

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED JUNE 30, 2012



CITY OF SUISUN CITY, CALIFORNIA



COMPREHENSIVE ANNUAL
FINANCIAL REPORT

FISCAL YEAR ENDED JUNE 30, 2012

PREPARED BY THE DEPARTMENT OF
ADMINISTRATIVE SERVICES

CITY OF SUISUN CITY, CALIFORNIA



CITY OF SUISUN CITY, CALIFORNIA

Comprehensive Annual Financial Report
For the Year Ended June 30, 2012

Table of Contents

INTRODUCTORY SECTION

Table of Contents	i
Letter of Transmittal.....	v
Principal Officials.....	xi
Organizational Chart	xii
Location Map	xiii
GFOA Certificate of Achievement for Excellence in Financial Reporting.....	xiv

FINANCIAL SECTION

<i>Independent Auditor's Report on Basic Financial Statements</i>	1
<i>Management's Discussion and Analysis</i>	3
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Assets.....	19
Statement of Activities	20
Fund Financial Statements:	
Major Governmental Funds:	
Balance Sheet	23
Reconciliation of the Governmental Funds - Fund Balances with the Governmental Activities Statement of Net Assets.....	24
Statement of Revenues, Expenditures, and Changes in Fund Balances.....	25
Reconciliation of the Net Changes in Fund Balances Total Governmental Funds with the Change in Governmental Net Assets	26
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual:	
General Fund.....	27

CITY OF SUISUN CITY, CALIFORNIA

Comprehensive Annual Financial Report
For the Year Ended June 30, 2012

Table of Contents

FINANCIAL SECTION (Continued):

Local Transportation Special Revenue Fund..... 28
Off-Street Improvement Special Revenue Fund..... 29
Housing Authority Special Revenue Fund 30
RDA – Housing Set-Aside Special Revenue Fund 31

Proprietary Funds:

Statement of Net Assets 33
Statement of Revenues, Expenses and Changes in Fund Net Assets 34
Statement of Cash Flows 35

Fiduciary Funds:

Statement of Fiduciary Net Assets – Private Purpose Trust Fund..... 37
Statement of Changes in Fiduciary Net Assets – Private Purpose Trust Fund 38
Statement of Fiduciary Net Assets – Agency Funds..... 39

Notes to Financial Statements 40

Supplemental Information:

Budgeted Major Governmental Funds Other than the General Fund and Major Special Revenue Funds:

Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual:

RDA Bonds Debt Service Fund 74

Non-Major Governmental Funds:

Combining Balance Sheets 78
Combining Statements of Revenues, Expenditures and
Changes in Fund Balances 86
Combining Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual 92

Internal Service Funds:

Combining Statement of Net Assets 107
Combining Statements of Revenues, Expenses and
Changes in Fund Net Assets 108
Combining Statements of Cash Flows 109

Fiduciary Funds:

Statement of Changes in Assets and Liabilities 112

CITY OF SUISUN CITY, CALIFORNIA

**Comprehensive Annual Financial Report
For the Year Ended June 30, 2012**

Table of Contents

STATISTICAL SECTION

Net Assets by Component	121
Changes in Net Assets	122
Fund Balances of Governmental Funds	123
Changes in Fund Balances of Governmental Funds	124
Net Assessed and Estimated Actual Value of Property	125
Property Tax Levies and Collections	126
Property Tax Rates Direct and Overlapping Governments	127
Principal Taxpayers	128
Ratio of Net General Obligation Bonded Debt to Assessed Value and Net General Obligation on Bonded Debt Per Capita	129
Ratio of Annual Debt Service Expenditures for General Obligation Bonded Debt to Total General Government Expenditures	130
Ratios of Outstanding Debt by Type	131
Computation of Legal Debt Margin	132
Schedule of Direct and Overlapping Debt	133
Demographic Statistics	134
Principal Employers	135
Full-Time Equivalent Employees by Function	136
Operating Indicators by Function	137
Construction Value	138
Special Assessments Billings and Collections	139
Miscellaneous Statistics	140

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Pedro "Pete" M. Sanchez, Mayor
Mike Hudson, Mayor Pro-Tem
Jane Day
Michael A. Segala
Lori Wilson



First and Third Tuesday
Every Month

CITY OF SUISUN CITY

701 Civic Center Blvd.
Suisun City, California 94585
Incorporated October 9, 1868

April 24, 2013

To Honorable Mayor Pete Sanchez
To Honorable Members of the City Council
Citizens of the City of Suisun City, California

Ladies and Gentlemen:

The Comprehensive Annual Financial Report (CAFR) with the independent auditor's report of the City of Suisun City for the fiscal year ended June 30, 2012 (FY 2011-12) is hereby submitted. The report is submitted in compliance with California Government Code Sections 25250 and 25253. The Administrative Services Department prepared the CAFR in conformance with the principles and standards for financial reporting set forth by the Government Accounting Standards Board (GASB).

Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the City management. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included. Please read this in conjunction with the Management's Discussion and Analysis of the City of Suisun City's financial activities and performance for the fiscal year ended June 30, 2012, which can be found immediately following the report of the independent auditors.

The City is required to undergo an independent, annual single audit in conformity with the provisions of the Single Audit Act of 1996 and the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Information related to this independent, single audit, including a schedule of expenditures of federal awards is included in a separately issued report.

The City of Suisun City provides a full range of services including police protection, fire protection, planning, building inspection, parks and recreation facilities and services, construction and maintenance of streets, public buildings, and other infrastructure. The City Council serves as the Successor Agency to the Redevelopment Agency of the City of Suisun City. The City Council also serves as a governing body to the Housing Authority of the City of Suisun City, and various special assessment districts, and these activities are included in the City's financial statements as part of the reporting entity.

KEY FINANCIAL REPORT SECTIONS

The **Introductory Section** includes information about the organizational structure of the City, the City's economy, major initiatives, status of City services, and cash management.

The **Financial Section** includes the Management's Discussion and Analysis (MD&A), Basic Financial Statements include the government-wide financial statements that report on all City financial operations, and also include fund financial statements that present information for all City funds. The independent auditor's report on the Basic Financial Statements is also included.

The **Statistical Section** includes up to ten years of historical financial data and miscellaneous economic information that conforms to GASB standards for reporting-Statement No. 44.

ECONOMIC CONDITION AND OUTLOOK

A small community of approximately 28,000 residents, Suisun City is situated midway between San Francisco and Sacramento in Central Solano County. The Old Town section of the City is located on the Suisun Channel, which empties into the Suisun and Grizzly Bays, the connecting point for the Sacramento River and the San Francisco Bay.

The City was first settled in 1848 and grew during the California Gold Rush as a trading route between the foothills of the Sierra Nevada and the San Francisco Bay Area. The town prospered and remained the bustling hub of agricultural Solano County until Interstate 80 opened in the 1960's, effectively switching commercial traffic away from the railroad and the waterfront area, and into nearby Fairfield.

Solano County Economic Forecast Highlights include:

- Employment will increase by 1.7 percent in 2012. Between 2012 and 2017, the annual growth rate will average 2.2 percent per year.
- Population is expected to grow 0.4 percent in 2012. Annual growth in the 2012 to 2017 period is expected to average 0.7 percent per year.
- Net migration will remain negative in 2012, but increase thereafter. From 2012 to 2017, an average of 900 net migrants enters the county per year.
- Between 2012 and 2017, all sectors experience some net positive job creation, with the exception of agriculture. The largest increases are expected in professional services, wholesale and retail trade, education and healthcare, government, and construction, each of which creates over 2,000 jobs. Over the life of the forecast, employment in financial activities remains below the levels of 2005-2006.
- Total taxable sales adjusted for inflation are expected to increase by an average of 4.3 percent per year during the 2012 to 2017 period.
- Real per capita income is forecast to rise 1.7 percent in 2012. Between 2012 and 2017, real per capita incomes grow an average of 2.6 percent per year..

Source: http://www.dot.ca.gov/hq/tpp/offices/eab/socio_economic_files/2012/Solano.pdf

Since 1989, the City has implemented an aggressive redevelopment program centered on the Old Town Waterfront and Historic Main Street Shopping District. After decades of isolation, the waterfront is once again accessible to the general public via a new Public Marina, Public Promenade, and Harbor Square Plaza. The channel has been deepened to allow boating excursions from the San Francisco Bay and the Sacramento Delta.

The continuous challenge that the City faces is how to generate ongoing sources of General Fund revenue to pay for core services that include police, fire, streets, facility maintenance, graffiti removal, youth services, senior services, and recreation and community services. Based on the FY 2012-13 Annual Budget, ongoing expenditures are projected to exceed ongoing revenues by approximately \$800,000, resulting in a structural operating deficit. The overall budget is still balanced through the use of one-time resources to cover the structural deficit. This will be accomplished through the use of “bridging” funds (one-time resources equal to the anticipated ongoing revenues to be generated by the Walmart Supercenter currently under construction). The General Fund has the resources necessary to sustain the proposed level of expenditures through June 30, 2014, which is beyond the estimated opening date of the Walmart Supercenter in the Spring of 2014.

The dissolution of the Redevelopment Agencies in California took effect on February 1, 2012, as part of the state legislature’s budget balancing solution. With the loss of the Redevelopment Agency, over \$4 million dollars per year that were used to make needed economic development improvements to the City’s downtown area and supporting affordable housing efforts were totally lost.

In spite of the current economic crisis, the City has managed to facilitate some major projects in 2012, among which are the following:

- Hall Park Playground – The playground equipment was removed and replaced with an upgraded new structure.
- Lawler Falls Park Pond Rehabilitation – This project rehabilitated and repaired the existing pond.
- Chryl Way Rehabilitation – This project resurfaced the full length of Chryl Way, including new water and sewer lines.
- Pintail Drive Rehabilitation – This project resurfaced the Pintail Drive from Sunset Avenue to Emperor Drive.

The full detail of project highlights in FY 2011-12 can be found under the Management’s Discussion and Analysis section of this report.

MAJOR INITIATIVES

With the elimination of the redevelopment agency, preparing a balanced budget has been disconcerting. City’s employees, management and executive management team have pulled together to find solutions that are consistent with the policy directives of the City Council. Among the initiatives taken into consideration for the FY 2012-13 budget were as follows:

- Continue the hiring freeze strategy to not fill vacancies to avoid layoffs.
- Compensation concessions of 5% effective July 1, 2012, combined with prudent spending.
- Position ourselves for new development opportunities when the economy does turn around.
- Watching the reserves carefully as we look into the future.

FINANCIAL INFORMATION

General Controls

Management of the City of Suisun City is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft, or misuse, as well as to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by management.

Budgeting Controls

The City of Suisun City maintains budgetary controls to ensure compliance with legal provisions embodied in the appropriated annual budget approved by the City Council. Activities of the General Fund, special revenue funds, debt service funds, capital project funds, and internal service funds are included in the appropriated annual budget. The level of budgetary control (that is the level at which expenditures cannot legally exceed the appropriated amount) is to departments within funds.

Only the City Council has the authority to increase total appropriations to departments within funds subject to the appropriation limits established by State law. The City Council did approve supplemental appropriation increases during the year. Encumbrance accounting, a system where unperformed contracts and commitments to purchase are recorded against appropriations, is not used by the City. As demonstrated by the statements and schedules included in the financial section of this report, the City continues to meet its responsibility for sound financial management.

Fiscal Management

It is the City's policy to minimize the subsidization by the general taxpayer of the costs of services provided to the public that are of specific benefit, rather than general benefit.

In addition, community facilities districts (CFD), maintenance assessments districts (MAD), and a parking assessment district (PAD) are used to offset 100 percent of zone costs for maintenance of public improvements that serve new developments, and 80 percent of eligible general City services allocable to new developments.

Consistent with the State Constitution, charges for services will not exceed the cost reasonably borne to deliver those services. Costs reasonably borne may include direct and in-direct costs.

Whenever required by bond indentures, the City will determine whether debt service coverage ratios are being met. Whenever coverage ratios are not being met, the staff will recommend rate increases or expenditure reductions or some combination of the two in order to meet coverage ratios.

In spite of the challenging times facing us in so many areas, the FY 2012-13 Annual Budget continues on a path consistent with the City Council's commitments and goals. With adequate reserves and the promise of increased sales tax and transient occupancy tax tied to ongoing economic development efforts, the City will continue through the next fiscal year without cutting staff, instituting furloughs, or significantly modifying service levels.

OTHER INFORMATION

Independent Audit

The City Council requires an annual audit of the financial records and transactions of the City be made by an independent certified public accounting firm selected by the City Council. This requirement has been complied with and the independent auditor's report of Vavrinek, Trine, Day & Co., LLP, Certified Public Accountants is included in the financial section of this report.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Suisun City for its comprehensive annual financial report for the fiscal year ended June 30, 2011. This is the eighth straight year the City has received the award.

The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements. However, due to major change in the preparation of the City's financial statement brought by the dissolution of the Redevelopment Agency combined with staffing change in the Finance Department, the CAFR was not finished in time for submission to the GFOA to determine its eligibility for another certificate.

ACKNOWLEDGMENTS

The preparation of this Comprehensive Annual Financial Report was made possible by the dedicated efforts of the entire staff of the Administrative Services Department. We would like to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. We would also like to thank Vavrinek, Trine, Day & Co. for their invaluable professional support in the preparation of the CAFR. Finally, we want to thank the Mayor and the Council members for their unfailing support for maintaining the highest standards of professionalism in the management of the City of Suisun City's finances.

Respectfully submitted,

Elizabeth N. Luna
Senior Accountant

Jason Garben
Financial Services Manager

Ronald C. Anderson, Jr.
Assistant City Manager/Administrative Services Director

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PRINCIPAL OFFICIALS

CITY OF SUISUN CITY

JUNE 30, 2012

CITY COUNCIL

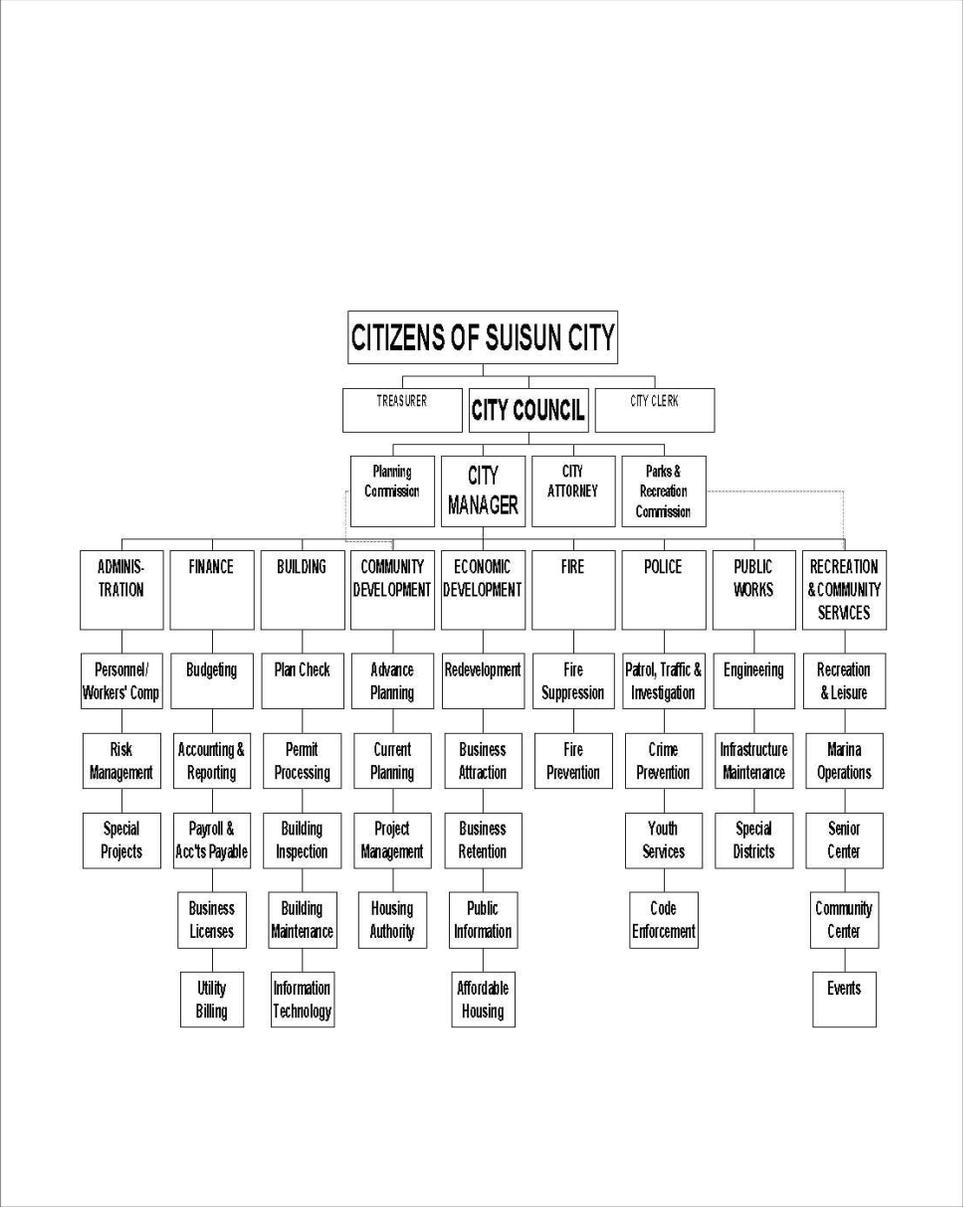
Mayor	Pedro “Pete” Sanchez
Mayor Pro-Tem	Michael J. Hudson
Councilmember	Jane Day
Councilmember	Sam Derting
Councilmember	Michael A. Segala

ELECTED AND APPOINTED OFFICIALS

City Manager	Suzanne Bragdon
City Clerk	Linda Hobson
City Treasurer	Jeannie McMurry

ADMINISTRATIVE TEAM

Assistant City Manager	Ronald C. Anderson Jr.
Chief Building Official	Dan Kasperson
Economic Development Director & Financial Services Manager	Jason Garben
Fire Chief	Michael O’Brien
Police Chief	Ed Dadisho
Public Work Director	Dan Kasperson
Recreation and Community Services Director	John “Mick” Jessop
Community Development Director	April Wooden



Certificate of Achievement for Excellence in Financial Reporting

Presented to
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2011

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Christopher P. Moynell

President

Jeffrey R. Emer

Executive Director



VAVRINEK, TRINE, DAY
& COMPANY, LLP
Certified Public Accountants

VALUE THE DIFFERENCE

INDEPENDENT AUDITORS' REPORT

The Honorable Mayor and
Members of the City Council
City of Suisun City, California

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Suisun City, California (the "City"), as of and for the year ended June 30, 2012, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of City's management. 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to previously 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, as of June 30, 2012, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 14, Assembly Bill 1X26 was upheld and declared constitutional by the California Supreme Court on December 29, 2011. As part of its decision, the Supreme Court established the date of dissolution for redevelopment agencies to be February 1, 2012. The redevelopment agencies in California, including the City of Suisun City, were terminated and successor agencies were appointed to wind down the affairs of the former redevelopment agencies in accordance with the provisions of Assembly Bill 1X26. The City has elected to be appointed as Successor Agency for purposes of winding down the affairs of the Agency. As a result, the fund balances including certain obligations of the former Redevelopment Agency were transferred to a private purpose trust fund on February 1, 2012. In addition, as of February 1, 2012, certain assets and obligations were transferred to the City of Suisun Housing Authority Fund.

In accordance with *Government Auditing Standards*, we have also issued our report dated April 26, 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* and should be considered in assessing the results of our audit.

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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements and statistical section, are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual non-major 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have 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 them.

Varrinek, Trine, Day & Co., LLP.

Pleasanton, California
April 26, 2013

City of Suisun City
Management's Discussion and Analysis

This is management's discussion and analysis of the City of Suisun City's financial activities and performance for the fiscal year ended June 30, 2012. Please read this in conjunction with the transmittal letter that can be found in the introductory section at the front of this report, as well as with the City's financial statements that follow this discussion and analysis.

FINANCIAL HIGHLIGHTS

Government-Wide Financial Statements

- On December 29, 2011, the California Supreme Court upheld that Assembly Bill X1 26 was constitutional. Assembly bill X1 26 dissolved redevelopment agencies and redirected their property tax revenues. This report contains information relating to the dissolution of the former RDA funds.
- The Government-Wide Statement of Net Assets, appearing as the first statement of the Basic Financial Statements and summarized in this Management Discussion and Analysis, shows the City's assets to be \$204 million, liabilities of \$8 million, and net assets of \$196 million.
- Net assets as measured in the government-wide financial statements, increased \$55.8 million. The increase in net assets, in large part, is a result of the RDA dissolution which now excludes over \$62.7 million of debt from the City's books.
- The City's long-term debt as of June 30, 2012 is about \$5.1 million. This amount only represents City's outstanding debt.
- Of the total net assets, close to \$25.1 million is unrestricted and thus may be used to meet the City's ongoing operations.

Governmental Funds Financial Statements

- As of the close of fiscal year 2012, the City's governmental funds reported a combined ending fund balance of \$25 million, a decrease of \$5.8 million for the year ending June 30, 2012. The detailed components of Revenues and Expenditures can be found in the accompanying Statement of Revenues, Expenditures and Changes in Fund Balances on page 25.
- The core operations of the City are accounted for in the General Fund, and the General Fund balance is a key measure of the financial health of the City. As of June 30, 2012, the General Fund, fund balance was \$4,658,201, a net decrease of \$2,714,513 over the balance at June 30, 2011. The bulk of this decrease was due to the \$1.4 million return of funds to Redevelopment Agency. The amount returned had been committed for the Railroad Extension project, Gateway Signage and for development preparation of the Crystal School Site. As of June 30, 2012, the unassigned fund balance for the General Fund was \$4,318,768.
- The \$0.5 million fund balance in the Local Transportation Special Revenue is restricted for road projects.
- The \$4 million fund balance in the Off-site Street Improvement Special Revenue is restricted for highways and streets projects.
- The Redevelopment Housing Set-Aside Special Revenue activity was transferred to Housing Authority during the RDA dissolution. The \$9.8 million fund balance in Housing Authority Special Revenue is being held for low and moderate income housing projects. However, \$8.8 million of the fund balance is nonspendable; \$6.9 million was an advance to the Redevelopment Agency and \$1.9 million is a Note Receivable due from Bay Homes Corporation.
- All Non-Major Funds have a fund balance of about \$6.0 million as of June 30, 2012.

City of Suisun City
Management's Discussion and Analysis

FY 2011-2012 Project Highlights

- EECBG GRANT – The City received a grant in the amount of \$150,000 from the California Department of Energy. As part of the grant requirements, all florescent bulbs and ballasts in City owned buildings were upgraded to be more efficient. The heating/air unit at the Senior Center was replaced with a new, energy efficient unit. Energy saving computer software was also installed on all City computers. Additionally, the street lights along the length of Railroad Avenue and Village Drive were upgraded to induction lighting.
- HALL PARK PLAGROUND – The playground equipment at Hall Park was removed and replaced with an upgraded new structure. This project included a fence around the structure as the primary purpose of this new structure was to be used by young children. This was part of the re-vamp of Hall Park associated with the new tenant, The Salvation Army, moving into the old YMCA building. Public Works Maintenance Staff made improvements to the turf area and made irrigation upgrades in the park as well.
- LAWLER FALLS PARK POND REHABILITATION – This project rehabilitated and repaired the existing ponds at Lawler Falls Park so that they are now working. The project brought in a contractor who installed a liner in both ponds to prevent leakage. New landscaping was installed by Public Works Maintenance staff.
- LAWLER HOUSE ADA RAMPS – This project upgraded the entrances to the Lawler House so that they are all ADA compliant. The primary portion of this project was handled by a contractor with addition work such as the addition of ramps and railing, a DG path and irrigation relocation completed in-house by Public Works Maintenance.
- COMMON STREET ONE WAY PROJECT – This project converted Common Street into a one-way street with the proper installation of the appropriate signs and pavement striping.
- PINTAIL DRIVE REHABILITATION – This project resurfaced the Pintail Drive from Sunset Avenue to Emperor Drive. It included the installation of ADA ramps and the upgrading of existing curb ramps to meet current ADA standards at the intersection adjacent to Pintail Drive between Sunset Avenue and Emperor. Patching was completed from Emperor Drive to Blue Jay Drive.
- CHYRL WAY REHABILITATION – This project resurfaced the full length of Chyrl Way. Additionally, new sewer, water service lines and meter boxes were installed. Residents received new water meter boxes.
- AWARDS – Suisun City was one of two agencies that received an “Agency of the Year” award from the Solano Transportation Authority (STA) for 2012.
- Foundation Launched to Raise Funds for Community Events - The Suisun City Community Services Foundation was recently launched to raise community support and money to preserve community-building events in Suisun City, particularly the annual July 4th celebration.
- Overall, with the adoption of AB1X 26 in June 2011 to dissolve redevelopment agencies throughout the State of California, the formation of the Successor Agency to the Redevelopment Agency of the City of Suisun City to wind down the affairs of the former redevelopment agency has been the primary redevelopment related activity. A small number of outstanding “enforceable obligations” from the former agency have been handed off to and are now the responsibility of the Successor Agency. These enforceable obligations primarily consist of former redevelopment agency debts.

City of Suisun City Management's Discussion and Analysis

- Public Safety, the ongoing effort by the Police Department to work with the community has resulted in an eight-year low in the number of serious crimes. Suisun City recorded a crime index of 196.3 compared to U.S. average of 307.5 according to <http://www.city-data.com/> published report.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's financial statements. The City's financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic 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 consist of a Statement of Net Assets and a Statement of Activities and Changes in Net Assets. These statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business. They provide information about the activities of the City as a whole and present a longer-term view of the City's finances.

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

The Statement of Activities and Changes in Net Assets presents information showing how the City's net assets changed during the most recent fiscal year. All changes in net assets 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 may be reported in this statement for some items that will only result in cash flows in future fiscal periods, such as revenues related to uncollected taxes and interest expense incurred but not paid.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other governmental entities, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Funds of governmental entities can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on (1) short-term inflows and outflows of spendable resources and (2) the remaining year-end balances available for spending. This 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 balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to assist the reader with this comparison between governmental funds and governmental activities.

City of Suisun City
Management's Discussion and Analysis

The City maintains a total of 90 individual governmental funds. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances for funds that are considered to be major funds. Some funds were combined for external financial reporting purposes only.

Governmental Funds
Revenues, Expenditures and Other Changes in Fund Balances
For the Fiscal Year Ended June 30, 2012

	General Fund	Other Major Funds	Other Governmental Funds	Total Governmental Funds
Revenues	\$ 7,689,981	\$ 7,594,277	\$ 9,124,818	\$ 24,409,076
Current expenditures	9,912,220	2,833,807	8,261,932	21,007,959
Capital outlay	24,899	512,010	548,432	1,085,341
Debt service	-	3,927,189	774,788	4,701,977
	<u>9,937,119</u>	<u>7,273,006</u>	<u>9,585,152</u>	<u>26,795,276</u>
Net transfers including sale of capital assets, transfers, and extraordinary gain (loss) on RDA dissolution	<u>(467,375)</u>	119,031	<u>(3,057,459)</u>	<u>(3,405,803)</u>
Net change in fund balances	<u>(2,714,513)</u>	440,302	<u>(3,517,793)</u>	<u>(5,792,004)</u>
Fund balances, beginning of year	<u>7,372,714</u>	<u>13,909,243</u>	<u>9,550,940</u>	<u>30,832,897</u>
Fund balances, end of year	<u><u>\$ 4,658,201</u></u>	<u><u>\$ 14,349,545</u></u>	<u><u>\$ 6,033,147</u></u>	<u><u>\$ 25,040,893</u></u>

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

Proprietary funds

Proprietary funds have as their focus the determination of operating income or cost recovery. There are two types of proprietary funds: enterprise funds and internal service funds.

- Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City has no enterprise funds.
- Internal service funds are used to accumulate and allocate costs internally among the City's various funds and departments.

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 statements because those resources are not available to support the City's own programs. Accordingly, only assets and liabilities are reported for these funds. With the RDA dissolution and the City acting as the Successor Agency, the financial statement of the Successor Agency are shown as a separate private purpose trust fund. Please refer to page 37 for details. The major fiduciary fund under Agency Funds maintained by the City is the Suisun-Solano Water Agency Fund. Please refer to page 39 for details.

City of Suisun City
Management's Discussion and Analysis

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. The notes to the financial statements follow the fund financial statements.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information such as this discussion and analysis and the City's budgetary comparison schedules for general fund and major special funds.

Other Supplementary Information

This includes a budgetary comparison schedule of the RDA bond debt service fund and all non-major funds.

Statistical Section

Presentations of financial information and non-financial information, and statistical tables for the last ten years are included in this section, as an aid to understanding and evaluating the overall operation and status of the City. Per Governmental Accounting Standards Board (GASB) Statement 44, financial trend information is provided under this section as applicable for up to the last ten years.

City of Suisun City
Management's Discussion and Analysis

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Analysis of Net Assets

Net assets are a measure of a government's financial position and, over time, a trend of increasing or decreasing net assets is an indicator of the financial health of the organization. The City of Suisun's net assets exceeded liabilities by \$196,333,426. A schedule of net assets is presented in the following table.

Net Assets
June 30, 2012 and 2011

	Governmental Activities	
	2012	2011
Current and other assets	\$ 44,691,948	\$ 46,426,945
Capital Assets	159,498,321	168,248,401
Total Assets	204,190,269	214,675,346
Current liabilities	2,793,216	6,370,371
Noncurrent liabilities	5,063,627	67,794,254
Total Liabilities	7,856,843	74,164,625
Net assets:		
Invested in capital assets, net of related debt	154,434,694	97,346,564
Restricted for:		
Debt service	434,167	6,448,682
Housing programs	11,006,653	2,186,052
Special districts assessment	1,628,268	1,563,865
Special projects and programs	2,300,078	5,358,485
Sewer maintenance	1,416,567	1,215,733
Total Restricted Net Assets	16,785,733	16,772,817
Unrestricted	25,112,999	26,391,340
Total net assets	\$ 196,333,426	\$ 140,510,721

Net assets invested in capital assets net of related debt (e.g., land, buildings, equipment and infrastructure) of \$154,434,694 represent the net book value of these assets less any outstanding debt used to acquire those assets. The infrastructure valuation study was completed in October 2007. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Resources needed to repay the outstanding debt must be provided from sources other than the related assets, because the capital assets themselves cannot be used to repay these debts.

City of Suisun City
Management's Discussion and Analysis

Restricted net assets of \$16.8 million represent resources that are subject to external restrictions on how they may be used. The \$25.1 million unrestricted net assets consist mainly of funds to be used to finance the day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements.

Analysis of Changes in Net Assets

The City's net assets increased by \$55.8 million during the current fiscal year. This unusual growth in the City's net assets is principally the result of removal of the long-term debt of the dissolved Redevelopment Agency from the governmental activities. Information about changes in net assets is presented in the summary table below:

Activities and Changes in Net Assets
For the Fiscal Years Ended June 30, 2012 and 2011

	Governmental Activities		Total Percentage Change
	2012	2011	
Revenues:			
Program revenues:			
Charges for services	\$ 7,839,618	\$ 6,678,582	17%
Operating grants & contributions	6,971,430	7,668,640	-9%
Capital grants & contributions	616,098	633,925	-3%
General revenues:			
Property Taxes	7,462,146	13,120,638	-43%
Sales Tax	1,003,761	859,750	17%
Gain on sale of capital assets	140,000	851,796	0%
Investment earnings	563,726	651,672	-13%
Miscellaneous	-	719,754	0%
Extraordinary item:			
Extraordinary gain on RDA dissolution	64,548,860	-	
Total revenues	89,145,639	31,184,756	186%
Program expenses:			
General government	12,709,382	11,311,026	12%
Public safety	6,662,665	6,562,319	2%
Public works	2,555,024	2,571,579	-1%
Highways and streets	4,152,173	2,793,630	49%
Building Services	1,028,453	553,654	86%
Culture & recreation	2,242,286	2,201,925	2%
Community development	2,554,075	3,081,116	-17%
Interest on long-term debt	1,418,876	3,674,323	-61%
Total program expenses	33,322,934	32,749,571	2%
Change in net assets	55,822,705	(1,564,815)	-3667%
Net assets-Beginning	140,510,721	142,075,535	-1%
Net assets - end of the year	\$ 196,333,426	\$ 140,510,721	40%

City of Suisun City
Management's Discussion and Analysis

Note: For the purpose of comparison, some revenues and expenses in 2011 were reclassified to conform to the 2012 table using the classification of typical California city revenues, i.e. tax increment pass-through is now classified under general government.

Net assets increased by \$55,822,705 were due to the following factors:

- The City generated a total of \$89.1 million in revenues and spent \$33.3. The increase in total revenue of about \$57.9 million was brought mainly by the extraordinary gain in the dissolution of the former Redevelopment Agency.
- Total expenses have increased by \$573,363 or by 2% as illustrated previously. The increase can be mostly attributed to an increase in building services and highways and streets expenses.

ANALYSIS OF MAJOR GOVERNMENTAL FUNDS

General Fund

General Fund revenues of about \$7.7 million were generated. There was a significant decrease of about \$496,000 from the previous fiscal year. The decrease was mainly attributed to the YMCA settlement payment of \$675,000 which occurred in previous year.

General Fund expenditures of \$9.9 million were made, including an increase of about \$195,000 from previous fiscal year. The public safety expenditure had an increase of about \$171,000.

The General Fund balance at fiscal year-end was \$4.7 million, consisting of \$81,076 nonspendable, \$59,073 committed for Main Street West Project, \$199,284 restricted for loan guarantee/collateral on Foster Boltz, Inc. restaurant loan. The unassigned fund balance as of June 30, 2012 is \$4.3 million.

Local Transportation Special Revenue

This fund accounts for federal, state, and local funds used for streets, pedestrian and bikeway improvements. Revenues worth \$1,400,000 were generated mostly through grants and a transfer in of approximately \$290,000 from various funds like Gas Tax, OSSIP and Sewer Funds. Expenditures of \$1,900,000 mainly consist of \$207,000 for Main Street road rehabilitation; \$843,000 for Chryl Way Rehabilitation which includes sewer and water line replacement; \$297,000 for Grizzly Bike Trail; and \$498,000 for Pintail-Walters Road Rehabilitation.

Off-site Street Improvement Special Revenue Fund

This fund accounts for Capital Improvement Fees generated by new development and expended on street improvement citywide. On June 30, 2012, the total fund balance reported is \$3,974,341.

Housing Authority Special Revenue Fund

This fund will account for the remaining RDA-Housing Set-Aside Special Revenue Fund after the dissolution of RDA. The total fund balance as of June 30, 2012 is \$9,828,483, however as mentioned earlier, \$1,936,859 is due from Bay Homes Corporation and \$6,901,505 is due from the former RDA.

City of Suisun City
Management's Discussion and Analysis

RDA-Housing Set-Aside – Special Revenue Fund

This fund was used to account for the 20% tax increment revenue set-aside monies required by law to be used only for low and moderate-income housing. Due to RDA dissolution, this fund has ceased to operate; any remaining assets and liabilities were transferred to Housing Authority Special Revenue Fund.

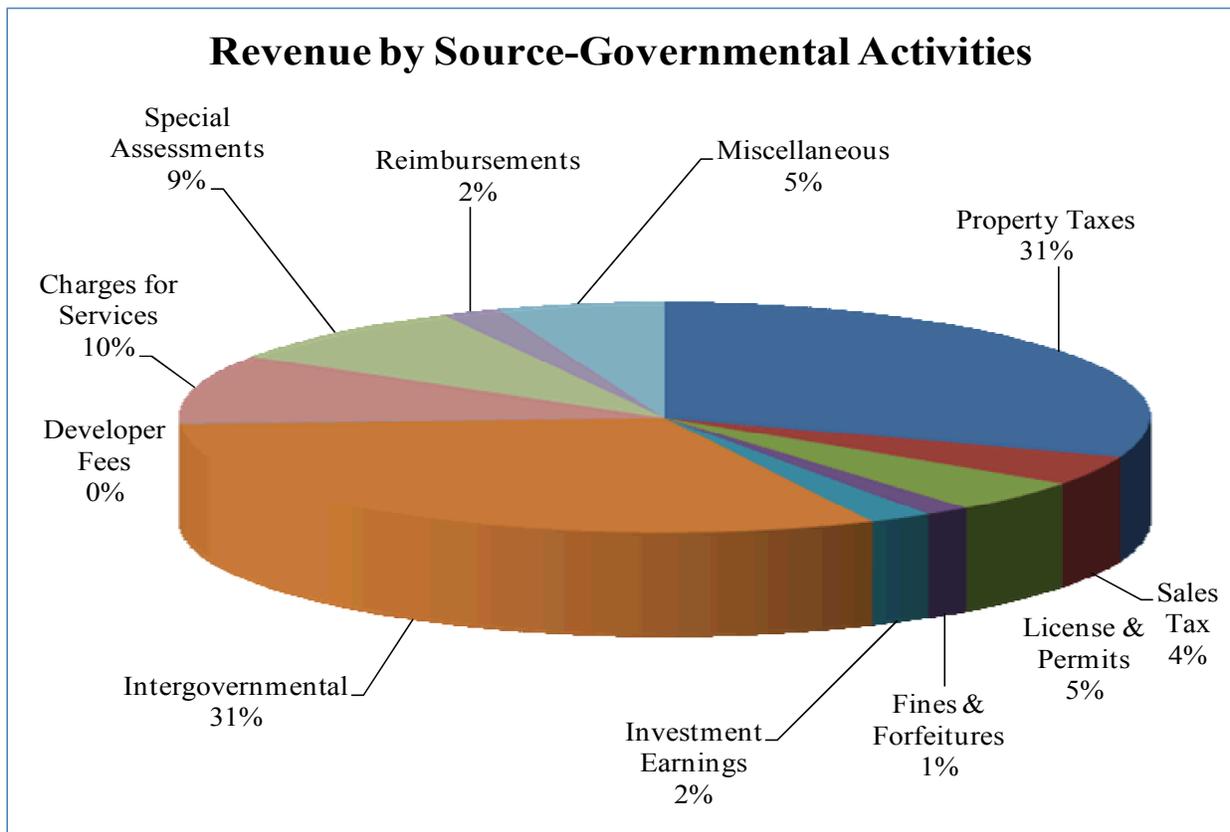
RDA Bonds Debt Service Fund

This was the principal debt service fund of the redevelopment agency used to account primarily for all tax increment revenues and payment of debt service on long-term debt obligations. Due to RDA dissolution, this fund has ceased to operate; any remaining assets and liabilities were transferred to Successor Agency. The City reports the Successor Agency's financial activities under a Private Trust Fund. Please refer to page 37.

Recent changes in legislation affecting the RDA Bonds Debt Service Fund can be found in Note 14.

Analysis of All Governmental Funds

The following chart and table presents a summary of general, special revenue, debt service and capital projects fund revenues for the fiscal year ended June 30, 2012 and the amount and percentage of increases and decreases in relation to prior year revenues.



While about 31 percent of total revenues are derived from property taxes, 75 percent of these property tax revenues went to the former Redevelopment Agency prior to February 1, 2012.

City of Suisun City
Management's Discussion and Analysis

About 31 percent of the City's general governmental revenues are realized from other governmental agencies. In 2011-2012 these included:

State of California Gas Tax	\$ 816,386
Federal HUD Section 8 Housing Assistance Program	2,613,094
Federal & State Public Safety Grants	474,532
Local Transportation - Capital Projects Grants	911,124
Property Tax (VLF)	1,639,527
All Other Intergovernmental Allocations	<u>1,177,010</u>
Total	<u><u>\$ 7,631,673</u></u>

Revenues	2012	2011	% of Increase (Decrease)
Property Taxes	\$ 7,462,146	\$ 13,120,638	-43.13%
Sales Tax	1,003,761	859,750	16.75%
License & Permits	1,131,020	1,155,074	-2.08%
Fines & Forfeitures	373,379	386,036	-3.28%
Investment Earnings	516,023	618,464	-16.56%
Intergovernmental	7,631,673	7,604,602	0.36%
Developer Fees	26,797	24,563	0.00%
Charges for Services	2,336,323	2,329,627	0.29%
Special Assessments	2,100,866	2,061,924	1.89%
Reimbursements	478,432	75,000	537.91%
Miscellaneous	1,348,656	2,455,199	-45.07%
Total	<u><u>\$ 24,409,076</u></u>	<u><u>\$ 30,690,876</u></u>	-20.47%

Property taxes were significantly different from prior year due to RDA dissolution. The General Fund received a total of \$1,424,374 in property taxes, an increase of \$141,874 due to residual from the AB1X 26 calculation by Solano County.

Investment earnings decrease is due to all-time low interest rates. The City's investment portfolio average yield as of June 30, 2012 is 1.13% compared to last year's 1.44%. Another factor to consider in the decrease of investment earnings reported is the fact that the former RDA interest earnings were reported in the Successor Agency under a Trust Fund.

Intergovernmental revenues are about the same compared from prior year.

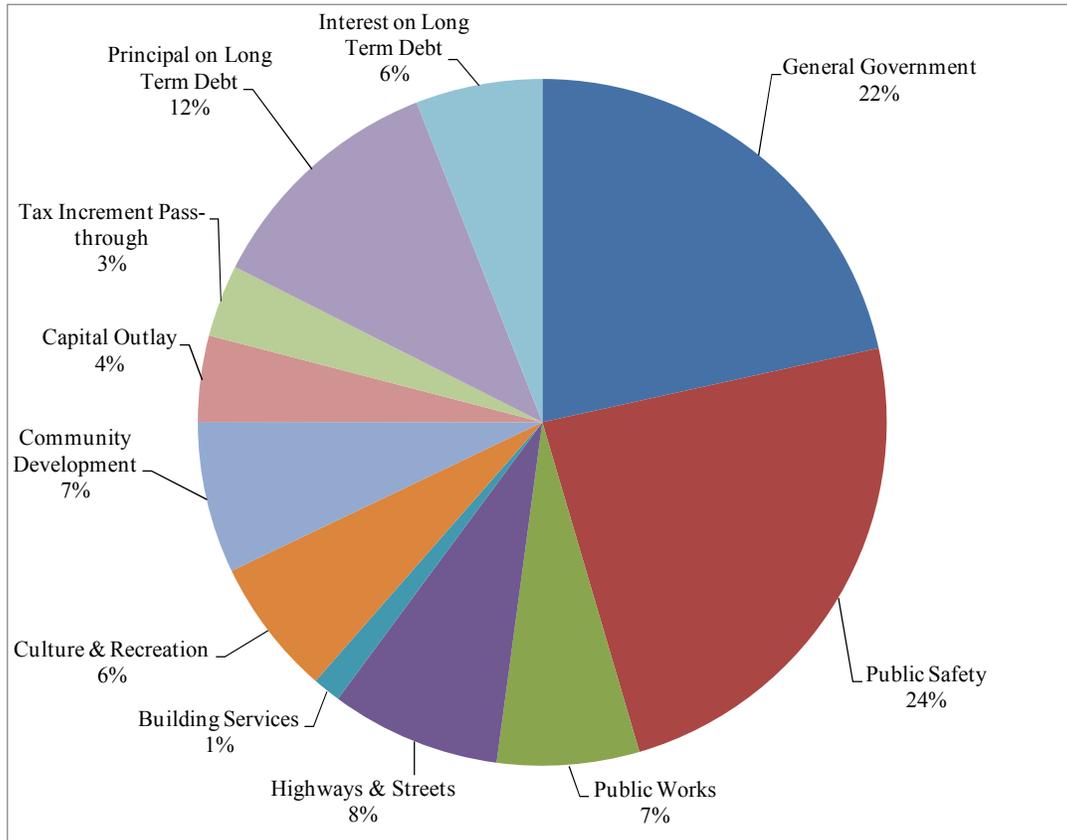
The slight increase in charges for services is an overall effect of the market. This revenue accounts for recreation room rentals, park rentals, recreation program fees, rents & royalties, engineering service fees, planning & zoning fees, police fees, marina berth operations and all other fees related to City services.

Reimbursement revenue mainly represents the Suisun-Solano Water Authority's share of the Chryl Way rehabilitation project.

Miscellaneous revenues were significantly low in the current year due to program income from Neighborhood Stabilization Grant and the settlement with the YMCA over its bridge of lease agreement which occurred in previous year.

City of Suisun City
Management's Discussion and Analysis

The following chart and table presents a summary of expenditures for the fiscal year ended June 30, 2012 and the percentage increases and decreases in relation to prior year expenditures.



Expenditures	2012	2011	% of Increase Decrease
General Government	\$ 5,771,915	\$ 6,574,212	-12%
Public Safety	6,403,988	6,361,385	1%
Public Works	1,791,049	1,754,874	2%
Highways & Streets	2,141,840	808,796	165%
Building Services	355,128	335,910	6%
Culture & Recreation	1,729,250	1,739,236	-1%
Community Development	1,907,011	3,664,635	-48%
Capital Outlay	1,085,341	1,066,343	2%
Tax Increment Pass-through	907,778	4,621,078	-80%
Principal on Long Term Debt	3,107,583	3,041,254	2%
Interest on Long Term Debt	1,594,394	2,795,679	-43%
Total Expenditures	\$ 26,795,277	\$ 32,763,402	-18.2%

City of Suisun City
Management's Discussion and Analysis

Governmental spending decreased by approximately \$6.0 million or about 18.2% compared to prior year. The decrease was caused by the re-assignment of expenditures in the current year prompted by the AB1X 26 (RDA dissolution) and not from operating expenditures.

- Decrease in community development expenses comes from the discontinuance of the First-Time Home Buyer Program.
- Tax Increment Pass-through has been discontinued. The City no longer receives the tax increment, thus, the facilitation of pass-through is no longer administered by the City.
- Interest on long term debt on the former RDA Bond and Debts are no longer recorded in the City's books effective Feb 1, 2012, thus creating a significant decrease from prior year.
- Highways and Streets expenditures are higher because street rehabilitation projects are more compared to prior year.

The previous table shows the comparison. Some of the expenditure increases were also offset by revenue increases. There was no bond refunding for this fiscal year and no new debt. The implementation of AB1X 26 has caused unusual comparative numbers from prior year.

Below is the information of capital outlay expenditures for fiscal year 2011-2012:

<u>Schedule of Capital Outlay Expenditures</u>	<u>Amount</u>
Panasonic CF-31 Mobile Data Comp	\$ 24,296
Police Dept-3 Rapier 25 SCI LPR Camera	5,715
Fire Equipment	6,453
Radios- Fire Dept	6,904
Gateway Signage	603
Main St. Rehab	207,000
Landscaping Bikeway Closure	7,982
Grizzly Bike Trail	293,972
Railroad Extention to Marina	11,038
Energy Block Grant -HVAC	101,633
Senior Center Improvement	60,376
Lawler Falls	200,444
Hall Park Improvements	158,925
Total Capital Outlay	<u>\$ 1,085,341</u>

City of Suisun City
Management's Discussion and Analysis

General Fund Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget</u>
Beginning fund balances, July 1, 2011	\$ -	\$ -	\$ 7,372,714	\$ -
Resources:				
Revenues	6,151,114	7,907,600	7,689,981	(217,619)
Transfer in & sale of capital assets	800,590	952,500	1,188,935	236,435
Total Resources	<u>6,951,704</u>	<u>8,860,100</u>	<u>8,878,916</u>	<u>18,816</u>
Appropriations:				
Expenditures	14,509,394	16,014,100	9,937,119	6,076,981
Transfer out	177,133	189,800	1,656,310	(1,466,510)
Total Appropriations	<u>14,686,527</u>	<u>16,203,900</u>	<u>11,593,429</u>	<u>4,610,471</u>
Resources over (under) appropriations	<u>\$ (7,734,823)</u>	<u>\$ (7,343,800)</u>	<u>(2,714,513)</u>	<u>\$ 4,629,287</u>
Ending fund balances, June 30, 2012			<u>\$ 4,658,201</u>	

Budget Modifications

For fiscal year 2011-12, appropriations were adopted by fund. The total actual expenditures in General Fund per above table did not exceed total original budget. The \$6.0 million under budget in expenditures appropriation is mainly the contingency budget of \$5.9 million to which \$2.2 million is for "Bridging" Reserves, \$1.2 million for capital reserve and \$2.5 million in emergency reserves. Some individual departments may have exceeded their original budgets, and budget amendments were approved by the City Council. For more detailed information on budgeting procedures, please refer to page 47.

Transfers

Transfers to the General Fund are generally made to match restricted revenue with related cost that has been recorded in the General Fund and vice versa.

City of Suisun City
Management's Discussion and Analysis

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The City's net capital assets for its governmental funds as of June 30, 2012 amount to \$159 million, net of accumulated depreciation of \$92 million. This investment in capital assets includes land and improvements, buildings and improvements, machinery and equipment, construction in progress, and all infrastructures.

During the dissolution process of the former Redevelopment Agency, it was noted that there were properties listed which no longer exist because they were re-parceled or were part of the Marina expansion. This resulted in \$5.9 million of assets removed from the books.

Additional information on the City's capital assets can be found in Note 7 on pages 56-58 of the accompanying basic financial statements.

Debt Administration

At the end of the current fiscal year, the City had \$5.1 million in long-term debt, net, outstanding compared to \$70.9 million last year, about 93% decrease. The major decrease is due to the transfer of the former Redevelopment Agency's debts in the City's books. At June 30, 2012, the City has a total long-term debts and obligations as summarized below.

General Obligation Bonds	\$ 1,910,000	38%
Certificates of Participation	940,000	19%
Capital Leases	376,487	7%
North Bay Aqueduct Agreement	1,837,140	36%
Sub-total	<u>\$ 5,063,627</u>	<u>100%</u>

The City has met all required debt service payments and is maintaining required reserve funds with bond trustees. The \$1.9 million in general obligation Highway 12 bonds and the \$1.8 million for North Bay Aqueduct are repayable from a voter-approved property tax. The remaining \$1.3 million City of Suisun City obligations are repayable from special assessments, lease revenues, and general fund revenues.

Additional information on the City's long-term debt obligations can be found in Note 8 on page 59, of the accompanying basic financial statements.

Economic Factors and Next Year's Budget

At the local level, the City is still experiencing the same problems as other communities in California. Fortunately, the investments made by the City and its former Redevelopment Agency, particularly the Hotel in the Waterfront District, are beginning to pay off.

Wal-Mart is projected to start site grading at the end of 2012 and most likely to apply for building permits by spring of 2013.

The City is positioned to manage through the next couple of years while maintaining, at a minimum, the emergency reserve levels (targeted at 25%) until Wal-Mart ultimately comes or the economy starts to turn around.

City of Suisun City
Management's Discussion and Analysis

The FY 2012-2013 Annual Budget assumptions and strategy continue to be conservative. Budget strategies include:

- Compensation concessions of 5% effective July 1, 2012.
- Institution of a Hiring Freeze, so that Council has control over staffing levels.
- Assumptions related to reductions in property-related revenues continue to be conservative.
- Aggressive capital improvement programs funded by grants.
- Departments targeted an overall 5% reduction in their operating budgets through a combination of reduced spending and /or increased department-driven revenues.

The FY 2012-2013 General Fund operating budget is about \$9.8 million, a decrease of about \$305,000 from FY 2011-2012 budget. There is no major capital budgeted at this time.

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, creditors, and government regulators with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. Below is the contact address for questions about this report or requests for additional financial information.

City of Suisun City
Finance Department
701 Civic Center Blvd.
Suisun City, CA 94585
Phone: 707-421-3215

CITY OF SUISUN CITY

**STATEMENT OF NET ASSETS AND STATEMENT
OF ACTIVITIES**

The Statement of Net Assets and the Statement of Activities summarize the entire City's financial activities and financial position. They are prepared on the same basis as is used by most businesses, which means they include all the City's assets and all its liabilities, as well as all its revenues and expenses. This is known as the full accrual basis. The effect of all of the City's transactions is taken into account, regardless of whether or when cash changes hands, but all material internal transactions between City funds have been eliminated.

The Statement of Net Assets reports the difference between the City's total assets and the City's total liabilities, including all the City's capital assets and all its long-term debt. The Statement of Net Assets presents information in a way that focuses the reader on the composition of the City's net assets, by subtracting total liabilities from total assets.

The Statement of Net Assets summarizes the financial position of all of the City's Governmental Activities in a single column.

The City's Governmental Activities include the activities of its General Fund, along with all its Special Revenue, Capital Projects Debt Service Funds, and Internal Service Funds.

The Statement of Activities reports increases and decreases in the City's net assets. It is also prepared on the full accrual basis, which means it includes all the City's revenues and all its expenses, regardless of when cash changes hands. This differs from the "modified accrual" basis used in the Fund financial statements, which reflect only current assets, current liabilities, available revenues and measurable expenditures.

The Statement of Activities presents the City's expenses first, listed by program. Program revenues – that is, revenues which are generated directly by these programs - are then deducted from program expenses to arrive at the net expense of each governmental program. The City's general revenues are then listed in the Governmental Activities and the Change in Net Assets is computed and reconciled with the Statement of Net Assets.

Both these Statements include the financial activities of the City, the former Redevelopment Agency of the City of Suisun City, the City of Suisun City Public Financing Authority, and the City of Suisun City Housing Authority. These entities are legally separate but are component units of the City because they are controlled by the City, which is financially accountable for the Agency's and the Authority's activities.

**CITY OF SUISUN
STATEMENT OF NET ASSETS
JUNE 30, 2012**

	Governmental Activities
ASSETS	
Cash and investments (Note 3)	\$ 16,495,635
Cash with fiscal agents (Note 3)	270,628
Receivables:	
Accounts receivable, net	2,161,777
Interest receivable	46,360
Notes receivable, net (Note 5)	12,525,849
Prepaid items	24,500
Other assets	97,376
Advance to other governments (Note 16)	13,069,823
Capital assets (Note 7)	
Nondepreciable	53,672,166
Depreciable, net	105,826,155
Total Assets	204,190,269
LIABILITIES	
Accounts payable	428,809
Unearned revenue	511,686
Refundable deposits	227,828
Retention payable	65,961
Claims payable (Note 11)	
Due within one year	173,270
Due in more than one year	681,015
Accrued compensated absence: (Note 1.I)	
Due within one year	260,783
Due in more than one year	260,783
Net OPEB obligation, due in more than one year (Note 13)	183,081
Long-term debt, net (Note 8)	
Due within one year	622,497
Due in more than one year	4,441,130
Total Liabilities	7,856,843
NET ASSETS (Note 10)	
Invested in capital assets, net of related debt	154,434,694
Restricted for:	
Debt service	434,167
Housing programs	11,006,653
Special districts assessments	1,628,268
Special projects and programs	2,300,078
Sewer maintenance	1,416,567
Total Restricted Net Assets	16,785,733
Unrestricted	25,112,999
Total Net Assets	\$ 196,333,426

See accompanying notes to financial statements

**CITY OF SUISUN CITY
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED 30, 2012**

Functions/Programs	Expenses	Program Revenues			Net (Expense)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Assets
					Governmental Activities
PRIMARY GOVERNMENT					
Governmental activities:					
General government	\$ 12,709,382	\$ 2,361,341	\$ 4,901,673	\$ -	\$ (5,446,368)
Public safety	6,662,665	867,755	560,436	-	(5,234,474)
Public works	2,555,024	1,248,534	26,874	-	(1,279,616)
Highways and streets	4,152,173	845,521	1,226,538	616,098	(1,464,016)
Building services	1,028,453	116,018	-	-	(912,435)
Culture and recreation	2,242,286	1,234,485	10,376	-	(997,425)
Community development	2,554,075	1,165,964	245,533	-	(1,142,578)
Interest on long-term debt	1,418,876	-	-	-	(1,418,876)
Total governmental activities	<u>\$ 33,322,934</u>	<u>\$ 7,839,618</u>	<u>\$ 6,971,430</u>	<u>\$ 616,098</u>	<u>(17,895,788)</u>
General revenues:					
Property taxes					7,462,146
Sales taxes					1,003,761
Investment earnings					563,726
Gain on sale of capital assets					140,000
Total general revenues					<u>9,169,633</u>
Extraordinary item:					
Gain on dissolution of RDA					64,548,860
Change in net assets					55,822,705
Net assets-Beginning					<u>140,510,721</u>
Net assets-Ending					<u>\$ 196,333,426</u>

See accompanying notes to financial statements

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FUND FINANCIAL STATEMENTS

MAJOR GOVERNMENTAL FUNDS

The funds described below were determined to be Major Funds by the City in fiscal year 2012. Individual non-major funds may be found in the Supplemental section.

GENERAL FUND

The fund is used to account for the resources to carry out basic governmental activities of the City such as general government, public safety, public works, and parks and recreation which are not required to be accounted for in another fund.

LOCAL TRANSPORTATION SPECIAL REVENUE FUND

This fund accounts for federal, state and local funds used for streets, pedestrian and bikeway improvements.

OFF-SITE STREET IMPROVEMENT FUND

This fund accounts for capital improvement fees generated by new development and expended on street improvement citywide.

HOUSING AUTHORITY SPECIAL REVENUE FUND

This fund is used to account for the use of housing assets from the former Redevelopment Agency.

RDA - HOUSING SET-ASIDE SPECIAL REVENUE

This fund is used to account for the 20 percent tax increment revenues set-aside monies required by law to be used only for low and moderate-income housing.

RDA BONDS DEBT SERVICE

This fund is used to account for the payment of principal and interest on long-term obligations.

**CITY OF SUISUN CITY
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2012**

	Major Funds							Total
	General	Local Transportation Special Revenue	Off-site Street Improvement	Housing Authority Special Revenue	RDA-Housing Set-Aside Special Revenue	RDA Bonds Debt Service	Non-Major Governmental Funds	
ASSETS								
Cash and investments	\$ 3,342,585	\$ -	\$ 3,974,341	\$ 984,291	\$ -	\$ -	\$ 5,993,955	\$ 14,295,172
Cash with fiscal agent	-	-	-	-	-	-	270,628	270,628
Receivables:								
Accounts receivable, net	449,768	1,235,570	-	237	-	-	476,202	2,161,777
Developer agreement (Note 6)	-	-	-	-	-	-	-	-
Due from other funds (Note 4.B.)	1,140,743	-	-	-	-	-	-	1,140,743
Interest receivable	9,685	-	-	36,675	-	-	-	46,360
Notes receivable, net (Note 5)	2,036,503	-	-	10,489,346	-	-	-	12,525,849
Prepaid items (Note 1.G.)	9,391	-	-	771	-	-	14,338	24,500
Advances to other governments (Note 16)	-	-	-	6,901,505	-	-	-	6,901,505
Other assets	-	-	-	-	-	-	15,005	15,005
Total Assets	\$ 6,988,675	\$ 1,235,570	\$ 3,974,341	\$ 18,412,825	\$ -	\$ -	\$ 6,770,128	\$ 37,381,539
LIABILITIES								
Accounts payable	\$ 222,018	\$ 19,670	\$ -	\$ 7,108	\$ -	\$ -	\$ 148,051	\$ 396,847
Unearned revenues	506,262	-	-	63	-	-	5,361	511,686
Due to other funds (Note 4.B.)	-	603,218	-	-	-	-	517,801	1,121,019
Deferred revenues	1,464,818	-	-	8,552,487	-	-	-	10,017,305
Refundable deposits	137,376	-	-	24,684	-	-	65,768	227,828
Retention payable	-	65,961	-	-	-	-	-	65,961
Total Liabilities	2,330,474	688,849	-	8,584,342	-	-	736,981	12,340,646
FUND BALANCES (Note 10)								
Nonspendable								
Notes receivable	71,685	-	-	1,936,859	-	-	-	2,008,544
Prepays	9,391	-	-	771	-	-	-	10,162
Advances to other governments	-	-	-	6,901,505	-	-	-	6,901,505
Restricted								
Debt service	-	-	-	-	-	-	434,167	434,167
Special projects & programs	199,284	546,721	3,974,341	989,348	-	-	5,744,243	11,453,937
Committed	59,073	-	-	-	-	-	17,124	76,197
Assigned	-	-	-	-	-	-	45,392	45,392
Unassigned	4,318,768	-	-	-	-	-	(207,779)	4,110,989
Total Fund Balances	4,658,201	546,721	3,974,341	9,828,483	-	-	6,033,147	25,040,893
Total Liabilities and Fund Balances	\$ 6,988,675	\$ 1,235,570	\$ 3,974,341	\$ 18,412,825	\$ -	\$ -	\$ 6,770,128	\$ 37,381,539

See accompanying notes to financial statements

**CITY OF SUISUN CITY
RECONCILIATION OF THE
GOVERNMENTAL FUNDS - FUND BALANCES
WITH THE
GOVERNMENTAL ACTIVITIES STATEMENT OF NET ASSETS
JUNE 30, 2012**

TOTAL FUND BALANCES - TOTAL GOVERNMENTAL FUNDS \$ 25,040,893

Amounts reported for Governmental Activities in the Statement of Net Assets
are different from those reported in the Governmental Funds above because of the following:

CAPITAL ASSETS

Capital Assets used in Governmental Activities are not current assets or financial resources
and therefore are not reported in the Governmental Funds 158,917,337

ALLOCATION OF INTERNAL SERVICE FUND NET ASSETS

Internal Service Funds are not governmental funds. However, they are used by management to
charge the cost of certain activities, such as insurance and central services and maintenance
to individual government funds. The net current assets of the Internal Service Funds are therefore
included in Governmental Activities in the following line items in the Statement of Net Assets.

Cash and investments	2,200,463
Capital assets	580,984
Other assets	10,931
Accounts payable	(31,962)
Due to City of Suisun City	(19,724)
Claims payable	(854,285)

ACCRUAL OF NON-CURRENT REVENUES AND EXPENSES

Revenues which are deferred on the Fund Balance Sheets because they are not available
currently are taken into revenue in the Statement of Activities. 10,017,305

LONG-TERM ASSETS AND LIABILITIES

The assets and liabilities below are not due and payable in the current period and therefore are
not reported in the Funds:

Advance to other governments	6,168,318
Other assets-debt issuance costs	71,440
Long-term debt	(5,063,627)
NET OPEB obligations, due in more than one year	(183,081)
Compensated absences	(521,566)

NET ASSETS OF GOVERNMENTAL ACTIVITIES \$ 196,333,426

See accompanying notes to financial statements

**CITY OF SUISUN CITY
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

	Major Funds							Total
	General	Local Transportation Special	Off-site Street Improvement	Housing Authority Special Revenue	RDA-Housing Set-Aside Special Revenue	RDA Bonds Debt Service	Non-Major Governmental Funds	
REVENUES								
Taxes:								
Property taxes	\$ 1,424,374	\$ -	\$ -	\$ -	\$ -	\$ 5,576,552	\$ 461,220	\$ 7,462,146
Sales taxes	1,003,761	-	-	-	-	-	-	1,003,761
Licenses and permits	1,101,894	-	-	-	-	-	29,126	1,131,020
Fines and forfeits	265,381	-	-	-	-	-	107,998	373,379
Intergovernmental revenue	1,708,691	911,124	-	-	-	-	5,011,858	7,631,673
Developer fees	-	-	22,549	-	-	-	4,248	26,797
Special assessments	-	-	-	-	-	-	2,100,866	2,100,866
Charges for services	2,002,447	-	-	-	-	-	333,876	2,336,323
Investment earnings	145,312	-	74,934	48,901	4,886	84,090	157,900	516,023
Reimbursements	-	478,432	-	-	-	-	-	478,432
Miscellaneous revenue	38,121	-	-	155,262	237,547	-	917,726	1,348,656
Total revenues	7,689,981	1,389,556	97,483	204,163	242,433	5,660,642	9,124,818	24,409,076
EXPENDITURES								
Current:								
General government	1,643,258	-	-	53,883	-	-	4,074,774	5,771,915
Public safety	5,802,989	-	-	-	-	-	600,999	6,403,988
Public works	453,980	-	-	-	-	-	1,337,069	1,791,049
Highways and streets	-	1,376,618	-	-	-	-	765,222	2,141,840
Building services	355,128	-	-	-	-	-	-	355,128
Culture and recreation	1,304,628	-	-	-	-	-	424,622	1,729,250
Community development	352,237	-	-	103,675	391,853	-	1,059,246	1,907,011
Tax increment pass-through	-	-	-	-	-	907,778	-	907,778
Capital outlay	24,899	512,010	-	-	-	-	548,432	1,085,341
Debt service:								
Principal on long-term debt	-	-	-	-	-	2,510,428	597,155	3,107,583
Interest and fiscal charges	-	-	-	-	-	1,416,761	177,633	1,594,394
Total expenditures	9,937,119	1,888,628	-	157,558	391,853	4,834,967	9,585,152	26,795,277
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(2,247,138)	(499,072)	97,483	46,605	(149,420)	825,675	(460,334)	(2,386,201)
OTHER FINANCING SOURCES (USES)								
Sale of capital assets	140,000	-	-	-	-	-	-	140,000
Extraordinary gain (loss) on RDA dissolution	-	-	-	-	-	(3,444,261)	(101,542)	(3,545,803)
Transfer in	1,048,935	290,014	318,954	9,808,963	-	4,507,671	1,861,835	17,836,372
Transfer out	(1,656,310)	(355,659)	(180,996)	(27,085)	(9,848,982)	(949,588)	(4,817,752)	(17,836,372)
Total other financing sources (uses)	(467,375)	(65,645)	137,958	9,781,878	(9,848,982)	113,822	(3,057,459)	(3,405,803)
NET CHANGE IN FUND BALANCES	(2,714,513)	(564,717)	235,441	9,828,483	(9,998,402)	939,497	(3,517,793)	(5,792,004)
BEGINNING FUND BALANCES	7,372,714	1,111,438	3,738,900	-	9,998,402	(939,497)	9,550,940	30,832,897
ENDING FUND BALANCES	\$ 4,658,201	\$ 546,721	\$ 3,974,341	\$ 9,828,483	\$ -	\$ -	\$ 6,033,147	\$25,040,893

See accompanying notes to financial statements

**CITY OF SUISUN CITY
RECONCILIATION OF THE
NET CHANGES IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS
WITH THE CHANGE IN
GOVERNMENTAL NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2012**

The schedule below reconciles the Net Change in Fund Balances reported on the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances, which measures only changes in current assets and current liabilities on the modified accrual basis, with the Change in Net Assets of Governmental Activities reported in the Statement of Activities, which is prepared on the full accrual basis.

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ (5,792,004)
<p>Amounts reported for governmental activities in the Statement of Activities are different because of the following:</p>	
CAPITAL ASSETS TRANSACTIONS	
<p>Governmental Funds report capital outlay as expenditures. However, in the Statement of Activities the cost of those assets are capitalized and allocated over their estimated useful lives and reported as depreciation expense.</p>	
The capital outlay expenditures are therefore added back to fund balances from Capital Outlay	1,085,341
The disposal of capital asset is deducted from the fund balance	(5,876,156)
Depreciation expense is deducted from the fund balance (Depreciation expense is net of internal service fund depreciation of \$113,348 which has already been allocated to internal service funds)	(3,891,371)
LONG-TERM DEBT PROCEEDS AND PAYMENTS	
<p>Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Assets, Repayment of bond principal is an expenditure in the governmental funds, but on the Statement of Net Assets the repayment reduces long-term liabilities.</p>	
Repayment of debt principal is added back to fund balances	3,107,583
Capital appreciation bond interest expense	(451,056)
Record amortization of bond premium, discount, and refunding	(54,845)
Amortized cost of issuance	(53,460)
Changes in Compensated absences	(73,420)
Changes in Net OPEB Obligation	(64,357)
Changes in accrued interest payable	734,879
ACCRUAL OF NON-CURRENT ITEMS	
<p>The amounts below included in the Statement of Activities do not provide or (require) the use current financial resources and therefore are not reported as revenue or expenditure in governmental funds (net change):</p>	
Deferred revenue	(630,532)
ALLOCATION OF INTERNAL SERVICE FUND ACTIVITY	
<p>Internal Service Funds are used by management to charge the costs of certain activities, such as equipment acquisition and maintenance to individual funds. The portion of the net revenue (expense) of these Internal Service Funds arising out of their transactions with governmental funds is reported with governmental activities because they service those activities.</p>	
Change in Net Assets - All Internal Service Funds	(312,560)
EXTRAORDINARY GAIN OR LOSS ON RDA DISSOLUTION	
<p>The Development Agency was dissolved as of February 1, 2012, thus the movements of all activities to Successor Agency Trust funds are reported as extraordinary items.</p>	
Transfer of former RDA accrued interest to the Successor Agency	202,914
Transfer of former RDA obligations to the Successor Agency	63,236,528
Transfer of former RDA deferred charges to the Successor Agency	(1,513,097)
Transfer of former RDA advance from the City to the Successor Agency	6,168,318
<u>CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES</u>	<u>\$ 55,822,705</u>

See accompanying notes to financial statements

CITY OF SUISUN CITY
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u> Amounts	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
REVENUES				
Taxes:				
Property taxes	\$ 1,056,413	\$ 1,272,700	\$ 1,424,374	\$ 151,674
Sales taxes	699,242	1,039,600	1,003,761	(35,839)
Licenses and permits	784,297	1,209,600	1,101,894	(107,706)
Fines and forfeits	206,725	186,700	265,381	78,681
Intergovernmental revenue	1,741,615	1,807,700	1,708,691	(99,009)
Charges for services	1,573,560	2,252,100	2,002,447	(249,653)
Investment earnings	52,508	101,900	145,312	43,412
Miscellaneous revenue	36,754	37,300	38,121	821
Total revenues	<u>6,151,114</u>	<u>7,907,600</u>	<u>7,689,981</u>	<u>(217,619)</u>
EXPENDITURES				
Current:				
General government	7,345,977	7,486,100	1,643,258	5,842,842
Public safety	4,913,491	5,713,900	5,802,989	(89,089)
Public works	374,433	410,300	453,980	(43,680)
Building services	339,372	379,800	355,128	24,672
Culture and recreation	1,213,687	1,377,000	1,304,628	72,372
Community development	297,534	425,700	352,237	73,463
Capital outlay	24,900	221,300	24,899	196,401
Total expenditures	<u>14,509,394</u>	<u>16,014,100</u>	<u>9,937,119</u>	<u>6,076,981</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(8,358,280)</u>	<u>(8,106,500)</u>	<u>(2,247,138)</u>	<u>5,859,362</u>
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	93,336	140,000	140,000	-
Transfer in	707,254	812,500	1,048,935	236,435
Transfer out	(177,133)	(189,800)	(1,656,310)	(1,466,510)
Total other financing sources (uses)	<u>623,457</u>	<u>762,700</u>	<u>(467,375)</u>	<u>(1,230,075)</u>
NET CHANGES IN FUND BALANCES	<u>\$ (7,734,823)</u>	<u>\$ (7,343,800)</u>	<u>(2,714,513)</u>	<u>\$ 4,629,287</u>
BEGINNING FUND BALANCES			<u>7,372,714</u>	
ENDING FUND BALANCES			<u>\$ 4,658,201</u>	

CITY OF SUISUN CITY
LOCAL TRANSPORTATION SPECIAL REVENUE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
REVENUES				
Intergovernmental revenue	\$ 2,358,100	\$ 2,633,100	\$ 911,124	\$ (1,721,976)
Reimbursements	490,000	490,000	478,432	(11,568)
Total revenues	<u>2,848,100</u>	<u>3,123,100</u>	<u>1,389,556</u>	<u>(1,733,544)</u>
EXPENDITURES				
Current:				
Highways and streets	1,396,061	1,530,000	1,376,618	153,382
Capital outlay	616,699	2,646,100	512,010	2,134,090
Total expenditures	<u>2,012,760</u>	<u>4,176,100</u>	<u>1,888,628</u>	<u>2,287,472</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES				
	<u>835,340</u>	<u>(1,053,000)</u>	<u>(499,072)</u>	<u>553,928</u>
OTHER FINANCING SOURCES (USES)				
Transfer in	267,795	357,300	290,014	(67,286)
Transfer out	-	-	(355,659)	(355,659)
Total other financing sources (uses)	<u>267,795</u>	<u>357,300</u>	<u>(65,645)</u>	<u>(422,945)</u>
NET CHANGE IN FUND BALANCES	<u>\$ 1,103,135</u>	<u>\$ (695,700)</u>	(564,717)	<u>\$ 130,983</u>
BEGINNING FUND BALANCES			<u>1,111,438</u>	
ENDING FUND BALANCES			<u>\$ 546,721</u>	

CITY OF SUISUN CITY
OFF-SITE STREET IMPROVEMENT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
REVENUES				
Developer fees	\$ 22,548	\$ 847,000	\$ 22,549	\$ (824,451)
Investment earnings	20,477	60,000	74,934	14,934
Total revenues	<u>43,025</u>	<u>907,000</u>	<u>97,483</u>	<u>(809,517)</u>
EXPENDITURES				
Current:				
Community development	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>43,025</u>	<u>907,000</u>	<u>97,483</u>	<u>(809,517)</u>
OTHER FINANCING SOURCES (USES)				
Transfer in	-	-	318,954	318,954
Transfer out	<u>(135,747)</u>	<u>(181,000)</u>	<u>(180,996)</u>	<u>4</u>
Total other financing sources (uses)	<u>(135,747)</u>	<u>(181,000)</u>	<u>137,958</u>	<u>318,958</u>
NET CHANGE IN FUND BALANCES	<u>\$ (92,722)</u>	<u>\$ 726,000</u>	235,441	<u>\$ (490,559)</u>
BEGINNING FUND BALANCES			<u>3,738,900</u>	
ENDING FUND BALANCES			<u>\$ 3,974,341</u>	

CITY OF SUISUN CITY
HOUSING AUTHORITY SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget
				Positive (Negative)
REVENUES				
Investment earnings	\$ -	\$ 7,625	\$ 48,901	\$ 41,276
Miscellaneous revenue	-	179,667	155,262	(24,405)
Total revenues	-	187,292	204,163	16,871
EXPENDITURES				
Current:				
General government	-	202,500	53,883	148,617
Community development	-	105,167	103,675	1,492
Total expenditures	-	307,667	157,558	150,109
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	(120,375)	46,605	166,980
OTHER FINANCING SOURCES (USES)				
Transfer in	-	1,404,250	9,808,963	8,404,713
Transfer out	-	(720,667)	(27,085)	693,582
Total other financing sources (uses)	-	683,583	9,781,878	9,098,295
NET CHANGE IN FUND BALANCES	<u>\$ -</u>	<u>\$ 563,208</u>	9,828,483	<u>\$ 9,265,275</u>
BEGINNING FUND BALANCES			-	
ENDING FUND BALANCES			<u>\$ 9,828,483</u>	

CITY OF SUISUN CITY
RDA-HOUSING SET-ASIDE SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental revenue	\$ 4,114	\$ 39,475	\$ 4,886	\$ (34,589)
Reimbursements	251,788	265,533	237,547	(27,986)
Total revenues	255,902	305,008	242,433	(62,575)
EXPENDITURES				
Current:				
General government	355,526	966,175	-	966,175
Community development	142,947	147,233	391,853	(244,620)
Total expenditures	498,473	1,113,408	391,853	721,555
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(242,571)</u>	<u>(808,400)</u>	<u>(149,420)</u>	<u>658,980</u>
OTHER FINANCING SOURCES (USES)				
Transfer in	3,431,143	1,965,950	-	(1,965,950)
Transfer out	-	-	(9,848,982)	(9,848,982)
Total other financing sources (uses)	3,431,143	1,965,950	(9,848,982)	(11,814,932)
NET CHANGE IN FUND BALANCES	<u>\$ 3,188,572</u>	<u>\$ 1,157,550</u>	(9,998,402)	<u>\$ (11,155,952)</u>
BEGINNING FUND BALANCES			<u>9,998,402</u>	
ENDING FUND BALANCES			<u>\$ -</u>	

PROPRIETARY FUNDS

Internal service funds, a type of proprietary fund, account for City operations financed and operated in a manner similar to a private business enterprise. The intent of the City is that the cost of providing goods and services to other City funds be financed through user charges to those funds.

**CITY OF SUISUN CITY
 PROPRIETARY FUNDS
 STATEMENT OF NET ASSETS
 JUNE 30, 2012**

	<u>Governmental Activities- Internal Service Funds</u>
ASSETS	
Current Assets:	
Cash and investments	\$ 2,200,463
Other assets	<u>10,931</u>
Total Current Assets	<u>2,211,394</u>
Non-Current Assets:	
Capital assets	
Depreciable, net	<u>580,984</u>
Total Assets	<u>2,792,378</u>
LIABILITIES	
Current Liabilities:	
Accounts payable	31,962
Due to City of Suisun City	19,724
Claims payable	<u>173,270</u>
Total Current Liabilities	<u>224,956</u>
Non-Current Liabilities:	
Claims payable	<u>681,015</u>
Total Liabilities	<u>905,971</u>
NET ASSETS	
Invested in capital assets	580,984
Unrestricted	<u>1,305,423</u>
Total Net Assets	<u>\$ 1,886,407</u>

See accompanying notes to the financial statements

**CITY OF SUISUN CITY
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
 FOR THE YEAR ENDED JUNE 30, 2012**

	<u>Governmental Activities - Internal Service Funds</u>
OPERATING REVENUES	
Charges to City departments	\$ 2,150,476
Miscellaneous	84,795
Total Operating Revenue	<u>2,235,271</u>
OPERATING EXPENSES	
Salaries and benefits	1,281,307
Services and supplies	749,764
Claims and settlements	451,115
Depreciation	113,348
Total Operating Expenses	<u>2,595,534</u>
Operating Income (Loss)	<u>(360,263)</u>
NONOPERATING REVENUES (EXPENSES)	
Interest income	41,672
Sales of assets	6,031
Total Nonoperating Revenues (Expenses)	<u>47,703</u>
CHANGE IN NET ASSETS	(312,560)
Net Assets, Beginning of Year	<u>2,198,967</u>
Net Assets, End of Year	<u>\$ 1,886,407</u>

See accompanying notes to financial statements

**CITY OF SUISUN CITY
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED JUNE 30, 2012**

	<u>Governmental Activities - Internal Service Funds</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from customers/departments	\$ 2,235,271
Cash paid to suppliers	(962,396)
Cash paid to employees	(1,281,307)
Net cash used by operating activities	<u>(8,432)</u>
CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchase of capital assets	(45,454)
Sale of capital assets	6,031
Net cash used by capital and related financing activities	<u>(39,423)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest received	41,672
Cash Flows from Investing Activities	41,672
Net Cash Flows	<u>(6,183)</u>
Cash and investments at beginning of period	<u>2,206,646</u>
Cash and cash equivalents at end of period	<u>\$ 2,200,463</u>
Reconciliation of operating income (loss) to net cash flows from operating activities:	
Operating income (loss)	\$ (360,263)
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:	
Depreciation	113,348
Change in assets and liabilities:	
Accounts payable and claims payable	238,483
Cash Flows from Operating Activities	<u>\$ (8,432)</u>

See accompanying notes to financial statements

FIDUCIARY FUNDS

Fiduciary fund, are used to account for assets held by the City as an agent for individuals, private organizations, and other governments. The financial activities of these funds are excluded from the Entity-wide financial statements, but are presented in separate Fiduciary Fund financial statements.

**CITY OF SUISUN CITY
 FIDUCIARY FUNDS
 STATEMENT OF FIDUCIARY NET ASSETS
 PRIVATE PURPOSE TRUST FUND
 JUNE 30, 2012**

	Total
ASSETS	
Cash and cash equivalents	\$ 4,476,789
Cash with fiscal agent	4,360,608
Receivables:	
Loans	226,708
Deferred charges	1,482,868
Restricted assets - Cash and Investments	1,433,457
Total assets	11,980,430
LIABILITIES	
Accounts payable	8,710
Accrued liabilities	25,222
Deferred revenues	183,214
Advances from other governments	13,069,823
Interest payable	847,597
Long-term liabilities:	
Due within one year	2,614,361
Due in more than one year	60,983,524
Total liabilities	77,732,451
NET ASSETS	
Total net assets (deficit) held in trust	\$ (65,752,021)

See accompanying notes to the financial statements

**CITY OF SUISUN CITY
 FIDUCIARY FUNDS
 STATEMENT OF CHANGES IN
 FIDUCIARY NET ASSETS
 PRIVATE PURPOSE TRUST FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

	RDA Obligation Retirement Trust Fund
ADDITIONS	
Tax increment revenues	\$ 2,322,229
Total additions	2,322,229
DEDUCTIONS	
Program expenses	1,427,195
Investment income (losses)	47,635
Debt services:	
Interest and fiscal charges	2,050,560
Total deductions	3,525,390
OTHER FINANCING SOURCES (USES)	
Extraordinary gain (loss) on dissolution of RDA	(64,548,860)
Total other financing sources (uses)	(64,548,860)
CHANGE IN NET ASSETS	(65,752,021)
NET ASSETS, BEGINNING OF YEAR	-
NET ASSETS (DEFICIT), END OF YEAR	\$ (65,752,021)

See accompanying notes to the financial statements

**CITY OF SUISUN CITY
 FIDUCIARY FUNDS
 STATEMENT OF FIDUCIARY NET ASSETS
 AGENCY FUNDS
 JUNE 30, 2012**

	<u>Agency Funds</u>
ASSETS	
Cash and investments (Note 3)	\$ 11,469,513
Cash with fiscal agent (Note 3)	878,844
Assessments receivable	1,064,798
Total Assets	<u>\$ 13,413,155</u>
 LIABILITIES	
Accounts payable	\$ 384,472
Due to other agencies	13,028,683
Total Liabilities	<u>\$ 13,413,155</u>

See accompanying notes to financial statements

CITY OF SUISUN CITY
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements and accounting policies of the City of Suisun City (City) conform with generally accepted accounting principles applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Significant accounting policies are summarized below:

A. Reporting Entity

The City is governed by a five-member Council elected by City residents. The City is legally separate and fiscally independent which means it can issue debt, set and modify budgets and fees, and sue or be sued. These financial statements present the government and its component unit-entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the government's operations and so data from these units are combined with data of the primary government.

PRIMARY GOVERNMENT

The financial statements of the primary government of the City of Suisun City include the activities of the City as well as the Redevelopment Agency of the City of Suisun City, City of Suisun City Public Financing Authority, and City of Suisun City Housing Authority, which are controlled by and dependent on the City. While these are separate legal entities, their financial activities are integral to those of the City. Their financial activities have been aggregated and merged (termed "blending") with those of the primary government of the City in the accompanying financial statements.

BLENDED COMPONENT UNITS

The City of Suisun City Redevelopment Agency (Agency) was established to assist in the clearance and rehabilitation of City areas determined to be in a declining condition. The Agency has the same governing board as the City, all accounting and administrative functions are performed by City staff and its activities are intended to finance capital improvements and economic development to benefit the City. The first seven-month period activities from July 1, 2011 through January 31, 2012 are reported in the City financial statements. Effective February 1, 2012 the former agency was dissolved and their assets, liabilities and fund balances were transferred to the Redevelopment Agency Obligation Retirement Trust funds.

The Public Financing Authority is a joint powers authority duly organized and existing under and pursuant to that certain Joint Exercise of Powers Agreement dated as of March 9, 1990, by and between the City of Suisun City and the Redevelopment Agency of the City of Suisun City, and under the provisions of Articles 1 through 4 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the "Act"), and is authorized pursuant to Article 4 of the Act (the "Bond Law") to borrow money for the purpose of financing the acquisition of bonds, notes and other obligations of the Agency to provide financing for public improvements of the Agency and for the purpose of providing funds to purchase bonds of the Agency for the Suisun City Redevelopment Project.

Housing Authority of City of Suisun City was established on November 26, 1968. The City Council members are the commissioners of the Housing Authority pursuant to Section 34290 of the Health and Safety Code of the State of California. The Authority manages and administers the U.S. Department of Housing and Urban Development, Housing Choice Voucher Program. With the dissolution of the Redevelopment Agency effective on January 31, 2012, the low and moderate housing fund is now under the Housing Authority.

CITY OF SUISUN CITY
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation

The City's Basic Financial Statements are prepared in conformity with accounting principles generally accepted in the United States of America. The Government Accounting Standards Board is the acknowledged standard setting body for establishing accounting and financial reporting standards followed by governmental entities in the United States of America.

These Standards require that the financial statements described below be presented.

Government-wide Statements: The Statement of Net Assets and the Statement of Activities display information about the primary government (the City) and its component units. These statements include the financial activities of the overall City government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. Interfund services provided and used are not eliminated in the process of consolidation. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs, (b) grants and contributions that are restricted to meeting the operational needs of a particular program and (c) capital grants and contributions, all of which are capital grants under California law. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the City's funds, including fiduciary funds and blended component units. Separate statements for each fund category—*governmental* and *fiduciary*—are presented. The emphasis of fund financial statements is on major individual governmental funds, each of which is displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

C. Major Funds

Major funds are defined as governmental funds which have either assets, liabilities, revenues or expenditures equal to ten percent of their fund-type total and five percent of the grand total. The General Fund is always a major fund. The City may select other governmental funds it believes should be presented as major funds.

The City reported the following major governmental funds in the accompanying financial statements:

General Fund – The fund is used to account for the resources to carry out basic governmental activities of the City such as general government, public safety, public works, and parks and recreation which are not required to be accounted for in another fund.

Local Transportation Special Revenue Fund - This fund accounts for federal, state and local funds used for streets, pedestrian, and bikeway improvements.

Off-site Street Improvements Fund – This fund accounts for capital improvement fees generated by new development and expended on street improvements citywide.

CITY OF SUISUN CITY
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Housing Authority Special Revenue – This fund is used to account for the use of housing assets from the former Redevelopment Agency.

RDA Housing Set - Aside Special Revenue - This fund is used to account for the 20 percent tax increment revenues set-aside monies required by law to be used only for low and moderate-income housing.

RDA Bonds Debt Service - This fund is used to account for the payment of principal and interest on long-term obligations. After the dissolution, the obligations were transferred to the successor agency of the Redevelopment Agency, which are reported under Private Purpose Trust funds. The City is the successor agency of the Redevelopment Agency now and the private purpose trust funds are presented separately in the statements of Fiduciary funds.

D. Basis of Accounting

The government-wide, proprietary, and private-purpose trust fund financial statements are reported using the economic resources measurement focus and the full accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The City considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. Governmental capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of governmental long-term debt and acquisitions under capital leases are reported as other financing sources.

Non-exchange transactions, in which the City gives or receives value without directly receiving or giving equal value in exchange, include taxes, grants, entitlements, and donations. On the accrual basis, revenue from taxes is recognized in the fiscal year for which the taxes are levied or assessed. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principle operating revenues of the City's internal service funds are charges to customers or other funds for sales and services. Operating expenses for internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting the definition are reported as non-operating revenues and expenses.

E. Cash and Cash Equivalents

For purposes of the statement of cash flows, the City considers all highly liquid investments with maturity of three months or less when purchased to be cash equivalents. The proprietary funds "deposits" in the City cash and investment pool are, in substance, demand deposits and are therefore considered cash equivalents.

CITY OF SUISUN CITY
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. *Use of Restricted/Unrestricted Net Assets*

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

G. *Receivables and Payables*

Transactions 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 noncurrent portion of interfund loans).

Long-term advances between funds are offset by a fund balance reserve account in applicable governmental funds indicate they are not available for appropriation and are not expendable available financial resources. The investment in tax allocation bonds held by the Financing Authority, a component unit, has been eliminated in the accompanying financial statements.

The City makes housing rehabilitation, economic development, and redevelopment loans to individuals and businesses. These long-term loans are carried as assets of the government funds making loans. Fund balance accounts are reserved for such loans to indicate they are not available for appropriation and are not expendable available financial resources.

H. *Prepaid Items*

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

Prepaid items, as reported in the fund financial statements, are offset by a reservation of fund balance for noncurrent assets in government funds to indicate that they do not constitute resources available for appropriation.

I. *Compensated Absences*

Compensated absences comprise unused vacation leave and other employee benefits which are accrued as earned. The City's liability for compensated absences is recorded in various Governmental funds or Proprietary funds as appropriate. The liability for compensated absences is determined annually. For all governmental funds, amounts expected to be permanently liquidated are recorded as fund liabilities; the long-term portion is recorded in the Statement of Net Assets. Compensated absences are reported in governmental funds only if they have matured (unused reimbursable compensated absences still outstanding following an employee's resignation or retirement).

CITY OF SUISUN CITY
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Changes in compensated absences were as follows:

Beginning Balance	\$	448,146
Additions		702,410
Payments		<u>(628,990)</u>
Ending Balance		521,566
Due in One Year		<u>260,783</u>
Due in More than One Year	\$	<u><u>260,783</u></u>

Compensated absences are liquidated by the fund that has record the liability. The long-term portion of governmental activities compensated absences is liquidated primarily by the General Fund.

J. Capital Assets

The City's assets are capitalized at historical cost or estimated historical cost. City policy has set the capitalization threshold for general capital assets at \$5,000 and the threshold for infrastructure is \$100,000 for assets with a useful life of 20 years or greater. Gifts and contributions of capital assets are recorded at fair market value on the date donated. Depreciation of capital assets is charges as an expense each year and the total amount of depreciation taken over the years, accumulated depreciation, is reported on the Statement of Net Assets as a reduction in the book value of capital assets.

K. Property Tax Revenues

Solano County assesses properties and bills, collects, and distributes property taxes to the City. The County remits the entire amount levied and handles all delinquencies, retaining interest and penalties. Secured and unsecured property taxes are levied on January 1.

Secured property tax is due in two installments, on November 1 and March 1, and becomes a lien on those dates. It becomes delinquent on December 10 and April 10, respectively. Unsecured property tax is due on July 1, and becomes delinquent on August 31.

The term "unsecured" refers to taxes on personal property other than real estate, land and buildings. These taxes are secured by liens on the property being taxed. Property tax revenues are recognized by the City in the fiscal year they are assessed provided they become available as defined above.

L. Estimates

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

CITY OF SUISUN CITY
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

M. Recent Accounting Pronouncements

GASB Statement No. 61

In November, 2010, GASB issued Statement No. 61, *The Financial Reporting Entity: Omnibus – an amendment of GASB Statements No. 14 and No. 34*. The objective of this Statement is to improve financial reporting for a governmental financial reporting entity. The requirements of Statement No. 14, The Financial Reporting Entity, and the related financial reporting requirements of Statement No. 34, Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments, were amended to better meet user needs and to address reporting entity issues that have arisen since the issuance of those Statements. This pronouncement is effective for periods beginning after June 15, 2012. The City does not believe there will be a significant financial statement effect related to this Statement.

GASB Statement No. 62

In December 2010, GASB issued Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, effective in fiscal year 2012-2013. This statement incorporates certain accounting and financing reporting guidance into GASB's authoritative literature, included in the following pronouncements issued on or before Nov. 30th, 1989, which does not conflict with or contradict GASB pronouncements:

- Financial Accounting Standards Board (FASB) Statements and Interpretations
- Accounting Principles Board Opinions
- Accounting Research Bulletins of the American Institute of Certified Public Accountants' (AICPA) Committee on Accounting Procedure

This statement also supersedes GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, eliminating the election for enterprise funds and business-type activities to apply post-November 30, 1989, FASB statements and Interpretations that do not conflict with or contradict GASB pronouncements. However, governments can apply post-November 30, 1989, FASB pronouncements that do not conflict with or contradict GASB pronouncements. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2011. Earlier application is encouraged.

The provisions of this Statement generally are required to be applied retroactively for all periods presented. The City has not determined its effect on the financial statements.

GASB Statement No. 63

In June 2011, GASB issued Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. This Statement provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources. Concepts Statement No.4, *Elements of Financial Statements*, introduced and defined those elements as a consumption of net assets by the government that is applicable to a future reporting period, and an acquisition of net assets by the government that is applicable to a future reporting period, respectively. Previous financial reporting standards do not include guidance for reporting those financial statement elements, which are distinct from assets and liabilities. The provisions of Statement 63 are effective for financial statements for periods beginning after December 15, 2011, with earlier application encouraged. The City has not determined its effect on the financial statements.

CITY OF SUISUN CITY
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

GASB Statement No. 65

In March 2012, GASB issued Statement No. 65, *Items Previously Reported as Assets and Liabilities*. This Statement establishes accounting and financial reporting standards that reclassify as deferred outflows of resources and deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognized as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. The provisions of Statement No. 65 are effective for financial statements for periods beginning after December 15, 2012, which earlier application encouraged. The City has not determined its effect on the financial statements.

GASB Statement No. 66

In March 2012, GASB issued Statement No. 66, *Technical Correction – 2012 – an amendment of GASB Statement No. 10 and No. 62*. The objective of this Statement is to improve accounting and financial reporting for a governmental financial reporting entity by resolving conflicting guidance that resulted from the issuance of two pronouncements, Statements No. 54, *Fund Balance Reporting and Government Fund Type Definitions*, and No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. The provisions of Statement 66 are effective for financial statements for periods beginning after December 15, 2012, with earlier application encouraged. The City has not determined its effect on the financial statements.

GASB Statement No. 68

In June 2012, GASB issued Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local government employers about financial support for pensions that is provided by other entities. The provisions of Statement 68 are effective for financial statements for periods beginning after June 15, 2014, with earlier application encouraged. The City has not determined its effect on the financial statements.

GASB Statement No. 69

In January 2013, GASB issued Statement No. 69, *Government Combinations and Disposals of Government Operations*. The primary objective of this Statement is to establish accounting and financial reporting standards related to government combinations and disposals of government operations. As used in this Statement, the term *government combinations* includes a variety of transactions referred to as mergers, acquisitions, and transfers of operations. The provisions of Statement 69 are effective for financial statements for periods beginning after December 15, 2013, with earlier application encouraged. The City has not determined its effect on the financial statements.

CITY OF SUISUN CITY
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 2 - BUDGETS AND BUDGETARY ACCOUNTING

A. Budgeting Procedures

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for the special revenue, capital projects, and debt service governmental funds. All annual appropriations lapse at fiscal year end. The City submits requests for appropriations to the City Manager so that a budget may be prepared. The proposed budget is presented to the City Council for review. The Council holds public hearings and adopts a final budget.

The appropriated budget is prepared by fund, function, and department. The City Manager may make transfers of appropriations within a department. Transfers of appropriations between departments and other changes require the approval of the City Council. The legal level of budgetary control is the department and fund level. Encumbrances accounting, a method of recording purchase commitments, is not used by the City.

The budgets for the Suisun-Solano Water Authority and the Fairfield-Suisun Sewer District are prepared for approval by the respective agency's board.

B. Expenditures that Exceed Budget

The following funds listed below incurred expenditures in excess of their budgets in the amounts below. Sufficient resources were available within each fund to finance the expenditures.

Fund/Department	Amount
State Energy Program	\$ 67,472
JAG Grants	7,462
ATOD Grant	4,223
NSP Grant	107,174
Traffic Towing	165
Northbay Aqueduct-Debt Service	965

NOTE 3 - CASH AND INVESTMENTS

A. Policies

California Law requires banks and savings and loan institutions to pledge government securities with a market value of 110% of the City's cash on deposit or first trust deed mortgage notes with a value of 150% of the City's cash on deposit as collateral for these deposits. Under California Law this collateral is held in an investment pool by an independent financial institution in the City's name and places the City ahead of general creditors of the institution pledging the collateral. At June 30, 2012 the carrying value of the City's deposits and cash on hand was \$6,932,353. The City was not exposed to custodial credit risks as all deposits are insured or collateralized.

CITY OF SUISUN CITY
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 3 – CASH AND INVESTMENTS (Continued)

B. Classification

Cash and investments are classified in the financial statements as shown below, based on whether or not their use is restricted under the terms of City debt instruments or Agency agreements. Cash and investments as of June 30, 2012 are as follows:

Cash and investments in primary government:	
Cash and investments	\$ 16,495,635
Cash with fiscal agent	270,628
Total cash and investments in primary government	16,766,263
Cash and investments in trust funds (separate statement)	
Cash and investments	4,476,789
Cash with fiscal agent	4,360,608
Restricted cash and investments	1,433,457
Total cash and investments in trust funds	10,270,854
Cash and investments in Agency funds (separate statement)	
Cash and investments	11,469,513
Cash with fiscal agent	878,844
Total cash and investments in agency funds	12,348,357
Total cash and investments	\$ 39,385,474

C. Investments Authorized by the California Government Code and the City's Investment Policy

The City's Investment Policy and the California Government Code allow the City to invest in the following, provided the credit ratings of the issuers are acceptable to the City and approved percentages and maturities are not exceeded. The table below also identifies certain provisions of the California Government Code or the City's Investment Policy where it is more restrictive that addresses interest rate risk, credit risk and concentration of credit risk. This table does not address investments of debt proceeds held by bond trustees that are governed by the provisions of debt agreements of the City, rather than the general provisions of the California Government Code or the City's investment policy.

CITY OF SUISUN CITY
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 3 – CASH AND INVESTMENTS (Continued)

The City’s investment policy and the California Government Code allow the City to invest in the following:

Authorized Investment Type	Maximum Maturity	Minimum Credit Quality	Maximum Percentage of Portfolio	Maximum Investment In One Issuer
U.S. Treasury Bills, Bonds, and Notes	5 years	No Limit	No Limit	No Limit
Federal Agency Obligations	5 years	No Limit	No Limit	No Limit
Commercial Paper	180 days	A-1	25%	10%
Certificates of Deposit	5 years	No Limit	30%	No Limit
Local Agency Investment Fund	5 years	No Limit	No Limit	No Limit

D. Investments Authorized by Debt Agreements

The City must maintain required amounts of cash and investments with trustees or fiscal agents under the terms of certain debt issues. These funds are unexpended bond proceeds or are pledged reserves to be used if the City fails to meet its obligations under these debt issues. The California Government Code requires these funds to be invested in accordance with City resolutions, bond indentures or State statutes. The table below identifies the investment types that are authorized for investments held by fiscal agents. The bond indentures contain no limitations for the maximum investment in any one issuer or the maximum percentage of the portfolio that may be invested in any one investment type. The table also identifies certain provisions of these debt agreements:

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CITY OF SUISUN CITY
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 3 - CASH AND INVESTMENTS (Continued)

E. Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the City manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Information about the sensitivity of the fair values of the City's investments (including investments held by bond trustees) to market interest rate fluctuations is provided by the following table that shows the distribution of the City's investments by maturity or earliest call date:

Investment Type	12 Months or less	13 to 24 Months	25 to 36 Months	37 to 48 Months	49 to 60 Months	Total
U.S. Treasury Notes	\$ 1,283,184	\$ 2,090,585	\$ 1,968,865	\$ 1,842,871	\$ 2,461,579	\$ 9,647,084
Federal Agency Securities	6,331,318	3,678,463	2,603,260	2,419,677	-	15,032,718
Local Agency Investment Funds	3,149,932	-	-	-	-	3,149,932
Money Market Mutual Funds	2,782,959	-	-	-	-	2,782,959
Certificate of Deposits	1,242,532	447,191	150,705	-	-	1,840,428
Total Investments	\$ 14,789,925	\$ 6,216,239	\$ 4,722,830	\$ 4,262,548	\$ 2,461,579	32,453,121
Cash in Bank and on Hand						6,932,353
Total Cash and Investments						\$ 39,385,474

The City is a 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. The City reports its investment in LAIF at the fair value amount provided by LAIF, which is the same as the value of the pool share. The balance is available for withdrawal on demand, and is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. Included in LAIF's investment portfolio are collateralized mortgage obligations, mortgage-backed securities, other asset-backed securities, loans to certain state funds, United States Treasury Notes and Bills and floating rate securities issued by federal agencies, government-sponsored enterprises, and corporations. At June 30, 2012, these investments have an average maturity of 268 days.

F. Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The actual ratings as of June 30, 2012 for all U.S. Treasury Notes and Federal Agency Securities are AA+ as provided by Standard and Poor's investment rating system. Money Market Mutual Funds were rated AA+ by Standard and Poor's investment rating system. The Local Agency Investment Funds were not rated as of June 30, 2012.

CITY OF SUISUN CITY
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 3 - CASH AND INVESTMENTS (Continued)

G. Concentration of Credit Risk

The City's investment policy regarding the amount that can be invested in any one issuer is stipulated by the California Government Code. However, the City is required to disclose investments that represent a concentration of five percent or more of investments in any one issuer, held by individual City Funds in the securities of issuers other than U. S. Treasury securities, mutual funds and external investment pools.

At June 30, 2012, those investments consisted of:

<u>Reporting Unit</u>	<u>Issuer</u>	<u>Investment Type</u>	<u>Reported Amount</u>
Entity-wide	Federal National Mortgage Association	Federal Agency Securities	\$ 3,763,585
	Federal Home Loan Mortgage Corp.	Federal Agency Securities	8,346,005
Fiduciary Funds:			
RDA Sussessor Agency:	Federal Home Loan Bank	Federal Agency Securities	2,056,914

CITY OF SUISUN CITY
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 4 - INTERFUND TRANSACTIONS

A. Transfers Between Funds

With Council approval, resources may be transferred from one City fund to another. Transfers between funds during the fiscal year ended June 30, 2012 were as follows:

Fund Making Transfer	Fund Receiving Transfers	Amount Transferred	
General Fund	RDA - Other Special Revenue Fund	\$ 12,950	E
	RDA Bond Debt Service Fund	1,393,500	C
	Non-Major Governmental Funds	249,860	A
Local Transportation Special Revenue Fund	Off-site Street Improvement Fund	318,954	B
	Non-Major Governmental Funds	36,705	B
Off-site Street Improvement Funds	Local Transportation Special Revenue Fund	180,996	B
Housing Authority Special Revenue	General Fund	27,085	A
RDA-Housing Set-Aside Special Revenue	General Fund	37,919	A
	Housing Authority Special Revenue	9,808,963	D
	Non-Major Governmental Funds	2,100	A
RDA Bonds Debt Service Fund	General Fund	197,207	A
	Non-Major Governmental Funds	752,381	A
Non-Major Governmental Funds	General Fund	786,724	A
	Local Transportation Special Revenue Fund	109,018	B
	RDA-Housing Set-Aside Special Revenue	71,160	A
	RDA Bonds Debt Service Fund	3,114,171	C
	Non-Major Governmental Funds	736,679	A
		<u>\$ 17,836,372</u>	
(A) To fund general operations/receiving transfers.		\$ 2,861,115	
(B) To fund capital improvement projects.		645,673	
(C) To fund debt service.		4,507,671	
(D) To transfer to a new fund prompted by the RDA dissolution		9,808,963	
(E) To reimburse RDA - Administration Fund		12,950	
		<u>\$ 17,836,372</u>	

CITY OF SUISUN CITY
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 4 – INTERFUND TRANSACTIONS (Continued)

B. Current Interfund Balances

Current interfund balances arise in the normal course of business and are expected to be repaid shortly after the end of the fiscal year. At June 30, 2012 the following funds have balances due to the General Fund.

Due To:	Due From:	Amount
General Fund	Special Revenue Funds:	
	Local Transportation Fund	\$ 603,218
	State Energy Programs	117,545
	Police Grants	55,284
	Boating Safety	12,063
	Vest Grant	435
	ATOD	44,867
	SLESF Grant	7,281
	Marina Fuel	34,287
General Fund	Special Assessment Districts	45,227
General Fund	Debt Service Fund - Civic Center COP	3,938
General Fund	Capital Projects Fund:	
	Municipal Facilities Equipment	187,951
	Senior Center Improvement	8,923
General Fund	Internal Service Fund	19,724
	Total	<u>\$ 1,140,743</u>

NOTE 5 – NOTES RECEIVABLE

Notes receivable, including accrued interest and related deferred revenue, comprised balances from the following programs, all of which are discussed below:

Bay Homes Development Corporation	\$ 1,936,859
Cottonwood Creek Housing Association, LP	6,645,442
Solano County - Library Construction	1,023,891
Redevelopment Loans - Rice/Miller	71,685
Main Street West partners, LLC	440,927
Wiseman - One Harbor Center-see Note 6	500,000
First Time Home Buyers	<u>1,907,045</u>
Total Notes Receivables	<u>\$ 12,525,849</u>

CITY OF SUISUN CITY
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 5 – NOTES RECEIVABLE (Continued)

A. *Bay Homes Development Corporation*

The note receivable of \$1,936,859 relates to a loan made by the RDA Housing Set-Aside fund to the Bay Homes Development Corporation for the purpose of constructing a 28-unit very low and moderate income rental housing project. Due to RDA dissolution, the former Redevelopment Agency assigned this agreement to the Housing Authority. The loan bears interest at 2% per annum and is secured by a deed of trust, assignment of rents, security agreement, and fixture filing on the underlying project. Repayment of the loan is to be made from residual cash flows, to the extent generated by the completed housing project. The Corporation owes unpaid interest of \$36,675 to the Agency as of June 30, 2012. All outstanding balance and accrued but unpaid interest is due and payable on June 21, 2026.

B. *Cottonwood Creek Housing Association*

The Agency entered to a Disposition, Development and Loan agreements with Cottonwood Creek Housing Associates, LP, a California limited partnership for the construction of Cottonwood Creek Apartments, a low and moderate income housing project of the Agency. The total loan agreement provides for loans up to \$7,950,000. The loan bears a contingent simple interest of 3% from the date of disbursement until paid and is secured by a deed of trust with assignment rents and security agreement. Repayment of the loan is contingent upon availability of residual income. The loan receivable at June 30, 2012 consists of a note from the sale of land valued at \$1,800,000 and cash advances of \$4, 845,442. Due to RDA dissolution the former Redevelopment Agency assigned this agreement to the Housing Authority.

C. *Solano County Library Construction*

The Agency advanced \$1,098,000 to Solano County for the construction of the Solano County Library. The Agency will be repaid from future collections of Public Facilities Fees for all advances made by the Agency. The City has collected \$0 Public Facilities Fees as of June 30, 2012. Such repayments shall include interest of three percent (3%) per annum. As of June 30, 2012, the outstanding balance of these loans was \$1,023,891. Due to RDA dissolution the former Redevelopment Agency assigned this agreement to the City.

D. *Redevelopment, Housing Rehabilitation, and CDBG*

The City and the Agency entered into agreements with individuals and businesses for housing rehabilitation, economic development, and redevelopment loans. As of June 30, 2012, the outstanding balance of these loans was \$512,612. Due to RDA dissolution the former Redevelopment Agency assigned this agreement to the City.

CITY OF SUISUN CITY
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 5 – NOTES RECEIVABLE (Continued)

E. First Time Home Buyers

To create affordable homeownership opportunities for qualified low and moderate income persons and households, the Suisun City Redevelopment Agency (the “Agency”) provides down payment assistance in the form of 2nd mortgages. The Agency made one (1) loan during fiscal year 2012 in the amount of \$23,918. The loan terms are zero percent interest with deferred monthly payments. Each loan is due upon the sale of the property, or in the event of a default (e.g., homeowner decides to rent the house). In the event of a sale, the borrower is required to pay the Agency the outstanding principal amount of the loan in addition to the Agency’s pro rata share of equity appreciation (amount of loan/original purchase price-approved capital improvements). The loans are completely forgiven if the borrower stays in the home for forty-five (45) years. The Agency has not collected any repayments from loans made as part of this program as no properties have sold or are in default of the loan terms. As of June 30, 2012, the aggregate outstanding balance of loans under this program was \$1,907,045. Due to RDA dissolution the former Redevelopment Agency assigned this agreement to the Housing Authority.

NOTE 6 – DEVELOPMENT AGREEMENT

Pursuant to a Development and Disposition Agreement, the Agency sold, for \$722,400, a parcel of real property known as the North Harbor site to a developer for the purpose of assisting in the construction of a commercial office building. The developer is to pay the Agency the greater of \$500,000 or 10% of the cumulative gross proceeds derived from the project as defined whether derived from operation or sale of the project. If the Agency has not been paid such amounts prior to 20 years after the certificate of occupancy is issued with respect to the building, then the entire amount shall become due and payable. Due to RDA dissolution, the former Redevelopment Agency assigned this agreement to the City. The City has recorded this receivable at \$500,000 and has offset it by deferred revenue at the fund level statement under modified accrual accounting; but is recognized as revenue at the government-wide Statement of Activities under full accrual accounting.

Pursuant to the Disposition and Development Agreement as amended on February 19, 2009, between the Agency of Suisun City and Main Street West Partners, LLC (the “Developer”), the Agency agreed to provide a loan to the Developer of up to \$500,000 that bears an annual interest rate of 6%. The Developer is entitled to use the loan to provide rent credits in the form of reduced or temporarily abated rent and to pay for tenant improvements for commercial tenants when such improvements exceed \$30 per square foot. The outstanding balance of the loan together with all accrued interest is due and payable from a component of the proceeds from the sale of residential units developed as part of the project in the amount of \$35,000 per residential unit. Repayments are credited first toward accrued interest then toward principal. The entire outstanding balance of the loan together with accrued interest is due and payable on February 19th, 2014. As of June 30, 2012, the Developer has drawn \$440,927. Due to RDA dissolution the former Redevelopment Agency assigned this agreement to the City. The Agency has recorded this amount and has offset it by deferred revenue at the fund level statement under modified accrual accounting. The deferred revenue is eliminated at the government-wide Statement of Activities under full accrual accounting.

CITY OF SUISUN CITY
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 6 – DEVELOPMENT AGREEMENT (Continued)

The Redevelopment Agency has entered into many agreements since its inception in order to carry out the goals and objectives of the Redevelopment Plan. Although many of the projects are complete from a physical standpoint, there are leftover provisions of certain agreements to monitor. In addition, there are agreements the Agency is in the middle of implementing and require on-going attention. City officers and employees have dealt with each agreement and with that in mind, the City is best equipped to assume each agreement and manage them in a manner consistent with the original intent of the Suisun City Redevelopment Agency.

NOTE 7 - CAPITAL ASSETS

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Contributed capital assets are valued at their estimated fair market value on the date contributed.

Capital assets with limited useful lives are depreciated over their estimated useful lives. The purpose of depreciation is to spread the cost of capital assets equitably among all users over the life of these assets. The amount charged to depreciation expense each year represents that year's pro rata share of the cost of capital assets. Depreciation is provided using the straight line method which means the cost of the asset is divided by its expected useful life in years and the result is charged to expense each year until the asset is fully depreciated. The City has assigned the useful lives listed below to capital assets:

Buildings	25-30 years
Improvements	10 years
Vehicle	3-10 years
Machinery and Equipment	3-10 years
Infrastructure	25-65 years
Streets-Pavement System	10-75 years

CITY OF SUISUN CITY
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 7 - CAPITAL ASSETS (Continued)

A. Capital Asset Additions and Retirements

Capital assets activity for the year ended June 30, 2012 is as follows:

	Balance June 30, 2011	Additions	Transfers and Adjustments	Balance June 30, 2012
Governmental Activities:				
Capital assets not being depreciated:				
Land and improvements	\$ 58,027,461	\$ -	\$ (5,876,156)	\$ 52,151,305
Construction in Progress	1,631,641	1,041,973	(1,152,753)	1,520,861
Total non-depreciable assets	<u>59,659,102</u>	<u>1,041,973</u>	<u>(7,028,909)</u>	<u>53,672,166</u>
Capital assets being depreciated:				
Buildings	29,966,360	-	-	29,966,360
Buildings and improvements	12,312,232	117,482	-	12,429,714
Equipment	4,479,120	43,368	-	4,522,488
Infrastructure	45,073,286	423,419	-	45,496,705
Streets-Pavement System	104,170,412	611,852	-	104,782,264
Total capital assets being depreciated	<u>196,001,410</u>	<u>1,196,121</u>	<u>-</u>	<u>197,197,531</u>
Less accumulated depreciation for:				
Buildings	7,535,958	599,327	-	8,135,285
Buildings and improvements	7,454,185	279,509	-	7,733,694
Equipment	2,819,812	234,162	-	3,053,974
Infrastructure	18,869,692	974,979	-	19,844,671
Streets-Pavement System	51,381,342	1,803,394	-	53,184,736
Total accumulated depreciation	<u>88,060,989</u>	<u>3,891,371</u>	<u>-</u>	<u>91,952,360</u>
Net capital assets being depreciated	<u>107,940,421</u>	<u>(2,695,250)</u>	<u>-</u>	<u>105,245,171</u>
Net capital assets	<u>167,599,523</u>	<u>(1,653,277)</u>	<u>(7,028,909)</u>	<u>158,917,337</u>
Internal Service Funds				
Vehicle, Machine & Equipment	2,674,065	45,454	(94,847)	2,624,672
Accumulated depreciation -Vehicle, Machine & Equipment	2,025,187	113,348	(94,847)	2,043,688
Net internal service funds	<u>648,878</u>	<u>(67,894)</u>	<u>-</u>	<u>580,984</u>
Total capital assets, net	<u>\$ 168,248,401</u>	<u>\$ (1,721,171)</u>	<u>\$ (7,028,909)</u>	<u>\$ 159,498,321</u>

CITY OF SUISUN CITY
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 7 - CAPITAL ASSETS (Continued)

Major construction in progress consists of \$749,845 Old Crystal Middle School Development and \$634,652 in Grizzly Bike Trail.

B. Capital Asset Contributions

Some capital assets may be acquired using Federal and State grant funds, or they may be contributed by developers or other governments. These contributions are required to be accounted for as revenues at the time the capital assets are contributed.

C. Depreciation Allocation

Depreciation expense is charged to functions and programs based on their usage of the related assets. The amounts allocated to each function or program are as follows:

Public safety	\$	182,107
Public works		743,821
Highways & streets		1,846,995
Building services		658,804
Culture and recreation		459,644
Internal Service Funds		113,348
Total depreciation expense	\$	4,004,719

D. Transactions Between the City and the Redevelopment Agency

The former Redevelopment Agency has acquired a significant inventory of real property for a variety of purpose. Last year, by virtue of Section 33205 of the Community Redevelopment Law which allows a redevelopment agency to delegate its redevelopment powers and functions to the city that created it, the former Redevelopment Agency transferred total of 84 parcels of properties amounting to \$24.4 million to the City and to Housing Authority. This year, the process of evaluating the remaining assets of the former redevelopment agency continues. The remaining assets of the former Redevelopment Agency which consists of buildings and improvements, equipment and infrastructure were all transferred to the City. The transfers were made to ensure that these properties are developed in furtherance of the redevelopment purposes identified in the former Agency's Redevelopment Plan.

During this process, it was noted that there were properties listed which no longer exist because they were re-parceled or were part of the Marina expansion. This resulted in \$5.9 million worth of assets removed from the books.

CITY OF SUISUN CITY
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 8 – LONG TERM DEBT

The City generally incurs long-term debt to finance projects or purchase assets, which will have useful lives equal to or greater than the related debt.

A. Current Year Transactions and Balance

The City's long-term debt activities for the year ended June 30, 2012 were as follows:

	Balance June 30, 2011	Additions	Retirement	Transfer to Successor Agency	Balance June 30, 2012	Current Portion
Redevelopment Agency:						
<i>Tax Allocation Bonds:</i>						
1998 Tax Allocation Revenue Bonds						
Current Interest Term Bonds						
3.9%-5.20%, due 10/1/28	\$ 6,140,000	\$ -	\$ 235,000	\$ 5,905,000	\$ -	\$ -
Capital Appreciation Bonds						
3.9%-5.32%, due 10/1/28 and						
3.9%-5.37%, due 10/1/33	14,284,242	451,056	-	14,735,298	-	-
2003-B Tax Allocation Refunding Bonds						
2.0%-3.375%, due 10/1/2023	31,780,000	-	1,765,000	30,015,000	-	-
2003-A Tax Allocation Refunding Bonds						
2.0%-3.375%, due 10/1/2023	5,265,000	-	260,000	5,005,000	-	-
<i>Loans payable:</i>						
Marina Loan #94-5-319						
4.5%, due 10/1/48	1,574,751	-	16,381	1,558,370	-	-
Marina Loan #91-10-305						
4.5% due 8/1/22	1,257,715	-	81,333	1,176,382	-	-
Marina Loan #91-10-305						
4.5% due 8/1/42	3,809,293	-	55,477	3,753,816	-	-
Marina Expansion Loan						
7.239%, due 10/24/25	2,358,829	-	97,237	2,261,592	-	-
Total Redevelopment Agency	<u>66,469,830</u>	<u>451,056</u>	<u>2,510,428</u>	<u>64,410,458</u>	<u>-</u>	<u>-</u>
City of Suisun City:						
North Bay Aqueduct						
due 7/1/36	1,911,805	-	74,665	-	1,837,140	75,690
General Obligation Bonds Highway 12 Expansion						
5.0%-5.2%, due 2/1/19	2,120,000	-	210,000	-	1,910,000	225,000
2004 Certificates of Participation						
1.5%-4.4%, due 11/1/15	1,155,000	-	215,000	-	940,000	220,000
Capital Lease Obligations	473,977	-	97,490	-	376,487	101,807
Total City of Suisun City	<u>5,660,782</u>	<u>-</u>	<u>597,155</u>	<u>-</u>	<u>5,063,627</u>	<u>622,497</u>
Total Governmental Activity Debt	<u>72,130,612</u>	<u>451,056</u>	<u>3,107,583</u>	<u>64,410,458</u>	<u>5,063,627</u>	<u>\$ 622,497</u>
<i>(Less) Plus:</i>						
2003-B deferred refunding, net	(1,249,167)	-	(56,052)	(1,193,115)	-	-
2003-B premium, net	37,459	-	1,681	35,778	-	-
2003-A discount, net	(17,067)	-	(474)	(16,593)	-	-
Total Long-term debt, net	<u>\$ 70,901,837</u>	<u>\$ 451,056</u>	<u>\$ 3,052,738</u>	<u>\$ 63,236,528</u>	<u>5,063,627</u>	<u>-</u>
Less: Current portion					<u>(622,497)</u>	
Non-current portion					<u>\$ 4,441,130</u>	

CITY OF SUISUN CITY
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 8 – LONG TERM DEBT (Continued)

The debt service fund – Highway 12 Bond provides payments for the general obligation bonds highway 12 expansion. The debt service fund – North Bay Aqueduct provides payments for the North Bay Aqueduct loan. The debt service fund – Civic Center COP provides payments for the 2004 Certificates of Participation. The debt service fund – Fire Truck Acquisition provides payments for the capital leases.

B. Debt Service Requirements

Future principal and interest payments were as follows at June 30, 2012:

For The Year Ending June 30,	Principal	Interest
2013	\$ 622,497	\$ 149,862
2014	648,030	124,649
2015	683,763	97,732
2016	655,081	68,896
2017	367,740	48,100
2018-2022	1,023,700	49,920
2023-2027	388,700	-
2028-2032	388,700	-
2033-2037	285,416	-
Total	<u>\$ 5,063,627</u>	<u>\$ 539,159</u>

C. Redevelopment Agency Long-Term Debt Issues

As of February 1, 2012, the bonds and all other loans payable of the former Redevelopment Agency were transferred to the Successor Agency of the Suisun City Redevelopment Agency due to ABx1 26, which dissolved redevelopment agencies in the State of California as of January 31, 2012. The Successor Agency, a separate legal entity, is responsible for the repayment of the principal and interest of the outstanding bonds. Additions to the Successor Agency, in the form of property taxes, have been pledged for the repayment of enforceable obligations (which include the bonds). Since the Redevelopment Agency no longer exists, the bonds have been removed from the City's government-wide financial statements.

CITY OF SUISUN CITY
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 8 - LONG-TERM DEBT (Continued)

D. City's Long-Term Debt Issues

North Bay Aqueduct Agreement Payable – On October 22, 1985, the City entered into an agreement with the Solano County Flood Control and Water Conservation District for the purpose of obtaining an additional water supply up to a maximum of 1,300 acre-feet per annum. Under the agreement, the City is required to make annual payments to the District for the cost to the District of route for the reach of the North Bay Aqueduct from the Delta to Cordelia (the capital cost of the Phase 2 of the North Bay Aqueduct). The City is obligated under the agreement to levy a zone of benefit property tax sufficient to provide for payment under the agreement. The agreement bears no interest and matures July 1, 2036.

General Obligation Bonds – The City issued \$4,250,000 of voter-approved general obligation bonds for the purpose of financing costs of widening that portion of California Highway 12 located within the City. The bonds bear interest at rates from 5.0% to 5.2%. Interest is payable semi-annually each February 1 and August 1, through 2019. Principal payments are payable annually each February 1, through 2019. Bonds maturing February 1, 2005 or thereafter are subject to early redemption, at the option of the City, with a premium from .5% to 2.0% from February 1, 2004 through January 31, 2008. The bonds are secured by levies of ad valorem taxes upon all property within the City subject to taxation.

2004 Certificates of Participation - In April 2004, the Suisun City Public Financing Authority issued \$2,490,000 of 2004 Certificates of Participation to assist the City in advance refunding its 1993 Certificates of Participation used to finance the Civic Center project. The Certificates are secured by a lease agreement between the Authority and the City, wherein the City agreed to make such lease payments and to include such payments in its budget during the term of the lease. The Certificates bear interest at rates from 1.5% to 4.40%. Interest is payable semi-annually each May 1 and November 1, through 2015. Principal payments are payable annually each November.

Capital Lease Obligations - On September 2, 2008, the City entered into a seven-year capital lease agreement to purchase a new fire truck in the amount of \$700,000. The lease is payable in semi-annual installments of \$ \$58,597 through September 27, 2015.

NOTE 9 – SPECIAL ASSESSMENT DEBT WITHOUT CITY'S COMMITMENT

On June 6, 2003, the City of Suisun City issued \$570,000 principal amount of Limited Obligation Refunding Improvement Bonds to refund \$615,000 outstanding aggregate principal amount of the City's Limited Obligation Improvement Bonds, Victorian Harbor Assessment Reassessment District, Series 1994-1. The Bonds are secured by the unpaid reassessments against 93 reassessment parcels. Neither the faith and credit nor the general taxing power of the City of Suisun have been pledged to the payment of the Bonds. Therefore, the Bonds have not been included in the accompanying financial statements. The balance of the outstanding debt principal was \$330,000 at June 30, 2012.

CITY OF SUISUN CITY
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 10 – NET ASSETS AND FUND BALANCES

A. Net Assets

Net Assets is the excess of all the City’s assets over all its liabilities, regardless of fund. Net Assets are divided into three captions. These captions apply only to Net Assets, which is determined only at the Government-wide level, and are described below:

Invested in Capital Assets, net of related debt describes the portion of Net Assets which is represented by the current net book value of the City’s capital assets, less the outstanding balance of any debt issued to finance these assets.

Restricted describes the portion of Net Assets which is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions which the Agency cannot unilaterally alter. These principally include developer fees received for use on capital projects and debt service requirements.

Unrestricted describes the portion of Net Assets which is not restricted to use.

B. Fund Balance

Nonspendable fund balance represents amounts that cannot be spent either because they are in a nonspendable form or are required to be maintained intact such as prepaid expenses, inventories and long term receivables.

Restricted fund balance represents amounts that are constrained for specific purposes by state or federal laws, enabling legislation or externally imposed conditions by grantors or creditors.

Committed resources reflect amounts that can only be used for specific purposes pursuant to constraints imposed by a formal action of the entity’s “highest level of decision making authority,” which would be by an ordinance passed by the City Council. The constraint remains binding unless modified or rescinded in the same formal manner by the City Council.

Assigned fund balance represents amounts that are constrained by the City’s intent to be used for specific purposes, but are neither restricted nor committed. The City Council delegated the authority to assign amounts to be used for specific purposes to the Administrative Services Director.

Unassigned fund balance are either residual positive net resources of the General Fund in excess of what can properly be classified in one of the other four categories in the General Fund, or negative balances in all other funds.

Fund Balance Policy – When both restricted and unrestricted funds are available for expenditure, the city’s Fund Balance Policy reduces all Governmental Funds Balances in the following order: Restricted, Committed, Assigned, and Unassigned fund balances unless disallowed by City Council or legal requirements.

CITY OF SUISUN CITY
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 10 – NET ASSETS AND FUND BALANCES (Continued)

C. Deficit / Fund Balance

As of June 30, 2012, the Municipal Facilities Fund had a negative fund balance of \$196,451; it was the result of returning the money paid by the former Redevelopment Agency to the Successor Agency of the Suisun City Redevelopment for the reimbursement agreement regarding the Civic Center COP. The obligation will be settled through the Recognized Obligation Payment Schedule (ROPS). The Marina Fuel had a negative fund balance of \$11,328. These deficits are expected to be eliminated by revenues earned from sources typically accounted for in these funds; otherwise, the general fund will subsidize these deficits.

D. Fund Balance Classification Detail

	Major Funds					Total Governmental Funds
	General	Local Transportation Special Revenue	Off-site Street Improvement	Housing Authority Special Revenue	Other Governmental	
Nonspendable:						
Advances	\$ -	\$ -	\$ -	\$ 6,901,505	\$ -	\$ 6,901,505
Prepaid and other assets	9,391	-	-	771	-	10,162
Notes receivable	71,685	-	-	1,936,859	-	2,008,544
Restricted for:						
Housing programs	-	-	-	989,348	113,602	1,102,950
Debt service	-	-	-	-	434,167	434,167
Special project and programs	199,284	546,721	-	-	1,440,471	2,186,476
Street improvement projects	-	-	3,974,341	-	-	3,974,341
Park development	-	-	-	-	1,145,335	1,145,335
Sewer maintenance	-	-	-	-	1,416,567	1,416,567
Special districts assessments	-	-	-	-	1,628,268	1,628,268
Committed for:						
Main street west project	59,073	-	-	-	-	59,073
Special events	-	-	-	-	17,124	17,124
Assigned for:						
Asset forfeiture	-	-	-	-	10,209	10,209
DARE donations	-	-	-	-	10,985	10,985
Nuisance abatement	-	-	-	-	24,198	24,198
Unassigned for:						
General operations	4,318,768	-	-	-	(196,451)	4,122,317
Marina operations	-	-	-	-	(11,328)	(11,328)
Total fund balances	<u>\$ 4,658,201</u>	<u>\$ 546,721</u>	<u>\$ 3,974,341</u>	<u>\$ 9,828,483</u>	<u>\$ 6,033,147</u>	<u>\$ 25,040,893</u>

NOTE 11 - RISK MANAGEMENT

A. Risk Coverage

The City is exposed to various risks of loss to torts, theft of, damage to and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The City has a self-insurance internal service fund to account for and finance its uninsured risks of loss. Under this program, the self-insurance fund provided coverage up to a maximum of \$25,000 for each general liability claim, \$5,000 for each property damage claim, and \$250,000 for each workers' compensation claim. The City is a member of the Local Agency

CITY OF SUISUN CITY
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 11 - RISK MANAGEMENT (Continued)

Worker's Compensation Excess Joint Powers Authority (LAWCX) that provides coverage in excess of \$250,000.

LAWCX's financial statements may be obtained from Bickmore & Associates, 6371 Auburn Boulevard, Citrus Heights, CA 95621.

The City is a member of the Association of Bay Area Governments (ABAG) PLAN Corporation, a 32-member public entity insurance pool. The ABAG PLAN Corporation provides the City general liability coverage of \$5,000,000 per occurrence and property insurance coverage of \$100,000 per occurrence, both subject to the respective deductibles in the above paragraph. The City is also covered by the Special Excess Liability Policy with Driver Alliant Integrated Insurance for up to \$10,000,000 in general liability, and for property, excess of \$100,000 up to replacement cost. Special Excess Liability Settled claims have not exceeded this commercial coverage in any of the past three years.

Audited financial statements may be obtained from ABAG Services, P.O. Box 2050, Oakland, CA 94604-2050.

The City has coverage for Commercial Crime under Driver Alliant Integrated Insurance. This policy provides coverage up to a maximum of \$1,000,000, with a \$5,000 deductible.

All funds of the City participate in the program and make payments to the self-insurance fund based on estimates of amounts needed to pay prior and current year claims and to establish a reserve for catastrophe losses. The claims liability of \$854,285 reported in the fund at June 30, 2012 is based on accounting standards which require that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred and the amount of the loss can be reasonable estimated.

B. Liability for Uninsured Claims

The following is a summary of changes in City recorded claim liabilities during the years ended June 30:

	2012	2011
Beginning balance	\$ 638,242	\$ 577,644
Increase (Decrease) in current year claims and changes in estimates	667,158	377,774
Claims paid	(451,115)	(317,176)
Ending Balance	854,285	638,242
Current portion	173,270	243,906
Non-current portion	\$ 681,015	\$ 394,336

CITY OF SUISUN CITY
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 12 - PENSION PLAN

CALPERS Safety and Miscellaneous Employees Plans

The City participates in cost-sharing pension plans offered by California Public Employees Retirement System (CALPERS), an agent multiple employer defined benefit pension plan which acts as a common investment and administrative agent for its participating member employers. CALPERS provides retirement and disability benefits, annual cost of living adjustments and death benefits to plan members and beneficiaries. The City's employees participate in the separate Safety (police and fire) and Miscellaneous (all other) Employee Plans. Benefit provisions under both Plans are established by State statute and City resolution. Benefits are based on years of credited service, equal to one year of full time employment. Funding for city's contributions for both Plans are determined annually on an actuarial basis as of June 30 by CALPERS. The Plans' provisions and benefits in effect at June 30, 2012, are summarized as follows:

	<u>Safety - Fire</u>	<u>Safety - Police</u>	<u>Miscellaneous</u>
Benefit Vesting Schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	55	50	55
Monthly benefits, as % of annual salary	1.426% - 2.50%	3%	1.426% - 2.418%
Required employee contribution rates	7%	9%	7%
Required employer contribution rates	28.087%	37.384%	12.035%

CALPERS determines contribution requirements using a modification of the Entry Age Normal Method. Under this method, the City's total normal benefit cost for each employee from date of hire to date of retirement is expressed as a level percentage of the related total payroll cost. Normal benefit cost under this method is the level amount the City must pay annually to fund an employee's projected retirement benefit. This level percentage of payroll method is used to amortize any unfunded actuarial liabilities. The actuarial assumptions used to compute contribution requirements are also used to compute the actuarial accrued liability.

The City uses the actuarially determined percentages of payroll to calculate and pay contributions to CALPERS. This results in no net pension obligations or unpaid contributions. Annual Pension Costs, representing the payment of all contributions required by CALPERS, for the years ended June 30 as follows:

<u>Year</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
2010	\$ 1,124,400	100%	\$ -
2011	1,182,877	100%	-
2012	1,233,619	100%	-

CALPERS uses the market related value method of valuing the Plan's assets. An investment rate of return of 7.5% is assumed, including inflation at 2.75%. Annual salary increases are assumed to vary by duration of service and annual retirement benefit increases are assumed to be 3.3%. The City's unfunded actuarial accrued liability is being amortized as a level percentage of payroll on a closed basis. The remaining amortization period at June 30, 2012 was 20 years for the miscellaneous plan, 21 years for the safety police plan, and 17 years for the safety fire plan.

CITY OF SUISUN CITY
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 12 - PENSION PLAN (Continued)

As required by State law, effective July 1, 2005, the City's Safety Plans and Miscellaneous Plan were terminated, and the Safety and Miscellaneous employees in the plan were required by CALPERS to join the new State-wide pools. One of the conditions of entry was for the City to adjust and true-up any unfunded liabilities or overfunded assets in the former Plan, either by paying cash or by increasing or decreasing its future contribution rates through a Side Fund offered by CALPERS.

The latest available actuarial values of the above State-wide pools (which differs from market value) and funding progress were set forth as follow. The information presented below relates to the State-wide pools as a whole, of which the City is one of the participating employers:

State-wide Pool - Safety Plan: Fire

Actuarial						
Valuation Date	Entry Age Accrued Liability	Value of Assets	Unfunded (Overfunded) Liability	Unfunded Ratio	Annual Covered Payroll	Unfunded (Overfunded) Liability as % of Payroll
2009	\$ 73,625,106	\$ 63,095,026	\$ 10,530,080	85.7%	\$ 21,879,598	48.1%
2010	80,550,533	69,069,025	11,481,508	85.7%	21,754,150	52.8%
2011	87,234,077	74,508,206	12,725,871	85.4%	21,957,452	58.0%

The City's Safety Fire Plan represents approximately 1.07%, 1.05%, and 1.04% of the State-wide pool for the years ended June 30, 2011, 2010, and 2009, respectively, based on covered payroll of \$234,860, \$229,219, and \$228,331 for those years.

State-wide Pool - Safety Plan: Police

Actuarial						
Valuation Date	Entry Age Accrued Liability	Value of Assets	Unfunded (Overfunded) Liability	Unfunded Ratio	Annual Covered Payroll	Unfunded (Overfunded) Liability as % of Payroll
2009	\$ 9,721,675,347	\$ 8,027,158,724	\$ 1,694,516,623	82.6%	\$ 973,814,168	174.0%
2010	10,165,475,166	8,470,235,152	1,695,240,014	83.3%	955,980,815	177.3%
2011	10,951,745,049	9,135,654,246	1,816,090,803	83.4%	949,833,090	191.2%

The City's Safety Police Plan represents approximately 0.19%, 0.17%, and 0.14% of the State-wide pool for the years ended June 30, 2011, 2010, and 2009, respectively, based on covered payroll of \$1,810,925, \$1,621,697, and \$1,410,031 for those years.

State-wide Pool - Miscellaneous Plan:

Actuarial						
Valuation Date	Entry Age Accrued Liability	Value of Assets	Unfunded (Overfunded) Liability	Unfunded Ratio	Annual Covered Payroll	Unfunded (Overfunded) Liability as % of Payroll
2009	\$ 3,104,798,222	\$ 2,758,511,101	\$ 346,287,121	88.8%	\$ 742,981,488	46.6%
2010	3,309,064,934	2,946,408,106	362,656,828	89.0%	748,401,352	48.5%
2011	3,619,835,876	3,203,214,899	416,620,977	88.5%	759,263,518	54.9%

CITY OF SUISUN CITY
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 12 - PENSION PLAN (Continued)

The City's Miscellaneous Plan represents approximately 0.50%, 0.50%, and 0.53% of the State-wide pool for the years ended June 30, 2011, 2010, and 2009 respectively, based on covered payroll of \$3,779,597, \$3,718,257, and \$3,920,345, 170 for those years.

NOTE 13 – OTHER POST EMPLOYMENT BENEFITS

During fiscal year 2009-2010, the City implemented the provisions of Governmental Accounting Standards Board Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions. This Statement establishes uniform financial reporting standards for employers providing postemployment benefits other than pensions (OPEB). The provisions of this statement are applied prospectively and do not affect prior year's financial statements. The City has elected to use the alternative measurement method as prescribed by GASB 45. Required disclosures are presented below.

A. Plan Description and Funding Policy

The City follows the governmental code section 22890-22905 and provides postretirement health care benefits to employees who retire on or after attaining a minimum of 10 years of public service who elected to receive benefits. The City has set a maximum amount of contribution of \$108 each month per each retiree. For retired employees with 10 years of service, the City contributes 50% of \$108 each month. For retired employees with 20 or more years of service, the City contributes 100% of its maximum amount of contribution monthly. The costs of postemployment benefits has been allocated in various funds based on function/program the retiree last served, i.e., if the retired employee's position is funded by General Fund, then his OPEB will be paid by the general fund. All eligible retirees can continue medical coverage with the Plan provided for active employees. The cost of the benefits provided by the Plan is currently being paid by the City on a pay-as-you-go basis. The long-term strategy for funding the benefits provided under the Plan is currently being evaluated.

B. Actuarial Assumptions

The annual required contribution (ARC) was determined as part of a June 30, 2012 actuarial valuation using the GASB 45 Alternative Measurement Method. This is a projected unit credit method, which takes into account those benefits that are expected to be earned in the future as well as those already accrued. The actuarial assumptions included (a) 2.0% investment rate of return, (b) 2.9% payroll growth rate, and (c) health care cost trend rates from 4.7% to 8.0% for medical benefits. Actuarially determined amounts are subject to revision at least tri-annually as results are compared to past expectations and new estimates are made about the future. The City's OPEB unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll using a 30 year amortization period on a closed basis, with 27 years remaining.

CITY OF SUISUN CITY
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 13 – OTHER POST EMPLOYMENT BENEFITS (Continued)

C. Funding Progress and Funded Status

The City's Net OPEB Obligation (NOO) is recorded in the Statement of Net Assets and is calculated as follows:

Annual Required Contribution	\$	81,554
Interest on Net OPEB Obligation		2,375
Adjustment to Annual Required Contribution		(3,444)
Annual OPEB cost		80,485
Age Adjusted Contributions made		(16,128)
(Decrease) increase in net OPEB obligations		64,357
Net OPEB obligation (asset) June 30, 2011		118,724
Net OPEB obligation (asset) June 30, 2012	\$	183,081

The actuarial accrued liability (AAL) representing the present value of future benefits, included in the actuarial study dated June 30, 2010 amounted to \$627,788.

The Schedule of Funding Progress presents trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits. Trend data from the June 30, 2010 actuarial study is presented below:

Actuarial Valuation Date	Actuarial Value of Assets (A)	Entry Age Actuarial Accrued Liability (B)	Unfunded (Overfunded) Actuarial Accrued Liability (B-A)	Funded Ratio (A/B)	Covered Payroll (C)	Unfunded (Overfunded) Actuarial Liability as Percentage of Covered Payroll [(B-A)/C]
June 30, 2010	\$ -	\$ 627,788	\$ 627,788	0.00%	\$ 5,900,300	10.64%

The annual OPEB costs, age adjusted contributions, the percentage of pension cost contributed, and net OPEB obligation for the fiscal year ended 2012, and the two preceding years were as follows:

Fiscal Year	Annual OPEB Cost	Age Adjusted Contribution	Percentage of Pension Cost Contributed	Net OPEB Obligation (Asset)
June 30, 2010	\$ 75,057	\$ 24,835	33.1%	\$ 50,222
June 30, 2011	81,102	12,600	15.5%	118,724
June 30, 2012	80,485	16,128	20.0%	183,081

CITY OF SUISUN CITY
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 14 – DISSOLUTION OF CALIFORNIA REDEVELOPMENT AGENCIES

On December 29, 2011, the California Supreme Court upheld Assembly Bill X1 26 (Bill) that provides for the dissolution of all redevelopment agencies in the State of California. Most cities in California including the City of Suisun City, had established a redevelopment agency that was included in the reporting entity as a blended component unit (since the City council, also served as the governing board).

The Bill provides that upon dissolution of a redevelopment agency, either the city or another unit of local government will agree to serve as the “successor agency” to hold the assets until they are distributed to other units of state and local government. If the city declines to accept the role of successor agency, other local agencies may elect to perform this role. If no local agency accepts the role of successor agency the Governor is empowered by the Bill to establish a local “designated local authority” to perform this role. On January 31, 2012 the City Council met and created a Successor Agency in accordance with the Bill as part of City resolution number 2012-04.

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

In future fiscal years, successor agencies will only be allocated tax 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.

The Bill directs the State Controller of the State of California to review the propriety of any transfers of assets between redevelopment agencies and other public bodies that occurred after January 1, 2011. If the public body that received such transfers is not contractually committed to a third party for the expenditure or encumbrance of those assets, the State Controller is required to order the available assets to be transferred to the public body designated as the successor agency by the Bill.

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.

Prior to that date, the final seven months of the activity of the redevelopment agency continued to be reported in the governmental funds of the City. After the date of dissolution, activities of the dissolved redevelopment agency are reported in a fiduciary trust fund (private purpose trust fund) in the financial statements of the City.

Management believes, in consultation with legal counsel, that the obligations of the former redevelopment agency due to the City are valid enforceable obligations payable by the successor agency trust under the requirements of the Bill. The City's position on this issue is not a position of settled law and there is considerable legal uncertainty regarding this issue. It is reasonably possible that a legal determination may be made at a later date by an appropriate judicial authority that would resolve this issue unfavorably to the City.

CITY OF SUISUN CITY
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 14 – DISSOLUTION OF CALIFORNIA REDEVELOPMENT AGENCIES
(Continued)

The transfer of the assets and liabilities of the former redevelopment agency as of February 1, 2012 (effectively the same date as January 31, 2012) from governmental funds of the City to fiduciary funds was reported in the governmental funds as an extraordinary loss in the governmental fund financial statements. The receipt of the assets and liabilities as of January 31, 2012 was reported in the private-purpose trust fund as an extraordinary loss.

Because of the different measurement focus of the governmental funds (current financial resources measurement focus) and the measurement focus of the trust funds (economic resources measurement focus), the extraordinary loss (gain) recognized in the governmental funds will not be the same amount as the extraordinary gain (loss) that will be recognized in the fiduciary fund financial statements.

The difference between the extraordinary loss recognized in the fund financial statements and the extraordinary loss recognized in the fiduciary fund financial statements is reconciled as follows:

Total extraordinary loss reported in the governmental funds - increase to net assets of the Successor Agency Trust funds	\$ 3,545,803
Long-term advance from the City reported in the government-wide financial statements - decrease to net assets of the Successor Agency Trust funds	(6,168,318)
Accrued bond interest reported in the government-wide financial statements - decrease to net assets of the Successor Agency Trust funds	(202,914)
Deferred charges recorded in the government-wide financial statements - increase to net assets of the Successor Agency Trust funds	1,513,097
Long-term debt recorded in the government-wide financial statements - decrease to net assets of the Successor Agency Trust funds	<u>(63,236,528)</u>
Net decrease to net assets of the Successor Agency Trust Funds as a result of initial transfers (equals to amount of extraordinary gain reported in the government-wide financial statements of the City)	<u>\$ (64,548,860)</u>

NOTE 15- COMMITMENTS AND CONTINGENCIES

The City participates in several Federal and State grant programs. These programs have been audited by the City's independent accountants in accordance with the provisions of the Federal Single Audit Act amendments of 1996 and applicable State requirements. No cost disallowances were proposed as a result of these audits. However, these programs are still subject to further examination by the grantors and the amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time. The City expects such amounts, if any, to be immaterial.

The City is subject to litigation arising in the normal course of business. In the opinion of the City Attorney there is no other pending litigation, which is likely to have a material adverse effect on the financial position of the City.

CITY OF SUISUN CITY
Notes to Basic Financial Statements
For the Year Ended June 30, 2012

NOTE 15- COMMITMENTS AND CONTINGENCIES (Continued)

Deductions (expenses) incurred by the Successor Agency for the year ended June 30, 2012 (and subsequent years in which the Successor Agency is in operation) are subject to review by various State agencies and the County in which the Successor Agency resides. If any expenses incurred by the Successor Agency are disallowed by the State agencies or County, the City, acting as the Successor Agency could be liable for the repayment of the disallowed costs from either its own funds or by the State withholding remittances normally paid to the City. The amount, if any, of expenses that may be disallowed by the State agencies or County cannot be determined at this time, although the Successor Agency expects such amounts, if any, to be immaterial.

It should also be noted on March 11, 2013, the State Department of Finance requested the City return \$2,097,500 to the Successor Agency, so the Successor Agency may remit the funds to the County for distribution to other taxing entities. The City Successor Agency disagrees, and is contesting the request through the "Meet and Confer" process outlined in State law. A final resolution to this matter is anticipated in April 2013.

NOTE 16 – ADVANCES TO OTHER GOVERNMENTS

The California State Legislature enacted ABx4-26, which, among other things, added Sections 33690 and 33690.5 to the Community Redevelopment Law (Health and Safety Code Section 33000 et seq.) requiring redevelopment agencies to make certain payments to its County Supplemental Educational Revenue Augmentation Fund ("SERAF") in FY 2009-10 and FY 2010-11. Each agency has received notification from the State Department of Finance indicating that the amount of their respective SERAF payments that must be made in advance of May 10, 2010, and May 10, 2011, respectively. The State is requiring approximately \$1.7 billion total from all agencies for fiscal year 2009-2010 and \$350 million for FY 2010-11, for a total of \$2.05 billion dollars. Health and Safety Code Section 33690(c) provides that if a Redevelopment Agency is unable to make its full SERAF payment for FY 2009-10 with redevelopment funds, the agency may borrow from its Housing Set-Aside Fund monies. City has found there are insufficient other monies available for the SERAF payment, as use of such money would severely impair the ability of the Agency carrying out programs and projects necessary to implement the Redevelopment Plan. Given the existing program and project commitments of the Agency, the Agency borrowed a total of \$6,901,505 from the Housing Set-Aside Fund, in accordance with ABX4-26, to make the required SERAF payment prior to May 10, 2010. Because of the Redevelopment Agency dissolution on January 31, 2012, the Housing Set-Aside Special Revenue fund remaining assets were transferred to Housing Authority Special Revenue. The obligations of the repayment of this advance were transferred to the Successor Agency and recorded in the private-purpose trust fund.

Pursuant to a reimbursement agreement, the former Redevelopment Agency of the City of Suisun City (RDA) is responsible for reimbursing the City for all lease payments (lease payments may also be referred to as debt service) paid to the Suisun City Public Financing Authority relating to a Certificate of Participation (COP) financing arrangement originally issued for the construction of the Suisun City Civic Center in 1987. As of January 31, 2012, the remaining reimbursement obligation of the former RDA (now the successor agency) is currently approximately \$6,168,300. A payment schedule for the \$6,168,300 was approved by the Successor Agency's Oversight Board, which consist of payments of \$350,000 in 2012 through 2016, \$500,000 in 2017 through 2024, and a final payment of approximately \$418,318 in year 2025. The payment amounts over the first five years would be reduced by any interest income or debt service reserves used to meet debt service obligations.

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SUPPLEMENTAL INFORMATION

CITY OF SUISUN CITY
RDA BONDS DEBT SERVICE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Property Tax	\$ 5,576,552	\$ 11,000,000	\$ 5,576,552	\$ (5,423,448)
Investment earnings	84,089	215,000	84,090	(130,910)
Total Revenues	<u>5,660,641</u>	<u>11,215,000</u>	<u>5,660,642</u>	<u>(5,554,358)</u>
EXPENDITURES				
Current:				
Tax increment pass-through	3,391,978	3,511,100	907,778	2,603,322
Principal on long-term debt	2,510,428	2,510,500	2,510,428	72
Interest and fiscal charges	1,601,161	2,505,800	1,416,761	1,089,039
Total Expenditures	<u>7,503,567</u>	<u>8,527,400</u>	<u>4,834,967</u>	<u>3,692,433</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(1,842,926)</u>	<u>2,687,600</u>	<u>825,675</u>	<u>(9,246,791)</u>
OTHER FINANCING SOURCES (USES)				
Extraordinary loss on RDA dissolution	-	-	(3,444,261)	(3,444,261)
Transfer in	573,581	817,300	4,507,671	3,690,371
Transfer out	(3,108,381)	(3,495,800)	(949,588)	2,546,212
Total Other Financing Sources (Uses)	<u>(2,534,800)</u>	<u>(2,678,500)</u>	<u>113,822</u>	<u>2,792,322</u>
CHANGE IN FUND BALANCES	<u>\$ (4,377,726)</u>	<u>\$ 9,100</u>	<u>\$ 939,497</u>	<u>\$ (6,454,469)</u>
BEGINNING FUND BALANCES			<u>(939,497)</u>	
ENDING FUND BALANCES			<u>\$ -</u>	

NON-MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

These funds account for the proceeds derived from specific revenue sources that are legally restricted to expenditures for specified purposes.

SPECIAL GAS TAX - This fund accounts for revenues allocated by the State to be used only for street and highway purposes.

AB 939 - This fund accounts for fees collected and to be used only for purposes of the Integrated Solid Waste Management Act.

STATE ENERGY PROGRAM - This fund accounts for grants received to implement a variety of energy efficiency and conservation projects.

POLICE GRANTS - This fund accounts for various one-time grants that benefit the Police Departments.

CDBG STUDY GRANT - This is a one-time grant from the State to study the Senior Housing in the downtown area.

JAG GRANTS - this fund accounts for federal grants and is limited to certain law enforcements purposes and for law enforcement equipment.

FIRE GRANTS - This fund accounts for grants expended for small equipment used in fire fighting machinery.

PROP 49 GRANTS - This fund provides funding for before & after school programs, providing tutoring, homework assistance and educational enrichment.

HOUSING AUTHORITY CHOICE VOUCHERS - This fund is used to account for intergovernmental revenues received to be used for housing assistance payment programs

HOUSING AUTHORITY ADMINISTRATION - This funds accounts for revenue allocated by the HUD to administer Housing Choice Program.

ATOD GRANT - This fund accounts for County grant used for programs related to alcohol, tobacco and other drugs.

SEWER MAINTENANCE - This fund accounts for assessments levied against properties located within the Fairfield-Suisun sewer District boundary, expended for maintenance of the City's sewer system.

MARINA FUEL - This fund accounts for the revenues and expenditures associated with the purchase and sale of gasoline at the Suisun Marina.

BOATING SAFETY - This fund accounts for Grant funds received from the Boating and Waterways Commission to provide for Police Services along the Suisun Slough and within the Harbor area.

ASSET FORFEITURE - This fund accounts for variety of federal and state and local grants made available to improve and enhance and police and fire protection, boating safety, traffic safety along with fines and forfeitures.

DARE/DONATIONS - This fund accounts for all donations that are received by the Police Department, including DARE program donations specified for Police Department Capital Outlays.

NON-MAJOR GOVERNMENTAL FUNDS (Continued)

NUISANCE ABATEMENT - A fund established to account for costs and reimbursements for various types of public nuisance abatement, such as weed abatement, bank foreclosed property maintenance.

NSP GRANT - This fund was established to account for costs and reimbursements for the Neighborhood Stabilization Program, a federal grant to rehabilitate and sell homes after they have been foreclosed.

TRAFFIC TOWING - This fund accounts for local receipts from towing cars that have been used in illegal activities or parked illegally.

TRAFFIC SAFETY - This grant provides funding for enforcement of seatbelts law for a specific period.

SLESF GRANT - This grant provides funding for supplemental law enforcement services.

SCHOOL RESOURCE GRANT - This fund provides funding for police officer assigned as a School Resource officer.

BUREAU OF JUSTICE VEST GRANT – This fund accounts for the grant to purchase bullet-proof safety vests.

SPECIAL EVENT – This fund accounts for funds collected and expended for special events.

DOWNTOWN-MARINA PROPERTY MANAGEMENT – This fund accounts for the Marina Berth Rent operations, Lawler House rentals and maintenance and Rail Station administration.

RDA – OTHER SPECIAL REVENUE FUNDS – This fund accounts for primarily the administrative operations of the Agency.

SPECIAL ASSESSMENT DISTRICT'S - This fund accounts for maintenance assessments to be expended only for landscaping, lighting and storm drain maintenance purposes.

DEBT SERVICE FUNDS

Debt service funds are used to account for the accumulation of resources and payment of principal and interest on general obligation bonds, loans, notes and other general obligations of the City where such resources are accumulated from the City's other general governmental funds. The City has the following debt service funds.

HIGHWAY 12 BOND - This fund accounts for the debt service of the City's general obligation bonds issued for the Highway 12 Expansion project.

NORTH BAY AQUEDUCT - This fund accounts the debt service of the City's obligation for its share of the construction of Solano County water line.

CIVIC CENTER - This fund accounts for the debt service on the Certificates of Participation issued for the construction of the Civic Center building.

FIRE TRUCK ACQUISITION - This fund accounts for the debt service on the fire truck acquisition.

VEHICLE LEASE - This fund accounts for the City's debt service for vehicles.

NON-MAJOR GOVERNMENTAL FUNDS (Continued)

CAPITAL PROJECTS FUNDS

Capital projects funds are utilized to account for resources used for the acquisition and construction of capital facilities by the City.

PARK DEVELOPMENT FUND - This fund accounts for impact fees and state grants to be spent only on parks and related projects.

MUNICIPAL FACILITIES AND EQUIPMENT - This fund accounts for funds generated from construction activity and expended for improvements necessitated by community growth.

SENIOR CENTER IMPROVEMENT – This fund accounts for CDBG grant monies to upgrade the Senior Center, including new roof, kitchen remodel and other internal and external improvements.

**CITY OF SUISUN CITY
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEETS
JUNE 30, 2012**

	SPECIAL REVENUE FUNDS			
	Special Gas Tax	AB 939	State Energy Program	Police Grants
ASSETS				
Cash and investments	\$ 297,279	\$ 138,428	\$ -	\$ 55
Cash with fiscal agent	-	-	-	-
Receivables:				
Accounts receivable, net	84,695	7,418	150,004	56,600
Prepaid items	-	-	-	-
Other assets	-	-	-	-
Total assets	<u>\$ 381,974</u>	<u>\$ 145,846</u>	<u>\$ 150,004</u>	<u>\$ 56,655</u>
LIABILITIES				
Accounts payable	37,186	10,006	32,458	379
Unearned revenues				
Due to other funds	-	-	117,545	55,284
Refundable deposits	-	-	-	-
Total Liabilities	<u>37,186</u>	<u>10,006</u>	<u>150,003</u>	<u>55,663</u>
FUND BALANCES				
Restricted				
Debt service	-	-	-	-
Special projects & programs	344,788	135,840	1	992
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	<u>344,788</u>	<u>135,840</u>	<u>1</u>	<u>992</u>
Total liabilities and fund balances	<u>\$ 381,974</u>	<u>\$ 145,846</u>	<u>\$ 150,004</u>	<u>\$ 56,655</u>

SPECIAL REVENUE FUNDS

CDBG Study Grant	JAG Grants	Fire Grants	Prop 49 Grant	Housing Authority Choice Vouchers	Housing Authority Administration	ATOD Grant
\$ 3,800	\$ 10,864	\$ 4,093	\$ 72,966	\$ 311,239	\$ 312,230	\$ -
-	-	-	-	-	-	-
-	-	-	283	14,396	14,396	55,891
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 3,800</u>	<u>\$ 10,864</u>	<u>\$ 4,093</u>	<u>\$ 73,249</u>	<u>\$ 325,635</u>	<u>\$ 326,626</u>	<u>\$ 55,891</u>
52	10,864	-	41	-	2,541	8,117
-	-	-	-	-	-	44,867
-	-	-	-	-	-	-
<u>52</u>	<u>10,864</u>	<u>-</u>	<u>41</u>	<u>-</u>	<u>2,541</u>	<u>52,984</u>
-	-	-	-	-	-	-
3,748	-	4,093	73,208	325,635	324,085	2,907
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>3,748</u>	<u>-</u>	<u>4,093</u>	<u>73,208</u>	<u>325,635</u>	<u>324,085</u>	<u>2,907</u>
<u>\$ 3,800</u>	<u>\$ 10,864</u>	<u>\$ 4,093</u>	<u>\$ 73,249</u>	<u>\$ 325,635</u>	<u>\$ 326,626</u>	<u>\$ 55,891</u>

(Continued, next page)

CITY OF SUISUN CITY
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEETS (Continued)
JUNE 30, 2012

SPECIAL REVENUE FUNDS

ASSETS	Sewer Maintenance	Marina Fuel	Boating Safety	Asset Forfeiture
Cash and investments	\$ 1,416,567	\$ 7,498	\$ -	\$ 14,443
Cash with fiscal agent	-	-	-	-
Receivables:				
Accounts receivable, net	-	733	15,300	-
Prepaid items	-	-	-	-
Other assets	-	15,005	-	-
Total assets	\$ 1,416,567	\$ 23,236	\$ 15,300	\$ 14,443
LIABILITIES				
Accounts payable	-	277	1,720	4,234
Unearned revenues	-	-	-	-
Due to other funds	-	34,287	12,063	-
Refundable deposits	-	-	-	-
Total Liabilities	-	34,564	13,783	4,234
FUND BALANCES				
Restricted				
Debt service	-	-	-	-
Special projects & programs	1,416,567	-	1,517	-
Committed	-	-	-	-
Assigned	-	-	-	10,209
Unassigned	-	(11,328)	-	-
Total Fund Balances	1,416,567	(11,328)	1,517	10,209
Total liabilities and fund balances	\$ 1,416,567	\$ 23,236	\$ 15,300	\$ 14,443

SPECIAL REVENUE FUNDS

DARE/ Donations	Nuisance Abatement	NSP Grant	Traffic Safety
\$ 10,985	\$ 24,198	\$ 113,671	\$ 94
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>\$ 10,985</u>	<u>\$ 24,198</u>	<u>\$ 113,671</u>	<u>\$ 94</u>
-	-	69	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>-</u>	<u>-</u>	<u>69</u>	<u>-</u>
-	-	-	-
-	-	113,602	94
-	-	-	-
10,985	24,198	-	-
-	-	-	-
<u>10,985</u>	<u>24,198</u>	<u>113,602</u>	<u>94</u>
<u>\$ 10,985</u>	<u>\$ 24,198</u>	<u>\$ 113,671</u>	<u>\$ 94</u>

(Continued, next page)

**CITY OF SUISUN CITY
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEETS (Continued)
JUNE 30, 2012**

	SPECIAL REVENUE FUNDS		
	SLESF Grant	School Resource Grant	Bureau Of Justice Vest Grant
ASSETS			
Cash and investments	\$ -	\$ 2,539	\$ -
Cash with fiscal agent	-	-	-
Receivables:			
Accounts receivable, net	7,281	-	435
Prepaid items	-	-	-
Other assets	-	-	-
Total assets	<u>\$ 7,281</u>	<u>\$ 2,539</u>	<u>\$ 435</u>
LIABILITIES			
Accounts payable	-	-	-
Unearned revenues	-	-	-
Due to other funds	7,281	-	435
Refundable deposits	-	-	-
Total Liabilities	<u>7,281</u>	<u>-</u>	<u>435</u>
FUND BALANCES			
Restricted			
Debt service	-	-	-
Special projects & programs	-	2,539	-
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
Total Fund Balances	<u>-</u>	<u>2,539</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 7,281</u>	<u>\$ 2,539</u>	<u>\$ 435</u>

SPECIAL REVENUE FUNDS

Special Event	Downtown- Marina Property Management	RDA-Other Special Revenue-Funds	Special Assessment Districts
\$ 3,332	\$ 254,620	\$ -	\$ 1,714,562
-	-	-	-
-	12,074	-	14,000
14,338	-	-	-
-	-	-	-
<u>\$ 17,670</u>	<u>\$ 266,694</u>	<u>\$ -</u>	<u>\$ 1,728,562</u>
546	6,635	-	22,973
-	5,361	-	-
-	-	-	45,227
-	33,674	-	32,094
<u>546</u>	<u>45,670</u>	<u>-</u>	<u>100,294</u>
-	-	-	-
-	221,024	-	1,628,268
17,124	-	-	-
-	-	-	-
-	-	-	-
<u>17,124</u>	<u>221,024</u>	<u>-</u>	<u>1,628,268</u>
<u>\$ 17,670</u>	<u>\$ 266,694</u>	<u>\$ -</u>	<u>\$ 1,728,562</u>

**CITY OF SUISUN CITY
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEETS (Continued)
JUNE 30, 2012**

DEBT SERVICE FUNDS

ASSETS	Highway 12 Bond	North Bay Aqueduct	Civic Center COP	Fire Truck Acquisition	Vehicle Lease
Cash and investments	\$ 57,919	\$ 76,939	\$ -	\$ 32,292	\$ 327
Cash with fiscal agent	-	-	270,628	-	-
Receivables:					
Accounts receivable, net	-	-	-	-	-
Prepaid items	-	-	-	-	-
Other assets	-	-	-	-	-
Total assets	\$ 57,919	\$ 76,939	\$ 270,628	\$ 32,292	\$ 327
LIABILITIES					
Accounts payable	-	-	-	-	-
Unearned revenues	-	-	-	-	-
Due to other funds	-	-	3,938	-	-
Refundable deposits	-	-	-	-	-
Total Liabilities	-	-	3,938	-	-
FUND BALANCES					
Restricted					
Debt service	57,919	76,939	266,690	32,292	327
Special projects & program	-	-	-	-	-
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total Fund Balances	57,919	76,939	266,690	32,292	327
Total liabilities and fund bal	\$ 57,919	\$ 76,939	\$ 270,628	\$ 32,292	\$ 327

CAPITAL PROJECTS FUNDS			Total
Park Development	Municipal Facilities Equipment	Senior Center Improvement	Non-Major Governmental Funds
\$ 1,113,015	\$ -	\$ -	\$ 5,993,955
-	-	-	270,628
32,320	-	10,376	476,202
-	-	-	14,338
-	-	-	15,005
<u>\$ 1,145,335</u>	<u>\$ -</u>	<u>\$ 10,376</u>	<u>\$ 6,770,128</u>
-	8,500	1,453	148,051
-	-	-	5,361
-	187,951	8,923	517,801
-	-	-	65,768
<u>-</u>	<u>196,451</u>	<u>10,376</u>	<u>736,981</u>
-	-	-	-
-	-	-	434,167
1,145,335	-	-	5,744,243
-	-	-	17,124
-	-	-	45,392
-	(196,451)	-	(207,779)
<u>1,145,335</u>	<u>(196,451)</u>	<u>-</u>	<u>6,033,147</u>
<u>\$ 1,145,335</u>	<u>\$ -</u>	<u>\$ 10,376</u>	<u>\$ 6,770,128</u>

**CITY OF SUISUN CITY
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2012**

SPECIAL REVENUE FUNDS

	Special Gas Tax	AB 939	State Energy Program	Police Grants	CDBG Study Grant
REVENUES					
Taxes:					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	29,126	-	-	-
Fines and forfeits	-	-	-	-	-
Intergovernmental	816,386	12,874	360,659	167,682	-
Developer fees	-	-	-	-	-
Special assessments	-	-	-	-	-
Charges for services	-	-	-	-	-
Investment earnings	-	2,829	-	-	-
Miscellaneous	-	-	-	-	-
Total Revenues	<u>816,386</u>	<u>44,829</u>	<u>360,659</u>	<u>167,682</u>	<u>-</u>
EXPENDITURES					
Current:					
General government	-	-	-	-	-
Public safety	-	-	-	167,276	-
Public works	-	34,947	-	-	-
Highways and streets	723,254	-	-	-	-
Culture and recreation	-	-	-	-	-
Community development	-	-	260,939	-	52
Capital outlay	-	-	101,633	-	-
Debt Service					
Principal	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Total Expenditures	<u>723,254</u>	<u>34,947</u>	<u>362,572</u>	<u>167,276</u>	<u>52</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>93,132</u>	<u>9,882</u>	<u>(1,913)</u>	<u>406</u>	<u>(52)</u>
OTHER FINANCING SOURCES (USES)					
Extraordinary loss on dissolution of RDA	-	-	-	-	-
Transfers in	238,696	-	-	-	2,100
Transfers (out)	(91,714)	(45,000)	-	(405)	-
Total Other Financing Sources (Uses)	<u>146,982</u>	<u>(45,000)</u>	<u>-</u>	<u>(405)</u>	<u>2,100</u>
NET CHANGE IN FUND BALANCES	240,114	(35,118)	(1,913)	1	2,048
BEGINNING FUND BALANCES	<u>104,674</u>	<u>170,958</u>	<u>1,914</u>	<u>991</u>	<u>1,700</u>
ENDING FUND BALANCES	<u>\$ 344,788</u>	<u>\$ 135,840</u>	<u>\$ 1</u>	<u>\$ 992</u>	<u>\$ 3,748</u>

SPECIAL REVENUE FUNDS

JAG Grants	Fire Grants	Prop 49 Grant	Housing Authority Choice Vouchers	Housing Authority Administration	ATOD Grant	Sewer Maintenance	Marina Fuel
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
57,762	5,092	85,904	2,338,010	899,117	65,629	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	364,633	-
-	-	-	-	-	28	-	-
-	-	1,614	6,518	6,438	-	26,366	-
-	-	-	14,107	14,107	-	-	55,115
<u>57,762</u>	<u>5,092</u>	<u>87,518</u>	<u>2,358,635</u>	<u>919,662</u>	<u>65,657</u>	<u>390,999</u>	<u>55,115</u>
-	-	-	2,515,786	1,052,350	-	-	-
52,047	999	-	-	-	82,223	-	-
-	-	-	-	-	-	203,566	-
-	-	79,237	-	-	-	-	63,953
-	-	-	-	-	-	-	-
5,715	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>57,762</u>	<u>999</u>	<u>79,237</u>	<u>2,515,786</u>	<u>1,052,350</u>	<u>82,223</u>	<u>203,566</u>	<u>63,953</u>
-	4,093	8,281	(157,151)	(132,688)	(16,566)	187,433	(8,838)
-	-	-	-	-	-	-	-
-	-	-	-	-	16,161	36,705	-
-	-	-	-	-	-	(23,304)	-
-	-	-	-	-	16,161	13,401	-
-	4,093	8,281	(157,151)	(132,688)	(405)	200,834	(8,838)
-	-	64,927	482,786	456,773	3,312	1,215,733	(2,490)
<u>\$ -</u>	<u>\$ 4,093</u>	<u>\$ 73,208</u>	<u>\$ 325,635</u>	<u>\$ 324,085</u>	<u>\$ 2,907</u>	<u>\$ 1,416,567</u>	<u>\$ (11,328)</u>

(Continued, next page)

CITY OF SUISUN CITY
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (Continued)
FOR THE YEAR ENDED JUNE 30, 2012

SPECIAL REVENUE FUNDS

	Boating Safety	Asset Forfeiture	DARE/ Donations	Nuisance Abatement	NSP Grant
REVENUES					
Taxes:					
Property taxes	\$ 4,450	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-
Fines and forfeits	-	1,194	-	-	-
Intergovernmental	35,932	-	-	-	-
Developer fees					
Special assessments	-	-	-	13,533	-
Charges for services	-	-	-	10,499	-
Investment earnings	-	255	178	-	2,603
Miscellaneous	-	-	6,756	-	686,407
Total Revenues	<u>40,382</u>	<u>1,449</u>	<u>6,934</u>	<u>24,032</u>	<u>689,010</u>
EXPENDITURES					
Current:					
General government	-	-	-	-	-
Public safety	39,515	-	2,328	-	-
Public works	-	-	-	7,662	-
Highways and streets	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Community development	-	-	-	-	662,874
Capital outlay	-	-	-	-	-
Debt Service					
Principal	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Total Expenditures	<u>39,515</u>	<u>-</u>	<u>2,328</u>	<u>7,662</u>	<u>662,874</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>867</u>	<u>1,449</u>	<u>4,606</u>	<u>16,370</u>	<u>26,136</u>
OTHER FINANCING SOURCES (USES)					
Extraordinary loss on dissolution of RDA	-	-	-	-	-
Transfers in	-	-	-	-	-
Transfers (out)	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	867	1,449	4,606	16,370	26,136
BEGINNING FUND BALANCES	650	8,760	6,379	7,828	87,466
ENDING FUND BALANCES	<u>\$ 1,517</u>	<u>\$ 10,209</u>	<u>\$ 10,985</u>	<u>\$ 24,198</u>	<u>\$ 113,602</u>

SPECIAL REVENUE FUNDS

Traffic Towing	Traffic Safety	SLESF Grant	School Resource Grant	Bureau Of Justice Vest Grant	Special Event	Downtown-Marina Property Management	RDA-Other Special Revenue-Funds	Special Assessment Districts
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-
-	106,804	-	-	-	-	-	-	-
-	-	100,000	42,000	435	-	-	-	14,000
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	1,722,700
15,160	-	-	-	-	-	126,567	181,622	-
-	500	-	-	-	-	3,379	3,963	29,627
-	-	-	-	-	18,000	23,919	34,615	7,500
<u>15,160</u>	<u>107,304</u>	<u>100,000</u>	<u>42,000</u>	<u>435</u>	<u>18,000</u>	<u>153,865</u>	<u>220,200</u>	<u>1,773,827</u>
-	-	-	-	-	-	-	506,638	-
165	-	100,000	42,000	435	-	-	114,011	-
-	-	-	-	-	-	-	-	1,085,786
-	-	-	-	-	-	-	-	41,968
-	-	-	-	-	876	104,202	158,353	-
-	-	-	-	-	-	26,710	108,671	-
-	-	-	-	-	-	-	-	200,444
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>165</u>	<u>-</u>	<u>100,000</u>	<u>42,000</u>	<u>435</u>	<u>876</u>	<u>130,912</u>	<u>887,673</u>	<u>1,328,198</u>
14,995	107,304	-	-	-	17,124	22,953	(667,473)	445,629
-	-	-	-	-	-	-	(101,542)	-
-	-	-	-	-	-	211,986	768,831	264,052
(16,576)	(263,692)	-	-	-	-	(13,915)	(527,864)	(645,278)
<u>(16,576)</u>	<u>(263,692)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>198,071</u>	<u>139,425</u>	<u>(381,226)</u>
(1,581)	(156,388)	-	-	-	17,124	221,024	(528,048)	64,403
1,581	156,482	-	2,539	-	-	-	528,048	1,563,865
<u>\$ -</u>	<u>\$ 94</u>	<u>\$ -</u>	<u>\$ 2,539</u>	<u>\$ -</u>	<u>\$ 17,124</u>	<u>\$ 221,024</u>	<u>\$ -</u>	<u>\$ 1,628,268</u>

(Continued, next page)

CITY OF SUISUN CITY
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (Continued)
FOR THE YEAR ENDED JUNE 30, 2012

DEBT SERVICE FUNDS

	Highway 12 Bond	North Bay Aqueduct	Civic Center COP	Fire Truck Acquisition	Vehicle Lease
REVENUES					
Taxes:					
Property taxes	\$ 314,452	\$ 142,318	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Developer fees	-	-	-	-	-
Special assessments	-	-	-	-	-
Charges for services	-	-	-	-	-
Investment earnings	504	929	21,497	1,201	-
Miscellaneous	-	-	57,200	-	-
Total Revenues	<u>314,956</u>	<u>143,247</u>	<u>78,697</u>	<u>1,201</u>	<u>-</u>
EXPENDITURES					
Current:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Public works	-	-	-	-	-
Highways and streets	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Community development	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt Service					
Principal	210,000	74,665	215,000	97,490	-
Interest and fiscal charges	111,367	-	46,561	19,705	-
Total Expenditures	<u>321,367</u>	<u>74,665</u>	<u>261,561</u>	<u>117,195</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(6,411)</u>	<u>68,582</u>	<u>(182,864)</u>	<u>(115,994)</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)					
Extraordinary loss on dissolution of RDA	-	-	-	-	-
Transfers in	-	-	203,304	-	-
Transfers out	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>203,304</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(6,411)	68,582	20,440	(115,994)	-
BEGINNING FUND BALANCES	64,330	8,357	246,250	148,286	327
ENDING FUND BALANCES	<u>\$ 57,919</u>	<u>\$ 76,939</u>	<u>\$ 266,690</u>	<u>\$ 32,292</u>	<u>\$ 327</u>

CAPITAL PROJECTS FUNDS

Park Development	Municipal Facilities and Equipment	Senior Center Improvement	Total Non-Major Governmental Funds
\$ -	\$ -	\$ -	\$ 461,220
-	-	-	29,126
-	-	-	107,998
-	-	10,376	5,011,858
1,704	2,544	-	4,248
-	-	-	2,100,866
-	-	-	333,876
23,353	26,146	-	157,900
-	-	-	917,726
<u>25,057</u>	<u>28,690</u>	<u>10,376</u>	<u>9,124,818</u>
-	-	-	4,074,774
-	-	-	600,999
-	5,108	-	1,337,069
-	-	-	765,222
18,001	-	-	424,622
-	-	-	1,059,246
166,907	13,357	60,376	548,432
-	-	-	597,155
-	-	-	177,633
<u>184,908</u>	<u>18,465</u>	<u>60,376</u>	<u>9,585,152</u>
<u>(159,851)</u>	<u>10,225</u>	<u>(50,000)</u>	<u>(460,334)</u>
-	-	-	(101,542)
70,000	-	50,000	1,861,835
-	(3,190,004)	-	(4,817,752)
<u>70,000</u>	<u>(3,190,004)</u>	<u>50,000</u>	<u>(3,057,459)</u>
(89,851)	(3,179,779)	-	(3,517,793)
1,235,186	2,983,328	-	9,550,940
<u>\$ 1,145,335</u>	<u>\$ (196,451)</u>	<u>\$ -</u>	<u>\$ 6,033,147</u>

CITY OF SUISUN CITY

**BUDGETED NON-MAJOR FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2012**

	SPECIAL REVENUE FUNDS					
	SPECIAL GAS TAX			AB 939		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
REVENUES						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	36,000	29,126	(6,874)
Fines and forfeits	-	-	-	-	-	-
Intergovernmental revenue	808,200	816,386	8,186	10,000	12,874	2,874
Developer fees	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Investment earnings	-	-	-	3,100	2,829	(271)
Miscellaneous revenue	-	-	-	-	-	-
Total revenues	808,200	816,386	8,186	49,100	44,829	(4,271)
EXPENDITURES						
Current:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Public works	-	-	-	59,200	34,947	24,253
Highways and streets	796,700	723,254	73,446	-	-	-
Culture and recreation	-	-	-	-	-	-
Community development	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Debt Service:						
Principal on long-term debt	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	796,700	723,254	73,446	59,200	34,947	24,253
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	11,500	93,132	81,632	(10,100)	9,882	19,982
OTHER FINANCING SOURCES (USES)						
Extraordinary gain on dissolution of RDA				-	-	-
Transfer in	279,700	238,696	(41,004)	-	-	-
Transfer out	(159,000)	(91,714)	67,286	(45,000)	(45,000)	-
Total other financing sources (uses)	120,700	146,982	26,282	(45,000)	(45,000)	-
NET CHANGE IN FUND BALANCES	\$ 132,200	240,114	\$ 107,914	\$ (55,100)	(35,118)	\$ 19,982
BEGINNING FUND BALANCES		104,674			170,958	
ENDING FUND BALANCES		\$ 344,788			\$ 135,840	

SPECIAL REVENUE FUNDS

STATE ENERGY PROGRAM			POLICE GRANTS			CDBG STUDY GRANT		
Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
295,100	360,659	65,559	220,600	167,682	(52,918)	50,000	-	(50,000)
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>295,100</u>	<u>360,659</u>	<u>65,559</u>	<u>220,600</u>	<u>167,682</u>	<u>(52,918)</u>	<u>50,000</u>	<u>-</u>	<u>(50,000)</u>
-	-	-	-	-	-	-	-	-
-	-	-	220,600	167,276	53,324	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
155,100	260,939	(105,839)	-	-	-	52,100	52	52,048
140,000	101,633	38,367	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>295,100</u>	<u>362,572</u>	<u>(67,472)</u>	<u>220,600</u>	<u>167,276</u>	<u>53,324</u>	<u>52,100</u>	<u>52</u>	<u>52,048</u>
-	(1,913)	(1,913)	-	406	406	(2,100)	(52)	2,048
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	2,100	2,100	-
-	-	-	-	(405)	(405)	-	-	-
-	-	-	-	(405)	(405)	2,100	2,100	-
<u>\$ -</u>	<u>(1,913)</u>	<u>\$ (1,913)</u>	<u>\$ -</u>	<u>1</u>	<u>\$ 1</u>	<u>\$ -</u>	<u>2,048</u>	<u>\$ 2,048</u>
	<u>1,914</u>			<u>991</u>			<u>1,700</u>	
	<u>\$ 1</u>			<u>\$ 992</u>			<u>\$ 3,748</u>	

(Continued, next page)

CITY OF SUISUN CITY

**BUDGETED NON-MAJOR FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (Continued)
FOR THE YEAR ENDED JUNE 30, 2012**

	SPECIAL REVENUE FUNDS					
	JAG GRANTS			FIRE GRANTS		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
REVENUES						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Intergovernmental revenue	42,600	57,762	15,162	7,000	5,092	(1,908)
Developer fees	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Investment earnings	-	-	-	-	-	-
Miscellaneous revenue	-	-	-	-	-	-
Total revenues	42,600	57,762	15,162	7,000	5,092	(1,908)
EXPENDITURES						
Current:						
General government	-	-	-	-	-	-
Public safety	50,300	52,047	(1,747)	7,000	999	6,001
Public works	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Community development	-	-	-	-	-	-
Capital outlay	-	5,715	(5,715)	-	-	-
Debt Service:						
Principal on long-term debt	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	50,300	57,762	(7,462)	7,000	999	6,001
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(7,700)	-	7,700	-	4,093	4,093
OTHER FINANCING SOURCES (USES)						
Extraordinary gain on dissolution of RDA	-	-	-	-	-	-
Transfer in	-	-	-	-	-	-
Transfer out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES	\$ (7,700)	-	\$ 7,700	\$ -	4,093	\$ 4,093
BEGINNING FUND BALANCES		-			-	
ENDING FUND BALANCES		\$ -			\$ 4,093	

SPECIAL REVENUE FUNDS								
PROP 49 GRANT			HOUSING AUTHORITY-CHOICE VOUCHERS			HOUSING AUTHORITYADMINISTRATION		
Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
108,000	85,904	(22,096)	2,574,200	2,338,010	(236,190)	935,000	899,117	(35,883)
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
1,500	1,614	114	2,000	6,518	4,518	5,000	6,438	1,438
-	-	-	10,000	14,107	4,107	8,000	14,107	6,107
109,500	87,518	(21,982)	2,586,200	2,358,635	(227,565)	948,000	919,662	(28,338)
-	-	-	2,607,800	2,515,786	92,014	1,344,700	1,052,350	292,350
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
85,000	79,237	5,763	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
85,000	79,237	5,763	2,607,800	2,515,786	92,014	1,344,700	1,052,350	292,350
24,500	8,281	(16,219)	(21,600)	(157,151)	(135,551)	(396,700)	(132,688)	264,012
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>\$ 24,500</u>	8,281	<u>\$ (16,219)</u>	<u>\$ (21,600)</u>	(157,151)	<u>\$ (135,551)</u>	<u>\$ (396,700)</u>	(132,688)	<u>\$ 264,012</u>
	64,927			482,786			456,773	
	<u>\$ 73,208</u>			<u>\$ 325,635</u>			<u>\$ 324,085</u>	

(Continued, next page)

CITY OF SUISUN CITY

**BUDGETED NON-MAJOR FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (Continued)
FOR THE YEAR ENDED JUNE 30, 2012**

	SPECIAL REVENUE FUNDS					
	ATOD GRANT			SEWER MAINTENANCE		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
REVENUES						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Intergovernmental revenue	88,300	65,629	(22,671)	-	-	-
Developer fees	-	-	-	-	-	-
Special assessments	-	-	-	315,000	364,633	49,633
Charges for services	-	28	28	-	-	-
Investment earnings	-	-	-	25,000	26,366	1,366
Miscellaneous revenue	-	-	-	-	-	-
Total revenues	88,300	65,657	(22,643)	340,000	390,999	50,999
EXPENDITURES						
Current:						
General government	-	-	-	-	-	-
Public safety	78,000	82,223	(4,223)	-	-	-
Public works	-	-	-	366,900	203,566	163,334
Highways and streets	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Community development	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Debt Service:						
Principal on long-term debt	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	78,000	82,223	(4,223)	366,900	203,566	163,334
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	10,300	(16,566)	(26,866)	(26,900)	187,433	214,333
OTHER FINANCING SOURCES (USES)						
Extraordinary gain on dissolution of RDA	-	-	-	-	-	-
Transfer in	88,900	16,161	(72,739)	-	36,705	36,705
Transfer out	-	-	-	(23,000)	(23,304)	(304)
Total other financing sources (uses)	88,900	16,161	(72,739)	(23,300)	13,401	36,401
NET CHANGE IN FUND BALANCES	\$ 99,200	(405)	\$ (99,605)	\$ (50,200)	200,834	\$ 250,734
BEGINNING FUND BALANCES		3,312			1,215,733	
ENDING FUND BALANCES		\$ 2,907			\$ 1,416,567	

SPECIAL REVENUE FUNDS

MARINA FUEL			BOATING SAFETY			ASSET FORFEITURE		
<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
\$ -	\$ -	\$ -	\$ -	\$ 4,450	\$ 4,450	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-
-	-	-	43,800	35,932	(7,868)	100	1,194	1,094
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	100	255	155
75,000	55,115	(19,885)	-	-	-	-	-	-
75,000	55,115	(19,885)	43,800	40,382	(3,418)	200	1,449	1,249
-	-	-	-	-	-	-	-	-
-	-	-	49,700	39,515	10,185	300	-	300
-	-	-	-	-	-	-	-	-
70,800	63,953	6,847	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
70,800	63,953	6,847	49,700	39,515	10,185	300	-	300
4,200	(8,838)	(13,038)	(5,900)	867	6,767	(100)	1,449	1,549
-	-	-	-	-	-	-	-	-
-	-	-	6,000	-	(6,000)	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	6,000	-	(6,000)	-	-	-
<u>\$ 4,200</u>	<u>(8,838)</u>	<u>\$ (13,038)</u>	<u>\$ 100</u>	<u>867</u>	<u>\$ 767</u>	<u>\$ (100)</u>	<u>1,449</u>	<u>\$ 1,549</u>
	<u>(2,490)</u>			<u>650</u>			<u>8,760</u>	
	<u>\$ (11,328)</u>			<u>\$ 1,517</u>			<u>\$ 10,209</u>	

(Continued, next page)

CITY OF SUISUN CITY

**BUDGETED NON-MAJOR FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (Continued)
FOR THE YEAR ENDED JUNE 30, 2012**

	SPECIAL REVENUE FUNDS					
	DARE/DONATIONS			NUISANCE ABATEMENT		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
REVENUES						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Intergovernmental revenue	-	-	-	-	-	-
Developer fees	-	-	-	-	-	-
Special assessments	-	-	-	-	13,533	13,533
Charges for services	-	-	-	200	10,499	10,299
Investment earnings	200	178	(22)	-	-	-
Miscellaneous revenue	-	6,756	6,756	-	-	-
Total revenues	200	6,934	6,734	200	24,032	23,832
EXPENDITURES						
Current:						
General government	-	-	-	-	-	-
Public safety	5,800	2,328	3,472	-	-	-
Public works	-	-	-	21,100	7,662	13,438
Highways and streets	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Community development	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Debt Service:						
Principal on long-term debt	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	5,800	2,328	3,472	21,100	7,662	13,438
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(5,600)	4,606	10,206	(20,900)	16,370	37,270
OTHER FINANCING SOURCES (USES)						
Extraordinary gain on dissolution of RDA	-	-	-	-	-	-
Transfer in	-	-	-	-	-	-
Transfer out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES	\$ (5,600)	4,606	\$ 10,206	\$ (20,900)	16,370	\$ 37,270
BEGINNING FUND BALANCES		6,379			7,828	
ENDING FUND BALANCES		\$ 10,985			\$ 24,198	

SPECIAL REVENUE FUNDS

NSP GRANT			TRAFFIC TOWING			TRAFFIC SAFETY		
Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	150,000	106,804	(43,196)
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	50,000	15,160	(34,840)	-	-	-
-	2,603	2,603	-	-	-	1,300	500	(800)
<u>600,000</u>	<u>686,407</u>	<u>86,407</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>600,000</u>	<u>689,010</u>	<u>89,010</u>	<u>50,000</u>	<u>15,160</u>	<u>(34,840)</u>	<u>151,300</u>	<u>107,304</u>	<u>(43,996)</u>
-	-	-	-	-	-	-	-	-
-	-	-	-	165	(165)	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
555,700	662,874	(107,174)	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>555,700</u>	<u>662,874</u>	<u>(107,174)</u>	<u>-</u>	<u>165</u>	<u>(165)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>44,300</u>	<u>26,136</u>	<u>(18,164)</u>	<u>50,000</u>	<u>14,995</u>	<u>(35,005)</u>	<u>151,300</u>	<u>107,304</u>	<u>(43,996)</u>
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	(50,000)	(16,576)	33,424	(304,700)	(263,692)	41,008
-	-	-	(50,000)	(16,576)	33,424	(304,700)	(263,692)	41,008
<u>\$ 44,300</u>	<u>26,136</u>	<u>\$ (18,164)</u>	<u>\$ -</u>	<u>(1,581)</u>	<u>\$ (1,581)</u>	<u>\$ (153,400)</u>	<u>(156,388)</u>	<u>\$ (2,988)</u>
	<u>87,466</u>			<u>1,581</u>			<u>156,482</u>	
	<u>\$ 113,602</u>			<u>\$ -</u>			<u>\$ 94</u>	

(Continued, next page)

CITY OF SUISUN CITY

**BUDGETED NON-MAJOR FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (Continued)
FOR THE YEAR ENDED JUNE 30, 2012**

	SPECIAL REVENUE FUNDS					
	SLESF GRANT			SCHOOL RESOURCE GRANT		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
REVENUES						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Intergovernmental revenue	100,000	100,000	-	42,000	42,000	-
Developer fees	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Investment earnings	-	-	-	-	-	-
Miscellaneous revenue	-	-	-	-	-	-
Total revenues	<u>100,000</u>	<u>100,000</u>	<u>-</u>	<u>42,000</u>	<u>42,000</u>	<u>-</u>
EXPENDITURES						
Current:						
General government	-	-	-	-	-	-
Public safety	100,000	100,000	-	42,000	42,000	-
Public works	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Community development	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Debt Service:						
Principal on long-term debt	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	<u>100,000</u>	<u>100,000</u>	<u>-</u>	<u>42,000</u>	<u>42,000</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)						
Extraordinary gain on dissolution of RDA	-	-	-	-	-	-
Transfer in	-	-	-	-	-	-
Transfer out	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
BEGINNING FUND BALANCES		<u>-</u>			<u>2,539</u>	
ENDING FUND BALANCES		<u>\$ -</u>			<u>\$ 2,539</u>	

SPECIAL REVENUE FUNDS

BUREAU OF JUSTICE VEST GRANT			SPECIAL EVENT			DOWNTOWN-MARINA PROPERTY MANAGEMENT		
Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-
1,000	435	(565)	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	126,567	126,567
-	-	-	-	-	-	-	3,379	3,379
-	-	-	25,000	18,000	(7,000)	25,000	23,919	(1,081)
<u>1,000</u>	<u>435</u>	<u>(565)</u>	<u>25,000</u>	<u>18,000</u>	<u>(7,000)</u>	<u>25,000</u>	<u>153,865</u>	<u>128,865</u>
-	-	-	-	-	-	367,972	-	367,972
2,100	435	1,665	-	-	-	78,889	-	78,889
-	-	-	-	-	-	-	-	-
-	-	-	-	876	(876)	380,475	104,202	276,273
-	-	-	25,000	-	25,000	-	26,710	(26,710)
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>2,100</u>	<u>435</u>	<u>1,665</u>	<u>25,000</u>	<u>876</u>	<u>24,124</u>	<u>827,336</u>	<u>130,912</u>	<u>696,424</u>
(1,100)	-	1,100	-	17,124	17,124	(802,336)	22,953	825,289
-	-	-	-	-	-	-	-	-
1,000	-	(1,000)	-	-	-	569,169	211,986	(357,183)
-	-	-	-	-	-	-	(13,915)	(13,915)
<u>1,000</u>	<u>-</u>	<u>(1,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>569,169</u>	<u>198,071</u>	<u>(371,098)</u>
<u>\$ (100)</u>	<u>-</u>	<u>\$ 100</u>	<u>\$ -</u>	<u>17,124</u>	<u>\$ 17,124</u>	<u>\$ (233,167)</u>	<u>221,024</u>	<u>\$ 454,191</u>
-	-	-	-	-	-	-	-	-
<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>\$ 17,124</u>	<u>-</u>	<u>\$ -</u>	<u>\$ 221,024</u>	<u>-</u>

(Continued, next page)

CITY OF SUISUN CITY

**BUDGETED NON-MAJOR FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (Continued)
FOR THE YEAR ENDED JUNE 30, 2012**

	SPECIAL REVENUE FUNDS					
	RDA-OTHER SPECIAL REVENUE			SPECIAL ASSESSMENTS DISTRICTS		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
REVENUES						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Intergovernmental revenue	-	-	-	14,000	14,000	-
Developer fees	-	-	-	-	-	-
Special assessments	-	-	-	1,748,100	1,722,700	(25,400)
Charges for services	-	181,622	181,622	-	-	-
Investment earnings	1,200	3,963	2,763	16,500	29,627	13,127
Miscellaneous revenue	388,300	34,615	(353,685)	7,500	7,500	-
Total revenues	389,500	220,200	(169,300)	1,786,100	1,773,827	(12,273)
EXPENDITURES						
Current:						
General government	944,500	506,638	437,862	-	-	-
Public safety	192,900	114,011	78,889	-	-	-
Public works	-	-	-	1,339,300	1,085,786	253,514
Highways and streets	-	-	-	46,100	41,968	4,132
Culture and recreation	380,700	158,353	222,347	-	-	-
Community development	224,000	108,671	115,329	-	-	-
Capital outlay	-	-	-	285,100	200,444	84,656
Debt Service:						
Principal on long-term debt	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	1,742,100	887,673	854,427	1,670,500	1,328,198	342,302
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,352,600)	(667,473)	685,127	115,600	445,629	330,029
OTHER FINANCING SOURCES (USES)						
Extraordinary gain on dissolution of RDA	-	(101,542)	(101,542)	-	-	-
Transfer in	1,338,000	768,831	(569,169)	264,600	264,052	(548)
Transfer out	(407,200)	(527,864)	(120,664)	(645,800)	(645,278)	522
Total other financing sources (uses)	930,800	139,425	(689,833)	(381,200)	(381,226)	(26)
NET CHANGE IN FUND BALANCES	\$ (421,800)	(528,048)	\$ (4,706)	\$ (265,600)	64,403	\$ 330,003
BEGINNING FUND BALANCES		528,048			1,563,865	
ENDING FUND BALANCES		\$ -			\$ 1,628,268	

DEBT SERVICE FUNDS

HIGHWAY 12 BOND			NORTH BAY AQUEDUCT			CIVIC CENTER		
Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
\$ 286,000	\$ 314,452	\$ 28,452	\$ 67,600	\$ 142,318	\$ 74,718	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
100	504	404	100	929	829	100	21,497	21,397
-	-	-	-	-	-	57,200	57,200	-
<u>286,100</u>	<u>314,956</u>	<u>28,856</u>	<u>67,700</u>	<u>143,247</u>	<u>75,547</u>	<u>57,300</u>	<u>78,697</u>	<u>21,397</u>
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
210,000	210,000	-	73,700	74,665	(965)	215,000	215,000	-
112,200	111,367	833	-	-	-	46,700	46,561	139
<u>322,200</u>	<u>321,367</u>	<u>833</u>	<u>73,700</u>	<u>74,665</u>	<u>(965)</u>	<u>261,700</u>	<u>261,561</u>	<u>139</u>
<u>(36,100)</u>	<u>(6,411)</u>	<u>29,689</u>	<u>(6,000)</u>	<u>68,582</u>	<u>74,582</u>	<u>(204,400)</u>	<u>(182,864)</u>	<u>21,536</u>
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	203,300	203,304	4
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	203,300	203,304	4
<u>\$ (36,100)</u>	<u>(6,411)</u>	<u>\$ 29,689</u>	<u>\$ (6,000)</u>	<u>68,582</u>	<u>\$ 74,582</u>	<u>\$ (1,100)</u>	<u>20,440</u>	<u>\$ 21,540</u>
	<u>64,330</u>			<u>8,357</u>			<u>246,250</u>	
	<u>\$ 57,919</u>			<u>\$ 76,939</u>			<u>\$ 266,690</u>	

(Continued, next page)

CITY OF SUISUN CITY

**BUDGETED NON-MAJOR FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (Continued)
FOR THE YEAR ENDED JUNE 30, 2012**

	DEBT SERVICE FUNDS					
	FIRE TRUCK ACQUISITION			VEHICLE LEASE		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
REVENUES						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Intergovernmental revenue	-	-	-	-	-	-
Developer fees	385,000	-	(385,000)	-	-	-
Special assessments	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Investment earnings	4,000	1,201	(2,799)	-	-	-
Miscellaneous revenue	-	-	-	-	-	-
Total revenues	389,000	1,201	(387,799)	-	-	-
EXPENDITURES						
Current:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Public works	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Community development	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Debt Service:						
Principal on long-term debt	97,500	97,490	10	-	-	-
Interest and fiscal charges	439,600	19,705	419,895	-	-	-
Total expenditures	537,100	117,195	419,905	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(148,100)	(115,994)	32,106	-	-	-
OTHER FINANCING SOURCES (USES)						
Extraordinary gain on dissolution of RDA	-	-	-	-	-	-
Transfer in	-	-	-	-	-	-
Transfer out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES	<u>\$ (148,100)</u>	<u>(115,994)</u>	<u>\$ 32,106</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
BEGINNING FUND BALANCES		<u>148,286</u>			<u>327</u>	
ENDING FUND BALANCES		<u><u>\$ 32,292</u></u>			<u><u>\$ 327</u></u>	

**CAPITAL PROJECT FUNDS
MUNICIPAL FACILITIES AND**

PARK DEVELOPMENT			EQUIPMENT			SENIOR CENTER IMPROVEMENT		
Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
225,000	1,704	(223,296)	76,000	2,544	(73,456)	685,000	10,376	(674,624)
-	-	-	-	-	-	-	-	-
22,000	23,353	1,353	15,000	26,146	11,146	-	-	-
-	-	-	-	-	-	-	-	-
<u>247,000</u>	<u>25,057</u>	<u>(221,943)</u>	<u>91,000</u>	<u>28,690</u>	<u>(62,310)</u>	<u>685,000</u>	<u>10,376</u>	<u>(674,624)</u>
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	150,000	5,108	144,892	-	-	-
80,000	18,001	61,999	-	-	-	-	-	-
-	-	-	2,936,700	-	2,936,700	-	-	-
122,000	166,907	(44,907)	-	13,357	(13,357)	732,800	60,376	672,424
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>202,000</u>	<u>184,908</u>	<u>17,092</u>	<u>3,086,700</u>	<u>18,465</u>	<u>3,068,235</u>	<u>732,800</u>	<u>60,376</u>	<u>672,424</u>
45,000	(159,851)	(204,851)	(2,995,700)	10,225	3,005,925	(47,800)	(50,000)	(2,200)
-	-	-	-	-	-	-	-	-
31,900	70,000	38,100	-	-	-	47,800	50,000	2,200
(31,900)	-	31,900	(253,300)	(3,190,004)	(2,936,704)	-	-	-
-	70,000	70,000	(253,300)	(3,190,004)	(2,936,704)	47,800	50,000	2,200
<u>\$ 45,000</u>	<u>(89,851)</u>	<u>\$ (134,851)</u>	<u>\$ (3,249,000)</u>	<u>(3,179,779)</u>	<u>\$ 69,221</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
	<u>1,235,186</u>			<u>2,983,328</u>			<u>-</u>	
	<u>\$ 1,145,335</u>			<u>\$ (196,451)</u>			<u>\$ -</u>	

INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for special activities and services performed by a designated City department for other departments on a cost reimbursement basis.

MOTOR VEHICLE REPAIR FUND

This fund accounts for the revenues and expenses of the maintenance of motor vehicles provided to City departments.

MOTOR VEHICLE REPLACEMENT FUND

This fund accounts for the rental revenues and expenses of the maintenance of public works equipment provided to City departments.

NETWORK MAINTENANCE FUND

This fund accounts for the revenues and expenses of the maintenance of the City's computer servers and accounts for the rental and depreciation expense of the City owned computer network servers.

PUBLIC WORKS OPERATING COST FUND

This fund accounts for operating cost and charges where service is provided, including the Maintenance Districts, Streets, Parks, and various departments under the general fund.

SELF-INSURANCE FUND

This fund accounts for the revenues and expenses of the City's insurance programs (liability, workers compensation and unemployment).

**CITY OF SUISUN CITY
INTERNAL SERVICE FUNDS
COMBINING STATEMENTS OF NET ASSETS
JUNE 30, 2012**

	Motor Vehicle Repair Fund	Motor Vehicle Replacement Fund	Network Maintenance Fund	Public Works Operating Cost Fund	Self-Insurance Funds	Total
ASSETS						
Current Assets:						
Cash and investments	\$ 186,032	\$ 1,249,678	\$ 149,508	\$ 9,287	\$ 605,958	\$ 2,200,463
Other assets	10,931	-	-	-	-	10,931
Total Current Assets	<u>196,963</u>	<u>1,249,678</u>	<u>149,508</u>	<u>9,287</u>	<u>605,958</u>	<u>2,211,394</u>
Non-Current Assets:						
Advance to other funds						
Capital assets, net	-	533,730	47,254	-	-	580,984
Total Non-Current Assets	<u>-</u>	<u>533,730</u>	<u>47,254</u>	<u>-</u>	<u>-</u>	<u>580,984</u>
Total Assets	<u>196,963</u>	<u>1,783,408</u>	<u>196,762</u>	<u>9,287</u>	<u>605,958</u>	<u>2,792,378</u>
LIABILITIES						
Current Liabilities:						
Accounts payable	10,507	-	970	9,499	10,986	31,962
Payables:						
Due to City of Suisun City	-	-	-	-	19,724	19,724
Claims Payable	-	-	-	-	173,270	173,270
Total Current Liabilities	<u>10,507</u>	<u>-</u>	<u>970</u>	<u>9,499</u>	<u>203,980</u>	<u>224,956</u>
Non-Current Liabilities:						
Claims Payable	-	-	-	-	681,015	681,015
Total Liabilities	<u>10,507</u>	<u>-</u>	<u>970</u>	<u>9,499</u>	<u>884,995</u>	<u>905,971</u>
NET ASSETS						
Invested in capital assets	-	533,730	47,254	-	-	580,984
Unrestricted	186,456	1,249,678	148,538	(212)	(279,037)	1,305,423
Total Net Assets	<u>\$ 186,456</u>	<u>\$ 1,783,408</u>	<u>\$ 195,792</u>	<u>\$ (212)</u>	<u>\$ (279,037)</u>	<u>\$ 1,886,407</u>

**CITY OF SUISUN CITY
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

	Motor Vehicle Repair Fund	Motor Vehicle Replacement Fund	Network Maintenance Fund	Public Works Operating Cost Fund	Self-Insurance Funds	Total
Operating Revenues:						
Charges to City departments	\$ 112,200	\$ 126,500	\$ 239,588	\$ 1,160,039	\$ 512,149	\$ 2,150,476
Miscellaneous revenue	-	-	-	366	84,429	84,795
Total Revenues	<u>112,200</u>	<u>126,500</u>	<u>239,588</u>	<u>1,160,405</u>	<u>596,578</u>	<u>2,235,271</u>
Operating Expenditures:						
Salaries and benefits	12,845	6,492	132,269	1,028,034	101,667	1,281,307
Services and supplies	74,581	-	45,606	132,589	496,988	749,764
Claims and settlements	-	-	-	-	451,115	451,115
Depreciation	-	103,886	9,462	-	-	113,348
Total expenditures	<u>87,426</u>	<u>110,378</u>	<u>187,337</u>	<u>1,160,623</u>	<u>1,049,770</u>	<u>2,595,534</u>
Operating income (loss)	<u>24,774</u>	<u>16,122</u>	<u>52,251</u>	<u>(218)</u>	<u>(453,192)</u>	<u>(360,263)</u>
Nonoperating revenue (expense):						
Interest income	3,508	23,751	2,797	-	11,616	41,672
Sale of capital assets	-	6,031	-	-	-	6,031
Total Nonoperating revenue (expense):	<u>3,508</u>	<u>29,782</u>	<u>2,797</u>	<u>-</u>	<u>11,616</u>	<u>47,703</u>
Changes in net assets	28,282	45,904	55,048	(218)	(441,576)	(312,560)
Net assets, beginning of year	158,174	1,737,504	140,744	6	162,539	2,198,967
Net assets, end of year	<u>\$ 186,456</u>	<u>\$ 1,783,408</u>	<u>\$ 195,792</u>	<u>\$ (212)</u>	<u>\$ (279,037)</u>	<u>\$ 1,886,407</u>

**CITY OF SUISUN CITY
INTERNAL SERVICE FUNDS**

**COMBINING STATEMENTS OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

	Motor Vehicle Repair Fund	Motor Vehicle Replacement Fund	Network Maintenance Fund	Public Works Operating Cost Fund	Self-Insurance Funds	Total
CASH FLOWS FROM OPERATING ACTIVITIES						
Cash received from customers/departments	\$ 112,200	\$ 126,500	\$ 239,588	\$ 1,160,405	\$ 596,578	\$ 2,235,271
Cash paid to suppliers	(72,679)	-	(51,750)	(126,177)	(711,790)	(962,396)
Cash paid to employees	(12,845)	(6,492)	(132,269)	(1,028,034)	(101,667)	(1,281,307)
Net cash provided (used) by operating activities	<u>26,676</u>	<u>120,008</u>	<u>55,569</u>	<u>6,194</u>	<u>(216,879)</u>	<u>(8,432)</u>
CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Purchase of capital assets	-	(8,499)	(36,955)	-	-	(45,454)
Sale of capital assets	-	6,031	-	-	-	6,031
Net cash used by capital and related financing activities	<u>-</u>	<u>(2,468)</u>	<u>(36,955)</u>	<u>-</u>	<u>-</u>	<u>(39,423)</u>
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest	3,508	23,751	2,797	-	11,616	41,672
Cash Flows from Investing Activities	<u>3,508</u>	<u>23,751</u>	<u>2,797</u>	<u>-</u>	<u>11,616</u>	<u>41,672</u>
Net Cash Flows	30,184	141,291	21,411	6,194	(205,263)	(6,183)
Cash and investments at beginning of period	155,848	1,108,387	128,097	3,093	811,221	2,206,646
Cash and cash equivalents at end of period	<u>\$ 186,032</u>	<u>\$ 1,249,678</u>	<u>\$ 149,508</u>	<u>\$ 9,287</u>	<u>\$ 605,958</u>	<u>\$ 2,200,463</u>
Reconciliation of operating income (loss) to net cash flows from operating activities:						
Operating income (loss)	\$ 24,774	\$ 16,122	\$ 52,251	\$ (218)	\$ (453,192)	\$ (360,263)
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:						
Depreciation	-	103,886	9,462	-	-	113,348
Change in assets and liabilities:						
Accounts payable and claims payable	1,902	-	(6,144)	6,412	236,313	238,483
Cash Flows from Operating Activities	<u>\$ 26,676</u>	<u>\$ 120,008</u>	<u>\$ 55,569</u>	<u>\$ 6,194</u>	<u>\$ (216,879)</u>	<u>\$ (8,432)</u>

AGENCY FUNDS

Agency Funds account for assets held by the City as agent for individuals, governmental entities, and non-public organizations. These funds include the following:

CASA DE SUISUN

This fund is a replacement reserve account required by the agreement between Casa de Suisun and the Department of Housing Community Development.

REC/COM PROGRAMS

This fund is held solely for the purpose of monitoring the donations to run specific recreation programs.

ASSET FORFEITURE

This fund accounts for funds forfeited by the Police Department.

SCHOOL IMPACT FEES

This fund accounts for the impact fees collected in behalf of the Fairfield-Suisun Unified School District.

PUBLIC ARTS & BID

This fund accounts for the fees collected in behalf of the Business Improvement District.

STRONG MOTION FEES

This fund accounts for the fees collected in behalf of the Department of Conservation.

SOLANO COUNTY TRUST

This fund accounts for the funds collected in behalf of Solano County.

TRANSIT TICKETS

This fund accounts for the Fairfield-Suisun Transit ticket sales.

EVENT TICKETS

This fund accounts for the sales of various event tickets for other agencies.

VICTORIAN HARBOR ASSESSMENT DISTRICT

This fund accounts for the debt service of the City's obligation for the special assessment bonds issued for the construction of the Victorian Harbor subdivision.

SEWER DISTRICT TRUST

This fund accounts for the fees collected in behalf of the Fairfield-Suisun Sewer District.

SOLANO GARBAGE

This fund accounts for the fees collected through property tax from unpaid waste collection liens.

AGENCY FUNDS (Continued)

SOLID WASTE

This fund accounts for the fees collected in behalf of Solano Garbage.

CBSC – SB 1473

This fund accounts for the fees collected in behalf of the Building Standards Commission for SB 1473.

HARBOR PLAZA TRASH

This fund accounts for the fees collected for managing the Suisun Downtown Plaza Trash.

JAG GRANT

This fund accounts for the federal funds held by the City as the lead agency of the grant known as JAG.

JAG GRANT II

This fund accounts for the federal funds held by the City as the lead agency of the grant known as JAGII.

SUISUN-SOLANO WATER AGENCY

This fund accounts for the funds collected in behalf of SSWA

CITY OF SUISUN CITY
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Balance June 30, 2011	Additions	Deletions	Balance June 30, 2012
<u>Casa de Suisun</u>				
<u>ASSETS:</u>				
Cash and investments	\$ 85,571	\$ -	\$ (18,354)	\$ 67,217
Total assets	<u>\$ 85,571</u>	<u>\$ -</u>	<u>\$ (18,354)</u>	<u>\$ 67,217</u>
<u>LIABILITIES:</u>				
Due to other agencies	\$ 85,571	\$ 9,947	\$ (28,301)	\$ 67,217
Total Liabilities	<u>\$ 85,571</u>	<u>\$ 9,947</u>	<u>\$ (28,301)</u>	<u>\$ 67,217</u>
<u>Rec/Com Programs</u>				
<u>ASSETS:</u>				
Cash and investments	\$ 22,278	\$ 31,059	\$ (28,276)	\$ 25,061
Total assets	<u>\$ 22,278</u>	<u>\$ 31,059</u>	<u>\$ (28,276)</u>	<u>\$ 25,061</u>
<u>LIABILITIES:</u>				
Due to other agencies	\$ 22,278	\$ 2,783	\$ -	\$ 25,061
Total Liabilities	<u>\$ 22,278</u>	<u>\$ 2,783</u>	<u>\$ -</u>	<u>\$ 25,061</u>
<u>Asset Forfeiture</u>				
<u>ASSETS:</u>				
Cash and investments	\$ 6,624	\$ -	\$ -	\$ 6,624
Total assets	<u>\$ 6,624</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,624</u>
<u>LIABILITIES:</u>				
Due to other agencies	\$ 6,624	\$ -	\$ -	\$ 6,624
Total Liabilities	<u>\$ 6,624</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,624</u>

CITY OF SUISUN CITY
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES (Continued)
AGENCY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	<u>Balance</u> <u>June 30, 2011</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2012</u>
<u>School Impact Fees</u>				
<u>ASSETS:</u>				
Cash and investments	\$ 4,858	\$ 5,460	\$ (10,313)	\$ 5
Assessments receivable	3,298	-	-	3,298
Total assets	<u>\$ 8,156</u>	<u>\$ 5,460</u>	<u>\$ (10,313)</u>	<u>\$ 3,303</u>
<u>LIABILITIES:</u>				
Due to other agencies	8,156	5,460	(10,313)	3,303
Total Liabilities	<u>\$ 8,156</u>	<u>\$ 5,460</u>	<u>\$ (10,313)</u>	<u>\$ 3,303</u>
<u>Public Arts and Bid</u>				
<u>ASSETS:</u>				
Cash and investments	\$ 400	\$ 17,241	\$ (17,020)	\$ 621
Total assets	<u>\$ 400</u>	<u>\$ 17,241</u>	<u>\$ (17,020)</u>	<u>\$ 621</u>
<u>LIABILITIES:</u>				
Accounts payable	\$ 400	\$ 17,241	\$ (17,641)	\$ -
Due to other agencies	-	17,861	(17,240)	621
Total Liabilities	<u>\$ 400</u>	<u>\$ 35,102</u>	<u>\$ (34,881)</u>	<u>\$ 621</u>
<u>Strong Motion Fees</u>				
<u>ASSETS:</u>				
Cash and investments	\$ 2,273	\$ 1,303	\$ (3,371)	\$ 205
Total assets	<u>\$ 2,273</u>	<u>\$ 1,303</u>	<u>\$ (3,371)</u>	<u>\$ 205</u>
<u>LIABILITIES:</u>				
Accounts payable	\$ -	\$ 3,586	\$ (3,381)	\$ 205
Due to other agencies	2,273	-	(2,273)	-
Total Liabilities	<u>\$ 2,273</u>	<u>\$ 3,586</u>	<u>\$ (5,654)</u>	<u>\$ 205</u>

CITY OF SUISUN CITY
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES (Continued)
AGENCY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	<u>Balance</u> <u>June 30, 2011</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2012</u>
<u>Solano County Trust</u>				
<u>ASSETS:</u>				
Cash and investments	\$ 8,910	\$ 10,026	\$ (18,890)	\$ 46
Total assets	<u>\$ 8,910</u>	<u>\$ 10,026</u>	<u>\$ (18,890)</u>	<u>\$ 46</u>
<u>LIABILITIES:</u>				
Accounts payable	\$ -	\$ 46	\$ -	\$ 46
Due to other agencies	8,910	10,026	(18,890)	-
Total Liabilities	<u>\$ 8,910</u>	<u>\$ 10,072</u>	<u>\$ (18,890)</u>	<u>\$ 46</u>
<u>Transit Tickets</u>				
<u>ASSETS:</u>				
Cash and investments	\$ 1,105	\$ 7,420	\$ (7,995)	\$ 530
Total assets	<u>\$ 1,105</u>	<u>\$ 7,420</u>	<u>\$ (7,995)</u>	<u>\$ 530</u>
<u>LIABILITIES:</u>				
Accounts payable	\$ -	\$ 9,601	\$ (9,167)	\$ 434
Due to other agencies	1,105	8,722	(9,731)	96
Total Liabilities	<u>\$ 1,105</u>	<u>\$ 18,323</u>	<u>\$ (18,898)</u>	<u>\$ 530</u>
<u>Event Tickets</u>				
<u>ASSETS:</u>				
Cash and investments	\$ 640	\$ -	\$ -	\$ 640
Total assets	<u>\$ 640</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 640</u>
<u>LIABILITIES:</u>				
Due to other agencies	\$ 640	\$ -	\$ -	\$ 640
Total Liabilities	<u>\$ 640</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 640</u>

CITY OF SUISUN CITY
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES (Continued)
AGENCY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Balance June 30, 2011	Additions	Deletions	Balance June 30, 2012
<u>Victorian Harbor Assessment District</u>				
<u>ASSETS:</u>				
Cash and investments	\$ 98,004	\$ 57,511	\$ (56,538)	\$ 98,977
Total assets	<u>\$ 98,004</u>	<u>\$ 57,511</u>	<u>\$ (56,538)</u>	<u>\$ 98,977</u>
<u>LIABILITIES:</u>				
Accounts payable	\$ -	\$ 4,096	\$ (4,096)	\$ -
Due to other agencies	98,004	973	-	98,977
Total Liabilities	<u>\$ 98,004</u>	<u>\$ 5,069</u>	<u>\$ (4,096)</u>	<u>\$ 98,977</u>
 <u>Sewer District Trust</u>				
<u>ASSETS:</u>				
Cash and investments	\$ 252,639	\$ 2,257,212	\$ (2,249,803)	\$ 260,048
Assessments receivable	290,364	3,229,148	(3,211,540)	307,972
Total assets	<u>\$ 543,003</u>	<u>\$ 5,486,360</u>	<u>\$ (5,461,343)</u>	<u>\$ 568,020</u>
<u>LIABILITIES:</u>				
Due to other agencies	543,003	3,237,998	(3,212,981)	568,020
Total Liabilities	<u>\$ 543,003</u>	<u>\$ 3,237,998</u>	<u>\$ (3,212,981)</u>	<u>\$ 568,020</u>
 <u>Solano Garbage</u>				
<u>ASSETS:</u>				
Cash and investments	\$ 133,081	\$ 171,734	\$ (304,815)	\$ -
Total assets	<u>\$ 133,081</u>	<u>\$ 171,734</u>	<u>\$ (304,815)</u>	<u>\$ -</u>
<u>LIABILITIES:</u>				
Accounts payable	\$ 133,081	\$ -	\$ (133,081)	\$ -
Total Liabilities	<u>\$ 133,081</u>	<u>\$ -</u>	<u>\$ (133,081)</u>	<u>\$ -</u>

CITY OF SUISUN CITY
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES (Continued)
AGENCY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Balance June 30, 2011	Additions	Deletions	Balance June 30, 2012
<u>Solid Waste</u>				
<u>ASSETS:</u>				
Cash and investments	\$ 4,223	\$ -	\$ -	\$ 4,223
Total assets	<u>\$ 4,223</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,223</u>
<u>LIABILITIES:</u>				
Due to other agencies	4,223	-	-	4,223
Total Liabilities	<u>\$ 4,223</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,223</u>
 <u>CBSC - SB1473</u>				
<u>ASSETS:</u>				
Cash and investments	\$ 511	\$ 632	\$ (902)	\$ 241
Total assets	<u>\$ 511</u>	<u>\$ 632</u>	<u>\$ (902)</u>	<u>\$ 241</u>
<u>LIABILITIES:</u>				
Accounts payable	\$ -	\$ 1,153	\$ (912)	\$ 241
Due to other agencies	511	644	(1,155)	-
Total Liabilities	<u>\$ 511</u>	<u>\$ 1,797</u>	<u>\$ (2,067)</u>	<u>\$ 241</u>
 <u>Harbor Plaza Trash</u>				
<u>ASSETS:</u>				
Cash and investments	\$ 520	\$ 24,661	\$ (25,181)	\$ -
Assessments receivable	4,229	28,476	(28,476)	4,229
Total assets	<u>\$ 4,749</u>	<u>\$ 53,137</u>	<u>\$ (53,657)</u>	<u>\$ 4,229</u>
<u>LIABILITIES:</u>				
Accounts payable	\$ 136	\$ 30,770	\$ (29,816)	1,090
Due to other agencies	4,613	28,475	(29,949)	3,139
Total Liabilities	<u>\$ 4,749</u>	<u>\$ 59,245</u>	<u>\$ (59,765)</u>	<u>\$ 4,229</u>

CITY OF SUISUN CITY
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES (Continued)
AGENCY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Balance June 30, 2011	Additions	Deletions	Balance June 30, 2012
<u>JAG Grant</u>				
<u>ASSETS:</u>				
Cash and investments	\$ 221,115	\$ 18,544	\$ (237,587)	\$ 2,072
Total assets	<u>\$ 221,115</u>	<u>\$ 18,544</u>	<u>\$ (237,587)</u>	<u>\$ 2,072</u>
<u>LIABILITIES:</u>				
Accounts payable	\$ 179,638	\$ 3,500	\$ (183,138)	\$ -
Due to other agencies	41,477	2,000	(41,405)	2,072
Total Liabilities	<u>\$ 221,115</u>	<u>\$ 5,500</u>	<u>\$ (224,543)</u>	<u>\$ 2,072</u>
 <u>JAG II Grant</u>				
<u>ASSETS:</u>				
Cash and investments	\$ 138,679	\$ 1,071	\$ (139,743)	\$ 7
Total assets	<u>\$ 138,679</u>	<u>\$ 1,071</u>	<u>\$ (139,743)</u>	<u>\$ 7</u>
<u>LIABILITIES:</u>				
Accounts payable	\$ 135,603	\$ -	\$ (135,603)	\$ -
Due to other agencies	3,076	22	(3,091)	7
Total Liabilities	<u>\$ 138,679</u>	<u>\$ 22</u>	<u>\$ (138,694)</u>	<u>\$ 7</u>
 <u>JAG 2011 Grant</u>				
<u>ASSETS:</u>				
Cash and investments	\$ -	\$ 345,255	\$ (189,184)	\$ 156,071
Total assets	<u>\$ -</u>	<u>\$ 345,255</u>	<u>\$ (189,184)</u>	<u>\$ 156,071</u>
<u>LIABILITIES:</u>				
Accounts payable	\$ -	\$ 144,033	\$ (23,820)	\$ 120,213
Due to other agencies	-	194,941	(159,083)	35,858
Total Liabilities	<u>\$ -</u>	<u>\$ 338,974</u>	<u>\$ (182,903)</u>	<u>\$ 156,071</u>

CITY OF SUISUN CITY
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES (Continued)
AGENCY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	<u>Balance</u> <u>June 30, 2011</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2012</u>
<u>Suisun-Solano Water Agency</u>				
<u>ASSETS:</u>				
Cash and investments	\$ 11,512,633	\$ -	\$ (665,708)	\$ 10,846,925
cash with fiscal agent	821,761	57,083	-	878,844
Assessments receivable	683,449	65,850	-	749,299
	<u>\$ 13,017,843</u>	<u>\$ 122,933</u>	<u>\$ (665,708)</u>	<u>\$ 12,475,068</u>
<u>LIABILITIES:</u>				
Accounts payable	\$ 197,889	\$ 64,400	\$ -	262,289
Due to other agencies	12,819,954	-	(607,175)	12,212,779
	<u>\$ 13,017,843</u>	<u>\$ 64,400</u>	<u>\$ (607,175)</u>	<u>\$ 12,475,068</u>

	<u>Balance</u> <u>June 30, 2011</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2012</u>
<u>Combined Totals</u>				
Cash and investments	\$ 12,494,064	\$ 2,949,129	\$ (3,973,680)	\$ 11,469,513
Cash with fiscal agent	821,761	57,083	-	878,844
Assessments receivable	981,340	3,323,474	(3,240,016)	1,064,798
	<u>\$ 14,297,165</u>	<u>\$ 6,329,686</u>	<u>\$ (7,213,696)</u>	<u>\$ 13,413,155</u>
<u>LIABILITIES:</u>				
Accounts payable	\$ 646,747	\$ 278,380	\$ (540,655)	\$ 384,472
Due to other agencies	13,650,418	3,519,852	(4,141,587)	13,028,683
	<u>\$ 14,297,165</u>	<u>\$ 3,798,232</u>	<u>\$ (4,682,242)</u>	<u>\$ 13,413,155</u>

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STATISTICAL SECTION

This part of the City's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health. In contrast to the financial section, the statistical section information is not subject to independent audit.

Financial Trends

These schedules contain trend information to help the reader understand how the City's financial performance and well being have changed over time:

1. Net Assets by Component
2. Changes in Net Assets
3. Fund Balances of Governmental Funds
4. Changes in Fund Balance of Governmental Funds

Revenue Capacity

These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax:

1. Net Assessed and Estimated Actual Value of Property
2. Property Tax Levies and Collections
3. Property Tax Rates Overlapping Governments
4. Principal Taxpayers

Debt Capacity

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future:

1. Ratio of Net General Obligation Bonded Debt to Assessed Value and Net General Obligation on Bonded Debt Per Capita
2. Ratio of Annual Debt Service Expenditures for General Obligation Bonded Debt to Total General Governmental Expenditures
3. Ratios of Outstanding Debt by Type
4. Computation of Legal Debt Margin
5. Schedule of Direct and Overlapping Debt

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place:

1. Demographic Statistics
2. Principal Employers

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs:

1. Full-Time Equivalent Employees by Function
2. Operating Indicators by Function
3. Construction Value
4. Special Assessments Billings and Collections
5. Miscellaneous Statistics

Sources

Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year. The City implemented GASB Statement 34 in 2003; schedules presenting government-wide information include information beginning in that year.

**CITY OF SUISUN CITY
NET ASSETS BY COMPONENT
LAST TEN FISCAL YEARS**

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Primary Government										
Governmental activities:										
Invested in capital assets, net of related debt	\$25,051,103	\$23,583,975	\$24,607,570	\$24,987,074	\$ 83,499,340	\$ 89,322,941	\$ 103,823,239	\$ 108,661,774	\$ 97,346,564	\$ 154,434,694
Restricted	6,215,569	5,007,205	5,104,513	6,213,218	13,167,071	13,051,878	26,518,847	22,896,799	16,772,817	5,579,796
Unrestricted	7,933,187	13,381,611	18,685,435	22,525,248	39,439,121	38,666,587	17,132,168	10,516,962	26,391,340	36,318,936
Total governmental activities net assets	<u>\$39,199,859</u>	<u>\$41,972,791</u>	<u>\$48,397,518</u>	<u>\$53,725,540</u>	<u>\$136,105,532</u>	<u>\$141,041,406</u>	<u>\$147,474,254</u>	<u>\$142,075,535</u>	<u>\$140,510,721</u>	<u>\$196,333,426</u>

Source: Financial Statements

**CITY OF SUISUN CITY
CHANGES IN NET ASSETS
LAST TEN FISCAL YEARS**

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Expenses:										
Governmental activities:										
General government	\$ 3,556,316	\$ 3,836,626	\$ 4,354,512	\$ 5,692,605	\$ 5,244,020	\$ 6,785,352	\$ 7,236,203	\$ 15,431,040	\$ 11,311,026	\$ 12,709,382
Public safety	4,349,512	4,339,980	4,685,740	5,251,632	5,861,374	6,324,288	6,363,693	6,356,448	6,562,319	6,662,665
Public works	1,620,099	1,859,194	592,499	691,932	2,966,551	3,342,076	3,638,323	3,205,912	2,571,579	2,555,024
Highways and streets	524,651	640,412	626,094	1,438,421	3,014,295	3,296,699	3,740,463	2,739,175	2,793,630	4,152,173
Building services	239,631	254,554	267,083	344,430	651,340	1,010,367	792,348	832,962	553,654	1,028,453
Culture and recreation	1,568,088	1,321,671	1,101,420	2,011,975	1,870,837	2,355,217	2,316,094	2,255,968	2,201,925	2,242,286
Community development	8,601,001	7,093,672	6,430,496	7,756,666	5,645,108	7,167,225	4,537,598	1,924,490	3,081,116	2,554,075
Interest on long-term debt	4,761,158	5,773,905	4,106,121	4,042,990	3,598,258	3,745,638	3,899,396	3,922,503	3,674,323	1,418,876
Depreciation - unallocated	3,624,882	3,617,719	5,196,026	5,593,909	-	-	-	-	-	-
Total Governmental activities expenses	28,845,338	28,737,733	27,359,991	32,824,560	28,851,782	34,026,862	32,524,118	36,668,497	32,749,572	33,322,934
Program Revenues:										
Charges for services:										
General government	1,593,715	1,981,754	1,843,284	2,096,939	1,407,458	2,567,517	2,740,062	2,507,689	2,549,941	3,786,533
Public safety	263,638	389,582	359,496	697,476	319,940	748,481	312,754	810,646	497,122	860,999
Public works	218,030	612,747	589,803	624,341	2,216,104	639,941	517,821	718,775	772,921	1,248,534
Highways & streets	367,076	1,732,932	2,394,708	1,553,808	2,334,759	879,344	342,901	894,102	891,925	845,521
Building services	202,515	59,231	298,204	41,298	317,863	18,164	53,089	19,630	177,336	116,018
Culture & recreation	380,680	744,000	471,208	1,094,006	1,196,929	1,350,270	1,332,502	842,178	1,166,700	1,300,975
Community development	-	-	1,785,045	1,917,728	283,191	2,344,049	1,477,067	314,293	622,638	1,345,583
Operating grants and contribution	1,126,389	1,530,089	4,427,312	4,471,342	4,568,940	4,059,537	6,477,075	8,118,611	7,668,640	5,306,884
Capital grants and contributions	1,500,437	3,857,913	2,221,756	639,070	2,537,781	1,834,313	5,098,395	1,438,277	633,925	616,098
Total Governmental program revenues	5,652,480	10,908,248	14,390,816	13,136,008	15,182,965	14,441,616	18,351,666	15,664,201	14,981,148	15,427,145
Net revenues (expense)	(23,192,858)	(17,829,485)	(12,969,175)	(19,688,552)	(13,668,817)	(19,585,246)	(14,172,452)	(21,004,296)	(17,768,424)	(17,895,789)
General revenues:										
Taxes:										
Property taxes	10,946,689	12,206,723	13,851,307	16,169,408	19,875,251	21,238,878	18,302,548	13,400,389	13,120,638	7,462,146
Sales taxes	872,810	869,220	914,679	1,049,626	1,042,944	982,667	954,945	885,450	859,750	1,003,761
Intergovernmental revenue-unrestricted	8,416,554	4,816,580	2,181,199	2,133,868	-	-	-	-	-	-
Gain on sale of capital asset	-	-	-	2,022,353	2,580,539	-	-	407,246	851,796	140,000
Investment earnings	584,675	610,872	807,935	1,274,550	1,945,746	1,797,494	1,347,807	912,493	651,672	563,726
Miscellaneous revenue	2,627,968	2,037,240	1,638,781	2,366,770	2,211,492	502,082	-	-	719,754	-
Total general revenues	23,448,696	20,540,635	19,393,901	25,016,575	27,655,972	24,521,121	20,605,300	15,605,578	16,203,610	9,169,633
Extraordinary items:										
Extraordinary gain on RDA dissolution	-	-	-	-	-	-	-	-	-	64,548,860
Changes in net assets	\$ 255,838	\$ 2,711,150	\$ 6,424,726	\$ 5,328,023	\$ 13,987,155	\$ 4,935,875	\$ 6,432,848	\$ (5,398,718)	\$ (1,564,814)	\$ 55,822,704

Source: Financial statements

**CITY OF SUISUN CITY
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS**

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
General fund:										
Nonspendable	\$ 184,014	\$ 2,775	\$ 1,775	\$ 1,775	\$ 74,055	\$ 64,281	\$ 3,696	\$ 2,011,268	\$ 11,652	\$ 81,076
Committed	-	-	-	-	-	-	-	-	1,412,100	59,073
Assigned	-	-	-	-	-	-	-	-	185,400	199,284
Unassigned	-	-	-	-	-	-	-	-	5,763,562	4,318,768
Unreserved/Undesignated	2,132,691	2,343,785	3,491,385	4,232,462	6,028,725	4,598,741	3,250,328	4,035,401	-	-
Total general fund	<u>\$ 2,316,705</u>	<u>\$ 2,346,560</u>	<u>\$ 3,493,160</u>	<u>\$ 4,234,237</u>	<u>\$ 6,102,780</u>	<u>\$ 4,663,022</u>	<u>\$ 3,254,024</u>	<u>\$ 6,046,669</u>	<u>\$ 7,372,714</u>	<u>\$ 4,658,201</u>
All other governmental funds:										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,170,612	\$ 8,839,135
Restricted	-	-	-	-	-	-	-	-	7,607,709	5,579,796
Committed	-	-	-	-	-	-	-	-	1,111,438	-
Assigned	-	-	-	-	-	-	-	-	12,680,211	5,165,068
Unassigned	-	-	-	-	-	-	-	-	(7,109,787)	798,693
Reserved	9,091,630	7,841,008	7,686,871	8,781,695	13,093,016	12,987,597	13,233,067	18,960,343	-	-
Unreserved/Undesignated, reported in:										
Special revenue funds	7,494,572	8,577,567	13,612,325	17,595,791	19,121,306	22,009,271	22,345,744	12,511,486	-	-
Capital projects funds	2,935,454	9,955,401	7,769,274	7,178,602	3,063,845	4,900,037	3,847,247	(5,464,875)	-	-
Debt service funds	-	1,897,584	2,860,203	3,196,883	-	-	-	-	-	-
Total all other governmental funds	<u>\$19,521,656</u>	<u>\$28,271,560</u>	<u>\$31,928,673</u>	<u>\$36,752,972</u>	<u>\$35,278,167</u>	<u>\$39,896,905</u>	<u>\$39,426,058</u>	<u>\$26,006,954</u>	<u>\$23,460,183</u>	<u>\$20,382,692</u>

Source: City Financial Statements

Note: The City has implemented GASB 54 effective fiscal year ending June 30, 2011.

This Statement establishes new categories for reporting fund balance and revises the definitions for governmental fund types. The City opted not to change the previous years' data.

CITY OF SUISUN CITY
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Revenues:										
Taxes:										
Property taxes	\$ 10,946,689	\$ 12,206,723	\$ 13,851,307	\$ 16,169,408	\$ 17,846,612	\$ 18,758,360	\$ 18,302,548	\$ 13,400,389	\$ 13,120,638	\$ 7,462,146
Sales taxes	872,810	869,220	914,679	1,049,626	1,042,944	982,667	954,945	885,450	859,750	1,003,761
Licenses and permits	1,009,731	1,229,456	1,363,143	1,301,409	1,526,909	1,282,790	1,186,684	1,220,182	1,155,074	1,131,020
Fines and forfeits	116,658	130,013	180,576	214,948	263,533	225,420	211,881	224,397	386,036	373,379
Intergovernmental revenue	8,416,554	8,497,755	9,281,068	7,244,280	8,676,774	8,201,756	11,620,296	9,024,843	7,604,602	7,631,673
Developer fees	1,500,437	1,917,161	1,400,453	984,385	1,140,627	615,649	310,548	-	24,563	26,797
Special assessments	814,135	931,278	1,010,339	1,074,125	1,579,243	1,669,407	315,946	1,950,477	2,061,924	2,100,866
Charges for services	908,578	1,312,337	1,574,921	1,673,418	1,873,012	2,161,569	3,398,653	2,415,639	2,329,627	2,336,323
Investment earnings	584,675	610,872	784,362	1,289,785	1,945,746	1,797,494	1,347,807	912,493	618,464	516,023
Reimbursements	1,302,941	1,202,276	590,008	881,923	2,953,283	1,964,620	75,489	75,000	75,000	478,432
Miscellaneous revenue	2,438,596	2,402,748	3,372,954	2,359,838	1,453,612	822,139	2,335,599	596,429	2,455,199	1,348,656
Total revenues	28,911,804	31,309,839	34,323,810	34,243,143	40,302,295	38,481,871	40,060,396	30,705,299	30,690,877	24,409,076
Expenditures:										
Current:										
General government	5,429,124	5,456,726	5,644,970	6,512,605	7,365,359	6,748,235	6,414,336	6,341,061	6,574,212	5,771,915
Public safety	4,186,959	4,339,980	4,637,904	4,931,225	5,795,287	6,220,072	6,351,947	6,254,866	6,361,385	6,403,988
Public works	454,647	438,698	545,517	503,832	2,141,410	2,215,153	1,679,017	1,629,560	1,754,874	1,791,049
Highways and streets	605,848	640,412	445,455	1,290,203	1,185,064	1,331,444	2,037,459	1,523,707	808,796	2,141,840
Building services	236,737	254,554	289,169	326,663	408,029	471,634	252,908	264,142	335,910	355,128
Culture and recreation	1,302,991	1,321,671	1,236,637	1,433,707	1,439,984	2,154,353	2,195,208	2,123,400	1,739,236	1,729,250
Community development	3,388,448	2,567,907	1,802,302	3,207,946	7,033,542	3,614,524	1,442,042	2,152,997	3,664,635	1,907,011
Tax increment pass-through	2,476,268	2,905,665	3,661,145	4,254,358	3,978,311	4,264,044	4,017,407	9,067,551	4,621,078	907,778
Capital outlay	4,449,870	3,881,546	5,294,548	1,087,217	6,081,255	2,788,405	12,654,625	7,921,267	1,066,343	1,085,341
Principal on long-term debt	2,041,124	47,456,183	2,551,920	2,711,640	3,861,196	2,802,499	2,945,450	4,506,630	3,041,254	3,107,584
Interest on long-term debt	4,189,979	5,366,741	3,314,200	3,244,340	3,113,824	2,975,528	3,083,869	3,087,114	2,795,679	1,594,393
Total expenditures	28,761,995	74,630,083	29,423,767	29,503,736	42,403,261	35,585,891	43,074,268	44,872,295	32,763,400	26,795,277
Revenue Over (Under) expenditures	149,809	(43,320,244)	4,900,043	4,739,407	(2,100,966)	2,895,980	(3,013,872)	(14,166,996)	(2,072,522)	(2,386,201)
Other Financing Sources (Uses):										
Debt Proceeds	570,000	51,880,000	-	-	-	-	700,000	-	-	-
Sale of capital assets	-	-	-	825,975	2,580,539	400,000	540,000	3,539,956	851,796	140,000
Extraordinary loss on RDA dissolution	-	-	-	-	-	-	-	-	-	(3,545,803)
Transfer in	6,894,820	7,398,257	6,629,672	7,102,679	10,404,010	8,641,623	13,571,886	12,930,268	15,557,006	17,836,372
Transfer out	(6,355,406)	(7,178,254)	(6,726,002)	(7,102,679)	(10,404,010)	(8,758,623)	(13,677,859)	(12,930,268)	(15,557,006)	(17,836,372)
Total other financing sources (uses)	1,109,414	52,100,003	(96,330)	825,975	2,580,539	283,000	1,134,027	3,539,956	851,796	(3,405,803)
Net Change in fund balance	\$ 1,259,223	\$ 8,779,759	\$ 4,803,713	\$ 5,565,382	\$ 479,573	\$ 3,178,980	\$ (1,879,845)	\$ (10,627,040)	\$ (1,220,726)	\$ (5,792,004)
Debt service as a percentage of non-capital expenditures	25.6%	74.7%	24.3%	21.0%	19.2%	17.6%	19.8%	20.6%	18.4%	18.3%

Source: City Financial Statements

Note: This schedule contains trend information to help the reader understand how the City's financial performance and well being have changed over time.

**CITY OF SUISUN CITY NET ASSESSED AND ESTIMATED ACTUAL VALUE OF PROPERTY
LAST TEN FISCAL YEARS
(Amounts in thousands)**

Fiscal Year	Real Property (1) <u>Net Assessed Market Value</u>	Personal Property (1) <u>Net Assessed Market Value</u>	Total (1) <u>Net Assessed Market Value</u>	Direct Tax Rate	Increase (Decrease) in Market Value
2002-03	\$ 1,286,828	\$ 21,230	\$ 1,308,058	n/a	8.6%
2003-04	1,411,206	21,457	1,432,663	n/a	9.5%
2004-05	1,590,952	23,293	1,614,245	1.116%	12.7%
2005-06	1,836,303	25,495	1,861,798	1.106%	15.3%
2006-07	2,079,531	27,107	2,106,638	1.100%	13.2%
2007-08	2,317,947	23,037	2,340,984	1.095%	11.1%
2008-09	2,193,381	21,618	2,214,999	1.097%	-5.4%
2009-10	1,757,782	19,903	1,777,685	1.120%	-19.7%
2010-11	1,713,239	19,305	1,732,544	1.121%	-2.5%
2011-12	1,658,664	19,102	1,677,766	1.124%	-3.2%

Notes:

(1) Source is California Municipal Statistics Inc.

**CITY OF SUISUN CITY
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(Amounts in thousands)**

Fiscal Year	Allocation (1)	Current Collections	Percent of Current Taxes Collected	Percent Delinquent
2002-03	\$ 824	\$ 824	100.0%	0.0%
2003-04	880	880	100.0%	0.0%
2004-05	1,137	1,137	100.0%	0.0%
2005-06	1,286	1,286	100.0%	0.0%
2006-07	1,245	1,245	100.0%	0.0%
2007-08	1,164	1,164	100.0%	0.0%
2008-09	1,162	1,162	100.0%	0.0%
2009-10	1,170	1,170	100.0%	0.0%
2010-11	1,257	1,257	100.0%	0.0%
2011-12	1,424	1,424	100.0%	0.0%

Notes:

- (1) Source is State Controller's Report for City of Suisun City.
- (2) Includes general fund only.

CITY OF SUISUN CITY
PROPERTY TAX RATES DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS
(Rate Per \$100 of Assessed Value)

Fiscal Year	City	County	School	Other	Total
2002-03	.0179	.0339	.0321	0.916	1.000
2003-04	.0179	.0339	.0321	0.916	1.000
2004-05	.0179	.0339	.0321	0.916	1.000
2005-06	.0179	.0339	.0321	0.916	1.000
2006-07	.0179	.0339	.0321	0.916	1.000
2007-08	.0179	.0339	.0321	0.916	1.000
2008-09	.0179	.0339	.0321	0.916	1.000
2009-10	.0179	.0339	.0321	0.916	1.000
2010-11	.0179	.0339	.0321	0.916	1.000
2011-12	.0179	.0339	.0321	0.916	1.000

Notes:

- (1) Source is Solano County Assessor Annual Tax Increment Tables

CITY OF SUISUN CITY PRINCIPAL TAXPAYERS JUNE 30, 2012

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Valuation</u>	<u>Percent</u>
Heritage Owner LLC	Commercial Offices	\$ 26,000,000	1.55%
Cap V Suisun LLC	Residential	19,669,908	1.17%
Village Green Apartments LLC	Multi-Family Residential	18,086,738	1.08%
Walmart Stores Inc	Vacant Lot	14,640,498	0.87%
Peter L. Carter Trust	Commercial	11,380,000	0.68%
Waterfront Hotel Investors	Commercial	9,926,253	0.59%
WRI Golden State LLC	Commercial Sales and Service	8,938,730	0.53%
One Harbor Center	Commercial Office Lease	8,500,000	0.51%
Village II Suisun LP	Residential	8,475,000	0.51%
Pellarin Enterprises	Commercial	<u>7,738,550</u>	0.46%
Total		<u>\$ 133,355,677</u>	7.95%
Total Suisun City Assessed Valuation (value includes Outer TRAs)		<u><u>\$ 1,678,023,399</u></u>	

Notes:

- (1) Source is Solano County Assessment Rolls
- (2) Percent is of fiscal year 2011-2012 total assessed value for the project area.

**CITY OF SUISUN CITY RATIO OF NET GENERAL OBLIGATION BONDED DEBT TO ASSESSED VALUE AND NET
GENERAL OBLIGATION ON BONDED DEBT PER CAPITA LAST TEN FISCAL YEARS**
(Amounts in thousands)

<u>Fiscal Year</u>	<u>Estimated Population (1)</u>	<u>Net Assessed Valuation (2)</u>	<u>Gross Bonded Debt</u>	<u>Net Bonded Debt</u>	<u>Percentage of Net Bonded Debt to Assessed Value</u>	<u>Net Bonded Debt Per Capita</u>	<u>Percentage of Net Bonded Debt to Personal Income</u>
2002-03	26,635	\$ 1,336,274,000	\$ 3,435,000	\$ 3,435,000	0.26%	129.0	0.66%
2003-04	27,416	1,462,654,000	3,295,000	3,295,000	0.23%	120.2	0.67%
2004-05	27,716	1,614,245,111	3,155,000	3,155,000	0.20%	113.8	0.72%
2005-06	27,748	1,861,798,248	3,005,000	3,005,000	0.16%	108.3	0.77%
2006-07	27,980	2,106,638,785	2,850,000	2,850,000	0.14%	101.9	0.82%
2007-08	28,193	2,340,984,658	2,685,000	2,685,000	0.11%	95.2	0.90%
2008-09	28,856	2,214,999,652	2,510,000	2,510,000	0.11%	87.0	0.86%
2009-10	28,255	1,777,685,864	2,320,000	2,320,000	0.13%	82.1	0.77%
2010-11	27,992	1,732,544,743	2,120,000	2,120,000	0.12%	75.7	0.99%
2011-12	27,978	1,677,766,866	1,910,000	1,910,000	0.11%	68.3	1.18%

Notes:

- (1) Population from State Department of Finance
- (2) Assessed Valuation from Table 5

CITY OF SUISUN CITY
RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR GENERAL OBLIGATION
BONDED DEBT TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES
LAST TEN FISCAL YEARS
(Amounts in thousands)

Fiscal Year	Principal	Interest	Total Debt Service (2)	Total General Governmental Expenditures (2)	Ratio of Debt Service to General Governmental Expenditures
2002-03	\$ 130,000	\$ 183,500	\$ 313,500	\$ 29,333,174	.01
2003-04	140,000	176,870	316,870	32,387,757	.01
2004-05	140,000	169,730	309,730	29,958,421	.01
2005-06	150,000	164,242	314,242	29,503,736	.01
2006-07	155,000	154,940	309,940	42,403,261	.01
2007-08	165,000	147,035	312,035	35,585,891	.01
2008-09	175,000	140,122	315,122	43,074,268	.01
2009-10	190,000	129,695	319,695	44,872,295	.01
2010-11	200,000	121,506	321,506	32,763,400	.01
2011-12	210,000	109,805	319,805	26,795,277	.01

Notes:

- (1) Source is City of Suisun City debt service on general obligation bonds
- (2) Includes general, special revenue, debt service and capital projects funds
- (3) No general obligation bonded debt prior to 1993-94

CITY OF SUISUN CITY RATIOS OF OUTSTANDING DEBT BY TYPE LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>Certificates of Participation</u>	<u>Tax Allocation Bonds</u>	<u>Capital Leases</u>	<u>Loan & Notes Payable</u>	<u>Total Primary Government</u>	<u>Percentage of Personal Income</u>	<u>Per Capita</u>
2002-03	\$ 3,435,000	\$ 2,525,000	\$ 59,864,314	\$ 2,584,946	\$ 14,519,546	\$ 82,928,806	0.03%	3,114
2003-04	3,295,000	2,490,000	64,964,563	2,384,303	14,176,567	87,310,433	0.03%	3,185
2004-05	3,155,000	2,310,000	63,908,237	2,214,938	13,815,931	85,404,106	0.03%	3,081
2005-06	3,005,000	2,130,000	62,720,806	2,242,941	13,480,461	83,579,208	0.03%	3,012
2006-07	2,850,000	1,945,000	61,478,775	2,054,233	12,077,970	80,405,978	0.03%	2,874
2007-08	2,685,000	1,755,000	60,218,950	1,859,280	11,805,424	78,323,654	0.03%	2,778
2008-09	2,510,000	1,560,000	58,918,140	2,323,505	11,520,749	76,832,394	0.03%	2,663
2009-10	2,320,000	1,360,000	57,603,040	609,324	11,223,300	73,115,664	0.03%	2,534
2010-11	2,120,000	1,155,000	56,240,467	473,977	10,912,393	70,901,837	0.03%	2,457
2011-12	1,910,000	940,000	53,980,467	376,486	10,749,965	67,956,918	0.04%	2,429

Notes:

- (1) Details regarding the City's outstanding debt can be found in the notes to the financial statements.
- (2) Refer to the Demographics Statistics for personal income and population data.

**CITY OF SUISUN CITY
COMPUTATION OF LEGAL DEBT MARGIN
LAST TEN FISCAL YEARS**

Fiscal Year	Assessed Value	Debt Limit	Total Net Debt Applicable to Limit	Legal Debt Margin	Ratio of Outstanding Net Debt Limit
2002-03	\$ 1,336,274,941	\$ 50,110,310	\$ 3,435,000	\$ 46,675,310	6.85%
2003-04	1,462,654,823	54,849,556	3,295,000	51,554,556	6.01%
2004-05	1,614,245,111	60,534,192	3,155,000	57,379,192	5.21%
2005-06	1,861,798,248	69,817,434	3,005,000	66,812,434	4.30%
2006-07	2,106,638,785	78,998,954	2,850,000	76,148,954	3.61%
2007-08	2,340,984,658	87,786,925	2,685,000	85,101,925	3.06%
2008-09	2,214,999,652	83,062,487	2,510,000	80,552,487	3.02%
2009-10	1,177,685,864	44,163,220	2,320,000	41,843,220	5.25%
2010-11	1,732,544,743	64,970,428	2,120,000	62,850,428	3.26%
2011-12	1,677,766,866	62,916,257	1,910,000	61,006,257	3.04%

Notes:

(1) California Government Code, Section 43605 sets the limit at 15%. The Code section was enacted when assessed valuations were based on 25% of full market value. This has since changed to 100% of full market value. Thus, the limit shown is 3.75% (one-fourth the limit of 15%).

CITY OF SUISUN CITY DEMOGRAPHICS STATISTICS LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>City Size Square Mile</u>	<u>City Population (1)</u>	<u>Population Increase</u>	<u>Population of Household</u>	<u>Unemployment Rate (2)</u>	<u>Per Capita Personal Income</u>	<u>Median Household Income (3)</u>	<u>Total Personal Income</u>
2002-03	4.02	26,635	517	3.260	7.4	\$ 22,647	\$ 73,828	\$ 603,192,877
2003-04	4.02	27,416	781	3.330	7.1	22,171	73,828	607,828,363
2004-05	4.02	27,716	300	3.234	5.3	22,829	73,828	632,720,114
2005-06	4.02	27,748	32	3.193	5.3	23,122	73,828	641,584,511
2006-07	4.02	27,980	232	3.180	5.6	23,442	74,546	655,911,031
2007-08	4.02	28,193	213	3.165	7.9	24,056	76,136	678,199,762
2008-09	4.02	28,856	663	3.162	6.3	23,021	72,791	664,281,182
2009-10	4.02	28,255	(601)	3.166	11.2	19,219	60,848	543,038,610
2010-11	4.02	27,992	(263)	3.163	12.4	22,892	72,407	640,792,864
2011-12	4.02	27,978	(14)	3.132	11.8	24,953	71,795	698,135,000

Notes:

- (1) Source is California State Controller's Office
- (2) California Employment Development Department
- (3) U.S. Census Bureau, most recent American Community Survey

**CITY OF SUISUN CITY
PRINCIPAL EMPLOYERS
JUNE 30, 2012**

<u>Company</u>	<u>Product/Service</u>	<u>Number of Employees</u>	<u>Percent of Total Employment</u>
Fairfield-Suisun Unified School District	Education	260	16.00%
City of Suisun City	Government	140	8.62%
Old Country Roofing	Contractor -Services	125	7.69%
Carlson Drywall and Spraying	Contractor -Services	100	6.15%
Raley's Superstores	Retail Grocery	98	6.03%
KROC Center	Recreation	80	4.92%
US Post Office	Federal-Courier	52	3.20%
In-Shape Health Club	Recreation	45	2.77%
McDonalds	Fast Food	42	2.58%
Athenian Grill	Restaurant	36	2.22%
Jack in the Box	Fast Food	28	1.72%
Round Table	Fast Food	28	1.72%
Del Taco	Fast Food	25	1.54%
Popeye's Chicken	Fast Food	23	1.42%
Solano Garbage Co.	Waste Collection	<u>22</u>	<u>1.35%</u>
Total - Major Employers		<u><u>1104</u></u>	<u><u>67.94%</u></u>
Total - All Suisun City		<u><u>1625</u></u>	

Source : City's Business License Records

**CITY OF SUISUN CITY
FULL-TIME EQUIVALENT EMPLOYEES
BY FUNCTIONS LAST TEN FISCAL YEARS**

Function	Full-time Equivalent Employees as of June 30									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
General Government	17	15	14	15	16	15	18	15	15	16
Public Safety	41	39	38	39	37	40	36	40	37	35
Public Works	15	15	17	18	16	18	17	18	16	14
Community Development	5	4	4	4	6	5	5	5	5	6
Recreation	5	5	5	5	8	6	5	5	3	3
Redevelopment	3	3	3	3	3	4	4	4	3	0
Total	<u>86</u>	<u>81</u>	<u>81</u>	<u>84</u>	<u>86</u>	<u>88</u>	<u>85</u>	<u>87</u>	<u>79</u>	<u>74</u>

Source: City of Suisun City records.

CITY OF SUISUN CITY OPERATING INDICATORS BY FUNCTION LAST TEN FISCAL YEARS

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Public Safety - Police										
Arrests	not available	768	907	953	955	937	1,507	1,327	1,297	1,148
Parking citations issued	not available	1,242	1,691	1,734	1,631	1,372	2,438	2,584	2,213	2,015
Public Safety - Fire										
Number of emergency calls	1,480	1,692	1,601	1,775	1,776	1,674	1,866	1,813	1,669	1,717
Culture and Recreation										
Number of recreation classes	not available	not available	not available	194	174	300	196	254	150	235
Number of facility rentals	not available	not available	not available	850	730	736	382	162	450	598
Water Accounts										
Residential	not available	not available	6,997	7,656	7,725	7,704	7,740	7,838	7,857	7,891
Multi-Family Residential	not available	not available	67	89	89	108	107	108	106	107
Commercial	not available	not available	136	156	140	137	144	142	141	140
Landscape/Irrigation,others	not available	not available	109	122	122	120	118	116	117	124

Source: Various City records.

Note: Information for other functions are not available.

**CITY OF SUISUN CITY
CONSTRUCTION VALUE
LAST TEN FISCAL YEARS**

Fiscal Year	New Commercial Construction (1)		New Residential Construction (1) (2)	
	Number of Permits	Value of Improvements	Number of Units	Value of Improvements
2002-03	1	\$ 187,048	157	\$ 34,295,580
2003-04	4	759,585	209	47,429,913
2004-05	3	1,230,690	147	34,166,445
2005-06	3	1,474,333	114	31,885,011
2006-07	2	1,368,570	199	34,148,462
2007-08	5	7,386,691	57	9,516,799
2008-09	1	5,500,000	-	-
2009-10	0	-	-	-
2010-11	0	-	-	-
2011-12	1	4,200,000	-	-

Notes:

- (1) Source is City of Suisun City Building Inspection Department
- (2) Includes single and multi-family units

**CITY OF SUISUN CITY
SPECIAL ASSESSMENTS BILLING AND COLLECTIONS
LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>Special Assessment Billings</u>	<u>Assessment Collections</u>	<u>Percent of Collections</u>
2002-03	\$ 622,135	\$ 622,135	100.00%
2003-04	736,278	736,278	100.00%
2004-05	837,339	837,339	100.00%
2005-06	1,074,125	1,074,125	100.00%
2006-07	1,275,327	1,275,327	100.00%
2007-08	1,356,057	1,356,057	100.00%
2008-09	1,556,586	1,556,586	100.00%
2009-10	1,950,477	1,950,477	100.00%
2010-11	2,061,924	2,061,924	100.00%
2011-12	2,100,866	2,100,866	100.00%

Notes:

- (1) Source is City of Suisun City Department of Finance

CITY OF SUISUN CITY
MISCELLANEOUS STATISTICS JUNE 30, 2012

City Type	General Law
Date of Incorporation	1868
Date Founded	1848
Form of Government	Council/Manager
Population	27,978
Land Area	4.02 Square Miles
Municipal Water Plant	4 Steel Reservoirs with 6,500,000 Gallons Storage Capacity 2,828,220 Gallons Daily Average Distribution 90.26 Miles of Water Main Line
Police Protection	1 Station, 1 Sub-station 22 Officers 4 Crossing Guards 20 Leased Patrol Vehicles 2 Patrol Boats
Fire Protection	1 Station 3 Full-time Firefighters 9 Fire Apparatus 3,000 Fire Hydrants 50 Volunteers
Assessed Valuation	1,677,766,866
Parks and Recreation	1 Marina 1 Boat Launch 1 Community Theater 1 Community Center 1 Senior Center 9 Parks 1 Sports Center Complex 1 Golf Driving Range 1 Batting Cage Operation 1 Entertainment Plaza 1 Waterfront Promenade 51+ Acres of Parklands