

CITY OF SAN DIMAS, CALIFORNIA
FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED
JUNE 30, 2013

Prepared By
FINANCE DEPARTMENT
BARBARA BISHOP, FINANCE MANAGER

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CITY OF SAN DIMAS
FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

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City Council

CURTIS W. MORRIS, Mayor
DENIS BERTONE, Mayor Pro Tem
EMMETT BADAR
JOHN EBINER
JEFF TEMPLEMAN

City Manager

BLAINE M. MICHAELIS

Assistant City Manager

Treasurer/City Clerk
KENNETH J. DURAN



**Assistant City Manager of
Community Development**
LAWRENCE STEVENS

Director of Public Works
KRISHNA PATEL

**Director of Parks
and Recreation**
THERESA BRUNS

City Attorney
J. KENNETH BROWN

October 22, 2013

To the Honorable Mayor, City Council and Citizens of the City of San Dimas

State law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the annual financial report of the City of San Dimas for the fiscal year ended June 30, 2013.

This report consists of management's representations concerning the finances of the City of San Dimas. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City of San Dimas has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of San Dimas' financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City of San Dimas' comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement.

The City has in place as approved by the City Council; Financial Internal Controls Policies and Procedures and a Finance/Audit Committee consisting of 2 – elected officials, City Manager, Assistant City Manager/City Treasurer, and the Finance/IS Manager to insure that the financial transactions are reviewed and discussed with the City auditors on an annual basis. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City of San Dimas' financial statements have been audited by Lance, Soll & Lunghard, LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of San Dimas for the fiscal year ended June 30, 2013, are free of material misstatement.

The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of San Dimas' financial statements for the fiscal year ended June 30, 2013, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of this report.

The independent audit of the financial statements of the City of San Dimas includes the determination as to whether the City will require a Single Audit which is designed to meet the special needs of federal grantor agencies. For 2012-13 a Single Audit will not be required since the amount of federal grants were under the threshold for reporting requirements.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City of San Dimas' MD&A can be found immediately following the independent auditors report.

Profile of the Government

The City of San Dimas is located midway (about 27 miles) between Los Angeles and San Bernardino, at the base of the San Gabriel Mountains. Superior access to freeways offers a centralized location from which to enjoy Southern California's many excellent cultural and recreational activities. San Dimas currently occupies a land area of 15 square miles and serves a population of 33,371. The City of San Dimas' citizens receive a full range of services through the combined efforts of the City's five departments (City Manager's Office, Administrative Services, Parks & Recreation, Public Works and Community Development) and the contract services of Los Angeles County. Services include police and fire protection, the construction and maintenance of highways, streets, and other infrastructure; and recreational activities and cultural events.

The City of San Dimas was incorporated in 1960 with a Council-Manager form of government. Policy-making and legislative authority are vested in a governing council consisting of the mayor and four council members. The governing council is responsible among other things, for passing ordinances, adopting the budget, appointing committees, and hiring both the City Manager and City Attorney. The City Manager is responsible for carrying out the policies and ordinances of the governing council, for overseeing the day-to-day operations of the City and for appointing the heads of the various departments. The council is elected on a non-partisan basis. Council members serve four year staggered terms, with two council members elected every two years. The mayor is directly elected to serve a two year term. The City of San Dimas is empowered to levy a property tax on both real and personal properties located within its boundaries. It also is empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the governing council.

The annual budget serves as the foundation for the City of San Dimas' financial planning and control. All departments and agencies of the City of San Dimas are required to submit requests for appropriation to the City Manager for the new fiscal year around March of each year. The City Manager uses these requests as the starting point for developing a proposed budget. Once budget sessions are complete the City Manager then presents this proposed budget to the council for review prior to May 31st. The council is required to hold public hearings on the proposed budget and to adopt a final budget no later than June 30th the close of the City of San Dimas' fiscal year. The appropriated budget is prepared by fund, function (e.g., public safety), and department (e.g., public works). Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted.

Factors Affecting Financial Condition

The City of San Dimas, with a prudent spending plan, managed to present a fiscally responsible spending plan during the fiscal year, despite the challenges accompanied by the passage of AB1X26 nearly two years ago, and that careful planning continues with the new fiscal year.

The City continues to take the necessary steps to comply with the dissolution process and we received a Finding of Completion; which was approved by the Department of Finance (DOF) on April 26, 2013. This opened the door to allow the Successor Agency to place the loan agreements between the former Redevelopment Agency and the City, on the Retirement Obligation Payment Schedule (ROPS), as enforceable obligations to submit for approval by DOF. The loan repayments will be governed by criteria in HSC section 34191.4 (a) (2), that is quite cumbersome. Even though the process will make it difficult for the General Fund to see any benefit from the repayment of the loans due from the former Redevelopment Agency for many years to come; it is the first step in recovering any portion of the obligations due to the City. The following Management Discussion and Analysis explains in further detail the effects of this ruling on the City of San Dimas' financial position.

With the current factors in mind the City had to budget accordingly and as the Successor Agency for the former Redevelopment Agency began to plan for the repayment of obligated debt. As required the Oversight Board oversees that all procedures and financial obligations of the Successor Agency are in compliance with AB1X 26.

The City continues to move forward on some very important community projects that improve the appearance of the City and further strengthen its economic base. With the major changes the City's financial position remains stable. With that in mind, the City continues to provide quality essential services, invest in significant infrastructure improvements and build a comfortable reserve balance.

Local economy. As in the past the City of San Dimas will continue to maintain a steady environment in these tentative economic times. Considering the slow economic growth the City anticipates continued stability and anticipates some growth with the completion of a few specific housing and mixed use projects.

Construction is near completion at the Grove Station and the Bonita Canyon Gateway housing and multi-use project is well underway. These projects will contribute to the growth and cultural appeal of the City of San Dimas.

The City's central business district is expected to maintain its current rate of occupancy with a variety of stores, specialty shops, and commercial businesses even though some businesses have gone through changes due to the tough economic atmosphere. Most of the available land for residential use has been developed but the City continues to have infill and remodeling projects.

Long-term financial planning. The City has in place a multi-year capital improvement plan for the replacement of heavy equipment, computer and office equipment, and infrastructure improvements. With several major projects on the horizon the City actively seeks out available grants for qualified projects and continues to be diligent in building up reserves to cover the cost of these projects, as well as, for future projects.

Cash management policies and practices. Cash temporarily idle during the year was mainly invested in the State Treasurer's investment pool, with additional short term Certificates of Deposit with local financial institutions. The City continues to further diversify investments and a portion of idle funds are deposited with the CalTrust investment pool.

Risk management. The City of San Dimas is a member of the Southern California Joint Powers Insurance Authority for general liability, workers compensation and property insurance. The general liability insurance had a significant decrease due to the claims loss history of the City and the Insurance Pool. Property insurance increased slightly this year due to the additional insurance required on the Walker House and Civic Center as well as, earthquake coverage. Workers Compensation insurance had a slight increase from last year. The City has a comprehensive injury and illness prevention program to minimize risks and exposure to losses. The program includes a safety committee comprised of mid-management to analyze claims and losses and conduct periodic safety inspections, organizing quarterly safety meetings for all employees, and field employees conduct bi-weekly safety meetings on various subjects.

Pension and other post employment benefits. The City of San Dimas contracts with the Public Employees Retirement System (PERS) for the pension plan for miscellaneous employees. Each year, PERS prepares an actuarial report that calculates the amount of the annual contribution that the City of San Dimas must make to the pension plan to ensure that the plan will be able to fully meet its obligations to retired employees on a timely basis. For fiscal year 2012-13 the City had an employer rate of 14.194% and contributed 3.0% of the employee's rate. The employee's contribution is 4% from their pay to the retirement plan in fiscal year 2012-13. For OPEB (Other Post Employee Benefits) the City pays a minimal amount for retiree health benefits and therefore, budgets and disburses payments on a "pay as you go" basis.

Additional information. The goal of the City of San Dimas' financial staff is to strive for excellence in the performance of the financial functions and reporting. The new requirements of GASB have increased the process of the normal financial reporting requirements. It is our goal to achieve the standards set by these professional organizations and preserve the qualities of excellence in financial reporting. As

mentioned in the beginning of this letter the City of San Dimas' financial statements for the year ended June 30, 2013, were audited by Lance, Soll & Lunghard, LLP and we received an unmodified opinion.

Acknowledgments

The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Finance Division and cooperation of all City departments. We would also like to thank the Mayor and members of the City Council for their interest and support in planning and conducting the financial operations of the City in a responsible and progressive manner.



Blaine Michaelis
City Manager



Ken Duran
Asst. City Manager/Treasurer



Barbara Bishop
Finance/IS Manager

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INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members of the City Council
City of San Dimas, California

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of City of San Dimas, California, (the City) as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City of San Dimas, California, as of June 30, 2013, and, the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund, the Golf Course Maintenance and Operation fund and Housing Authority fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.



To the Honorable Mayor and Members of the City Council
City of San Dimas, California

Other Matters

Required Supplementary Information

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

Other Information

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

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 10, 2013 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.

Lance, Soll & Luyhard, LLP

Brea, California
October 10, 2013

CITY OF SAN DIMAS

Management's Discussion and Analysis

As management of the City of San Dimas, we offer readers of the City of San Dimas' financial statements this narrative overview and analysis of the financial activities of the City of San Dimas for the fiscal year ended June 30, 2013. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal and the City's financial statements.

Financial Highlights

- ◆ The assets of the City of San Dimas exceeded the liabilities at the close of the most recent fiscal year by \$95,591,386 (*net position*). The net position is comprised of (*capital assets*) in the amount of \$54,485,022 (*restricted and unrestricted net position*) in the amount of \$41,106,364 for community development projects, public safety, public works, capital projects, debt service and the government's ongoing obligations as listed on the *Statement of Net Position*.
- ◆ The City's net position decreased by \$7,279,776 as a result of the 2012-13 operations. The reconciliation of this amount is described on the *Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position*.
- ◆ The *Statement of Activities* details the program and general revenues in the amount of \$27,021,514.
- ◆ An Extraordinary loss on dissolution of Redevelopment Agency was \$6,155,847 due to the transfer of the Charter Oak Mobile Home Park to the Housing Authority and not the Successor Agency as explained in (Note 12).
- ◆ The cost of governmental activities were \$28,177,747 as shown on the *Statement of Activities*.
- ◆ The General Fund reported excess revenues over expenditures of \$2,751,973 excluding transfers in and transfers out. Refer to the *Statement of Revenues, Expenditures and Changes in Fund Balances Governmental Funds*.
- ◆ The *Budgetary Comparison Statement By Department* shows the General Fund, actual resources available for appropriation (revenue inflows and fund balance) exceeded the final budget by \$2,242,668 while actual appropriations (outflows) were over budget by \$989,777.
- ◆ The City of San Dimas' total debt increased by \$5,225,087 during the current fiscal year. The key factor in this increase was due to annual payments on bond issues and the transfer of the Mobile Home Park Bonds to the Housing Authority. The prior year listed these bonds in the Successor Agency in error (refer to Note 6).

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City of San Dimas' basic financial statements. The City of San Dimas' basic financial statements comprise three

components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the City of San Dimas' finances, in a manner similar to private-sector business.

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

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

Both of the government-wide financial statements distinguish functions of the City of San Dimas that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City of San Dimas include General Government, Public Safety, Community Development, Public Works and Parks and Recreation.

The government-wide financial statements include the blending of separate legal entities such as: the Successor Agency for the former San Dimas Redevelopment Agency, San Dimas Public Financing Authority, San Dimas Public Corporation and San Dimas La Verne Facilities Authority. Although legally separate, these "component units" are important because the City of San Dimas is financially accountable for them.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of San Dimas, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of San Dimas can be divided into two categories: governmental funds and fiduciary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund

statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City of San Dimas maintains thirty-three individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund — Golf Course Maintenance and Operations fund – the Housing Authority all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

The City of San Dimas adopts an annual appropriated budget for all material funds. Budgetary comparison statements have been provided for the general fund and two other major funds to demonstrate compliance with this budget.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the City of San Dimas’ own programs. The Successor Agency and Redevelopment Obligation Fund are Fiduciary funds; the City budgets for these funds to reflect the operations of the Successor Agency. Trustee funds are set up to account for the resources held for bond payments and for recording transactions performed by appointed trustees. The City does not budget for the trustee activities.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Combining statements. The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the notes.

Government-wide Financial Analysis

Our analysis focuses on the net position and changes in net position of the City’s governmental activities. No business-type activities are reported in the government-wide statements.

	Governmental Activities Net Position	
	<u>2013</u>	<u>2012</u>
Current and other assets	\$ 51,404,651	\$ 51,316,609
Capital assets	<u>\$ 60,756,900</u>	<u>\$ 62,616,173</u>
Total assets	<u>\$112,161,551</u>	<u>\$113,932,782</u>
Long-term liabilities outstanding	\$ 14,357,452	\$ 9,132,245
Other liabilities	<u>\$ 2,212,713</u>	<u>\$ 1,929,375</u>
Total liabilities	<u>\$ 16,570,165</u>	<u>\$11,061,620</u>

Net Position:

Invested in capital assets, net of debt	\$ 54,485,022	\$55,846,129
Restricted/Unrestricted	<u>\$ 41,106,364</u>	<u>\$47,025,033</u>
Total net position	<u>\$ 95,591,386</u>	<u>\$102,871,162</u>

The City's net position from governmental activities decreased from \$102,871,162 to \$95,591,386. This decrease comes from the change in net position of \$7,312,080 and a restatement of net position in the amount of \$32,304 as recorded in the *Statement of Activities* and flows through the *Statement of Net Position*.

Governmental activities. Governmental activities decreased the City of San Dimas' net position by a total of \$7,279,776.

Governmental Activities Changes in Net position		<u>2013</u>	<u>2012</u>
Revenues			
Program Revenues:			
Charges for Services		\$ 3,159,294	\$ 3,041,750
Operating contributions and grants		\$ 1,692,970	\$ 1,809,738
General Revenues:			
Taxes:			
Property Taxes		\$ 8,061,043	\$ 9,451,505
Sales Taxes		\$ 7,252,331	\$ 7,385,894
Franchise Taxes		\$ 2,105,262	\$ 2,058,588
Other Taxes		\$ 1,574,399	\$ 1,321,669
Motor Vehicle In Lieu Unrestricted		\$ 18,973	\$ 18,310
Use of Money & Property		\$ 3,145,797	\$ 3,093,779
Other		<u>\$ 11,445</u>	<u>\$ 25,320</u>
Sub-Total Revenues		<u>\$27,021,514</u>	<u>\$28,206,553</u>
Extraordinary gain/ (loss)		<u>\$(6,155,847)</u>	<u>\$25,350,216</u>
Total Revenues and Extraordinary Items		<u>\$20,865,667</u>	<u>\$53,556,769</u>
Expenses			
General Government		\$ 5,308,623	\$ 6,383,650
Public Safety		\$ 5,591,887	\$ 5,417,596
Community Development		\$ 4,246,397	\$ 2,295,874
Parks and Recreation		\$ 5,590,361	\$ 5,894,515
Public Works		\$ 6,645,417	\$ 6,706,805
Interest on Long-term Debt		<u>\$ 795,062</u>	<u>\$ 1,228,815</u>
Total Expenses		<u>\$28,177,747</u>	<u>\$27,927,255</u>

Change in Net Position	<u>\$(7,312,080)</u>	<u>\$25,629,514</u>
Net Position - Beginning Balance	\$102,871,162	\$77,164,690
Change in Net Position	\$ (7,312,080)	\$25,629,514
Restatement of Net Position	\$ 32,304	\$ 76,958
Net Position – Ending Balance	<u>\$ 95,591,386</u>	<u>\$102,871,162</u>

The cost of all programs and services are \$28,177,747; total revenues are \$27,021,514, and the Extraordinary Loss of \$6,155,847 equals the change in net position of \$(7,312,080).

The following presents the cost of each of the City's six largest programs – General Government, Public Safety, Community Development, Parks and Recreation, Public Works and Interest on Long-Term Debt – as well as each program's net cost (total cost less revenues generated by the activities). The net cost shows the financial impact that was placed on the City's resources by each of these functions.

Governmental Activities

	Total Cost of Services <u>2013</u>	Net Cost of Services <u>2013</u>
General Government	\$ 5,308,623	\$ 5,034,042
Public Safety	\$ 5,591,887	\$ 5,018,931
Community Development	\$ 4,246,397	\$ 2,917,472
Parks and Recreation	\$ 5,590,361	\$ 4,296,766
Public Works	\$ 6,645,417	\$ 5,263,210
Interest on Long-Term Debt	<u>\$ 795,062</u>	<u>\$ 795,062</u>
Totals	<u>\$28,177,747</u>	<u>\$23,325,483</u>

The net cost of services indicates that the overall cost of government is significantly more than the revenues generated to support it. The City is not fully recovering the cost of these services with program revenues from user fees and other contributions. See the *Statement of Activities* for further detail on program revenues and general revenues.

Financial Analysis of the Government's Funds

The City of San Dimas uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the City of San Dimas' *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the City of San Dimas' financing requirements. In particular, *unreserved fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City of San Dimas' total governmental funds reported combined ending fund balances of \$40,133,483 a decrease of \$74,625 in comparison with the prior year as noted on the *Balance Sheet Governmental Funds*.

The General Fund is the chief operating fund of the City of San Dimas. At the end of the current fiscal year, **excluding operating transfers**, the General Fund (Fund 01 & Fund 70) had excess revenues over expenditures of \$2,751,973 see the *Statement of Revenues, Expenditures and Changes in Fund Balance*.

General Fund Budgetary Highlights

The Budgetary Comparison Statement By Department for the General Fund will detail the final budget for appropriations in the General Fund (Fund 01 & Fund 70) at year-end was \$18,162,881. The actual appropriations were \$19,152,658, over budget by \$989,777 for the fiscal year **including transfers out**. The major factor for this was due to the General Fund transfer to the Infrastructure Fund once funds were available for capital projects. The final budget for revenues in the General Fund (Fund 01 & Fund 70) at year end was \$17,829,523. The actual revenues were \$20,072,191, more than budget by \$2,242,668 for the fiscal year **including transfers in**. The main factor for the increase in revenue was higher than expected activity in licenses, fees, and taxes.

Capital Asset and Debt Administration

Capital Assets. At the end of fiscal year 2012-13, the City of San Dimas had \$60,756,900 million invested in a broad range of capital assets, including land, buildings, infrastructure, and equipment. This amount represents a net decrease of \$1,859,273 over last year. The decrease was primarily due to depreciation and reclassification of City owned land.

Capital Assets (Net of Depreciation)

	<u>Governmental Activities</u>	
	<u>2013</u>	<u>2012</u>
Land	\$16,290,420	\$16,132,249
Buildings and Structures	\$20,667,846	\$21,580,035
Improvements Other Than Buildings	\$ 1,858,754	\$ 2,055,666
Furniture and Equipment	\$ 670,274	\$ 854,204
Infrastructure	<u>\$21,269,606</u>	<u>\$21,994,019</u>
Totals	\$60,756,900	\$62,616,173

The City's Capital Improvement Plan includes expenditures for street improvements, street reconstructions, miscellaneous storm drain improvements, and recreation facilities. Funding will

come from current fund balance, projected revenues and grants. More detailed information about the City's capital assets is presented in Note 1 and Note 5 to the financial statements.

Long-term Debt. At the end of the current fiscal year, the City of San Dimas had total bonded debt outstanding for the Civic Center Parking District, Civic Center Facilities, San Dimas Public Financing Authority, Housing Authority and accrued employee's benefits for compensated absences in the amount of \$14,367,950; and for the Successor Agency for the former San Dimas Redevelopment Agency of \$19,711,257 consisting of outstanding loans due to the City.

City of San Dimas Outstanding Debt

	Governmental Activities	
	2013	2012
Bonds Payable	\$12,962,631	\$ 7,525,898
Accrued Employee Benefits	\$ 1,405,319	\$ 1,616,965
Sub-Total City	\$14,367,950	\$ 9,142,863
For RDA Debt Transferred to Successor Agency	\$19,711,257	\$10,552,469
Total Outstanding Debt City and Successor Agency	<u>\$34,079,207</u>	<u>\$19,695,332</u>

More detailed information about the City's and Successor Agency's long-term debt is presented in Notes 6 & 12 to the financial statements.

The major factor for the City of San Dimas' and Successor Agency's total debt increase is due to reclassification of the Housing Authority debt to the correct category and correction to the Successor Agency debt from the prior year. The City of San Dimas maintains an "AA-" rating from Standard & Poor's and Fitch for general obligation debt.

State statutes limit the amount of general obligation debt a governmental entity may issue to 10 percent of its total assessed valuation. The current debt limitation for the City of San Dimas is \$1,286,439,246 which is significantly in excess of the City of San Dimas' outstanding general obligation debt.

Economic Factors and Next Year's Budget and Rates

The revenue and expenditure projections provided for the 2013-14 budget are based upon economic forecasts and trends for the area in which the City is located. It is based on the information supplied by outside agencies, such as the State Department of Finance, State Board of Equalization, and the Los Angeles County Assessor's Office, to predict revenues for entitlements, grants, state subventions, sales tax and property tax.

As with prior years, the assumption used for forecasting the revenues was very conservative considering the prior year fluctuations in revenue collections. Property Tax, Sales Tax and Other Taxes have been estimated with minimal increases from the prior year. The City of San Dimas has been challenged the past several years with the difficult task of continuing to present a fiscally responsible spending plan each year due to the state of the overall general economy and the uncertainties of the effects of the dissolution of the San Dimas Redevelopment Agency.

The negative effect of AB1X 26 and the dissolution of the Redevelopment Agency cripple any future redevelopment with the loss of tax increment revenue to fund Redevelopment and Housing projects.

Financial statements will detail the transactions of Fund 38 Successor Agency and Fund 39 Redevelopment Retirement Obligation Fund as Fiduciary funds. Successor Agency expenditures are only for payment of current debt as outlined in our bi-annual Recognized Obligation Payment Schedules (ROPS).

The passage of AB1X 26 had a major effect on a General Fund revenue source since the State determined that the loans made in prior years from the City to the Redevelopment Agency would ***not be honored and not allowable*** as debt on the Recognized Obligation Payment Schedule (ROPS). This event affects the General Fund significantly and equates to \$1,257,580 per year ***loss of revenue*** due to the General Fund, representing \$23,727,776 worth of loans including interest the ***City and CRA approved in good faith***, for redevelopment projects, that now the State of California with AB1X 26 has declared ***null and void***. The City will continue to monitor the various legal procedures that have been filed regarding the dissolution process in an effort at some point in the future to pursue the repayment of these loans.

The City continues to cautiously prepare the annual spending plan keeping in mind the outside influences of funding sources. A priority of the City of San Dimas is to present a well balanced budget and maintain a high quality of services to the community within the City's constraint and is consistent with the City Council's goals and objectives.

Contacting the City's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have any questions about this report or need additional information, contact the City's Administrative Services Department, Finance Division, at the City of San Dimas, 245 East Bonita Avenue, San Dimas, CA 91773, (909) 394-6225.

CITY OF SAN DIMAS

STATEMENT OF NET POSITION
 JUNE 30, 2013

	<u>Governmental Activities</u>
Assets:	
Cash and investments	\$ 26,999,163
Receivables:	
Accounts	1,173,675
Taxes	491,379
Notes and loans	403,904
Accrued interest	15,300
Deferred loans	369,543
Grants	383,736
Land held for resale	1,591,000
Restricted assets:	
Cash with fiscal agent	4,095,316
Due from Successor Agency	15,881,635
Capital assets not being depreciated	16,290,420
Capital assets, net of depreciation	<u>44,466,480</u>
Total Assets	<u>112,161,551</u>
Liabilities:	
Accounts payable	2,009,130
Accrued liabilities	1,528
Accrued interest	188,500
Unearned revenue	13,333
Deposits payable	222
Noncurrent liabilities:	
Due within one year	1,128,343
Due in more than one year	<u>13,229,109</u>
Total Liabilities	<u>16,570,165</u>
Net Position:	
Net investment in capital assets	54,485,022
Restricted for:	
Parks and recreation	13,106
Public works	5,012,158
Debt service	746,384
Housing	8,587,631
Unrestricted	<u>26,747,085</u>
Total Net Position	<u>\$ 95,591,386</u>

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CITY OF SAN DIMAS

STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2013

	Expenses	Program Revenues		Net (Expenses) Revenues and Changes in Net Position
		Charges for Services	Operating Contributions and Grants	
Functions/Programs				
Primary Government:				
Governmental Activities:				
General government	\$ 5,308,623	\$ 531,075	\$ (256,494)	\$ -
Public safety	5,591,887	463,698	109,258	-
Community development	4,246,397	1,193,455	135,470	-
Parks and recreation	5,590,361	761,530	532,065	-
Public works	6,645,417	209,536	1,172,671	-
Interest on long-term debt	795,062	-	-	-
Total Governmental Activities	28,177,747	3,159,294	1,692,970	-
Total Primary Government	\$ 28,177,747	\$ 3,159,294	\$ 1,692,970	\$ -
General Revenues:				
Taxes:				
Property taxes, levied for general purpose				8,061,043
Transient occupancy taxes				779,370
Sales taxes				7,252,331
Franchise taxes				2,105,262
Business licenses taxes				403,471
Other taxes				391,558
Motor vehicle in lieu - unrestricted				18,973
Use of money and property				3,145,797
Other				11,445
Extraordinary gain/(loss) - (Note 11)				(6,155,847)
Total General Revenues and Extraordinary Items				16,013,403
Change in Net Position				(7,312,080)
Net Position at Beginning of Year				102,871,162
Restatement of Net Position				32,304
Net Position at End of Year				\$ 95,591,386

CITY OF SAN DIMAS

**BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2013**

	<u>Special Revenue Funds</u>			
	<u>General</u>	<u>Golf Course Maintenance and Operation</u>	<u>Housing Authority</u>	<u>Other Governmental Funds</u>
Assets:				
Pooled cash and investments	\$ 15,056,268	\$ 265,070	\$ 2,407,845	\$ 9,269,980
Receivables:				
Accounts	1,128,425	22,332	9,500	13,418
Taxes	461,004	-	-	30,375
Notes and loans	403,904	-	-	369,543
Accrued interest	15,300	-	-	-
Grants	83,834	-	-	299,902
Advances to other funds	9,286,995	-	-	-
Land held for resale	-	-	1,591,000	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	3,352,194	743,122
Due from Successor Agency	14,630,305	-	1,251,330	-
Total Assets	\$ 41,066,035	\$ 287,402	\$ 8,611,869	\$ 10,726,340
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ 902,599	\$ 41,220	\$ 24,238	\$ -
Accrued liabilities	1,528	-	-	1,041,073
Unearned revenues	-	13,333	-	-
Due to other governments	-	-	-	222
Advances from other funds	-	9,286,995	-	-
Total Liabilities	904,127	9,341,548	24,238	1,041,295
Deferred Inflows of resources:				
Unavailable revenues	8,645,586	-	-	601,369
Total Deferred Inflows of Resources	8,645,586	-	-	601,369
Fund Balances:				
Nonspendable:				
Land held for resale	-	-	1,591,000	-
Advances to other funds	1,517,572	-	-	-
Due from Successor Agency	14,630,305	-	1,251,330	-
Restricted for:				
Parks and recreation	-	-	-	13,106
Public works	-	-	-	5,012,158
Debt service	-	-	-	746,384
Housing	-	-	5,745,301	-
Committed to:				
Parks and recreation	-	-	-	253,505
Public works	-	-	-	3,058,642
Assigned to:				
Risk management	2,848,083	-	-	-
Emergency	516,783	-	-	-
Equipment replacement	408,847	-	-	-
General plan update	250,000	-	-	-
Unassigned	11,344,732	(9,054,146)	-	(119)
Total Fund Balances	31,516,322	(9,054,146)	8,587,631	9,083,676
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 41,066,035	\$ 287,402	\$ 8,611,869	\$ 10,726,340

CITY OF SAN DIMAS

**BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2013**

	Total Governmental Funds
Assets:	
Pooled cash and investments	\$ 26,999,163
Receivables:	
Accounts	1,173,675
Taxes	491,379
Notes and loans	773,447
Accrued interest	15,300
Grants	383,736
Advances to other funds	9,286,995
Land held for resale	1,591,000
Restricted assets:	
Cash and investments with fiscal agents	4,095,316
Due from Successor Agency	15,881,635
Total Assets	\$ 60,691,646
Liabilities, Deferred Inflows of Resources, and Fund Balances:	
Liabilities:	
Accounts payable	\$ 968,057
Accrued liabilities	1,042,601
Unearned revenues	13,333
Due to other governments	222
Advances from other funds	9,286,995
Total Liabilities	11,311,208
Deferred Inflows of resources:	
Unavailable revenues	9,246,955
Total Deferred Inflows of Resources	9,246,955
Fund Balances:	
Nonspendable:	
Land held for resale	1,591,000
Advances to other funds	1,517,572
Due from Successor Agency	15,881,635
Restricted for:	
Parks and recreation	13,106
Public works	5,012,158
Debt service	746,384
Housing	5,745,301
Committed to:	
Parks and recreation	253,505
Public works	3,058,642
Assigned to:	
Risk management	2,848,083
Emergency	516,783
Equipment replacement	408,847
General plan update	250,000
Unassigned	2,290,467
Total Fund Balances	40,133,483
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 60,691,646

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CITY OF SAN DIMAS

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2013

Fund balances of governmental funds	\$ 40,133,483
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets net of depreciation have not been included as financial resources in governmental fund activity.	60,756,900
Long-term debt and compensated absences that have not been included in the governmental fund activity:	
Bonds payable	(12,952,133)
Compensated Absences	(1,405,319)
Accrued interest payable for the current portion of interest due on Bonds has not been reported in the governmental funds.	(188,500)
Revenues reported as unavailable revenue in the governmental funds and recognized in the statement of activities. These are included in the intergovernmental revenues in the governmental fund activity.	<u>9,246,955</u>
Net Position of governmental activities	<u><u>\$ 95,591,386</u></u>

CITY OF SAN DIMAS

**STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2013**

	Special Revenue Funds			
	General	Golf Course Maintenance and Operation	Housing Authority	Other Governmental Funds
Revenues:				
Taxes	\$ 15,681,186	\$ -	\$ -	\$ 3,574,180
Licenses and permits	1,143,183	-	-	-
Intergovernmental	186,858	-	-	1,443,548
Charges for services	1,458,638	-	-	58,745
Use of money and property	282,362	616,783	1,276,148	9,244
Fines and forfeitures	456,072	-	-	-
Miscellaneous	504,659	-	8,224	170,563
Total Revenues	19,712,958	616,783	1,284,372	5,256,280
Expenditures:				
Current:				
General government	5,065,483	-	-	186,211
Public safety	5,478,735	-	-	108,599
Community development	962,720	-	3,167,124	151,681
Parks and recreation	3,129,101	226,575	-	1,055,037
Public works	2,157,968	-	-	2,691,303
Capital outlay	166,978	-	311,335	612,497
Debt service:				
Principal retirement	-	-	225,000	478,267
Interest and fiscal charges	-	187,814	343,568	271,326
Total Expenditures	16,960,985	414,389	4,047,027	5,554,921
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,751,973	202,394	(2,762,655)	(298,641)
Other Financing Sources (Uses):				
Transfers in	359,233	-	-	2,199,136
Transfers out	(2,191,673)	-	-	(366,696)
Total Other Financing Sources (Uses)	(1,832,440)	-	-	1,832,440
Net Change in Fund Balances	919,533	202,394	(2,762,655)	1,533,799
Fund Balances, Beginning of Year, as previously reported	30,596,789	(9,256,540)	11,350,286	7,517,573
Restatements	-	-	-	32,304
Fund Balances, Beginning of Year, as restated	30,596,789	(9,256,540)	11,350,286	7,549,877
Fund Balances, End of Year	\$ 31,516,322	\$ (9,054,146)	\$ 8,587,631	\$ 9,083,676

CITY OF SAN DIMAS

STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2013

	Total Governmental Funds
Revenues:	
Taxes	\$ 19,255,366
Licenses and permits	1,143,183
Intergovernmental	1,630,406
Charges for services	1,517,383
Use of money and property	2,184,537
Fines and forfeitures	456,072
Miscellaneous	683,446
	<hr/>
Total Revenues	26,870,393
	<hr/>
Expenditures:	
Current:	
General government	5,251,694
Public safety	5,587,334
Community development	4,281,525
Parks and recreation	4,410,713
Public works	4,849,271
Capital outlay	1,090,810
Debt service:	
Principal retirement	703,267
Interest and fiscal charges	802,708
	<hr/>
Total Expenditures	26,977,322
	<hr/>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(106,929)
	<hr/>
Other Financing Sources (Uses):	
Transfers in	2,558,369
Transfers out	(2,558,369)
	<hr/>
Total Other Financing Sources (Uses)	-
	<hr/>
Net Change in Fund Balances	(106,929)
	<hr/>
Fund Balances, Beginning of Year, as previously reported	40,208,108
Restatements	32,304
	<hr/>
Fund Balances, Beginning of Year, as restated	40,240,412
	<hr/>
Fund Balances, End of Year	\$ 40,133,483
	<hr/> <hr/>

CITY OF SAN DIMAS

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2013**

Net change in fund balances - total governmental funds	\$ (106,929)
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	(2,017,444)
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	703,267
Accrued interest for long-term liabilities. This is the net change in accrued interest for the current period.	(97,894)
Compensated absences expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	211,646
Revenues reported as unavailable revenue in the governmental funds and recognized in the statement of activities. These are included in the intergovernmental revenues in the governmental fund activity.	151,121
Extraordinary gains and (losses) - Note 11	<u>(6,155,847)</u>
Change in net position of governmental activities	<u><u>\$ (7,312,080)</u></u>

CITY OF SAN DIMAS

**BUDGETARY COMPARISON STATEMENT BY DEPARTMENT
GENERAL FUND
YEAR ENDED JUNE 30, 2013**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$30,596,789	\$30,596,789	\$30,596,789	\$ -
Resources (Inflows):				
Taxes	10,986,770	13,901,696	15,681,186	1,779,490
Licenses and permits	527,910	527,910	1,143,183	615,273
Intergovernmental	3,002,471	87,545	186,858	99,313
Charges for services	1,365,800	1,390,800	1,458,638	67,838
Use of money and property	684,850	684,850	282,362	(402,488)
Fines and forfeitures	498,500	498,500	456,072	(42,428)
Miscellaneous	373,404	373,404	504,659	131,255
Transfers in	389,818	364,818	359,233	(5,585)
Amounts Available for Appropriation	48,426,312	48,426,312	50,668,980	2,242,668
Charges to Appropriation (Outflow):				
General government				
City council	55,220	55,220	56,119	(899)
City manager/city clerk	681,140	638,536	605,454	33,082
Administrative services	939,932	933,983	926,221	7,762
City attorney	205,000	205,000	182,258	22,742
General services	3,706,712	3,280,400	3,295,431	(15,031)
Public safety				
Law enforcement	5,612,239	5,612,239	5,472,786	139,453
Risk management/law enforcement	1,000	1,000	-	1,000
Emergency services	11,900	11,900	5,949	5,951
Community development				
Community development	399,765	368,237	425,865	(57,628)
Department services	601,628	577,090	536,855	40,235
Parks and recreation				
Facilities	584,644	584,644	570,798	13,846
Civic center	216,610	216,610	190,369	26,241
Senior center/community building	74,100	74,100	72,455	1,645
Park maintenance	267,216	271,191	284,312	(13,121)
Parkways and trees	554,404	507,444	524,678	(17,234)
Recreation	1,083,327	1,083,327	1,049,498	33,829
Swim and racquet club	482,166	482,166	436,991	45,175
Public works				
Public works	672,902	641,946	610,019	31,927
Building and safety	437,150	437,150	426,246	10,904
Equipment replacement	1,500	1,500	1,352	148
Street maintenance	737,779	697,300	600,750	96,550
Vehicle/yard maintenance	317,963	317,963	280,782	37,181
Traffic control	234,440	234,440	238,819	(4,379)
Capital outlay	165,100	165,100	166,978	(1,878)
Transfers out	764,395	764,395	2,191,673	(1,427,278)
Total Charges to Appropriations	18,808,232	18,162,881	19,152,658	(989,777)
Budgetary Fund Balance, June 30	\$29,618,080	\$30,263,431	\$31,516,322	\$1,252,891

CITY OF SAN DIMAS

**BUDGETARY COMPARISON STATEMENT
GOLF COURSE MAINTENANCE AND OPERATION
YEAR ENDED JUNE 30, 2013**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (9,256,540)	\$ (9,256,540)	\$ (9,256,540)	\$ -
Resources (Inflows):				
Use of money and property	642,650	642,650	616,783	(25,867)
Amounts Available for Appropriation	(8,613,890)	(8,613,890)	(8,639,757)	(25,867)
Charges to Appropriation (Outflow):				
Parks and recreation	302,800	302,800	226,575	76,225
Debt service:				
Interest and fiscal charges	339,850	339,850	187,814	152,036
Total Charges to Appropriations	642,650	642,650	414,389	228,261
Budgetary Fund Balance, June 30	\$ (9,256,540)	\$ (9,256,540)	\$ (9,054,146)	\$ 202,394

CITY OF SAN DIMAS

**BUDGETARY COMPARISON STATEMENT
HOUSING AUTHORITY
YEAR ENDED JUNE 30, 2013**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 11,350,286	\$ 11,350,286	\$ 11,350,286	\$ -
Resources (Inflows):				
Use of money and property	94,886	94,886	1,276,148	1,181,262
Miscellaneous	-	-	8,224	8,224
Amounts Available for Appropriation	11,445,172	11,445,172	12,634,658	1,189,486
Charges to Appropriation (Outflow):				
Community development	8,094,992	8,094,992	3,167,124	4,927,868
Capital outlay	-	-	311,335	(311,335)
Debt service:				
Principal retirement	-	-	225,000	(225,000)
Interest and fiscal charges	-	-	343,568	(343,568)
Total Charges to Appropriations	8,094,992	8,094,992	4,047,027	4,047,965
Budgetary Fund Balance, June 30	\$ 3,350,180	\$ 3,350,180	\$ 8,587,631	\$ 5,237,451

CITY OF SAN DIMAS

STATEMENT OF FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 JUNE 30, 2013

	Trust and Agency Funds	Private- Purpose Trust Fund Successor Agency of the Former RDA
Assets:		
Pooled cash and investments	\$ 425,459	\$ 161,293
Land held for resale	-	777,451
Restricted assets:		
Cash and investments with fiscal agents	-	74,738
Capital assets:		
Capital assets, not being depreciated	-	425,930
Total Assets	\$ 425,459	\$ 1,439,412
Liabilities:		
Accounts payable	\$ 25,807	\$ 4,442
Accrued interest	-	40,813
Deposits payable	399,652	-
Long-term liabilities:		
Due in one year	-	615,739
Due in more than one year	-	19,095,518
Total Liabilities	\$ 425,459	\$ 19,756,512
Net Position:		
Held in trust for other purposes		(18,317,100)
Total Net Position		\$ (18,317,100)

CITY OF SAN DIMAS

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 YEAR ENDED JUNE 30, 2013

	<u>Private- Purpose Trust Fund Successor Agency of the Former RDA</u>
Additions:	
Taxes	\$ 1,728,743
Total Additions	<u>1,728,743</u>
Deductions:	
Administrative expenses	508,762
Contractual services	430,389
Interest expense	203,393
Total Deductions	<u>1,142,544</u>
Extraordinary gain/(loss) - (Note 11)	6,155,847
Changes in Net Position	6,742,046
Net Position - Beginning of the Year	<u>(25,059,146)</u>
Net Position - End of the Year	<u>\$ (18,317,100)</u>

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I. SIGNIFICANT ACCOUNTING POLICIES

Note 1: Organization and Summary of Significant Accounting Policies

a. Description of the Reporting Entity

The City of San Dimas, California ("City"), was incorporated on August 4, 1960, under the laws of the State of California and enjoys all the rights and privileges applicable to a General Law City. It is governed by an elected five-member board. As required by accounting principles generally accepted in the United States of America, these financial statements present the City of San Dimas (the primary government) and its component units. The component units discussed below are included in the reporting entity because their governing boards are the same as that of the primary government and because of their operational or financial relationships with the City of San Dimas.

Blended component units:

The San Dimas - La Verne Recreational Authority was created by a joint exercise of powers agreement between the cities of San Dimas and La Verne dated December 1, 1970.

The San Dimas Public Financing Authority was created by a joint exercise of powers agreement between the City of San Dimas and the San Dimas Redevelopment Agency on April 23, 1996, to facilitate the issuance of bonds from the Redevelopment Agency.

The San Dimas Public Facilities Financing Corporation was formed November 12, 1991. It is a nonprofit public benefit corporation, organized and existing under the laws of the State of California, authorized pursuant to Section 5140 of the Corporations Code, to assist the City in financing certain public facilities.

b. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities are normally supported by taxes and intergovernmental revenues. The primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment, and 2) grants and contributions that are

Note 1: Organization and Summary of Significant Accounting Policies (Continued)

restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues. Separate financial statements are provided for governmental funds and fiduciary funds even though the latter are excluded from the government-wide financial statements. The fiduciary funds are reported on the accrual basis of accounting. Major individual governmental funds are reported as separate columns in the fund financial statements.

c. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, with the exception of grants which has an availability period of 90 days. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The private-purpose trust fund is reported using the economic resources measurement focus and the accrual basis of accounting. The agency fund has no measurement focus but utilizes the accrual basis of accounting for reporting its assets and liabilities.

The City reports the following major governmental funds:

- The General Fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The Golf Course Maintenance and Operation Fund accounts for the proceeds of the golf course activities that are restricted by law or administrative action to expenditures for specified purposes.
- The Housing Authority Fund accounts for housing assets of the former redevelopment agency and is engaged in providing affordable housing in the City.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2013

Note 1: Organization and Summary of Significant Accounting Policies (Continued)

- Additionally, the City also reports the following fund types:

Agency Funds - These funds are used to report resources held by the City in a purely custodial capacity, which involves only the receipt, temporary investment and remittance of fiduciary resources to individuals, private organizations or other governments.

The Private-Purpose Trust Fund accounts for the assets and liabilities of the former redevelopment agency and is allocated revenue to pay estimated installment payments of enforceable obligations until obligations of the former redevelopment agency are paid in full and assets have been liquidated.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

d. Assets, Liabilities and Net Position or Equity

1. Deposits and Investments

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

Investments for the City, as well as for its component units, are reported at fair value. The State Treasurer's Investment Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

2. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance nonspendable account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

All trade and property tax receivables are shown net of an allowance for uncollectibles.

Property tax revenue is recognized in the fiscal year for which the taxes have been levied providing they become available. Available means then due or past due and receivable within the current period, and collected within the current period or expected to be collected soon enough thereafter (not to exceed 60 days), to be used to pay liabilities of the current period. The County of Los Angeles collects property taxes for the City. Tax liens attach annually as of 12:01 A.M. on the first day in January proceeding the fiscal year for which the taxes are levied. The tax levy covers the fiscal period July 1 to June 30. All secured personal property taxes and one-half of the taxes on real property are due November 1; the second installment is due February 1.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2013

Note 1: Organization and Summary of Significant Accounting Policies (Continued)

All taxes are delinquent if unpaid on December 10 and April 10, respectively. Unsecured personal property taxes become due on the first of March each year and are delinquent on August 31.

3. Inventories, Prepaid Items and Land Held for Resale

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Land purchased for resale is capitalized as inventory at acquisition costs or net realizable value, if lower.

4. Policy for Eliminating Internal Activity in Government-Wide Statement of Activities

Administrative overhead charges are made to funds and programs and are thereby included in the direct expenses of those funds and programs.

5. Capital Assets

Capital assets which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the governmental activities column in the government-wide financial statements. Capital assets other than infrastructure assets are defined by the City as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of one year. Infrastructure assets have a capitalization threshold of \$50,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

In accordance with GASB No. 34, the City has reported general infrastructure assets acquired in the current year and prior years.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant and equipment of the primary government, as well as the component units, are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and structures	10-25
Equipment	3-10
Improvements other than buildings	3-25
Infrastructure	20-50

Note 1: Organization and Summary of Significant Accounting Policies (Continued)

6. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. At this time, the City has no items that qualify under this classification.

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

7. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits.

Vacation pay is payable to employees at the time a vacation is taken or upon termination of employment. Normally an employee cannot accrue more than two and one-half times their regular annual entitlement.

Sick leave is payable when an employee is unable to work because of illness. Except for retirement, unused sick leave is forfeited upon termination. Upon retirement an employee will be paid for any unused sick leave up to the first 100 hours at full pay and the remainder will be paid at a 50% rate.

All vacation and sick leave pay is accrued when incurred in the government-wide statements. Compensated absences are paid, if matured, out of the general fund.

8. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities Statement of Net Position.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Note 1: Organization and Summary of Significant Accounting Policies (Continued)

9. Fund Equity

In the fund financial statements, government funds report the following fund balance classification:

Nonspendable includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted includes amounts that are constrained on the use of resources by either (a) external creditors, grantors, contributors, or laws of regulations of other governments or (b) by law through constitutional provisions or enabling legislation.

Committed includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the City's highest authority, the City Council. The formal action that is required to be taken to establish, modify, or rescind a fund balance commitment is through a resolution or ordinance.

Assigned includes amounts that are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed. The City Manager, Assistant City Manager and/or Finance/IS Manager are authorized to assign amounts to a specific purpose, which was established by the governing body in a minute action.

Unassigned includes the residual amounts that have not been restricted, committed, or assigned to specific purposes.

An individual governmental fund could include nonspendable resources and amounts that are restricted or unrestricted (assigned or unassigned) or any combination of those classifications. Restricted amounts are to be considered spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. Committed, assigned and unassigned amounts are considered to have been spent when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications can be used.

10. Net Position Flow Assumption

Sometimes the City will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

11. Fund Balance Flow Assumptions

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2013

Note 1: Organization and Summary of Significant Accounting Policies (Continued)

assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

e. Reconciliation of Government-Wide and Fund Financial Statements

Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position:

The governmental fund balance sheet includes reconciliation between fund balance - governmental funds and net position of governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains that "long-term debts are not due and payable in the current period and therefore, have not been included in the governmental fund activity."

The detail of the \$(12,952,133) long-term debt difference is as follows:

Long Term Debt:	
Limited obligation improvement bonds payable	\$ (32,631)
Lease Revenue Bonds	(7,015,000)
1998 Mobile Park Revenue Bonds	(5,915,000)
Bond Discount	<u>10,498</u>
Net adjustment to reduce fund balance of total governmental funds to arrive at net position of government activities	<u>\$ (12,952,133)</u>

Explanation of certain differences between the governmental fund statement of revenues, expenditures and changes in fund balances and the government-wide statement of activities:

The governmental fund statement of revenues, expenditures and changes in fund balances includes a reconciliation between net changes in fund balances - of total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that "governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense."

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2013

Note 1: Organization and Summary of Significant Accounting Policies (Continued)

The details of this (\$2,017,444) difference are as follows:

Capital outlay	\$ 1,105,738
Depreciation expense	(3,117,382)
Loss on disposal of capital assets	<u>(5,800)</u>
Net adjustment to decrease net changes in fund balances of total government funds to arrive at changes in net position of governmental activities	<u>\$ (2,017,444)</u>

II. STEWARDSHIP

Note 2: Stewardship, Compliance and Accountability

a. Budgetary Data

General Budget Policies

The City Council approves each year's budget submitted by the City manager prior to the beginning of the new fiscal year. Public hearings are conducted prior to its adoption by the Council. Intradepartmental budget changes are approved by the City manager. In most cases, expenditures may not exceed appropriations at the function level. At fiscal year-end all unencumbered operating budget appropriations lapse. During the year several supplementary appropriations were necessary.

Budget Basis of Accounting

Budgets for governmental funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).

b. The following funds do not have a legally adopted budget:

Property Development Tax:
 East
 Citizen's Option for Public Safety

CITY OF SAN DIMAS

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2013

Note 2: Stewardship, Compliance and Accountability (Continued)

c. Excess of expenditures over appropriations within individual funds are as follows:

Fund	Expenditures	Appropriations	Excess
Major Governmental Funds:			
General Fund:			
City council	\$ 56,119	\$ 55,220	\$ (899)
General services	3,295,431	3,280,400	(15,031)
Community development	425,865	368,237	(57,628)
Park maintenance	284,312	271,191	(13,121)
Parkways and trees	524,678	507,444	(17,234)
Traffic control	238,819	234,440	(4,379)
Capital outlay	166,978	165,100	(1,878)
Transfers out	2,191,673	764,395	(1,427,278)

III. DETAILED NOTES ON ALL FUNDS

Note 3: Cash and Investments

As of June 30, 2013, cash and investments were reported in the accompanying financial statements as follows:

Statement of Net Position:	
Cash and investments	\$ 26,999,163
Cash with fiscal agent	4,095,316
Statement of Fiduciary Net Position:	
Cash and investments	586,752
Cash with fiscal agent	74,738
	<u>74,738</u>
Total cash and investments	<u>\$ 31,755,969</u>

The City of San Dimas maintains a cash and investment pool that is available for use for all funds. Each fund type's position in the pool is reported on the combined balance sheet as cash and investments. The City has adopted an investment policy which authorizes it to invest in various investments.

Deposits

At June 30, 2013, the carrying amount of the City's deposits was \$1,210,249 and the bank balance was \$2,178,488. The \$968,239 difference represents outstanding checks and other reconciling items.

The California Government Code requires California banks and savings and loan associations to secure a City's deposits by pledging government securities with a value of 110% of a City's deposits. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of a City's total deposits. The City Treasurer may waive the collateral requirement for deposits which are fully insured up to \$250,000 by the FDIC. The collateral for deposits in federal and state

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2013

Note 3: Cash and Investments (Continued)

chartered banks is held in safekeeping by an authorized Agent of Depository recognized by the State of California Department of Banking. The collateral for deposits with savings and loan associations is generally held in safekeeping by the Federal Home Loan Bank in San Francisco, California as an Agent of Depository. These securities are physically held in an undivided pool for all California public agency depositors. Under Government Code Section 53655, the placement of securities by a bank or savings and loan association with an "Agent of Depository" has the effect of perfecting the security interest in the name of the local governmental agency. Accordingly, all collateral held by California Agents of Depository are considered to be held for, and in the name of, the local governmental agency.

Investments

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

- Securities of the U.S. Government, or its agencies
- Certificate of Deposit (or Time Deposits) placed with commercial banks and/or savings and loan companies.
- Negotiable Certificate of Deposit
- Local Agency Investment Fund (State Pool) Demand Deposits
- Repurchase Agreements (Repos)
- Passbook Savings Account Demand Deposits

Investments Authorized by Debt Agreements

The above investments do not address investment of debt proceeds held by a bond trustee. Investments of debt proceeds held by a bond trustee are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the City's investment policy.

Investments in State Investment Pool

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. LAIF is overseen by the Local Agency Investment Advisory Board, which consists of five members in accordance with State statute. The State Treasurer's Office audits the fund annually. The fair value of the position in the investment pool is the same as the value of the pool shares.

GASB Statement No. 31

The City adopted GASB Statement No. 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools, as of July 1, 1997. GASB Statement No. 31 establishes fair value standards for investments in participating interest earning investment contracts, external investment pools, equity securities, option contracts, stock warrants and stock rights that have readily determinable fair values. Accordingly, the City reports its investments at fair value in the balance sheet. All investment income including changes in the fair value of investments is recognized as revenue in the operating statement.

Credit Risk

As of June 30, 2013, the City's investments in certificates of deposit, external investment pools and money market mutual funds are unrated.

CITY OF SAN DIMAS

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2013

Note 3: Cash and Investments (Continued)

Custodial Credit Risk

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party.

The City Treasurer may waive the collateral requirement for deposits that are fully insured up to \$250,000 by the FDIC.

Concentration of Credit Risk

The City's investment policy imposes restrictions on the percentage that the City can invest in certain types of investments. As of June 30, 2013, in accordance with GASB 40 requirements, the City has not invested more than 5% of its total investments in any one issuer. Investments guaranteed by the U.S. government and investments in mutual funds and external investment pools are excluded from this requirement.

Interest Rate Risk

The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from interest rates. The City has elected to use the segmented time distribution method of disclosure for its interest rate risk.

As of June 30, 2013, the City had the following investments and maturities:

	Remaining Investment Maturities			Fair Value
	1 year or less	1 to 3 years	3 to 5 years	
Certificate of Deposit	\$ -	\$ 5,600,000	\$ 150,000	\$ 5,750,000
Local Agency Investment Fund	9,006,757	-	-	9,006,757
Money Market Funds	11,618,908	-	-	11,618,908
Cash with Fiscal Agents				
Money Market Mutual Funds	4,170,055	-	-	4,170,055
Total	\$ 24,795,720	\$ 5,600,000	\$ 150,000	\$ 30,545,720

CITY OF SAN DIMAS

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2013

Note 4: Capital Assets

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

	Beginning Balance	Transferred from Successor Agency *	Transfers	Additions	Deletions	Ending Balance
Governmental Activities:						
Capital assets, not being depreciated:						
Land						
City	\$ 9,526,808	\$ -	\$ -	\$ -	\$ -	\$ 9,526,808
Housing	6,605,441	158,171	-	-	-	6,763,612
Total Capital Assets, Not Being Depreciated	<u>16,132,249</u>	<u>158,171</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,290,420</u>
Capital assets, being depreciated:						
Buildings and structures						
City	28,507,940	-	(2,966,264)	-	-	25,541,676
Housing	-	-	3,082,114	-	-	3,082,114
Equipment						
City	4,427,874	-	(115,850)	65,606	(35,952)	4,341,678
Improvements other than buildings						
City	12,415,658	-	-	68,122	-	12,483,780
Infrastructure						
City	121,015,412	-	-	972,010	(113,805)	121,873,617
Total Capital Assets, Being Depreciated	<u>166,366,884</u>	<u>-</u>	<u>-</u>	<u>1,105,738</u>	<u>(149,757)</u>	<u>167,322,865</u>
Less accumulated depreciation:						
Buildings and structures						
City	6,927,905	-	(836,516)	558,686	-	6,650,075
Housing	-	-	855,825	450,044	-	1,305,869
Equipment						
City	3,573,670	-	(19,309)	152,995	(35,952)	3,671,404
Improvements other than buildings						
City	10,359,992	-	-	265,034	-	10,625,026
Infrastructure						
City	99,021,393	-	-	1,690,623	(108,005)	100,604,011
Total Accumulated Depreciation	<u>119,882,960</u>	<u>-</u>	<u>-</u>	<u>3,117,382</u>	<u>(143,957)</u>	<u>122,856,385</u>
Total Capital Assets, Being Depreciated, Net	<u>46,483,924</u>	<u>-</u>	<u>-</u>	<u>(2,011,644)</u>	<u>(5,800)</u>	<u>44,466,480</u>
Governmental Activities Capital Assets, Net	<u>\$ 62,616,173</u>	<u>\$ 158,171</u>	<u>\$ -</u>	<u>\$ (2,011,644)</u>	<u>\$ (5,800)</u>	<u>\$ 60,756,900</u>

* During the current year, capital assets were transferred to Housing Authority for \$158,171 for land that was subsequently determined it should not be with the Successor Agency.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2013

Note 4: Capital Assets (Continued)

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental Activities:	
General government	\$ 28,433
Public safety	4,553
Public works	1,850,174
Parks and recreation	<u>1,234,222</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 3,117,382</u>

Note 5: Pension Plan

Plan Description

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

Funding Policy

Participants are required to contribute 7% of their annual covered salary. The City makes 3% of the contribution and the employees contribute 4%. The City is required to contribute at an actuarially determined rate; the current rate is 14.194% of annual covered payroll for non-safety employees. The contribution requirements of plan members and the City are established and may be amended by PERS.

Required Contribution

For the year ended June 30, 2013, the City's contribution of \$848,118 was equal to the City's required and actual contributions. The required contribution was determined as part of the June 30, 2010, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions included (a) 7.75% investment rate of return (net of administrative expenses) and (b) projected annual salary increases that range from 3.55% to 14.45% depending on age, service, and type of employment. Both (a) and (b) include an inflation component of 3%. The actuarial value of PERS assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a three-year period. PERS unfunded actuarial accrued liability (or surplus) is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at June 30, 2010 was 18 years.

Three-Year Trend Information for PERS

Fiscal Year	Required Contribution	Percentage Contributed
6/30/2011	957,790	100%
6/30/2012	1,024,579	100%
6/30/2013	848,118	100%

CITY OF SAN DIMAS

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2013

Note 5: Pension Plan (Continued)

For fiscal year 2012-2013, the City of San Dimas participated in risk pooling. Risk pooling consists of combining assets and liabilities across employers to produce large groups where the impact of a catastrophic demographic event is shared among all employers of the same risk pool. Participation in risk pools is mandatory for all rate plans with less than 100 active members. Mandated participation in risk pools was initially based on the active membership of each rate plan as of June 30, 2003. The implementation of risk pools was done in a way that minimizes the impact on employer contribution rates. The first year in risk pools, the employer contribution rates are almost identical to what the rates would have been outside pools. Future rates will be based on the experience of each pool. Pooling will reduce the volatility of future employer rates. Mandated participation will occur on an annual basis. If on any valuation date starting with the June 30, 2003, valuation, a rate plan has less than 100 active members, it will be mandated in one of the risk pools effective on that valuation date.

Note 6: Long-Term Debt

a. The following is a schedule of changes in long-term debt of the City for the fiscal year ended June 30, 2013:

	Outstanding July 1, 2012	Transferred from Successor Agency *	Additions	Repayments	Outstanding June 30, 2013	Due Within One Year
<u>City of San Dimas:</u>						
Compensated Absences	\$ 1,616,965	\$ -	\$ 248,683	\$ 460,329	\$ 1,405,319	\$ 400,076
1996 AD 96-1 Improvement Bonds	40,898	-	-	8,267	32,631	8,267
2010 Lease Revenue Bonds	7,485,000	-	-	470,000	7,015,000	485,000
1998 Mobile Park Housing Rev Bonds	-	6,140,000	-	225,000	5,915,000	235,000
Total	\$ 9,142,863	\$ 6,140,000	\$ 248,683	\$ 1,163,596	14,367,950	\$ 1,128,343
					Less: Unamortized premiums/discounts	(10,498)
					Net Long-Term Debt	\$ 14,357,452

* During the current year, the 1998 Mobile Home Park Housing Revenue Bonds were transferred to the Housing Authority as it was subsequently determined it should not be with the Successor Agency.

b. A description of long-term debt outstanding as of June 30, 2013, follows:

Compensated Absences

The City's policy relating to compensated absences is described in Note 1 of the Notes to Financial Statements. This liability will be paid in future years from future resources. The outstanding liability for compensated absences accrued was \$1,405,319.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2013

Note 6: Long-Term Debt (Continued)

1996 Assessment District No. 96-1 Limited Obligation Improvement Bonds

On July 31, 1997, the City issued \$990,000 1996 Assessment District No. 96-1 (Puddingstone Parking District) Limited Obligation Improvement Bonds. The bonds bear interest at 6%. Interest is paid semi-annually on March 2 and September 2, starting September 2, 1997. Principal is paid annually on September 2 starting in 1997 and continuing through 2016. The bonds were issued to finance improvements in the Puddingstone Parking District. The bonds are secured by property assessments in the parking district and are a limited obligation of the City. The bonds bear interest rates varying from 3.75% to 4.70%.

The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2013, including interest, are as follows:

Year Ending June 30,	AD 96-1 Improvement Bonds	
	Principal	Interest
2013-2014	\$ 8,267	\$ 1,710
2014-2015	8,267	1,214
2015-2016	8,267	718
2016-2017	7,830	235
Totals	<u>\$ 32,631</u>	<u>\$ 3,877</u>

San Dimas Public Financing Authority Lease Revenue Bonds, Series 2010

On June 2, 2010, the City of San Dimas Public Financing Authority issued \$8,395,000 Lease Revenue Bonds (Civic Center Renovation and Expansion), Series 2010. The bonds were issued to finance the expansion and renovation of the City Hall, Plaza, and Community Center. The bonds are secured by pledges of net revenue as described in the official statement.

Bond proceeds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants. In addition, funds have been restricted for future capital improvements by City resolution.

The bonds mature annually from June 1, 2011 to June 2, 2025, in increasing amounts from \$450,000 to \$710,000. The bonds bear interest at rates ranging from 3.0% to 4.2%. Interest is paid semi-annually on June 1 and December 1, starting December 1, 2010. Principal is paid annually on June 1 starting in 2011 and continuing through 2025.

The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2013, including interest, are as follows:

CITY OF SAN DIMAS

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2013

Note 6: Long-Term Debt (Continued)

Fiscal Year Ending June 30	PFA Lease Revenue Bonds, Series 2010	
	Principal	Interest
2013-2014	\$ 485,000	\$ 255,020
2014-2015	500,000	240,470
2015-2016	515,000	225,470
2016-2017	530,000	210,020
2017-2018	550,000	193,060
2018-2023	3,045,000	656,278
2023-2025	1,390,000	87,690
Totals	<u>\$ 7,015,000</u>	<u>\$ 1,868,008</u>

1998 Mobile Home Park Housing Revenue Bonds

On June 18, 1998 the City of San Dimas Housing Authority issued \$8,075,000 of Mobile Home Park Revenue Bonds, Series 1998A. The bonds were issued pursuant to an Indenture of Trust, dated as of June 1, 1998, between the Authority and the U.S. Bank Trust National Association, as trustee. The bonds were issued to finance the Authority's acquisition of a mobile home park known as Charter Oak Mobile Home Estates, and to finance certain capital improvement thereto. The bonds bear interest rates varying from 4.4% to 5.7%. Interest on the bonds is payable semi-annually on January 1 and July 1 of each year, commencing January 1, 1999. Principal maturities on serial bonds begin July 1, 1999, and continue annually through July 1, 2028.

The bonds are special limited obligations of the Authority, secured and payable from net operating revenues arising from the operation of the Project and Housing Set-Aside Revenues pledged by the Agency under the Housing Assistance Agreement dated as of June 1, 1998, by and between the Authority and the Agency.

The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2013, including interest, are as follows:

Year Ending June 30,	1998 Mobile Home Park Revenue Bonds	
	Principal	Interest
2013-2014	\$ 235,000	\$ 330,458
2014-2015	250,000	316,635
2015-2016	265,000	301,958
2016-2017	280,000	286,425
2017-2018	295,000	270,000
2018-2023	1,745,000	1,070,603
2023-2028	2,305,000	497,183
2028-2029	540,000	15,390
Totals	<u>\$ 5,915,000</u>	<u>\$ 3,088,652</u>

CITY OF SAN DIMAS

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2013

Note 7: Interfund Receivables, Payables and Transfers

Advances To/From Other Funds

	<u>Advances From Other Funds</u>
	Golf Course Maintenance and Operations
<u>Advances To Other Funds</u>	<u> </u>
General Fund	<u>\$ 9,286,995</u>

The City of San Dimas has outstanding loans that were made in the 1980's to the Golf Course Maintenance and Operations Fund that bear interest at 2% per annum. The annual payments are based on the cash available, once excess revenue over expenditures is calculated at year-end. As of June 30, 2013, principal and accrued unpaid interest owed on those loans was \$9,286,995.

Interfund Transfers

	<u>Transfers Out</u>		
	General	Nonmajor	
	Fund	Funds	Total
<u>Transfers In</u>	<u> </u>	<u> </u>	<u> </u>
General Fund	\$ -	\$ 359,233	\$ 359,233
Nonmajor Funds	2,191,673	7,463	2,199,136
	<u> </u>	<u> </u>	<u> </u>
Total	<u>\$ 2,191,673</u>	<u>\$ 366,696</u>	<u>\$ 2,558,369</u>

The City uses the Equipment Replacement Fund, the Infrastructure Replacement Fund, Community Park Development Fund and the Civic Center Expansion Fund to account for some of its capital projects. The funding sources for those projects were reported as transfers from the General Fund for \$2,191,673.

The nonmajor funds transferred \$366,696 for administrative costs, capital projects, and to temporary resolve deficit cash balances.

Note 8: Commitments and Contingencies

Construction Commitments

There were no material construction commitments outstanding at June 30, 2013.

Litigation

At June 30, 2013, the City was involved as a defendant in several lawsuits arising out of the ordinary conduct of its affairs. It is the opinion of City management that settlements of these lawsuits, including losses for claims that are incurred but not reported, if any, will not have a material effect on the financial position of the City.

IV. OTHER DISCLOSURES

Note 9: Self-Insurance Obligations

a. Description of Self-Insurance Pool Pursuant to Joint Powers Agreement

The City of San Dimas is a member of the CALIFORNIA JOINT POWERS INSURANCE AUTHORITY (Authority). The Authority is composed of 122 California public entities and is organized under a joint powers agreement pursuant to California Government Code §6500 et seq. The purpose of the Authority is to arrange and administer programs for the pooling of self-insured losses, to purchase excess insurance or reinsurance, and to arrange for group purchased insurance for property and other lines of coverage. The California JPIA began covering claims of its members in 1978. Each member government has an elected official as its representative on the Board of Directors. The Board operates through a nine-member Executive Committee.

b. Self-Insurance Programs of the Authority

Each member pays an annual contribution to cover estimated losses for the coverage period. This initial funding is paid at the beginning of the coverage period. After the close of the coverage period, outstanding claims are valued. A retrospective deposit computation is then conducted annually thereafter until all claims incurred during the coverage period are closed on a pool-wide basis. This subsequent cost re-allocation among members based on actual claim development can result in adjustments of either refunds or additional deposits required.

The total funding requirement for self-insurance programs is estimated using actuarial models and pre-funded through the annual contribution. Costs are allocated to individual agencies based on exposure (payroll) and experience (claims) relative to other members of the risk-sharing pool. Additional information regarding the cost allocation methodology is provided below.

General Liability

In the liability program claims are pooled separately between police and non-police exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to \$30,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from \$30,000 to \$750,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs in excess of \$750,000 up to the reinsurance attachment point of \$5 million are distributed based on the outcome of cost allocation within the first and second loss layers. (5) Costs of covered claims from \$5 million to \$10 million are paid under a reinsurance contract subject to a \$2.5 million annual aggregate deductible. The \$2.5 million annual aggregate deductible is fully covered under a separate policy; as such no portion of it is retained by the Authority. Costs of covered claims from \$10 million to \$15 million are paid under two reinsurance contracts subject to a combined \$3 million annual aggregate deductible. The \$3.0 million annual aggregate deductible is fully retained by the Authority. (6) Costs of covered claims from \$15 million up to \$50 million are covered through excess insurance policies.

Note 9: Self-Insurance Obligations (Continued)

The overall coverage limit for each member including all layers of coverage is \$50 million per occurrence.

Costs of covered claims for subsidence losses are paid by reinsurance and excess insurance with a pooled sub-limit of \$25 million per occurrence. This \$25 million subsidence sub-limit is composed of (a) \$5 million retained within the pool's SIR, (b) \$10 million in reinsurance and (c) \$10 million in excess insurance. The excess insurance layer has a \$10 million annual aggregate.

Workers' Compensation

In the workers' compensation program claims are pooled separately between public safety (police and fire) and non-public safety exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to \$50,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from \$50,000 to \$100,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs in excess of \$100,000 up to the reinsurance attachment point of \$2 million are distributed based on the outcome of cost allocation within the first and second loss layers. (5) Costs of covered claims from \$2 million up to statutory limits are paid under a reinsurance policy. Protection is provided per statutory liability under California Workers' Compensation Law.

Employer's Liability losses are pooled among members to \$2 million. Coverage from \$2 million to \$5 million is purchased as part of a reinsurance policy, and Employer's Liability losses from \$5 million to \$10 million are pooled among members.

c. Purchased Insurance

Pollution Legal Liability Insurance

The City of San Dimas participates in the pollution legal liability insurance program (formerly called environmental insurance) which is available through the Authority. The policy covers sudden and gradual pollution of scheduled property, streets, and storm drains owned by the City of San Dimas. Coverage is on a claims-made basis. There is a \$50,000 deductible. The Authority has a limit of \$50 million for the 3-year period from July 1, 2011 through July 1, 2014. Each member of the Authority has a \$10 million sub-limit during the 3-year term of the policy.

Property Insurance

The City of San Dimas participates in the all-risk property protection program of the Authority. This insurance protection is underwritten by several insurance companies. City of San Dimas property is currently insured according to a schedule of covered property submitted by the City of San Dimas to the Authority. City of San Dimas property currently has all-risk property insurance protection in the amount of \$41,482,496. There is a \$5,000 deductible per occurrence except for non-emergency vehicle insurance which has a \$1,000 deductible. Premiums for the coverage are paid annually and are not subject to retrospective adjustments.

CITY OF SAN DIMAS

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2013

Note 9: Self-Insurance Obligations (Continued)

Earthquake and Flood Insurance

The City of San Dimas purchases earthquake and flood insurance on a portion of its property. The earthquake insurance is part of the property protection insurance program of the Authority. City of San Dimas property currently has earthquake protection in the amount of \$33,328,910. There is a deductible of 5% per unit of value with a minimum deductible of \$100,000. Premiums for the coverage are paid annually and are not subject to retrospective adjustments.

Crime Insurance

The City of San Dimas purchases crime insurance coverage in the amount of \$1,000,000 with a \$2,500 deductible. The fidelity coverage is provided through the Authority. Premiums are paid annually and are not subject to retrospective adjustments.

d. Adequacy of Protection

During the past three fiscal years, none of the above programs of protection experienced settlements or judgments that exceeded pooled or insured coverage. There were also no significant reductions in pooled or insured liability coverage in 2012-13.

Note 10: Fund Equity and Net Position Restatements

Beginning fund balance has been restated as follows:

Major governmental funds:		
Non-Major governmental funds:		
Infrastructure Replacement		
To correct prior years accounts payable	\$	4,871
Air Quality Management District		
To correct prior years accounts receivable		(137)
Proposition A Local Transit		
To correct prior years accounts payable		265
Transportation Proposition C		
To correct prior years accounts payable		11,125
Measure R Transit		
To correct prior years accounts payable		16,180
Total Governmental Funds:	\$	<u>32,304</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2013

Note 11: Successor Agency Trust for Assets of Former Redevelopment Agency

The California Supreme Court decision impacted the reporting entity of the City of San Dimas that previously had reported a redevelopment agency within the reporting entity of the City as a blended component unit.

The Bill provided that upon dissolution of a redevelopment agency, either the city or another unit of local government will agree to serve as the “successor agency” to hold the assets until they are distributed to other units of state and local government. On January 10, 2012, the City Council elected to become the Successor Agency for the former redevelopment agency in accordance with the Bill as part of City resolution number 2012-02.

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

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

In accordance with the timeline set forth in the Bill (as modified by the California Supreme Court on December 29, 2011) all redevelopment agencies in the State of California were dissolved and ceased to operate as a legal entity as of February 1, 2012. After the date of dissolution, the assets and activities of the dissolved redevelopment agency are reported in a fiduciary fund (private-purpose trust fund) in the financial statements of the City.

a. Cash and investments

Cash and investments reported in the accompanying financial statements consisted of the following:

Cash and investments pooled with the City	\$ 161,293
Cash and investments with fiscal agent	<u>74,738</u>
	<u>\$ 236,031</u>

CITY OF SAN DIMAS

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2013

Note 11: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)

b. Capital Assets

An analysis of capital assets as of June 30, 2013, follows:

	Balance July 1, 2012	Transfers to Housing Authority*	Additions	Deletions	Balance June 30, 2013
Capital assets, not being depreciated:					
Land	\$ 584,101	\$ (158,171)	\$ -	\$ -	\$ 425,930
Total capital assets not being depreciated	584,101	(158,171)	-	-	425,930
Total capital assets	<u>\$ 584,101</u>	<u>\$ (158,171)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 425,930</u>

* During the current year, capital assets were transferred to Housing Authority for \$158,171 for land that was subsequently determined it should not be with the Successor Agency.

c. Long-Term Debt

The following debt was transferred from the Redevelopment Agency to the Successor Agency as of February 1, 2012 as a result of the dissolution.

A description of long-term debt outstanding (excluding defeased debt) of the Successor Agency as of June 30, 2013, follows:

	Balance July 1, 2012	Transfers to Housing Authority *	Additions	Repayments	Balance June 30, 2013	Due Within One Year
Fiduciary Funds:						
City Loans	\$ 14,630,305	\$ -	\$ -	\$ -	\$ 14,630,305	\$ -
SERAF Loan	1,251,330	-	-	-	1,251,330	-
Walker House Loan	1,492,469	-	-	57,847	1,434,622	60,739
1991 Tax Allocation Refunding Bonds	300,000	-	-	50,000	250,000	55,000
1998 Tax Allocation Revenue Bonds	2,620,000	-	-	475,000	2,145,000	500,000
1998 Mobile Home Park Housing Rev Bonds	6,140,000	(6,140,000)	-	-	-	-
Total Fiduciary Funds	<u>\$ 26,434,104</u>	<u>\$ (6,140,000)</u>	<u>\$ -</u>	<u>\$ 582,847</u>	<u>\$ 19,711,257</u>	<u>\$ 615,739</u>

* During the current year, the 1998 Mobile Home Park Housing Revenue Bonds were transferred to the Housing Authority as it was subsequently determined it should not be with the Successor Agency.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2013

Note 11: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)

City Loan

The City of San Dimas made loans with to the Former Redevelopment Agency that bear interest at rates up to 8% per annum depending upon when the loan was initiated. The City may demand payment of all or a portion of the principal balance at any time as funds become available; however, such demands are not anticipated within the next fiscal year. As of June 30, 2013, principal and accrued unpaid interest owed on those loans was \$14,630,305.

Supplemental Education Revenue Augmentation Fund (SERAF) Loan

On July 23, 2009, the State adopted legislation, requiring a shift of monies during fiscal years 2009-2010 and 2010-2011 to be deposited into the County "Supplemental" Educational Revenue Augmentation Fund (SERAF). In order to make this payment advances totaling \$1,251,330 were made for fiscal year 2010-2011 from the Low and Moderate Housing fund to the Tax Increment Fund of the former Redevelopment Agency. This liability was transferred to the Successor Agency upon dissolution of the redevelopment agency.

Walker House Loan

The Walker House LLC loaned the Agency \$1,650,000 for Agency operations. The note bears interest of 5.5% with annual principal and interest payments due June 30 each year with the first payment date of June 30, 2009. The term of the note is 20 years. The balance outstanding at June 30, 2013, is \$1,434,622. This liability was transferred to the Successor Agency upon dissolution of the redevelopment agency.

The following schedule illustrates the debt service requirements to maturity as of June 30, 2013:

Fiscal Year Ending June 30	Walker House Loan	
	Principal	Interest
2013-2014	\$ 60,739	\$ 71,731
2014-2015	63,776	68,694
2015-2016	66,965	65,505
2016-2017	70,313	62,157
2017-2018	73,829	58,641
2018-2023	428,349	234,003
2023-2028	546,694	115,658
2028-2033	123,957	6,198
Totals	<u>\$ 1,434,622</u>	<u>\$ 682,587</u>

1991 Tax Allocation Refunding Bonds, Creative Growth Redevelopment Project

On April 1, 1991, the Agency issued \$8,020,000 of Creative Growth Redevelopment Project 1991 Tax Allocation Refunding Bonds to advance refund \$4,750,000 of outstanding 1985 Tax Allocation Refunding Bonds and \$3,070,000 of outstanding 1987 Tax Allocation Subordinated Bonds. As a result, the 1985 and 1987 Series Bonds are considered to be defeased and the liability for those bonds has been removed from the City's Long-Term Debt. Interest on the bonds is payable semi-annually each September 1 and March 1 beginning September 1, 1991. The bonds bear interest rates varying from 5.75% to 6.75%. Principal maturities on serial bonds begin

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2013

Note 11: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)

September 1, 1992, and continue on September 1 of each year through September 1, 2005; term bonds are due September 1, 2016. The bonds are not a debt of the City of San Dimas, the State of California or any of its political subdivisions, and neither said city, said state nor any of its political subdivisions is liable therefore. The interest on and principal of the bonds are payable solely from tax revenues allocated to the Agency from the project area as defined in the resolution. On July 1, 1998, \$2,965,000 of these bonds was defeased by the issuance of the 1998 Series A Creative

Growth Tax Allocation Bonds. This liability was transferred to the Successor Agency upon dissolution of the redevelopment agency.

The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2013, including interest, are as follows:

Year Ending June 30,	1991 Creative Growth Tax Allocation Refunding Bonds	
	Principal	Interest
2013-2014	\$ 55,000	\$ 15,019
2014-2015	60,000	11,138
2015-2016	65,000	6,919
2016-2017	70,000	2,363
Totals	<u>\$ 250,000</u>	<u>\$ 35,439</u>

1998 Creative Growth Tax Allocation Bonds

On July 1, 1998, the Agency issued \$5,950,000 of Creative Growth Redevelopment Project Tax Allocation Bonds, 1998 Series A, to partially advance refund the Agency's previously issued Creative Growth Redevelopment Project 1991 Tax Allocation Refunding Bonds, Series A and to provide financing for redevelopment purposes within the Redevelopment Project. The bonds bear interest rates varying from 3.75% to 5.00%. Interest on the bonds is payable semi-annually each March 1 and September 1 beginning September 1, 1998. Principal maturities on serial bonds begin September 1, 1999, and continue annually through September 1, 2006; term bonds are due September 1, 2016. The interest on and principal of the bonds are payable solely from tax revenues allocated to the Agency from the project area as defined in the resolution. This liability was transferred to the Successor Agency upon dissolution of the redevelopment agency.

The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2013, including interest, are as follows:

Year Ending June 30,	1998 Tax Allocation Bonds	
	Principal	Interest
2013-2014	\$ 500,000	\$ 94,750
2014-2015	520,000	69,250
2015-2016	550,000	42,500
2016-2017	575,000	14,375
Totals	<u>\$ 2,145,000</u>	<u>\$ 220,875</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2013

Note 11: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)

Pledged Revenue

The City pledged, as security for bonds issued, either directly or through the Financing Authority, a portion of tax increment revenue (including Low and Moderate Income Housing set-aside and pass through allocations) that it receives. The bonds issued were to provide financing for various capital projects, accomplish Low and Moderate Income Housing projects and to defease previously issued bonds. Assembly Bill 1X 26 provided that upon dissolution of the Redevelopment Agency, property taxes allocated to redevelopment agencies no longer are deemed tax increment but rather property tax revenues and will be allocated first to successor agencies to make payments on the indebtedness incurred by the dissolved redevelopment agency. Total principal and interest remaining on the debt is \$2,651,314 with annual debt service requirements as indicated above. For the current year, the total property tax revenue recognized by the Successor Agency for the payment of indebtedness incurred by the dissolved redevelopment agency was \$1,728,743 and the debt service obligation on the bonds was \$662,688.

Non-Obligation Debt

The following issues of Residential Mortgage Revenue Bonds, Certificates of Participation and Industrial Development Revenue Bonds were not reflected in the City's Long-Term Debt because these bonds are special obligations payable solely from and secured by specific revenue sources described in the bond resolutions and official statements of the respective issues. Neither the faith and credit nor the taxing power of the City, the Redevelopment Agency, the Successor Agency, the State of California or any political subdivision thereof is pledged for the payment of these bonds:

<u>Title</u>	<u>Original Amount</u>
San Dimas Redevelopment Agency Floating Rate Monthly Demand Commercial Development Refunding Revenue Bonds mature on December 1, 2014.	\$ 5,000,000
Industrial Development Authority of the Redevelopment Agency of the City of San Dimas, 1985 Industrial Development Revenue Bonds mature on December 1, 2015.	8,500,000
Industrial Development Authority of the Redevelopment Agency of the City of San Dimas, Variable Rate Demand Industrial Development Revenue Bonds, Series 1989 mature on July 1, 2014.	<u>2,500,000</u>
Total	<u>\$ 16,000,000</u>

d. Insurance

The Successor Agency is covered under the City of San Dimas's insurance policies. Therefore, the limitation and self-insured retentions applicable to the City also apply to the Successor Agency. Additional information as to coverage and self-insured retentions can be found in Note 9.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2013

Note 11: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)

e. Commitments and Contingencies

At June 30, 2012, the Successor Agency was involved as a defendant in several lawsuits arising out of the ordinary conduct of its affairs. It is the opinion of management that settlements of these lawsuits, including losses for claims that are incurred but not reported, if any, will not have a material effect on the financial position of the Successor Agency.

f. Extraordinary gain/(loss)

With the dissolution of the former redevelopment agency there was considerable uncertainty regarding how certain items should be reported in financial statements and as to what items constituted enforceable obligations and valid asset transfers. Subsequently, and with the State of California Department of Finance, certain items were moved to the City's Housing Authority rather than the Successor Agency. These items have been treated as an extraordinary item for the transfer of the 1998 Mobile Home Park Housing Revenue Bonds for \$6,140,000 and related accrued interest at June 30, 2013 for \$174,018. In addition, \$158,171 in land was transferred to the Housing Authority.

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CITY OF SAN DIMAS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2013

	<u>Special Revenue Funds</u>			
	<u>Gas Tax</u>	<u>Sewer Expansion</u>	<u>City Wide Lighting District</u>	<u>Landscape Parcel Tax</u>
Assets:				
Pooled cash and investments	\$ 1,091,325	\$ 1,008,380	\$ 1,822,216	\$ 138,962
Receivables:				
Accounts	-	2,147	-	690
Taxes	-	375	19,605	9,946
Deferred loans	-	-	-	-
Grants	-	-	-	-
Cash and investments with fiscal agents	-	-	-	-
Total Assets	<u>\$ 1,091,325</u>	<u>\$ 1,010,902</u>	<u>\$ 1,841,821</u>	<u>\$ 149,598</u>
Liabilities, Deferred inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ 377,128	\$ 13,332	\$ 48,337	\$ 63,001
Deposits payable	-	-	-	-
Total Liabilities	<u>377,128</u>	<u>13,332</u>	<u>48,337</u>	<u>63,001</u>
Deferred inflows of resources:				
Unavailable revenues	-	-	-	-
Total Deferred inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:				
Restricted for:				
Parks and recreation	-	-	-	-
Public works	714,197	-	1,793,484	86,597
Debt service	-	-	-	-
Committed to:				
Parks and recreation	-	-	-	-
Public works	-	997,570	-	-
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balances	<u>714,197</u>	<u>997,570</u>	<u>1,793,484</u>	<u>86,597</u>
Total Liabilities, deferred inflows of resources, and Fund Balances	<u>\$ 1,091,325</u>	<u>\$ 1,010,902</u>	<u>\$ 1,841,821</u>	<u>\$ 149,598</u>

CITY OF SAN DIMAS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2013

(Continued)

	<u>Special Revenue Funds</u>			
	<u>Infrastructure Replacement</u>	<u>Community Wide</u>	<u>North & West</u>	<u>East</u>
Assets:				
Pooled cash and investments	\$ 1,954,639	\$ 268,693	\$ 277,434	\$ 261,250
Receivables:				
Accounts	-	-	-	-
Taxes	-	-	-	-
Deferred loans	-	-	-	-
Grants	299,902	-	-	-
Cash and investments with fiscal agents	-	-	-	-
Total Assets	<u>\$ 2,254,541</u>	<u>\$ 268,693</u>	<u>\$ 277,434</u>	<u>\$ 261,250</u>
Liabilities, Deferred inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ 500,327	\$ 15,188	\$ -	\$ -
Deposits payable	-	-	-	-
Total Liabilities	<u>500,327</u>	<u>15,188</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources:				
Unavailable revenues	231,826	-	-	-
Total Deferred inflows of Resources	<u>231,826</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:				
Restricted for:				
Parks and recreation	-	-	-	-
Public works	-	-	-	-
Debt service	-	-	-	-
Committed to:				
Parks and recreation	-	253,505	-	-
Public works	1,522,388	-	277,434	261,250
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balances	<u>1,522,388</u>	<u>253,505</u>	<u>277,434</u>	<u>261,250</u>
Total Liabilities, deferred inflows of resources, and Fund Balances	<u>\$ 2,254,541</u>	<u>\$ 268,693</u>	<u>\$ 277,434</u>	<u>\$ 261,250</u>

CITY OF SAN DIMAS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2013

	<u>Special Revenue Funds</u>			
	<u>Civic Center Parking District</u>	<u>Housing & Community Development</u>	<u>Citizen's Option For Public Safety</u>	<u>Air Quality Management District</u>
Assets:				
Pooled cash and investments	\$ -	\$ -	\$ 5,670	\$ 74,272
Receivables:				
Accounts	-	-	-	10,581
Taxes	-	-	-	-
Deferred loans	-	369,543	-	-
Grants	-	-	-	-
Cash and investments with fiscal agents	-	-	-	-
Total Assets	\$ -	\$ 369,543	\$ 5,670	\$ 84,853
Liabilities, Deferred inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ 119	\$ -	\$ 5,670	\$ 118
Deposits payable	-	-	-	-
Total Liabilities	119	-	5,670	118
Deferred inflows of resources:				
Unavailable revenues	-	369,543	-	-
Total Deferred inflows of Resources	-	369,543	-	-
Fund Balances:				
Restricted for:				
Parks and recreation	-	-	-	-
Public works	-	-	-	84,735
Debt service	-	-	-	-
Committed to:				
Parks and recreation	-	-	-	-
Public works	-	-	-	-
Unassigned	(119)	-	-	-
Total Fund Balances	(119)	-	-	84,735
Total Liabilities, deferred inflows of resources, and Fund Balances	\$ -	\$ 369,543	\$ 5,670	\$ 84,853

CITY OF SAN DIMAS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2013

(Continued)

	<u>Special Revenue Funds</u>			
	<u>Proposition A Local Transit</u>	<u>Transportation Proposition C</u>	<u>Open Space Maintenance District</u>	<u>Measure R Transit</u>
Assets:				
Pooled cash and investments	\$ 608,728	\$ 1,261,559	\$ 18,591	\$ 474,999
Receivables:				
Accounts	-	-	-	-
Taxes	-	-	449	-
Deferred loans	-	-	-	-
Grants	-	-	-	-
Cash and investments with fiscal agents	-	-	-	-
Total Assets	<u>\$ 608,728</u>	<u>\$ 1,261,559</u>	<u>\$ 19,040</u>	<u>\$ 474,999</u>
Liabilities, Deferred inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ 11,919	\$ -	\$ 5,934	\$ -
Deposits payable	222	-	-	-
Total Liabilities	<u>12,141</u>	<u>-</u>	<u>5,934</u>	<u>-</u>
Deferred inflows of resources:				
Unavailable revenues	-	-	-	-
Total Deferred inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:				
Restricted for:				
Parks and recreation	-	-	13,106	-
Public works	596,587	1,261,559	-	474,999
Debt service	-	-	-	-
Committed to:				
Parks and recreation	-	-	-	-
Public works	-	-	-	-
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balances	<u>596,587</u>	<u>1,261,559</u>	<u>13,106</u>	<u>474,999</u>
Total Liabilities, deferred inflows of resources, and Fund Balances	<u>\$ 608,728</u>	<u>\$ 1,261,559</u>	<u>\$ 19,040</u>	<u>\$ 474,999</u>

CITY OF SAN DIMAS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2013

	<u>Capital Projects Fund</u>	<u>Debt Service Funds</u>	<u>Total Governmental Funds</u>
	<u>Civic Center Expansion</u>	<u>Assessment District 96-1</u>	
Assets:			
Pooled cash and investments	\$ -	\$ 3,262	\$ 9,269,980
Receivables:			
Accounts	-	-	13,418
Taxes	-	-	30,375
Deferred loans	-	-	369,543
Grants	-	-	299,902
Cash and investments with fiscal agents	743,122	-	743,122
Total Assets	\$ 743,122	\$ 3,262	\$ 10,726,340
Liabilities, Deferred inflows of Resources, and Fund Balances:			
Liabilities:			
Accounts payable	\$ -	\$ -	\$ 1,041,073
Deposits payable	-	-	222
Total Liabilities	-	-	1,041,295
Deferred inflows of resources:			
Unavailable revenues	-	-	601,369
Total Deferred inflows of Resources	-	-	601,369
Fund Balances:			
Restricted for:			
Parks and recreation	-	-	13,106
Public works	-	-	5,012,158
Debt service	743,122	3,262	746,384
Committed to:			
Parks and recreation	-	-	253,505
Public works	-	-	3,058,642
Unassigned	-	-	(119)
Total Fund Balances	743,122	3,262	9,083,676
Total Liabilities, deferred inflows of resources, and Fund Balances	\$ 743,122	\$ 3,262	\$ 10,726,340

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CITY OF SAN DIMAS

**COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30,2013**

	Special Revenue Funds			
	Gas Tax	Sewer Expansion	City Wide Lighting District	Landscape Parcel Tax
Revenues:				
Taxes	\$ -	\$ 7,692	\$ 1,100,282	\$ 792,640
Intergovernmental	866,449	-	7,745	17,564
Charges for services	-	58,745	-	-
Use of money and property	2,569	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	869,018	66,437	1,108,027	810,204
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Community development	-	-	-	-
Parks and recreation	-	-	-	819,310
Public works	803,106	50,656	720,877	-
Capital outlay	-	-	65,080	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	803,106	50,656	785,957	819,310
Excess (Deficiency) of Revenues Over (Under) Expenditures	65,912	15,781	322,070	(9,106)
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	(225,000)	-	(95,000)	-
Total Other Financing Sources (Uses)	(225,000)	-	(95,000)	-
Net Change in Fund Balances	(159,088)	15,781	227,070	(9,106)
Fund Balances, Beginning of Year	873,285	981,789	1,566,414	95,703
Restatements	-	-	-	-
Fund Balances, Beginning of Year, as Restated	873,285	981,789	1,566,414	95,703
Fund Balances, End of Year	\$ 714,197	\$ 997,570	\$ 1,793,484	\$ 86,597

CITY OF SAN DIMAS

**COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30,2013**

(Continued)

	Special Revenue Funds			
	Infrastructure Replacement	Community Wide	North & West	East
Revenues:				
Taxes	\$ -	\$ 48,738	\$ -	\$ 169,844
Intergovernmental	247,692	45,000	-	-
Charges for services	-	-	-	-
Use of money and property	-	-	-	-
Miscellaneous	170,563	-	-	-
Total Revenues	418,255	93,738	-	169,844
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Community development	151,681	-	-	-
Parks and recreation	36,300	128,780	27,390	-
Public works	346,085	-	-	-
Capital outlay	532,500	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	1,066,566	128,780	27,390	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(648,311)	(35,042)	(27,390)	169,844
Other Financing Sources (Uses):				
Transfers in	1,452,732	-	-	-
Transfers out	(6,636)	-	-	-
Total Other Financing Sources (Uses)	1,446,096	-	-	-
Net Change in Fund Balances	797,785	(35,042)	(27,390)	169,844
Fund Balances, Beginning of Year	719,732	288,547	304,824	91,406
Restatements	4,871	-	-	-
Fund Balances, Beginning of Year, as Restated	724,603	288,547	304,824	91,406
Fund Balances, End of Year	\$ 1,522,388	\$ 253,505	\$ 277,434	\$ 261,250

CITY OF SAN DIMAS

**COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30,2013**

	Special Revenue Funds			
	Civic Center Parking District	Housing & Community Development	Citizen's Option For Public Safety	Air Quality Management District
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	14,997	103,691	100,000	40,410
Charges for services	-	-	-	-
Use of money and property	-	-	150	159
Miscellaneous	-	-	-	-
Total Revenues	14,997	103,691	100,150	40,569
Expenditures:				
Current:				
General government	-	66,474	-	-
Public safety	-	-	108,140	459
Community development	-	-	-	-
Parks and recreation	-	-	-	-
Public works	22,579	-	-	-
Capital outlay	-	-	3,161	11,756
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	22,579	66,474	111,301	12,215
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,582)	37,217	(11,151)	28,354
Other Financing Sources (Uses):				
Transfers in	7,463	-	-	-
Transfers out	-	(37,217)	-	(2,016)
Total Other Financing Sources (Uses)	7,463	(37,217)	-	(2,016)
Net Change in Fund Balances	(119)	-	(11,151)	26,338
Fund Balances, Beginning of Year	-	-	11,151	58,534
Restatements	-	-	-	(137)
Fund Balances, Beginning of Year, as Restated	-	-	11,151	58,397
Fund Balances, End of Year	\$ (119)	\$ -	\$ -	\$ 84,735

CITY OF SAN DIMAS

**COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30,2013**

(Continued)

	Special Revenue Funds			
	Proposition A Local Transit	Transportation Proposition C	Open Space Maintenance District	Measure R Transit
Revenues:				
Taxes	\$ 570,906	\$ 474,738	\$ 44,129	\$ 354,738
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Use of money and property	1,643	3,158	-	1,250
Miscellaneous	-	-	-	-
Total Revenues	572,549	477,896	44,129	355,988
Expenditures:				
Current:				
General government	113,810	-	-	3,677
Public safety	-	-	-	-
Community development	-	-	-	-
Parks and recreation	-	-	43,257	-
Public works	459,787	28,213	-	260,000
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	573,597	28,213	43,257	263,677
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,048)	449,683	872	92,311
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	(1,048)	449,683	872	92,311
Fund Balances, Beginning of Year	597,370	800,751	12,234	366,508
Restatements	265	11,125	-	16,180
Fund Balances, Beginning of Year, as Restated	597,635	811,876	12,234	382,688
Fund Balances, End of Year	\$ 596,587	\$ 1,261,559	\$ 13,106	\$ 474,999

CITY OF SAN DIMAS

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30,2013

	<u>Capital Projects Fund</u>	<u>Debt Service Funds</u>	
	<u>Civic Center Expansion</u>	<u>Assessment District 96-1</u>	<u>Total Governmental Funds</u>
Revenues:			
Taxes	\$ -	\$ 10,473	\$ 3,574,180
Intergovernmental	-	-	1,443,548
Charges for services	-	-	58,745
Use of money and property	315	-	9,244
Miscellaneous	-	-	170,563
Total Revenues	315	10,473	5,256,280
Expenditures:			
Current:			
General government	2,250	-	186,211
Public safety	-	-	108,599
Community development	-	-	151,681
Parks and recreation	-	-	1,055,037
Public works	-	-	2,691,303
Capital outlay	-	-	612,497
Debt service:			
Principal retirement	470,000	8,267	478,267
Interest and fiscal charges	269,120	2,206	271,326
Total Expenditures	741,370	10,473	5,554,921
Excess (Deficiency) of Revenues Over (Under) Expenditures	(741,055)	-	(298,641)
Other Financing Sources (Uses):			
Transfers in	738,941	-	2,199,136
Transfers out	-	(827)	(366,696)
Total Other Financing Sources (Uses)	738,941	(827)	1,832,440
Net Change in Fund Balances	(2,114)	(827)	1,533,799
Fund Balances, Beginning of Year	745,236	4,089	7,517,573
Restatements	-	-	32,304
Fund Balances, Beginning of Year, as Restated	745,236	4,089	7,549,877
Fund Balances, End of Year	\$ 743,122	\$ 3,262	\$ 9,083,676

CITY OF SAN DIMAS

BUDGETARY COMPARISON SCHEDULE
 GAS TAX
 YEAR ENDED JUNE 30, 2013

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 873,285	\$ 873,285	\$ 873,285	\$ -
Resources (Inflows):				
Intergovernmental	1,009,949	1,009,949	866,449	(143,500)
Use of money and property	500	500	2,569	2,069
Amounts Available for Appropriation	1,883,734	1,883,734	1,742,303	(141,431)
Charges to Appropriation (Outflow):				
Public works	1,337,000	1,337,000	803,106	533,894
Transfers out	225,000	225,000	225,000	-
Total Charges to Appropriations	1,562,000	1,562,000	1,028,106	533,894
Budgetary Fund Balance, June 30	\$ 321,734	\$ 321,734	\$ 714,197	\$ 392,463

CITY OF SAN DIMAS

BUDGETARY COMPARISON SCHEDULE
 SEWER EXPANSION
 YEAR ENDED JUNE 30, 2013

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 981,789	\$ 981,789	\$ 981,789	\$ -
Resources (Inflows):				
Taxes	7,829	7,829	7,692	(137)
Charges for services	40,000	40,000	58,745	18,745
Amounts Available for Appropriation	1,029,618	1,029,618	1,048,226	18,608
Charges to Appropriation (Outflow):				
Public works	164,500	164,500	50,656	113,844
Total Charges to Appropriations	164,500	164,500	50,656	113,844
Budgetary Fund Balance, June 30	\$ 865,118	\$ 865,118	\$ 997,570	\$ 132,452

CITY OF SAN DIMAS

BUDGETARY COMPARISON SCHEDULE
 CITY WIDE LIGHTING DISTRICT
 YEAR ENDED JUNE 30, 2013

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 1,566,414	\$ 1,566,414	\$ 1,566,414	\$ -
Resources (Inflows):				
Taxes	931,157	931,157	1,100,282	169,125
Intergovernmental	8,200	8,200	7,745	(455)
Amounts Available for Appropriation	2,505,771	2,505,771	2,674,441	168,670
Charges to Appropriation (Outflow):				
Public works	770,325	770,325	720,877	49,448
Capital outlay	120,000	120,000	65,080	54,920
Transfers out	95,000	95,000	95,000	-
Total Charges to Appropriations	985,325	985,325	880,957	104,368
Budgetary Fund Balance, June 30	\$ 1,520,446	\$ 1,520,446	\$ 1,793,484	\$ 273,038

CITY OF SAN DIMAS

BUDGETARY COMPARISON SCHEDULE
 LANDSCAPE PARCEL TAX
 YEAR ENDED JUNE 30, 2013

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 95,703	\$ 95,703	\$ 95,703	\$ -
Resources (Inflows):				
Taxes	767,000	767,000	792,640	25,640
Intergovernmental	17,600	17,600	17,564	(36)
Amounts Available for Appropriation	880,303	880,303	905,907	25,604
Charges to Appropriation (Outflow):				
Parks and recreation	849,750	849,750	819,310	30,440
Total Charges to Appropriations	849,750	849,750	819,310	30,440
Budgetary Fund Balance, June 30	\$ 30,553	\$ 30,553	\$ 86,597	\$ 56,044

CITY OF SAN DIMAS

**BUDGETARY COMPARISON SCHEDULE
INFRASTRUCTURE REPLACEMENT
YEAR ENDED JUNE 30, 2013**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1, as restated	\$ 724,603	\$ 724,603	\$ 724,603	\$ -
Resources (Inflows):				
Intergovernmental	230,906	230,906	247,692	16,786
Miscellaneous	1,850,000	1,850,000	170,563	(1,679,437)
Transfers in	-	-	1,452,732	1,452,732
Amounts Available for Appropriation	2,805,509	2,805,509	2,595,590	(209,919)
Charges to Appropriation (Outflow):				
Community development	140,000	140,000	151,681	(11,681)
Parks and recreation	-	-	36,300	(36,300)
Public works	771,295	771,295	346,085	425,210
Capital outlay	1,805,000	1,805,000	532,500	1,272,500
Transfers out	6,560	6,560	6,636	(76)
Total Charges to Appropriations	2,722,855	2,722,855	1,073,202	1,649,653
Budgetary Fund Balance, June 30	\$ 82,654	\$ 82,654	\$ 1,522,388	\$ 1,439,734

CITY OF SAN DIMAS

**BUDGETARY COMPARISON SCHEDULE
PROPERTY DEVELOPMENT TAX - COMMUNITY WIDE
YEAR ENDED JUNE 30, 2013**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 288,547	\$ 288,547	\$ 288,547	\$ -
Resources (Inflows):				
Taxes	-	-	48,738	48,738
Intergovernmental	45,000	45,000	45,000	-
Amounts Available for Appropriation	333,547	333,547	382,285	48,738
Charges to Appropriation (Outflow):				
Parks and recreation	317,000	317,000	128,780	188,220
Total Charges to Appropriations	317,000	317,000	128,780	188,220
Budgetary Fund Balance, June 30	\$ 16,547	\$ 16,547	\$ 253,505	\$ 236,958

CITY OF SAN DIMAS

BUDGETARY COMPARISON SCHEDULE
 NORTH & WEST
 YEAR ENDED JUNE 30, 2013

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 304,824	\$ 304,824	\$ 304,824	\$ -
Resources (Inflows):				
Amounts Available for Appropriation	304,824	304,824	304,824	-
Charges to Appropriation (Outflow):				
Parks and recreation	256,500	256,500	27,390	229,110
Total Charges to Appropriations	256,500	256,500	27,390	229,110
Budgetary Fund Balance, June 30	\$ 48,324	\$ 48,324	\$ 277,434	\$ 229,110

CITY OF SAN DIMAS

BUDGETARY COMPARISON SCHEDULE
 CIVIC CENTER PARKING DISTRICT
 YEAR ENDED JUNE 30, 2013

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (Inflows):				
Intergovernmental	15,048	15,048	14,997	(51)
Transfers in	7,387	7,387	7,463	76
Amounts Available for Appropriation	22,435	22,435	22,460	25
Charges to Appropriation (Outflow):				
Public works	22,435	22,435	22,579	(144)
Total Charges to Appropriations	22,435	22,435	22,579	(144)
Budgetary Fund Balance, June 30	\$ -	\$ -	\$ (119)	\$ (119)

CITY OF SAN DIMAS

**BUDGETARY COMPARISON SCHEDULE
HOUSING & COMMUNITY DEVELOPMENT
YEAR ENDED JUNE 30, 2013**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (Inflows):				
Intergovernmental	140,762	140,762	103,691	(37,071)
Amounts Available for Appropriation	140,762	140,762	103,691	(37,071)
Charges to Appropriation (Outflow):				
General government	98,219	98,219	66,474	31,745
Transfers out	42,543	42,543	37,217	5,326
Total Charges to Appropriations	140,762	140,762	103,691	37,071
Budgetary Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -

CITY OF SAN DIMAS

**BUDGETARY COMPARISON SCHEDULE
AIR QUALITY MANAGEMENT DISTRICT
YEAR ENDED JUNE 30, 2013**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1, as restated	\$ 58,397	\$ 58,397	\$ 58,397	\$ -
Resources (Inflows):				
Intergovernmental	45,500	45,500	40,410	(5,090)
Use of money and property	300	300	159	(141)
Amounts Available for Appropriation	104,197	104,197	98,966	(5,231)
Charges to Appropriation (Outflow):				
Public safety	200	200	459	(259)
Capital outlay	40,804	40,804	11,756	29,048
Transfers out	2,275	2,275	2,016	259
Total Charges to Appropriations	43,279	43,279	14,231	29,048
Budgetary Fund Balance, June 30	\$ 60,918	\$ 60,918	\$ 84,735	\$ 23,817

CITY OF SAN DIMAS

**BUDGETARY COMPARISON SCHEDULE
PROPOSITION A LOCAL TRANSIT
YEAR ENDED JUNE 30, 2013**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1, as restated	\$ 597,635	\$ 597,635	\$ 597,635	\$ -
Resources (Inflows):				
Taxes	528,867	528,867	570,906	42,039
Use of money and property	3,000	3,000	1,643	(1,357)
Miscellaneous	200	200	-	(200)
Amounts Available for Appropriation	1,129,702	1,129,702	1,170,184	40,482
Charges to Appropriation (Outflow):				
General government	128,031	128,031	113,810	14,221
Public works	511,550	511,550	459,787	51,763
Total Charges to Appropriations	639,581	639,581	573,597	65,984
Budgetary Fund Balance, June 30	\$ 490,121	\$ 490,121	\$ 596,587	\$ 106,466

CITY OF SAN DIMAS

**BUDGETARY COMPARISON SCHEDULE
TRANSPORTATION PROPOSITION C
YEAR ENDED JUNE 30, 2013**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1, as restated	\$ 811,876	\$ 811,876	\$ 811,876	\$ -
Resources (Inflows):				
Taxes	438,681	438,681	474,738	36,057
Use of money and property	2,000	2,000	3,158	1,158
Amounts Available for Appropriation	1,252,557	1,252,557	1,289,772	37,215
Charges to Appropriation (Outflow):				
Public works	992,500	992,500	28,213	964,287
Total Charges to Appropriations	992,500	992,500	28,213	964,287
Budgetary Fund Balance, June 30	\$ 260,057	\$ 260,057	\$ 1,261,559	\$ 1,001,502

CITY OF SAN DIMAS

BUDGETARY COMPARISON SCHEDULE
 OPEN SPACE MAINTENANCE DISTRICT
 YEAR ENDED JUNE 30, 2013

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 12,234	\$ 12,234	\$ 12,234	\$ -
Resources (Inflows):				
Taxes	44,129	44,129	44,129	-
Amounts Available for Appropriation	56,363	56,363	56,363	-
Charges to Appropriation (Outflow):				
Parks and recreation	41,875	41,875	43,257	(1,382)
Total Charges to Appropriations	41,875	41,875	43,257	(1,382)
Budgetary Fund Balance, June 30	\$ 14,488	\$ 14,488	\$ 13,106	\$ (1,382)

CITY OF SAN DIMAS

BUDGETARY COMPARISON SCHEDULE
 MEASURE R TRANSIT
 YEAR ENDED JUNE 30, 2013

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 382,688	\$ 382,688	\$ 382,688	\$ -
Resources (Inflows):				
Taxes	329,019	329,019	354,738	25,719
Use of money and property	500	500	1,250	750
Amounts Available for Appropriation	712,207	712,207	738,676	26,469
Charges to Appropriation (Outflow):				
General government	7,500	7,500	3,677	3,823
Public works	360,000	360,000	260,000	100,000
Total Charges to Appropriations	367,500	367,500	263,677	103,823
Budgetary Fund Balance, June 30	\$ 344,707	\$ 344,707	\$ 474,999	\$ 130,292

CITY OF SAN DIMAS

**BUDGETARY COMPARISON SCHEDULE
CIVIC CENTER EXPANSION
YEAR ENDED JUNE 30, 2013**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 745,236	\$ 745,236	\$ 745,236	\$ -
Resources (Inflows):				
Use of money and property	-	-	315	315
Transfers in	764,395	764,395	738,941	(25,454)
Amounts Available for Appropriation	1,509,631	1,509,631	1,484,492	(25,139)
Charges to Appropriation (Outflow):				
General government	5,275	5,275	2,250	3,025
Capital outlay	20,000	20,000	-	20,000
Debt service:				
Principal retirement	470,000	470,000	470,000	-
Interest and fiscal charges	269,120	269,120	269,120	-
Total Charges to Appropriations	764,395	764,395	741,370	23,025
Budgetary Fund Balance, June 30	\$ 745,236	\$ 745,236	\$ 743,122	\$ (2,114)

CITY OF SAN DIMAS

**BUDGETARY COMPARISON SCHEDULE
ASSESSMENT DISTRICT 96-1
YEAR ENDED JUNE 30, 2013**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 4,089	\$ 4,089	\$ 4,089	\$ -
Resources (Inflows):				
Taxes	10,473	10,473	10,473	-
Amounts Available for Appropriation	14,562	14,562	14,562	-
Charges to Appropriation (Outflow):				
Debt service:				
Principal retirement	8,267	8,267	8,267	-
Interest and fiscal charges	2,206	2,206	2,206	-
Transfers out	-	827	827	-
Total Charges to Appropriations	10,473	11,300	11,300	-
Budgetary Fund Balance, June 30	\$ 4,089	\$ 3,262	\$ 3,262	\$ -

CITY OF SAN DIMAS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 ALL AGENCY FUNDS
 YEAR ENDED JUNE 30, 2013

	<u>Balance 7/1/2012</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance 6/30/2013</u>
<u>Trust and Agency</u>				
Assets:				
Pooled cash and investments	\$ 416,200	\$ 9,259	\$ -	\$ 425,459
Total Assets	<u>\$ 416,200</u>	<u>\$ 9,259</u>	<u>\$ -</u>	<u>\$ 425,459</u>
Liabilities:				
Accounts payable	\$ 47,407	\$ -	\$ 21,600	\$ 25,807
Deposits payable	368,793	30,859	-	399,652
Total Liabilities	<u>\$ 416,200</u>	<u>\$ 30,859</u>	<u>\$ 21,600</u>	<u>\$ 425,459</u>

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