmajor Governmental Funds
June 30, 2015
(With comparative totals for June 30, 2014)

	Recreation Facilities Contributions	Lighting Maintenance District #1	Landscaping and Lighting Maintenance District #2	Community Facilities District #1
ASSETS				
Cash and investments	\$ 73,320	\$ -	\$ 1,441,490	\$ -
Restricted cash and investments	-	-	-	-
Receivables:				
Taxes	-	12,574	86,548	16,604
Intergovernmental	-	-	-	-
Other receivables	-	-	-	-
Loans receivable	-	-	-	-
Total assets	\$ 73,320	\$ 12,574	\$ 1,528,038	\$ 16,604
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable and accrued liabilities	\$ 40,221	\$ 4,062	\$ 71,068	\$ 16,604
Due to other funds	-	8,512	-	-
Total liabilities	40,221	12,574	71,068	16,604
Fund Balances:				
Nonspendable:				
Long-term receivables	-	-	-	-
Restricted	-	-	1,456,970	-
Committed	33,099	-	-	-
Assigned	-	-	-	-
Unassigned (Deficit)	-	-	-	-
Total fund balances	33,099	-	1,456,970	-
Total liabilities and fund balances	\$ 73,320	\$ 12,574	\$ 1,528,038	\$ 16,604

Continued

City of Rocklin
Combining Balance Sheet
Special Revenue Nonmajor Governmental Funds
June 30, 2015
(With comparative totals for June 30, 2014)

	Community Facilities District #5	Community Facilities District #6	Housing Rehabilitation	Streets Grants	Asset Forfeiture
ASSETS					
Cash and investments	\$ 2,334,833	\$ 184,550	\$ 231,915	\$ 23,172	\$ 92,703
Restricted cash and investments	-	-	119,039	-	-
Receivables:					
Taxes	36,879	2,271	-	-	-
Intergovernmental	-	-	-	-	-
Other receivables	512	-	-	-	-
Loans receivable	-	-	419,315	-	-
Total assets	\$ 2,372,224	\$ 186,821	\$ 770,269	\$ 23,172	\$ 92,703
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable and accrued liabilities	\$ 162,777	\$ 6,221	\$ -	\$ 23,172	\$ -
Due to other funds	-	-	-	-	-
Total liabilities	162,777	6,221	-	23,172	-
Fund Balances:					
Nonspendable:					
Long-term receivables	-	-	419,315	-	-
Restricted	2,209,447	180,600	350,954	-	92,703
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned (Deficit)	-	-	-	-	-
Total fund balances	2,209,447	180,600	770,269	-	92,703
Total liabilities and fund balances	\$ 2,372,224	\$ 186,821	\$ 770,269	\$ 23,172	\$ 92,703

Continued

City of Rocklin
Combining Balance Sheet
Special Revenue Nonmajor Governmental Funds
June 30, 2015
(With comparative totals for June 30, 2014)

	Traffic Safety/PD Grants	CDBG HUD Entitlement	Supplemental Law Enforcement Grant	Total Special Revenue Nonmajor Governmental Funds	
				2015	2014
ASSETS					
Cash and investments	\$ -	\$ -	\$ 754	\$ 7,706,554	\$ 13,011,960
Restricted cash and investments	-	-	-	119,039	-
Receivables:					
Taxes	-	-	-	3,274,974	322,934
Intergovernmental	122,073	41,773	-	292,369	722,186
Other receivables	-	-	-	255,708	-
Loans receivable	-	-	-	419,315	474,315
Total assets	\$ 122,073	\$ 41,773	\$ 754	\$ 12,067,959	\$ 14,531,395
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable and accrued liabilities	\$ -	\$ 4,204	\$ 754	\$ 933,388	\$ 573,894
Due to other funds	122,073	37,569	-	669,986	545,113
Advances from other funds	-	-	-	-	-
Total liabilities	122,073	41,773	754	1,603,374	1,119,007
DEFERRED INFLOWS OF RESOURCES					
State Transit Assistance - unavailable revenue	-	-	-	213,713	-
Fund Balances:					
Nonspendable:					
Long-term receivables	-	-	-	419,315	474,315
Restricted	-	-	-	9,798,458	12,112,421
Committed	-	-	-	33,099	734,346
Assigned	-	-	-	-	91,306
Unassigned (Deficit)	-	-	-	-	-
Total fund balances	-	-	-	10,250,872	13,412,388
Total liabilities and fund balances	\$ 122,073	\$ 41,773	\$ 754	\$ 12,067,959	\$ 14,531,395

Concluded

City of Rocklin
Combining Statement of Revenues,
Expenditures and
Changes in Fund Balances
Special Revenue Nonmajor
Governmental Funds
For the year ended June 30, 2015
(With comparative totals for June 30, 2014)

	Gas Tax	SB325 Sales Tax	Bicycle and Pedestrian Facilities	Prop 1B
REVENUES				
Taxes and assessments	\$ 1,686,043	\$ 2,960,161	\$ -	\$ 63,252
Fines and forfeitures	-	-	-	-
Intergovernmental	-	41,041	5,403	307,568
Charges for services	-	-	-	-
Use of money and property	6,970	12,398	-	-
Other revenues	-	-	-	-
Total Revenues	1,693,013	3,013,600	5,403	370,820
EXPENDITURES				
Current:				
General government	110,247	23,993	-	-
Public safety	-	-	-	-
General services	1,984,108	2,020,037	5,403	-
Community development	-	-	-	-
Capital outlay	-	1,473,893	-	370,820
Total Expenditures	2,094,355	3,517,923	5,403	370,820
Excess (Deficiency) of Revenues over Expenditures	(401,342)	(504,323)	-	-
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(310,211)	(512,120)	-	-
Total Other Financing Sources (Uses)	(310,211)	(512,120)	-	-
Net Change in Fund Balances	(711,553)	(1,016,443)	-	-
Fund Balances Beginning	2,806,577	4,426,421	-	2,782
Fund Balances Ending	\$ 2,095,024	\$ 3,409,978	\$ -	\$ 2,782

Continued

City of Rocklin

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Special Revenue Nonmajor Governmental Funds

For the year ended June 30, 2015

(With comparative totals for June 30, 2014)

	Recreation Facilities Contributions	Lighting Maintenance District #1	Landscaping and Lighting Maintenance District #2	Community Facilities District #1
REVENUES				
Taxes and assessments	\$ -	\$ 250,711	\$ 1,684,924	\$ 1,352,108
Fines and forfeitures	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	1,000	-	-	281
Use of money and property	1,963	-	4,816	-
Other revenues	-	-	-	-
Total Revenues	2,963	250,711	1,689,740	1,352,389
EXPENDITURES				
Current:				
General government	230	28,507	179,381	-
Public safety	-	-	-	13,459
General services	604,261	221,730	1,926,854	-
Community development	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	604,491	250,237	2,106,235	13,459
Excess (Deficiency) of Revenues over Expenditures	(601,528)	474	(416,495)	1,338,930
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	240,859	-
Transfers out	(99,719)	(474)	(6,998)	(1,338,930)
Total Other Financing Sources (Uses)	(99,719)	(474)	233,861	(1,338,930)
Net Change in Fund Balances	(701,247)	-	(182,634)	-
Fund Balances Beginning	734,346	-	1,639,604	-
Fund Balances Ending	\$ 33,099	\$ -	\$ 1,456,970	\$ -

Continued

City of Rocklin

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Special Revenue Nonmajor Governmental Funds

For the year ended June 30, 2015

(With comparative totals for June 30, 2014)

	Community Facilities District #5	Community Facilities District #6	Housing Rehabilitation	Streets Grants	Asset Forfeiture
REVENUES					
Taxes and assessments	\$ 3,581,660	\$ 251,753	\$ -	\$ -	\$ -
Fines and forfeitures	-	-	-	-	1,424
Intergovernmental	-	-	-	146,446	-
Charges for services	-	-	-	-	-
Use of money and property	8,095	469	18,019	-	-
Other revenues	15,000	-	-	-	-
Total Revenues	3,604,755	252,222	18,019	146,446	1,424
EXPENDITURES					
Current:					
General government	336,973	29,364	2,271	-	27
Public safety	-	-	-	-	-
General services	3,748,307	196,476	-	-	-
Community development	-	-	30,935	-	-
Capital outlay	121,550	-	-	146,446	-
Total Expenditures	4,206,830	225,840	33,206	146,446	27
Excess (Deficiency) of Revenues over Expenditures	(602,075)	26,382	(15,187)	-	1,397
OTHER FINANCING SOURCES (USES)					
Transfers in	50,390	19,116	-	-	-
Transfers out	(28,665)	(997)	-	-	-
Total Other Financing Sources (Uses)	21,725	18,119	-	-	-
Net Change in Fund Balances	(580,350)	44,501	(15,187)	-	1,397
Fund Balances Beginning	2,789,797	136,099	785,456	-	91,306
Fund Balances Ending	\$ 2,209,447	\$ 180,600	\$ 770,269	\$ -	\$ 92,703

Continued

City of Rocklin
Combining Statement of Revenues,
Expenditures and
Changes in Fund Balances
Special Revenue Nonmajor
Governmental Funds
For the year ended June 30, 2015
(With comparative totals for June 30, 2014)

	Traffic Safety/PD Grants	CDBG HUD Entitlement	Supplemental Law Enforcement Grant	Total Special Revenue Nonmajor Governmental Funds	
				2015	2014
REVENUES					
Taxes and assessments	\$ -	\$ -	\$ -	\$ 11,830,612	\$ 11,399,717
Fines and forfeitures	-	-	-	1,424	848
Intergovernmental	143,174	182,994	106,230	932,856	1,224,878
Charges for services	-	-	-	1,281	2,000
Use of money and property	-	-	-	52,730	44,583
Other revenues	-	-	-	15,000	-
Total Revenues	143,174	182,994	106,230	12,833,903	12,672,026
EXPENDITURES					
Current:					
General government	-	1,375	-	712,368	358,855
Public safety	143,174	-	-	156,633	168,107
General services	-	114,000	-	10,821,176	9,554,695
Community development	-	38,988	-	69,923	64,860
Capital outlay	-	-	-	2,112,709	790,452
Total Expenditures	143,174	154,363	-	13,872,809	10,936,969
Excess (Deficiency) of Revenues over Expenditures	-	28,631	106,230	(1,038,906)	1,735,057
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	310,365	-
Transfers out	-	(28,631)	(106,230)	(2,432,975)	(1,896,789)
Total Other Financing Sources (Uses)	-	(28,631)	(106,230)	(2,122,610)	(1,896,789)
Net Change in Fund Balances	-	-	-	(3,161,516)	(161,732)
Fund Balances Beginning	-	-	-	13,412,388	13,574,120
Fund Balances Ending	\$ -	\$ -	\$ -	\$ 10,250,872	\$ 13,412,388

Concluded

City of Rocklin
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Special Revenue Nonmajor Governmental Funds
For the year ended June 30, 2015

	Gas Tax			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes and assessments	\$ 1,488,600	\$ 1,488,600	\$ 1,686,043	\$ 197,443
Fines and forfeitures	-	-	-	-
Intergovernmental	-	-	-	-
Use of money and property	1,500	1,500	6,970	5,470
Charges for services	-	-	-	-
Other revenues	-	-	-	-
Total Revenues	1,490,100	1,490,100	1,693,013	202,913
EXPENDITURES				
Current:				
General government	104,000	104,000	110,247	(6,247)
Public safety	-	-	-	-
General services	2,661,600	2,661,600	1,984,108	677,492
Community development	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	2,765,600	2,765,600	2,094,355	671,245
Excess (Deficiency) of Revenues over Expenditures	(1,275,500)	(1,275,500)	(401,342)	874,158
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(447,600)	(447,600)	(310,211)	137,389
Total Other Financing Sources (Uses)	(447,600)	(447,600)	(310,211)	137,389
Net Change in Fund Balances	(1,723,100)	(1,723,100)	(711,553)	1,011,547
Fund Balances Beginning	2,806,577	2,806,577	2,806,577	-
Fund Balances Ending	\$ 1,083,477	\$ 1,083,477	\$ 2,095,024	\$ 1,011,547

Continued

City of Rocklin

Statement of Revenues, Expenditures, and

Changes in Fund Balances

Budget and Actual (GAAP Basis)

Special Revenue Nonmajor Governmental Funds

For the year ended June 30, 2015

	SB 325 Sales Tax			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes and assessments	\$ 2,733,000	\$ 2,733,000	\$ 2,960,161	\$ 227,161
Fines and forfeitures	-	-	-	-
Intergovernmental	220,800	220,800	41,041	(179,759)
Use of money and property	3,100	3,100	12,398	9,298
Charges for services	-	-	-	-
Other revenues	-	-	-	-
Total Revenues	<u>2,956,900</u>	<u>2,956,900</u>	<u>3,013,600</u>	<u>56,700</u>
EXPENDITURES				
Current:				
General government	21,500	21,500	23,993	(2,493)
Public safety	-	-	-	-
General services	2,052,300	2,052,300	2,020,037	32,263
Community development	-	-	-	-
Capital outlay	1,671,100	1,671,100	1,473,893	197,207
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	<u>3,744,900</u>	<u>3,744,900</u>	<u>3,517,923</u>	<u>226,977</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(788,000)</u>	<u>(788,000)</u>	<u>(504,323)</u>	<u>283,677</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(617,500)	(617,500)	(512,120)	105,380
Total Other Financing Sources (Uses)	<u>(617,500)</u>	<u>(617,500)</u>	<u>(512,120)</u>	<u>105,380</u>
Net Change in Fund Balances	(1,405,500)	(1,405,500)	(1,016,443)	389,057
Fund Balances Beginning	<u>4,426,421</u>	<u>4,426,421</u>	<u>4,426,421</u>	<u>-</u>
Fund Balances Ending	<u>\$ 3,020,921</u>	<u>\$ 3,020,921</u>	<u>\$ 3,409,978</u>	<u>\$ 389,057</u>

Continued

City of Rocklin
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Special Revenue Nonmajor Governmental Funds
For the year ended June 30, 2015

	Bicycle and Pedestrian Facilities			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Fines and forfeitures	-	-	-	-
Intergovernmental	83,800	83,800	5,403	(78,397)
Use of money and property	-	-	-	-
Charges for services	-	-	-	-
Other revenues	-	-	-	-
Total Revenues	83,800	83,800	5,403	(78,397)
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
General services	6,800	6,800	5,403	1,397
Community development	-	-	-	-
Capital outlay	77,000	77,000	-	77,000
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	83,800	83,800	5,403	78,397
Excess (Deficiency) of Revenues over Expenditures	-	-	-	-
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	-	-	-	-
Fund Balances Beginning	-	-	-	-
Fund Balances Ending	\$ -	\$ -	\$ -	\$ -

Continued

City of Rocklin
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Special Revenue Nonmajor Governmental Funds
For the year ended June 30, 2015

	Prop 1B			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes and assessments	\$ 51,000	\$ 51,000	\$ 63,252	\$ 12,252
Fines and forfeitures	-	-	-	-
Intergovernmental	137,000	137,000	307,568	170,568
Use of money and property	-	-	-	-
Charges for services	-	-	-	-
Other revenues	-	-	-	-
Total Revenues	188,000	188,000	370,820	182,820
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
General services	-	-	-	-
Community development	-	-	-	-
Capital outlay	188,000	349,700	370,820	(21,120)
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	188,000	349,700	370,820	(21,120)
Excess (Deficiency) of Revenues over Expenditures	-	(161,700)	-	161,700
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	-	(161,700)	-	161,700
Fund Balances Beginning	2,782	2,782	2,782	-
Fund Balances Ending	\$ 2,782	\$(158,918)	\$ 2,782	\$ 161,700

Continued

City of Rocklin
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Special Revenue Nonmajor Governmental Funds
For the year ended June 30, 2015

	<u>Recreation Facilities Contributions</u>			
	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Fines and forfeitures	-	-	-	-
Intergovernmental	-	-	-	-
Use of money and property	1,000	1,000	1,963	963
Charges for services	-	-	1,000	1,000
Other revenues	-	-	-	-
Total Revenues	<u>1,000</u>	<u>1,000</u>	<u>2,963</u>	<u>1,963</u>
EXPENDITURES				
Current:				
General government	-	-	230	(230)
Public safety	-	-	-	-
General services	500,000	500,000	604,261	(104,261)
Community development	-	-	-	-
Capital outlay	75,000	75,000	-	75,000
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	<u>575,000</u>	<u>575,000</u>	<u>604,491</u>	<u>(29,491)</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(574,000)</u>	<u>(574,000)</u>	<u>(601,528)</u>	<u>(27,528)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(97,700)	(97,700)	(99,719)	(2,019)
Total Other Financing Sources (Uses)	<u>(97,700)</u>	<u>(97,700)</u>	<u>(99,719)</u>	<u>(2,019)</u>
Net Change in Fund Balances	(671,700)	(671,700)	(701,247)	(29,547)
Fund Balances Beginning	<u>734,346</u>	<u>734,346</u>	<u>734,346</u>	<u>-</u>
Fund Balances Ending	<u>\$ 62,646</u>	<u>\$ 62,646</u>	<u>\$ 33,099</u>	<u>\$ (29,547)</u>

Continued

City of Rocklin
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Special Revenue Nonmajor Governmental Funds
For the year ended June 30, 2015

	Lighting Maintenance District #1			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes and assessments	\$ 250,600	\$ 250,600	\$ 250,711	\$ 111
Fines and forfeitures	-	-	-	-
Intergovernmental	-	-	-	-
Use of money and property	-	-	-	-
Charges for services	-	-	-	-
Other revenues	-	-	-	-
Total Revenues	250,600	250,600	250,711	111
EXPENDITURES				
Current:				
General government	25,800	25,800	28,507	(2,707)
Public safety	-	-	-	-
General services	224,300	224,300	221,730	2,570
Community development	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	250,100	250,100	250,237	(137)
Excess (Deficiency) of Revenues over Expenditures	500	500	474	(26)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(500)	(500)	(474)	26
Total Other Financing Sources (Uses)	(500)	(500)	(474)	26
Net Change in Fund Balances	-	-	-	-
Fund Balances Beginning	-	-	-	-
Fund Balances Ending	\$ -	\$ -	\$ -	\$ -

Continued

City of Rocklin
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Special Revenue Nonmajor Governmental Funds
For the year ended June 30, 2015

<u>Landscaping and Lighting Maintenance District #2</u>				
	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes and assessments	\$ 1,700,700	\$ 1,700,700	\$ 1,684,924	\$ (15,776)
Fines and forfeitures	-	-	-	-
Intergovernmental	-	-	-	-
Use of money and property	3,800	3,800	4,816	1,016
Charges for services	-	-	-	-
Other revenues	-	-	-	-
Total Revenues	<u>1,704,500</u>	<u>1,704,500</u>	<u>1,689,740</u>	<u>(14,760)</u>
EXPENDITURES				
Current:				
General government	116,900	116,900	179,381	(62,481)
Public safety	-	-	-	-
General services	1,989,200	1,989,200	1,926,854	62,346
Community development	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	<u>2,106,100</u>	<u>2,106,100</u>	<u>2,106,235</u>	<u>(135)</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(401,600)</u>	<u>(401,600)</u>	<u>(416,495)</u>	<u>(14,895)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	240,859	240,859
Transfers out	(7,000)	(7,000)	(6,998)	2
Total Other Financing Sources (Uses)	<u>(7,000)</u>	<u>(7,000)</u>	<u>233,861</u>	<u>240,861</u>
Net Change in Fund Balances	(408,600)	(408,600)	(182,634)	225,966
Fund Balances Beginning	<u>1,639,604</u>	<u>1,639,604</u>	<u>1,639,604</u>	<u>-</u>
Fund Balances Ending	<u>\$ 1,231,004</u>	<u>\$ 1,231,004</u>	<u>\$ 1,456,970</u>	<u>\$ 225,966</u>

Continued

City of Rocklin
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Special Revenue Nonmajor Governmental Funds
For the year ended June 30, 2015

	Community Facilities District #1			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes and assessments	\$ 1,289,000	\$ 1,289,000	\$ 1,352,108	\$ 63,108
Fines and forfeitures	-	-	-	-
Intergovernmental	-	-	-	-
Use of money and property	-	-	-	-
Charges for services	-	-	281	281
Other revenues	-	-	-	-
Total Revenues	1,289,000	1,289,000	1,352,389	63,389
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	13,100	13,100	13,459	(359)
General services	-	-	-	-
Community development	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	13,100	13,100	13,459	(359)
Excess (Deficiency) of Revenues over Expenditures	1,275,900	1,275,900	1,338,930	63,030
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(1,275,900)	(1,275,900)	(1,338,930)	(63,030)
Total Other Financing Sources (Uses)	(1,275,900)	(1,275,900)	(1,338,930)	(63,030)
Net Change in Fund Balances	-	-	-	-
Fund Balances Beginning	-	-	-	-
Fund Balances Ending	\$ -	\$ -	\$ -	\$ -

Continued

City of Rocklin
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Special Revenue Nonmajor Governmental Funds
For the year ended June 30, 2015

	Community Facilities District #5			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes and assessments	\$ 3,600,000	\$ 3,600,000	\$ 3,581,660	\$ (18,340)
Fines and forfeitures	-	-	-	-
Intergovernmental	-	-	-	-
Use of money and property	7,200	7,200	8,095	895
Charges for services	-	-	-	-
Other revenues	15,000	15,000	15,000	-
Total Revenues	<u>3,622,200</u>	<u>3,622,200</u>	<u>3,604,755</u>	<u>(17,445)</u>
EXPENDITURES				
Current:				
General government	279,400	279,400	336,973	(57,573)
Public safety	-	-	-	-
General services	4,015,000	4,015,000	3,748,307	266,693
Community development	-	-	-	-
Capital outlay	-	6,800	121,550	(114,750)
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	<u>4,294,400</u>	<u>4,301,200</u>	<u>4,206,830</u>	<u>94,370</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(672,200)</u>	<u>(679,000)</u>	<u>(602,075)</u>	<u>76,925</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	50,390	50,390
Transfers out	(27,900)	(27,900)	(28,665)	(765)
Total Other Financing Sources (Uses)	<u>(27,900)</u>	<u>(27,900)</u>	<u>21,725</u>	<u>49,625</u>
Net Change in Fund Balances	(700,100)	(706,900)	(580,350)	126,550
Fund Balances Beginning	<u>2,789,797</u>	<u>2,789,797</u>	<u>2,789,797</u>	<u>-</u>
Fund Balances Ending	<u>\$ 2,089,697</u>	<u>\$ 2,082,897</u>	<u>\$ 2,209,447</u>	<u>\$ 126,550</u>

Continued

City of Rocklin
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Special Revenue Nonmajor Governmental Funds
For the year ended June 30, 2015

	Community Facilities District #6			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes and assessments	\$ 250,800	\$ 250,800	\$ 251,753	\$ 953
Fines and forfeitures	-	-	-	-
Intergovernmental	-	-	-	-
Use of money and property	400	400	469	69
Charges for services	-	-	-	-
Other revenues	-	-	-	-
Total Revenues	<u>251,200</u>	<u>251,200</u>	<u>252,222</u>	<u>1,022</u>
EXPENDITURES				
Current:				
General government	25,100	25,100	29,364	(4,264)
Public safety	-	-	-	-
General services	211,000	211,000	196,476	14,524
Community development	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	<u>236,100</u>	<u>236,100</u>	<u>225,840</u>	<u>10,260</u>
Excess (Deficiency) of Revenues over Expenditures	<u>15,100</u>	<u>15,100</u>	<u>26,382</u>	<u>11,282</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	19,116	19,116
Transfers out	(900)	(900)	(997)	(97)
Total Other Financing Sources (Uses)	<u>(900)</u>	<u>(900)</u>	<u>18,119</u>	<u>19,019</u>
Net Change in Fund Balances	14,200	14,200	44,501	30,301
Fund Balances Beginning	<u>136,099</u>	<u>136,099</u>	<u>136,099</u>	<u>-</u>
Fund Balances Ending	<u>\$ 150,299</u>	<u>\$ 150,299</u>	<u>\$ 180,600</u>	<u>\$ 30,301</u>

Continued

City of Rocklin
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Special Revenue Nonmajor Governmental Funds
For the year ended June 30, 2015

	Housing Rehabilitation			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Fines and forfeitures	-	-	-	-
Intergovernmental	-	-	-	-
Use of money and property	-	-	18,019	18,019
Charges for services	-	-	-	-
Other revenues	-	-	-	-
Total Revenues	-	-	18,019	18,019
EXPENDITURES				
Current:				
General government	900	900	2,271	(1,371)
Public safety	-	-	-	-
General services	-	-	-	-
Community development	2,000	19,000	30,935	(11,935)
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	2,900	19,900	33,206	(13,306)
Excess (Deficiency) of Revenues over Expenditures	(2,900)	(19,900)	(15,187)	4,713
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	(2,900)	(19,900)	(15,187)	4,713
Fund Balances Beginning	785,456	785,456	785,456	-
Fund Balances Ending	\$ 782,556	\$ 765,556	\$ 770,269	\$ 4,713

Continued

City of Rocklin
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Special Revenue Nonmajor Governmental Funds
For the year ended June 30, 2015

	Streets Grants			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Fines and forfeitures	-	-	-	-
Intergovernmental	4,729,300	4,729,300	146,446	(4,582,854)
Use of money and property	-	-	-	-
Charges for services	-	-	-	-
Other revenues	-	-	-	-
Total Revenues	<u>4,729,300</u>	<u>4,729,300</u>	<u>146,446</u>	<u>(4,582,854)</u>
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
General services	-	-	-	-
Community development	-	-	-	-
Capital outlay	4,729,300	4,729,300	146,446	4,582,854
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	<u>4,729,300</u>	<u>4,729,300</u>	<u>146,446</u>	<u>4,582,854</u>
Excess (Deficiency) of Revenues over Expenditures	-	-	-	-
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	-	-	-	-
Fund Balances Beginning	-	-	-	-
Fund Balances Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Continued

City of Rocklin
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Special Revenue Nonmajor Governmental Funds
For the year ended June 30, 2015

	Asset Forfeiture			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Fines and forfeitures	-	-	1,424	1,424
Intergovernmental	-	-	-	-
Use of money and property	-	-	-	-
Charges for services	-	-	-	-
Other revenues	-	-	-	-
Total Revenues	-	-	1,424	1,424
EXPENDITURES				
Current:				
General government	-	-	27	(27)
Public safety	10,000	10,000	-	10,000
General services	-	-	-	-
Community development	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	10,000	10,000	27	9,973
Excess (Deficiency) of Revenues over Expenditures	(10,000)	(10,000)	1,397	11,397
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	(10,000)	(10,000)	1,397	11,397
Fund Balances Beginning	91,306	91,306	91,306	-
Fund Balances Ending	\$ 81,306	\$ 81,306	\$ 92,703	\$ 11,397

Continued

City of Rocklin
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Special Revenue Nonmajor Governmental Funds
For the year ended June 30, 2015

	Traffic Safety/PD Grants			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Fines and forfeitures	-	-	-	-
Intergovernmental	17,800	17,800	143,174	125,374
Use of money and property	-	-	-	-
Charges for services	-	-	-	-
Other revenues	-	-	-	-
Total Revenues	<u>17,800</u>	<u>17,800</u>	<u>143,174</u>	<u>125,374</u>
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	17,800	17,800	143,174	(125,374)
General services	-	-	-	-
Community development	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	<u>17,800</u>	<u>17,800</u>	<u>143,174</u>	<u>(125,374)</u>
Excess (Deficiency) of Revenues over Expenditures	-	-	-	-
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	-	-	-	-
Fund Balances Beginning	-	-	-	-
Fund Balances Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Continued

City of Rocklin
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Special Revenue Nonmajor Governmental Funds
For the year ended June 30, 2015

	CDBG HUD Entitlement			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Fines and forfeitures	-	-	-	-
Intergovernmental	189,300	189,300	182,994	(6,306)
Use of money and property	-	-	-	-
Charges for services	-	-	-	-
Other revenues	-	-	-	-
Total Revenues	189,300	189,300	182,994	(6,306)
EXPENDITURES				
Current:				
General government	2,800	2,800	1,375	1,425
Public safety	-	-	-	-
General services	114,000	114,000	114,000	-
Community development	38,800	38,800	38,988	(188)
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	155,600	155,600	154,363	1,237
Excess (Deficiency) of Revenues over Expenditures	33,700	33,700	28,631	(5,069)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(33,700)	(33,700)	(28,631)	5,069
Total Other Financing Sources (Uses)	(33,700)	(33,700)	(28,631)	5,069
Net Change in Fund Balances	-	-	-	-
Fund Balances Beginning	-	-	-	-
Fund Balances Ending	\$ -	\$ -	\$ -	\$ -

Continued

City of Rocklin
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Special Revenue Nonmajor Governmental Funds
For the year ended June 30, 2015

	Supplemental Law Enforcement Grant			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Fines and forfeitures	-	-	-	-
Intergovernmental	100,000	100,000	106,230	6,230
Use of money and property	-	-	-	-
Charges for services	-	-	-	-
Other revenues	-	-	-	-
Total Revenues	<u>100,000</u>	<u>100,000</u>	<u>106,230</u>	<u>6,230</u>
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
General services	-	-	-	-
Community development	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures	<u>100,000</u>	<u>100,000</u>	<u>106,230</u>	<u>6,230</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(100,000)	(100,000)	(106,230)	(6,230)
Total Other Financing Sources (Uses)	<u>(100,000)</u>	<u>(100,000)</u>	<u>(106,230)</u>	<u>(6,230)</u>
Net Change in Fund Balances	-	-	-	-
Fund Balances Beginning	-	-	-	-
Fund Balances Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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NONMAJOR CAPITAL PROJECTS FUNDS

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

City of Rocklin
Combining Balance Sheet
Capital Projects Nonmajor Governmental Funds
June 30, 2015
(With comparative totals for June 30, 2014)

	Park Development Fees	Community Park Fees	Capital Construction Impact Fees	Oak Tree Mitigation Fees
ASSETS				
Cash and investments	\$ -	\$ -	\$ 633,561	\$ 1,618,237
Deposits receivable	-	-	35,000	-
Total assets	\$ -	\$ -	\$ 668,561	\$ 1,618,237
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable and accrued liabilities	\$ -	\$ -	\$ 315	\$ 2,500
Due to other funds	1,587,420	1,025,740	-	-
Advances from other funds	-	-	-	-
Total liabilities	1,587,420	1,025,740	315	2,500
Fund Balances:				
Restricted	\$ -	\$ -	\$ -	\$ -
Committed	-	-	668,246	1,615,737
Unassigned (Deficit)	(1,587,420)	(1,025,740)	-	-
Total fund balances	(1,587,420)	(1,025,740)	668,246	1,615,737
Total liabilities and fund balances	\$ -	\$ -	\$ 668,561	\$ 1,618,237

Continued

City of Rocklin
Combining Balance Sheet
Capital Projects Nonmajor Governmental Funds
June 30, 2015
(With comparative totals for June 30, 2014)

	Whitney Ranch Trunk Sewer Project	Public Improvement Agreement	Total Capital Projects Nonmajor Governmental Funds	
			2015	2014
ASSETS				
Cash and investments	\$ 16,650	\$ -	\$ 2,268,448	\$ 2,087,041
Deposits receivable	-	-	35,000	-
Total assets	\$ 16,650	\$ -	\$ 2,303,448	\$ 2,087,041
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable and accrued liabilities	\$ -	\$ -	\$ 2,815	\$ 8,078
Due to other funds	-	-	2,613,160	315,043
Advances from other funds	-	-	-	211,555
Total liabilities	-	-	2,615,975	534,676
Fund Balances:				
Restricted	\$ -	\$ -	\$ -	\$ 487,641
Committed	16,650	-	2,300,633	1,591,851
Unassigned (Deficit)	-	-	(2,613,160)	(527,127)
Total fund balances	16,650	-	(312,527)	1,552,365
Total liabilities and fund balances	\$ 16,650	\$ -	\$ 2,303,448	\$ 2,087,041

Concluded

City of Rocklin
Combining Statement of Revenues,
Expenditures and Changes
in Fund Balances
Capital Projects Nonmajor
Governmental Funds
For the year ended June 30, 2015
(With comparative totals for June 30, 2014)

	Park Development Fees	Community Park Fees	Capital Construction Impact Fees	Oak Tree Mitigation Fees
REVENUES				
Taxes and assessments	\$ 593,591	\$ 234,647	\$ -	\$ 118,238
License and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Intergovernmental revenues	-	-	-	-
Charges for services	-	5,439	-	-
Use of money and property	-	-	-	5,807
Contributions from developers and homeowners	-	-	1,350,688	-
Other revenue	-	-	407,639	97
Total Revenues	593,591	240,086	1,758,327	124,142
EXPENDITURES				
Current:				
General government	6,510	4,121	6,398	2,283
General services	-	-	1,936	83,764
Community development	-	-	-	-
Capital outlay	-	-	15,000	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	6,510	4,121	23,334	86,047
Excess (Deficiency) of Revenues over Expenditures	587,081	235,965	1,734,993	38,095
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	(539,620)	(14,209)
Total Other Financing Sources (Uses)	-	-	(539,620)	(14,209)
Net Change in Fund Balances	587,081	235,965	1,195,373	23,886
Fund Balances Beginning	(2,174,501)	(1,261,705)	(527,127)	1,591,851
Fund Balances Ending	\$ (1,587,420)	\$ (1,025,740)	\$ 668,246	\$ 1,615,737

Continued

City of Rocklin
Combining Statement of Revenues,
Expenditures and Changes
in Fund Balances
Capital Projects Nonmajor
Governmental Funds
For the year ended June 30, 2015
(With comparative totals for June 30, 2014)

	Whitney	Public	Total Capital Projects	
	Ranch Trunk		Improvement	Nonmajor Governmental Funds
	Sewer	Agreement	2015	2014
	Project			
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ 946,476	\$ 400,710
License and permits	9,914	-	9,914	-
Fines and forfeitures	-	-	-	-
Intergovernmental revenues	-	-	-	-
Charges for services	-	-	5,439	6,700
Use of money and property	34	-	5,841	4,555
Contributions from developers and homeowners	-	-	1,350,688	1,695,692
Other revenue	-	-	407,736	-
Total Revenues	9,948	-	2,726,094	2,107,657
EXPENDITURES				
Current:				
General government	-	144	19,456	2,190
General services	-	476,145	561,845	195,182
Community development	-	-	-	2,221
Capital outlay	-	4,650	19,650	35,086
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	14,593
Total Expenditures	-	480,939	600,951	249,272
Excess (Deficiency) of Revenues over Expenditures	9,948	(480,939)	2,125,143	1,858,385
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	(553,829)	(580,798)
Total Other Financing Sources (Uses)	-	-	(553,829)	(580,798)
Net Change in Fund Balances	9,948	(480,939)	1,571,314	1,277,587
Fund Balances Beginning	6,702	480,939	(1,883,841)	274,778
Fund Balances Ending	\$ 16,650	\$ -	\$ (312,527)	\$ 1,552,365
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NONMAJOR PERMANENT FUNDS

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

City of Rocklin
Combining Balance Sheet
Permanent Nonmajor Governmental Funds
June 30, 2015
(With comparative totals for June 30, 2014)

	Wetlands Maintenance	Conservation Easement Endowment	Total Permanent Nonmajor Governmental Funds	
			2015	2014
ASSETS				
Cash and investments	\$ -	\$ -	\$ -	\$ 480,439
Restricted cash and investments	63,106	453,455	516,561	38,000
Total assets	\$ 63,106	\$ 453,455	\$ 516,561	\$ 518,439
FUND BALANCES				
Nonspendable endowments	\$ 38,000	\$ 453,455	\$ 491,455	\$ 492,619
Restricted	25,106	-	25,106	25,820
Total fund balances	\$ 63,106	\$ 453,455	\$ 516,561	\$ 518,439

City of Rocklin

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

Permanent Nonmajor Governmental Funds

For the year ended June 30, 2015

(With comparative totals for June 30, 2014)

	Wetlands Maintenance	Conservation Easement Endowment	Total Permanent Nonmajor Governmental Funds	
			2015	2014
REVENUES				
Use of money and property	\$ 6,731	\$ 1,681	\$ 8,412	\$ 5,422
Total Revenues	<u>6,731</u>	<u>1,681</u>	<u>8,412</u>	<u>5,422</u>
EXPENDITURES				
Current:				
General government	5,538	137	5,675	-
Total Expenditures	<u>5,538</u>	<u>137</u>	<u>5,675</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures	<u>1,193</u>	<u>1,544</u>	<u>2,737</u>	<u>5,422</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(1,907)	(2,708)	(4,615)	(1,843)
Total Other Financing Sources (Uses)	<u>(1,907)</u>	<u>(2,708)</u>	<u>(4,615)</u>	<u>(1,843)</u>
Net Change in Fund Balances	(714)	(1,164)	(1,878)	3,579
Fund Balances Beginning	<u>63,820</u>	<u>454,619</u>	<u>518,439</u>	<u>514,860</u>
Fund Balances Ending	<u>\$ 63,106</u>	<u>\$ 453,455</u>	<u>\$ 516,561</u>	<u>\$ 518,439</u>

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AGENCY FUNDS

Fund Title	Fund Description
Community Facilities District #3	Accounts for special taxes made on properties to pay for debt issued for infrastructure in the District.
Community Facilities District #6	Accounts for special taxes made on properties to pay for debt issued for infrastructure in the District.
Community Facilities District #7	Accounts for special taxes made on properties to pay for debt issued for infrastructure in the District.
Community Facilities District #8	Accounts for special taxes made on properties to pay for debt issued for infrastructure in the District.
Community Facilities District #9	Accounts for special taxes made on properties to pay for debt issued for infrastructure in the District.
Community Facilities District #10	Accounts for special taxes made on properties to pay for debt issued for infrastructure in the District.
Community Facilities District #11	Accounts for special taxes made on properties to pay for debt issued for infrastructure in the District.
Borowski Landfill Monitoring Trust	Accounts for amounts collected to monitor the Borowski Landfill.

City of Rocklin
Combining Balance Sheet
Agency Funds
June 30, 2015
(With comparative totals for June 30, 2014)

	Community Facilities District #3	Community Facilities District #6	Community Facilities District #7
ASSETS			
Current assets:			
Cash and investments	\$ 660	\$ 50	\$ 72
Cash and investments held by trustee	3,427,432	144,326	391,864
Receivables	25,497	2,053	1,700
Total assets	\$ 3,453,589	\$ 146,429	\$ 393,636
LIABILITIES			
Current liabilities:			
Due to other agencies	\$ 3,453,589	\$ 146,429	\$ 393,636
Total liabilities	\$ 3,453,589	\$ 146,429	\$ 393,636

Continued

City of Rocklin
Combining Balance Sheet
Agency Funds
June 30, 2015
(With comparative totals for June 30, 2014)

	Community Facilities District #8	Community Facilities District #9	Community Facilities District #10
ASSETS			
Current assets:			
Cash and investments	\$ 123	\$ 160	\$ 402
Cash and investments held by trustee	410,413	473,047	3,035,577
Receivables	4,825	7,125	9,479
Total assets	\$ 415,361	\$ 480,332	\$ 3,045,458
LIABILITIES			
Current liabilities:			
Due to other agencies	\$ 415,361	\$ 480,332	\$ 3,045,458
Total liabilities	\$ 415,361	\$ 480,332	\$ 3,045,458

Continued

City of Rocklin
Combining Balance Sheet
Agency Funds
June 30, 2015
(With comparative totals for June 30, 2014)

	Community Facilities District #11	Borowski Landfill Monitoring Trust	Totals	
			2015	2014
ASSETS				
Current assets:				
Cash and investments	\$ 2,442,749	\$ -	\$ 2,444,216	\$ 2,367,449
Cash and investments held by trustee	-	-	7,882,659	7,671,368
Receivables	-	-	50,679	143,928
Total assets	\$ 2,442,749	\$ -	\$ 10,377,554	\$ 10,182,745
LIABILITIES				
Current liabilities:				
Due to other agencies	\$ 2,442,749	\$ -	\$ 10,377,554	\$ 10,182,745
Total liabilities	\$ 2,442,749	\$ -	\$ 10,377,554	\$ 10,182,745

Concluded

City of Rocklin
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the year ended June 30, 2015

	Balance July 01, 2014	Additions	Deductions	Balance June 30, 2015
COMMUNITY FACILITIES DISTRICT #3				
ASSETS				
Cash and investments	\$ -	\$ 660	\$ -	\$ 660
Cash and investments held by trustee	3,361,853	3,427,432	3,361,853	3,427,432
Receivables	40,580	25,497	40,580	25,497
Total assets	\$ 3,402,433	\$ 3,453,589	\$ 3,402,433	\$ 3,453,589
LIABILITIES				
Due to other agencies	\$ 3,402,433	\$ 3,453,589	\$ 3,402,433	\$ 3,453,589
Total liabilities	\$ 3,402,433	\$ 3,453,589	\$ 3,402,433	\$ 3,453,589
	Balance July 01, 2014	Additions	Deductions	Balance June 30, 2015
COMMUNITY FACILITIES DISTRICT #6				
ASSETS				
Cash and investments	\$ -	\$ 50	\$ -	\$ 50
Cash and investments held by trustee	137,019	144,326	137,019	144,326
Receivables	4,449	2,053	4,449	2,053
Total assets	\$ 141,468	\$ 146,429	\$ 141,468	\$ 146,429
LIABILITIES				
Due to other agencies	\$ 141,468	\$ 146,429	\$ 141,468	\$ 146,429
Total liabilities	\$ 141,468	\$ 146,429	\$ 141,468	\$ 146,429
	Balance July 01, 2014	Additions	Deductions	Balance June 30, 2015
COMMUNITY FACILITIES DISTRICT #7				
ASSETS				
Cash and investments	\$ -	\$ 72	\$ -	\$ 72
Cash and investments held by trustee	377,850	391,864	377,850	391,864
Receivables	4,432	1,700	4,432	1,700
Total assets	\$ 382,282	\$ 393,636	\$ 382,282	\$ 393,636
LIABILITIES				
Due to other agencies	\$ 382,282	\$ 393,636	\$ 382,282	\$ 393,636
Total liabilities	\$ 382,282	\$ 393,636	\$ 382,282	\$ 393,636

City of Rocklin
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the year ended June 30, 2015

	Balance July 01, 2014	Additions	Deductions	Balance June 30, 2015
COMMUNITY FACILITIES DISTRICT #8				
ASSETS				
Cash and investments	\$ -	\$ 123	\$ -	\$ 123
Cash and investments held by trustee	387,923	410,413	387,923	410,413
Receivables	6,649	4,825	6,649	4,825
Total assets	\$ 394,572	\$ 415,361	\$ 394,572	\$ 415,361
LIABILITIES				
Due to other agencies	\$ 394,572	\$ 415,361	\$ 394,572	\$ 415,361
Total liabilities	\$ 394,572	\$ 415,361	\$ 394,572	\$ 415,361
COMMUNITY FACILITIES DISTRICT #9				
ASSETS				
Cash and investments	\$ -	\$ 160	\$ -	\$ 160
Cash and investments held by trustee	446,013	473,047	446,013	473,047
Receivables	15,441	7,125	15,441	7,125
Total assets	\$ 461,454	\$ 480,332	\$ 461,454	\$ 480,332
LIABILITIES				
Due to other agencies	\$ 461,454	\$ 480,332	\$ 461,454	\$ 480,332
Total liabilities	\$ 461,454	\$ 480,332	\$ 461,454	\$ 480,332
COMMUNITY FACILITIES DISTRICT #10				
ASSETS				
Cash and investments	\$ -	\$ 402	\$ -	\$ 402
Cash and investments held by trustee	2,960,710	3,035,577	2,960,710	3,035,577
Receivables	22,238	9,479	22,238	9,479
Total assets	\$ 2,982,948	\$ 3,045,458	\$ 2,982,948	\$ 3,045,458
LIABILITIES				
Due to other agencies	\$ 2,982,948	\$ 3,045,458	\$ 2,982,948	\$ 3,045,458
Total liabilities	\$ 2,982,948	\$ 3,045,458	\$ 2,982,948	\$ 3,045,458

City of Rocklin
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the year ended June 30, 2015

	Balance July 01, 2014	Additions	Deductions	Balance June 30, 2015
COMMUNITY FACILITIES DISTRICT #11				
ASSETS				
Cash and investments	\$ 2,364,970	\$ 2,442,749	\$ 2,364,970	\$ 2,442,749
Cash and investments held by trustee	-	-	-	-
Receivables	50,139	-	50,139	-
Total assets	\$ 2,415,109	\$ 2,442,749	\$ 2,415,109	\$ 2,442,749
LIABILITIES				
Due to other agencies	\$ 2,415,109	\$ 2,442,749	\$ 2,415,109	\$ 2,442,749
Total liabilities	\$ 2,415,109	\$ 2,442,749	\$ 2,415,109	\$ 2,442,749
BOROWSKI LANDFILL MONITORING TRUST				
ASSETS				
Cash and investments	\$ 2,479	\$ 16,515	\$ 18,994	\$ -
Cash and investments held by trustee	-	-	-	-
Receivables	-	-	-	-
Total assets	\$ 2,479	\$ 16,515	\$ 18,994	\$ -
LIABILITIES				
Due to other agencies	\$ 2,479	\$ 16,515	\$ 18,994	\$ -
Total liabilities	\$ 2,479	\$ 16,515	\$ 18,994	\$ -
Totals				
ASSETS				
Cash and investments	\$ 2,367,449	\$ 2,460,731	\$ 2,383,964	\$ 2,444,216
Cash and investments held by trustee	7,671,368	7,882,659	7,671,368	7,882,659
Receivables	143,928	50,679	143,928	50,679
Total assets	\$ 10,182,745	\$ 10,394,069	\$ 10,199,260	\$ 10,377,554
LIABILITIES				
Due to other agencies	\$ 10,182,745	\$ 10,394,069	\$ 10,199,260	\$ 10,377,554
Total liabilities	\$ 10,182,745	\$ 10,394,069	\$ 10,199,260	\$ 10,377,554

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ROCKLIN
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STASTICAL INFORMATION

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STATISTICAL SECTION

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

<u>Contents</u>	<u>Page(s)</u>
Financial Trends	
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	140-149
Revenue Capacity	
These schedules contain information to help the reader assess the City's property tax.	150-153
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.	154-157
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.	158

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

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

	2006	2007	2008	2009	2010
Governmental activities:					
Net investment in capital assets	\$ 301,542,340	\$ 314,002,830	\$ 333,102,023	\$ 340,423,304	\$ 336,857,846
Restricted	55,165,034	60,900,601	23,677,671	17,858,485	16,013,886
Unrestricted	33,780,126	35,479,788	67,611,423	60,361,488	51,212,204
Total Governmental Activities Net Position	<u>\$ 390,487,500</u>	<u>\$ 410,383,219</u>	<u>\$ 424,391,117</u>	<u>\$ 418,643,277</u>	<u>\$ 404,083,936</u>

Page 1 of 2 (continued)

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

	2011	2012	2013	2014	2015
Governmental activities:					
Net investment in capital assets	\$ 299,354,604	\$ 311,848,181	\$ 305,672,758	\$ 303,473,919	\$ 302,623,713
Restricted	18,109,568	15,572,366	15,031,994	24,905,118	22,509,945
Unrestricted	43,464,022	30,663,690	27,181,118	26,568,355	(7,435,357)
Total Governmental Activities Net Position	<u>\$ 360,928,194</u>	<u>\$ 358,084,237</u>	<u>\$ 347,885,870</u>	<u>\$ 354,947,392</u>	<u>\$ 317,698,301</u>

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

	2006	2007	2008	2009	2010
Expenses					
Governmental Activities:					
General Government	\$ 8,752,178	\$ 9,741,574	\$ 9,384,763	\$ 12,168,677	\$ 11,502,017
Public Safety	15,388,277	19,083,423	19,270,091	21,767,874	20,187,996
Public Works	10,418,079	11,290,399	13,831,854	11,875,302	13,203,578
General Services	-	-	-	-	-
Culture and Recreation	11,070,914	11,054,035	11,359,949	11,199,237	8,630,297
Community Development	4,769,873	4,711,041	5,480,752	3,825,794	6,975,124
Depreciation Expense	-	-	-	-	-
Interest Expense	1,400,509	1,679,110	2,099,964	2,193,456	2,225,218
Total Governmental Activities Expenses	<u>51,799,830</u>	<u>57,559,582</u>	<u>61,427,373</u>	<u>63,030,340</u>	<u>62,724,230</u>
Total Primary Government Expenses	<u>51,799,830</u>	<u>57,559,582</u>	<u>61,427,373</u>	<u>63,030,340</u>	<u>62,724,230</u>
Program Revenues					
Governmental Activities:					
Charges For Services:					
General Government	501,652	482,992	2,196,509	5,409,343	878,576
Public Safety	1,122,727	1,316,682	967,850	598,746	698,784
Public Works	29,270	23,643	678,409	262,526	27,097
General Services	-	-	-	-	-
Culture and Recreation	3,342,358	3,863,001	4,179,414	211,128	2,974,885
Community Development	5,536,884	5,017,222	1,426,974	1,451,804	1,061,768
Operating Grants and Contributions	2,548,421	510,641	1,192,355	3,898,104	2,891,635
Capital Grants and Contributions	24,891,312	16,291,432	19,471,148	2,701,074	3,845,572
Total Governmental Activities Program Revenues	<u>37,972,624</u>	<u>27,505,613</u>	<u>30,112,659</u>	<u>14,532,725</u>	<u>12,378,317</u>
Total Primary Government Program Revenues	<u>37,972,624</u>	<u>27,505,613</u>	<u>30,112,659</u>	<u>14,532,725</u>	<u>12,378,317</u>
Net (Expense)/Revenue					
Governmental activities	<u>(13,827,206)</u>	<u>(30,053,969)</u>	<u>(31,314,714)</u>	<u>(48,497,615)</u>	<u>(50,345,913)</u>
Total Primary Government Net Expense	<u>(13,827,206)</u>	<u>(30,053,969)</u>	<u>(31,314,714)</u>	<u>(48,497,615)</u>	<u>(50,345,913)</u>

Page 1 of 4 (continued)

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

	2011	2012	2013	2014	2015
Expenses					
Governmental Activities:					
General Government	\$ 12,368,561	\$ 19,941,499	\$ 11,213,621	\$ 12,616,551	\$ 12,774,913
Public Safety	19,676,954	19,500,808	19,848,065	20,157,508	18,646,375
Public Works	-	-	-	-	-
General Services	21,459,947	21,000,764	26,624,188	26,870,694	29,624,287
Culture and Recreation	-	-	-	-	-
Community Development	39,474,367	2,388,154	2,488,541	2,111,334	2,070,085
Depreciation Expense	-	-	-	-	-
Interest Expense	2,185,827	1,801,574	709,181	521,835	570,731
Total Governmental Activities Expenses	<u>95,165,656</u>	<u>64,632,799</u>	<u>60,883,596</u>	<u>62,277,922</u>	<u>63,686,391</u>
Total Primary Government Expenses	<u>95,165,656</u>	<u>64,632,799</u>	<u>60,883,596</u>	<u>62,277,922</u>	<u>63,686,391</u>
Program Revenues					
Governmental Activities:					
Charges For Services:					
General Government	1,975,872	1,936,755	717,177	1,488,847	1,530,256
Public Safety	929,151	918,751	986,980	1,002,360	1,057,928
Public Works	-	-	-	-	-
General Services	3,096,172	2,926,972	2,867,552	5,164,288	4,805,284
Culture and Recreation	-	-	-	-	-
Community Development	1,359,902	1,408,754	2,838,162	3,663,216	3,821,613
Operating Grants and Contributions	8,514,569	7,875,912	7,023,612	5,027,116	5,280,395
Capital Grants and Contributions	1,061,788	110,327	387,952	3,031,936	185,434
Total Governmental Activities Program Revenues	<u>16,937,454</u>	<u>15,177,471</u>	<u>14,821,435</u>	<u>19,377,763</u>	<u>16,680,910</u>
Total Primary Government Program Revenues	<u>16,937,454</u>	<u>15,177,471</u>	<u>14,821,435</u>	<u>19,377,763</u>	<u>16,680,910</u>
Net (Expense)/Revenue					
Governmental activities	<u>(78,228,202)</u>	<u>(49,455,328)</u>	<u>(46,062,161)</u>	<u>(42,900,159)</u>	<u>(47,005,481)</u>
Total Primary Government Net Expense	<u>(78,228,202)</u>	<u>(49,455,328)</u>	<u>(46,062,161)</u>	<u>(42,900,159)</u>	<u>(47,005,481)</u>

Page 2 of 4 (continued)

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

	2006	2007	2008	2009	2010
General Revenues and Other					
Changes In Net Position					
Governmental Activities:					
Taxes:					
Property Taxes	13,077,447	15,143,507	17,521,701	16,384,305	14,743,382
Sales and Use Taxes	5,032,904	6,505,180	8,813,096	8,071,160	6,378,150
Gas Tax	4,048,413	1,735,645	1,807,144	907,958	1,449,281
Transient Occupancy Tax	604,642	565,606	489,747	362,686	344,792
Other Taxes	1,592,552	4,876,889	4,054,247	4,972,089	4,201,280
Motor Vehicle Fees	3,755,883	3,841,341	3,855,901	3,953,712	3,935,363
Franchise Fees	1,457,402	1,514,343	1,547,104	1,588,179	1,594,426
Impact Fees	7,469,174	8,827,938	2,302,815	2,421,430	1,203,166
Investment Earnings	3,152,136	5,749,228	4,930,857	4,088,256	1,936,732
Other Revenues	1,687,041	1,155,580	-	-	-
Gain (Loss) on Sale of Assets	(14,102)	34,431	-	-	-
Extraordinary Gain on Dissolution of RDA	-	-	-	-	-
Total Governmental Activities	<u>41,863,492</u>	<u>49,949,688</u>	<u>45,322,612</u>	<u>42,749,775</u>	<u>35,786,572</u>
Total Primary Government	<u>41,863,492</u>	<u>49,949,688</u>	<u>45,322,612</u>	<u>42,749,775</u>	<u>35,786,572</u>
Change In Net Position					
Governmental activities	<u>28,036,286</u>	<u>19,895,719</u>	<u>14,007,898</u>	<u>(5,747,840)</u>	<u>(14,559,341)</u>
Total Primary Government	<u>\$ 28,036,286</u>	<u>\$ 19,895,719</u>	<u>\$ 14,007,898</u>	<u>\$ (5,747,840)</u>	<u>\$ (14,559,341)</u>

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

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

	2011	2012	2013	2014	2015
General Revenues and Other					
Changes In Net Position					
Governmental Activities:					
Taxes:					
Property Taxes	13,935,181	11,146,605	9,551,975	10,347,611	10,921,437
Sales and Use Taxes	5,040,007	5,786,761	6,212,703	6,329,277	7,576,526
Gas Tax	4,292,227	3,210,518	3,506,863	4,645,010	4,709,456
Transient Occupancy Tax	383,641	395,656	403,176	474,424	539,796
Other Taxes	4,248,516	7,811,538	6,890,260	6,791,713	8,402,248
Motor Vehicle Fees	3,760,265	3,404,120	3,367,965	3,610,829	3,891,452
Franchise Fees	1,762,153	1,887,441	1,904,499	1,957,384	2,059,195
Impact Fees	445,885	541,592	2,011,105	2,636,172	3,124,079
Investment Earnings	1,543,512	1,263,775	1,588,595	1,531,756	1,789,996
Other Revenues	-	-	426,653	156,152	868,893
Gain (Loss) on Sale of Assets	-	-	-	-	(189,630)
Extraordinary Gain on Dissolution of RDA	-	10,471,411	-	11,481,353	-
Total Governmental Activities	<u>35,411,387</u>	<u>45,919,417</u>	<u>35,863,794</u>	<u>49,961,681</u>	<u>43,693,448</u>
Total Primary Government	<u>35,411,387</u>	<u>45,919,417</u>	<u>35,863,794</u>	<u>49,961,681</u>	<u>43,693,448</u>
Change In Net Position					
Governmental activities	<u>(42,816,815)</u>	<u>(3,535,911)</u>	<u>(10,198,367)</u>	<u>7,061,522</u>	<u>(3,312,033)</u>
Total Primary Government	<u>\$ (42,816,815)</u>	<u>\$ (3,535,911)</u>	<u>\$ (10,198,367)</u>	<u>\$ 7,061,522</u>	<u>\$ (3,312,033)</u>

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

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

	2006	2007	2008	2009	2010
General Fund:					
Nonspendable	\$ 244,572	\$ 5,369,029	\$ 2,061,255	\$ 1,867,628	\$ 1,823,650
Restricted	-	-	-	-	-
Committed	11,300,720	13,814,541	14,000,822	18,576,558	18,063,861
Assigned	-	-	-	-	-
Unassigned	20,084,521	15,215,200	20,170,526	14,718,374	13,358,257
Total General Fund	<u>31,629,813</u>	<u>34,398,770</u>	<u>36,232,603</u>	<u>35,162,560</u>	<u>33,245,768</u>
All Other Governmental Funds:					
Nonspendable	2,960,864	3,132,866	491,000	10,141,531	11,752,089
Restricted	51,437,156	57,362,464	56,637,710	40,652,117	35,839,982
Committed	-	-	-	-	-
Assigned	5,757,378	4,055,406	3,610,834	3,674,164	3,658,407
Unassigned	(3,909,280)	(3,794,895)	(4,967,897)	(6,749,516)	(8,573,488)
Total All Other Governmental Funds	<u>56,246,118</u>	<u>60,755,841</u>	<u>55,771,647</u>	<u>47,718,296</u>	<u>42,676,990</u>
Total All Governmental Funds	<u>\$ 87,875,931</u>	<u>\$ 95,154,611</u>	<u>\$ 92,004,250</u>	<u>\$ 82,880,856</u>	<u>\$ 75,922,758</u>

Page 1 of 2 (continued)

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

	2011	2012	2013	2014	2015
General Fund:					
Nonspendable	\$ 6,048,708	\$ 948,708	\$ 1,408,708	\$ 1,408,708	\$ 1,408,708
Restricted	-	-	-	-	-
Committed	14,161,064	12,982,200	23,465,316	24,933,009	26,094,211
Assigned	-	-	-	-	-
Unassigned	13,534,025	15,019,151	6,525,014	7,085,097	6,667,356
Total General Fund	<u>33,743,797</u>	<u>28,950,059</u>	<u>31,399,038</u>	<u>33,426,814</u>	<u>34,170,275</u>
All Other Governmental Funds:					
Nonspendable	12,870,770	1,003,014	2,569,610	13,648,993	13,043,086
Restricted	17,618,113	15,080,911	14,539,426	24,412,499	21,804,777
Committed	-	-	-	2,326,197	3,645,358
Assigned	18,464,493	19,665,360	20,538,696	5,162,428	-
Unassigned	<u>(8,674,542)</u>	<u>(5,865,220)</u>	<u>(5,617,610)</u>	<u>(3,963,333)</u>	<u>(2,613,160)</u>
Total All Other Governmental Funds	<u>40,278,834</u>	<u>29,884,065</u>	<u>32,030,122</u>	<u>41,586,784</u>	<u>35,880,061</u>
Total All Governmental Funds	<u>\$ 74,022,631</u>	<u>\$ 58,834,124</u>	<u>\$ 63,429,160</u>	<u>\$ 75,013,598</u>	<u>\$ 70,050,336</u>

Page 2 of 2 (concluded)

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

	2006	2007	2008	2009	2010
Revenues					
Taxes and Assessments	\$ 29,103,934	\$ 34,163,786	\$ 40,391,755	\$ 38,661,519	\$ 28,990,898
Licenses and Permits	3,907,127	3,011,762	1,594,170	1,988,941	1,877,390
Fines and Forfeitures	205,709	343,526	255,774	355,926	322,076
Intergovernmental	2,875,891	5,651,430	2,236,983	3,999,483	7,330,605
Use of Money and Property	9,498,950	12,460,523	4,930,857	4,088,256	1,937,512
Charges for Services	6,250,237	7,078,697	5,144,855	3,576,100	3,763,720
Contributions from Dev. And Homeowners	25,272,727	13,096,873	18,426,520	1,532,596	867,288
Other Revenues	1,803,980	2,029,872	2,454,357	3,079,679	3,073,887
Total Revenues	78,918,555	77,836,469	75,435,271	57,282,500	48,163,376
Expenditures					
General Government	8,255,800	9,342,700	8,623,207	9,038,183	7,250,768
Public Safety	15,366,655	17,862,380	19,463,346	20,193,534	18,833,510
Public Works	3,633,435	3,680,194	4,690,723	3,875,990	4,699,101
General Services	-	-	-	-	-
Culture and Recreation	10,545,557	10,169,630	10,393,591	9,855,464	7,557,599
Community Development	4,503,658	4,399,735	8,480,771	7,633,718	6,975,124
Capital Outlay	58,344,090	26,546,570	23,484,206	15,454,132	6,736,882
Debt Service:					
Principal	3,961,813	1,313,686	1,345,000	1,630,000	2,020,000
Interest and Fiscal Charges	1,914,971	2,451,779	2,104,788	2,207,710	2,292,870
Total Expenditures	106,525,979	75,766,674	78,585,632	69,888,731	56,365,854
Excess of Revenues Over(Under) Expenditures	(27,607,424)	2,069,795	(3,150,361)	(12,606,231)	(8,202,478)
Other Financing Sources(Uses)					
PERS Side-Fund Payoff	-	-	-	-	-
Extraordinary loss on dissolution of RDA	-	-	-	-	-
Gain (Loss) on Sale of Assets	-	-	-	-	1,513
Transfer from Successor Agency	-	-	-	-	-
Transfers to Internal Service Funds	-	78,885	-	-	242,867
Long-Term Debt Proceeds	11,900,000	5,130,000	-	3,482,837	1,000,000
Total Other Financing Sources(Uses)	11,900,000	5,208,885	-	3,482,837	1,244,380
Net Change In Fund Balances	\$ (15,707,424)	\$ 7,278,680	\$ (3,150,361)	\$ (9,123,394)	\$ (6,958,098)
Debt Service as Percentage of Noncapital Expenditures	13.9%	8.3%	6.7%	7.6%	9.5%

Page 1 of 2 (continued)

City of Rocklin

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

	2011	2012	2013	2014	2015
Revenues					
Taxes and Assessments	\$ 31,194,723	\$ 31,273,388	\$ 32,533,333	\$ 35,251,049	\$ 37,896,309
Licenses and Permits	2,051,659	978,892	1,234,248	2,078,971	2,310,009
Fines and Forfeitures	290,302	200,457	155,846	160,913	564,913
Intergovernmental	8,012,591	4,495,057	6,381,554	8,599,289	5,412,142
Use of Money and Property	1,939,533	1,726,567	2,245,163	2,428,172	2,685,218
Charges for Services	3,670,824	3,971,307	4,739,901	5,233,861	4,345,836
Contributions from Dev. And Homeowners	391,375	449,309	770,016	1,695,692	2,850,688
Other Revenues	5,300,613	4,595,282	2,568,058	2,422,566	4,237,970
Total Revenues	52,851,620	47,690,259	50,628,119	57,870,513	60,303,085
Expenditures					
General Government	7,407,257	7,882,485	6,816,545	10,437,917	13,705,937
Public Safety	18,322,468	18,158,522	18,326,323	18,746,706	19,489,176
Public Works	-	-	-	-	-
General Services	12,173,194	10,075,239	16,953,922	16,707,672	19,237,232
Culture and Recreation	-	-	-	-	-
Community Development	3,817,974	2,388,154	2,488,541	2,111,334	2,228,394
Capital Outlay	8,347,901	2,757,092	3,457,179	8,239,277	9,313,759
Debt Service:					
Principal	2,497,869	2,075,000	1,000,000	1,030,000	1,070,000
Interest and Fiscal Charges	2,185,827	1,458,496	720,659	534,222	584,681
Total Expenditures	54,752,490	44,794,988	49,763,169	57,807,128	65,629,179
Excess of Revenues Over(Under) Expenditures	(1,900,870)	2,895,271	864,950	63,385	(5,326,094)
Other Financing Sources(Uses)					
PERS Side-Fund Payoff	-	(4,517,258)	-	-	-
Extraordinary loss on dissolution of RDA	-	(13,566,520)	-	-	-
Gain (Loss) on Sale of Assets	750	-	5,000	-	-
Transfer from Successor Agency	-	-	-	11,481,353	-
Transfers to Internal Service Funds	(8)	-	-	39,700	362,832
Long-Term Debt Proceeds	-	-	-	-	-
Total Other Financing Sources(Uses)	742	(18,083,778)	5,000	11,521,053	362,832
Net Change In Fund Balances	\$ (1,900,128)	\$ (15,188,507)	\$ 869,950	\$ 11,584,438	\$ (4,963,262)
Debt Service as Percentage of Noncapital Expenditures	11.2%	9.2%	3.9%	3.3%	3.0%

Page 2 of 2 (concluded)

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

Fiscal Year	City of Rocklin			Taxable Assessed Value	Total Direct Tax Rate
	Secured	Public Utility	Unsecured		
2006	\$ 5,881,267,000	\$ 6,994,849	\$ 135,840,714	\$ 6,024,102,563	1.000%
2007	6,518,268,942	6,880,459	147,020,654	6,672,170,055	1.000%
2008	7,086,920,204	6,351,556	153,871,342	7,247,143,102	1.000%
2009	7,262,312,429	6,351,556	167,996,712	7,436,660,697	1.000%
2010	6,937,855,555	8,476,688	151,986,395	7,098,318,638	1.000%
2011	6,437,055,124	8,476,688	149,331,796	6,594,863,608	1.000%
2012	6,213,199,580	8,476,688	124,161,157	6,345,837,425	1.000%
2013	6,143,416,610	8,476,688	124,062,108	6,275,955,406	1.000%
2014	6,603,652,182	9,515,170	130,907,829	6,744,075,181	1.000%
2015	7,140,101,337	9,515,170	123,619,076	7,273,235,583	1.000%

All above are Full Value (100%)

Source: Placer County Assessor's Office

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

Fiscal Year	Direct Rates		Overlapping Rates						Total Tax Rate
	Basic Rate	Total Direct	Loomis Elementary	Placer County Water Agency	Placer Union High	Rocklin Unified School District	Roseville Elementary	Roseville High	
2006	1.0000	1.0000	0.0264	0.0010	0.0142	0.0688	0.0359	0.0384	1.1847
2007	1.0000	1.0000	0.0211	0.0000	0.0223	0.0000	0.0236	0.0272	1.0942
2008	1.0000	1.0000	0.0189	0.0000	0.0200	0.0750	0.0285	0.0294	1.1718
2009	1.0000	1.0000	0.0209	0.0000	0.0201	0.0754	0.0290	0.0321	1.1775
2010	1.0000	1.0000	0.0209	0.0000	0.0218	0.0843	0.0325	0.0359	1.1954
2011	1.0000	1.0000	0.0273	0.0000	0.0265	0.1113	0.0418	0.0431	1.2500
2012	1.0000	1.0000	0.0184	0.0000	0.0263	0.1293	0.0467	0.0420	1.2627
2013	1.0000	1.0000	0.0236	0.0000	0.0285	0.1362	0.0535	0.0446	1.2864
2014	1.0000	1.0000	0.0217	0.0000	0.0280	0.1355	0.0441	0.0514	1.2807
2015	1.0000	1.0000	0.0200	0.0000	0.0194	0.1364	0.0457	0.0485	1.2699

Source: Placer County Assessor Tax Rate Table

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

Taxpayer	Primary Land Use	2015			2006		
		Taxable Assessed Valuation ⁽¹⁾	Rank	Percentage of Total Assessed Valuation	Taxable Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Meridian Apartments LP	Residential	\$ 70,894,337	1	0.97%			
MGP X Properties LLC	Commercial	64,928,426	2	0.89%			
Walmart Real Estate Business Trust	Commercial	38,321,151	3	0.53%			
Demmon Rocklin Ranch Partners LP	Residential	34,495,434	4	0.47%			
Sunset Court at Stanford Ranch-344 LLC	Residential	32,110,306	5	0.44%	28,356,691	6	0.47%
ARHC CAROCCA01	Institutional	29,333,330	6	0.40%			
United Natural Foods Inc.	Industrial	28,722,010	7	0.39%			
Montessa Management LP	Residential	28,247,551	8	0.39%			
Winsted Apartments, LP	Residential	26,221,766	9	0.36%			
Williams Portfolio 8	Residential	24,723,560	10	0.34%			
Demmon Meridian Partners LP	Residential				83,361,329	1	1.38%
Sunset Rancho Investors LLC	Vacant				72,219,877	2	1.20%
Oracle Corporation	Commercial				51,224,940	3	0.85%
The GAP Inc.	Industrial				45,491,432	4	0.76%
Sierrapine	Industrial				43,649,210	5	0.72%
7545 Katella LLC	Residential				27,163,363	7	0.45%
Cal Stanford Oaks LLC	Recreational				26,135,096	8	0.43%
Winsted Partners LLC	Residential				23,921,783	9	0.40%
Douglas M. Hanzlick	Residential				22,119,286	10	0.37%
Totals		<u>\$ 377,997,871</u>		<u>5.18%</u>	<u>\$ 423,643,007</u>		<u>7.03%</u>

Source(s): HdL Coren and Cone and Placer County Assessor Combined Tax Rolls and the SBE Non Unitary Tax Roll and Placer County Assessor 2004/05 Combined Tax Rolls and the SBE Non Unitary Tax Roll.

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

City of Rocklin
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percent of Levy		Amount	As Percent Of Tax Levy
2006	\$ 13,077,477	\$ 13,077,477	100.00%	\$ -	\$ 13,077,477	100.00%
2007	15,143,507	15,143,507	100.00%	-	15,143,507	100.00%
2008	17,521,701	17,521,701	100.00%	-	17,521,701	100.00%
2009	16,384,305	16,384,305	100.00%	-	16,384,305	100.00%
2010	14,743,382	14,743,382	100.00%	-	14,743,382	100.00%
2011	13,935,181	13,935,181	100.00%	-	13,935,181	100.00%
2012	11,146,605	11,146,605	100.00%	-	11,146,605	100.00%
2013	9,551,975	9,551,975	100.00%	-	9,551,975	100.00%
2014	10,347,611	10,347,611	100.00%	-	10,347,611	100.00%
2015	10,921,437	10,921,437	100.00%	-	10,921,437	100.00%

Source: City financial records

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

City of Rocklin
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities				Total Primary Government	Percentage of Personal Income	Debt Per Capita
	Promissory Notes	Certificates of Participation	Refunding Revenue Bonds	Tax Allocation Bonds			
2006	\$ 550,000	\$ 5,985,000	\$ 13,300,000	\$ 24,985,000	\$ 44,820,000	2%	874
2007	450,000	5,545,000	12,795,000	29,610,000	48,400,000	2%	924
2008	350,000	5,095,000	11,760,000	29,065,000	46,270,000	2%	856
2009	250,000	4,635,000	11,760,000	29,065,000	45,710,000	2%	831
2010	-	4,165,000	11,225,000	28,500,000	43,890,000	3%	783
2011	-	3,680,000	10,680,000	27,915,000	42,275,000	2%	725
2012	-	3,275,000	10,115,000	-	13,390,000	2%	229
2013	-	2,860,000	9,530,000	-	12,390,000	1%	208
2014	-	2,430,000	8,930,000	-	11,360,000	1%	190
2015	-	1,980,000	8,310,000	-	10,290,000	Not Available	Not Available

Source: City financial records

City of Rocklin
Direct and Overlapping Debt
June 30, 2015

2014/2015 Assessed Valuation:	\$	7,273,556,742	
			City's Share
Overlapping Tax and Assessment Debt:		Total Debt	% Applicable (1)
Rocklin Unified School District	\$	61,018,920	98.54%
Placer Union High School District		28,289,040	1.638%
Roseville Joint Union High School District		79,820,973	0.056%
Loomis Union School District		4,815,000	6.308%
Roseville City School District		23,191,221	0.101%
Rocklin Unified School District Community Facilities District Nos. 1 and 2		46,995,469	99.305-100%
City of Rocklin Community Facilities District No. 3		5,895,476	100%
City of Rocklin Community Facilities District No. 6		1,247,330	100%
City of Rocklin Community Facilities District No. 8		3,224,280	100%
City of Rocklin Community Facilities District No. 9		3,838,388	100%
City of Rocklin Community Facilities District No. 10		21,460,000	100%
City of Rocklin Community Facilities District No. 11		7,666,868	100%
California Statewide Community Development Authority 1915 Act Bonds		12,207,021	37.396-100%
			of Debt
			\$
			60,126,213
			463,374
			44,700
			303,730
			23,423
			46,928,436
			5,895,476
			1,247,330
			3,224,280
			3,838,388
			21,460,000 (2)
			7,666,868
			10,577,695
Total overlapping tax and assessment debt			\$ 161,799,913
Direct and Overlapping General Fund Debt:			
Placer County Certificates of Participation	\$	38,085,000	12.361%
Placer County Office of Education Certificates of Participation		1,650,000	12.361%
Sierra Joint Community College District Certificates of Participation		8,457,000	9.265%
Rocklin Unified School District Certificates of Participation		13,880,000	98.537%
Placer Union High School District Certificates of Participation		4,670,000	1.638%
Roseville Joint Union High School District Certificates of Participation		1,625,000	0.056%
Loomis Union School District Certificates of Participation		3,215,000	5.106%
Roseville City School District Certificates of Participation		9,695,000	0.101%
City of Rocklin Certificates of Participation		1,980,000	100%
Placer Mosquito & Vector Control District Certificates of Participation		3,910,000	12.361%
			\$ 4,707,687
			203,957
			783,541
			13,676,936
			76,495
			910
			164,158
			9,792
			1,980,000
			483,315
Total direct and overlapping general fund debt			\$ 22,086,791
Overlapping Tax Increment Debt (Successor Agency)	\$	<u>25,360,000</u>	100%
			<u>\$ 25,360,000</u>
Total direct debt			\$ 1,980,000
Total overlapping debt			\$ 207,266,704
Combined Total Debt			\$ 209,246,704 (3)
Ratios to Assessed Valuation:			
Total Overlapping Tax and Assessment Debt			2.22%
Total Direct Debt			0.03%
Combined Total Debt			2.88%
Ratios to Redevelopment Successor Agency Incremental Valuation (\$459,609,356):			
Total Overlapping Tax Increment Debt			5.52%

(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 refunding bonds dated 7/15/15. Includes issue to be refunded.

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

Source: California Municipal Statistics, Inc.

City of Rocklin
Legal Debt Margin Information
Last Ten Fiscal Years

	2006	2007	2008	2009	2010
Debt limit	\$ 882,190,050	\$ 977,740,341	\$ 1,063,038,031	\$ 1,089,346,864	\$ 1,040,678,333
Total net debt applicable to limit	-	-	-	-	-
Legal debt margin	\$ 882,190,050	\$ 977,740,341	\$ 1,063,038,031	\$ 1,089,346,864	\$ 1,040,678,333
Total debt applicable to the limit as a percentage of debt limit	0.0%	0.0%	0.0%	0.0%	0.0%

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City of Rocklin
Legal Debt Margin Information
Last Ten Fiscal Years

	2011	2012	2013	2014	2015
Debt limit	\$ 965,558,269	\$ 931,979,937	\$ 921,512,492	\$ 990,547,827	\$ 1,071,015,201
Total net debt applicable to limit	-	-	-	-	-
Legal debt margin	\$ 965,558,269	\$ 931,979,937	\$ 921,512,492	\$ 990,547,827	\$ 1,071,015,201
Total debt applicable to the limit as a percentage of debt limit	0.0%	0.0%	0.0%	0.0%	0.0%

Legal Debt Margin Calculation for Fiscal Year 2015:

Assessed value - based on secured roll	\$ 7,140,101,337
Debt limit (15% of assessed value)	1,071,015,201
Debt applicable to limit:	
None	-
Legal Debt Margin	<u>\$ 1,071,015,201</u>

Page 2 of 2 (concluded)

City of Rocklin
Demographic and Economic Statistics
Last Ten Fiscal Years

Calendar Year	Population	Per Capita Personal Income	Personal Income (in thousands)	Unemployment Rate
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	58,484	33,015	1,930,849	5.2%
2013	59,672	32,299	1,927,346	4.3%
2014	59,746	33,299	1,989,482	6.3%

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



ROCKLIN
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**Comprehensive Annual Financial Report
June 30, 2015**