



# Comprehensive Annual Financial Report

**FISCAL YEAR ENDED JUNE 30, 2013**



**SUISUN CITY,  
CALIFORNIA**

# **Comprehensive Annual Financial Report**

**FISCAL YEAR ENDED JUNE 30, 2013**

**Prepared by the  
Department of Administrative Services**



**SUISUN CITY,  
CALIFORNIA**

CITY OF SUISUN CITY, CALIFORNIA

Comprehensive Annual Financial Report  
For the Year Ended June 30, 2013

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CITY COUNCIL

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



CITY COUNCIL MEETING

First and Third Tuesday  
Every Month

## CITY OF SUISUN CITY

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

March 5, 2014

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, 2013 (FY 2012-13) 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, 2013, 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.

DEPARTMENTS: AREA CODE (707)

ADMINISTRATION 421-7300 ■ PLANNING 421-7335 ■ BUILDING 421-7310 ■ FINANCE 421-7320  
FIRE 425-9133 ■ RECREATION & COMMUNITY SERVICES 421-7200 ■ POLICE 421-7373 ■ PUBLIC WORKS 421-7340  
SUCCESSOR AGENCY 421-7309 FAX 421-7366

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 2.6 percent in 2013. Between 2013 and 2018, the annual growth rate is expected to average 2.1 percent per year.
- Population is expected to grow 0.4 percent in 2013. Annual growth in the 2013 to 2018 period is forecast to average 0.7 percent per year.
- Net migration will remain negative in 2013, but turn positive thereafter. From 2013 to 2018, an average of 1,200 net migrants will enter the county each year.
- Between 2013 and 2018, the largest employment increases will occur in construction, wholesale and retail trade, education and healthcare, and professional services. Each of these sectors will create more than 2,000 jobs, and together, they will account for 73 percent of net employment growth across the county.
- Total taxable sales adjusted for inflation, are expected to increase by an average of 4.3 percent per year during the 2013 to 2018 period.
- Real per capita income is forecast to rise by 5.2 percent in 2013. Between 2013 and 2018, real per capita incomes grow an average of 3.2 percent per year.

Source: [http://www.dot.ca.gov/hq/tpp/offices/eab/socio\\_economic\\_files/2013/Solano.pdf](http://www.dot.ca.gov/hq/tpp/offices/eab/socio_economic_files/2013/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, Harbor Square Plaza and the Hampton Inn (Waterfront Hotel). The channel has been deepened to allow boating excursions from the San Francisco Bay and the Sacramento Delta.

The continuing 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 2013-14 Annual Budget, ongoing expenditures are projected to exceed ongoing revenues by approximately \$1,100,000 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 undergoing review of construction bids). The General Fund has the resources necessary to sustain the proposed level of expenditures through June 30, 2015. Looking ahead, the General Fund will be virtually in balance once the expected \$1.1 million revenue arising from Walmart materializes.

The dissolution of the Redevelopment Agencies in California took effect on February 1, 2012, as part of the state legislature's budget balancing solution. The State Controller's Office completed a draft of the Asset Transfer Review in September 2013. Staff reviewed the draft, and reported several discrepancies whereby City records did not match figures provided in the Asset Transfer Review. The findings include \$1.75 million of unallowable transfer made by the Agency to the City. In June 2013, the City filed a suit in Superior Court to fight the State Department of Finance's findings. As of this writing, this court case has not been decided.

Based on the fiscal year 2013-14 budget, the emergency reserve is at \$25% or \$2,349,500. This is 5% in excess of the Council's adopted reserve policy of 20%. A higher amount in reserves will remain until the legal action against the State of CA regarding its disregard for the contractual arrangement between the former redevelopment agency and the City is resolved.

In spite of the ongoing economic challenge, the City has managed to facilitate some major projects in 2013 through federal and state grants, among which are the following:

- Grizzly Island Bike Trail - This is a construction of a bike/pedestrian path from Marina Boulevard, along the south side of Highway 12 to Grizzly Island Road
- Senior Center Improvement - The Senior Center was given a make-over, paid primarily by the CDBG grant.
- Main Street Rehabilitation (Solano St. to Lotz Way) - This project consists of subgrade repair, pavement resurfacing, curb, gutter and sidewalk replacement in areas where the roadway has settled.

The full detail of project highlights in FY 2012-13 can be found under the Management's Discussion and Analysis section of this report.

## **MAJOR INITIATIVES**

In terms of financial challenges, there are still a number of unknowns that the City is dealing with. As mentioned earlier, the process of unwinding redevelopment agency is not yet complete with about \$1.7 million still at risk. The good news is that for the first time in many years, the City is expected to see some improvement in its revenue collection including modest increases in both property taxes and sales taxes.

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 2013-14 budget were as follows:

- Continue the hiring freeze strategy to not fill vacancies to avoid layoffs.
- Continue with temporary salary reductions of 5% for all employees.
- 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, 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 the fund level.

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 we have been facing for so many areas, the FY 2013-14 Annual Budget continues on this path consistent with the City Council's commitments and goals. The City continues to reap the benefits of grants for its capital projects. The service focus is on all segments of the community, including: strong and safe neighborhoods, services and programs that support long-term economic vitality and a community that is desirable to live and visit.

### **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, 2012. This is the ninth 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 comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it 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 Councilmembers 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, 2013**

**CITY COUNCIL**

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

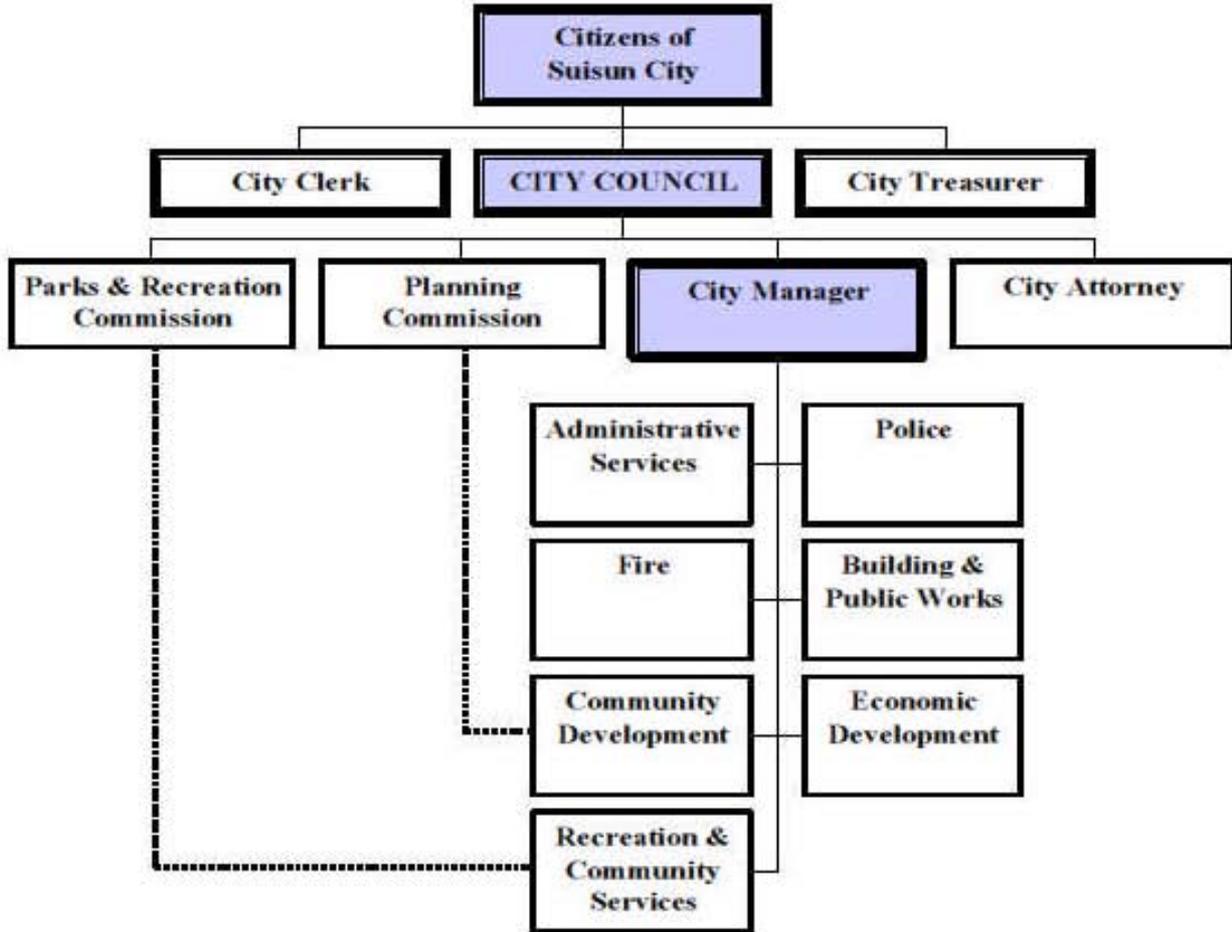
**ELECTED AND APPOINTED OFFICIALS**

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

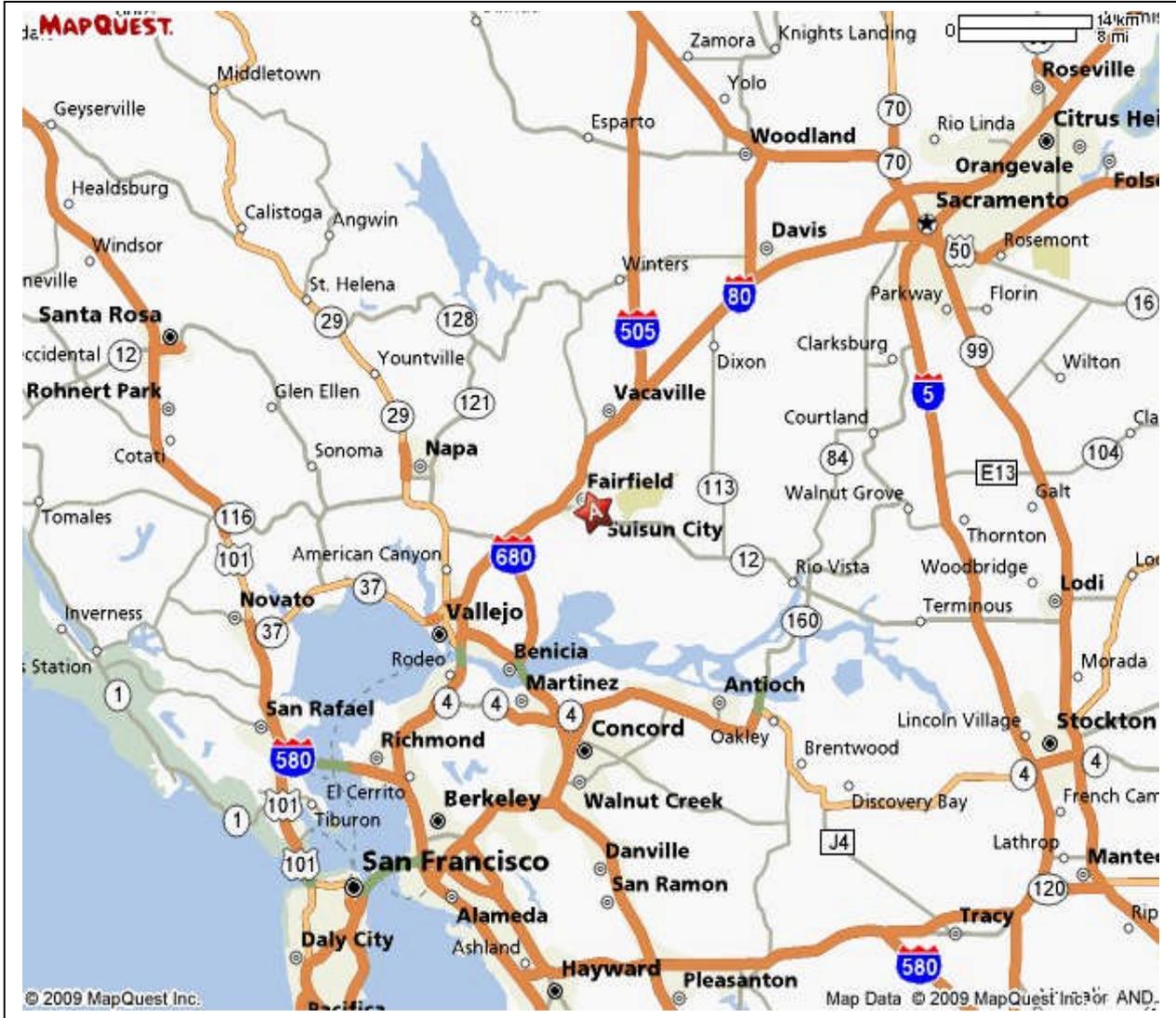
**ADMINISTRATIVE TEAM**

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

# CITYWIDE ORGANIZATION



# Location Map





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Suisun City  
California**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2012**

Executive Director/CEO



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, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

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

### Auditors' Responsibility

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

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

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

### Opinions

In our opinion, the financial statements referred to 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, 2013, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund and major special revenue funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

### ***Emphasis of Matter***

As described in Note 1 to the financial statements, the City adopted new accounting guidance, GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* as of June 30, 2013. Our opinion is not modified with respect to this matter.

### **Other Matters**

#### *Required Supplementary Information*

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

#### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements and schedules, 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 and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 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.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 5, 2014, on our consideration of the City's internal control over financial reporting and 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

*Varrinek, Trine, Day & Co., LLP.*

Pleasanton, California  
March 5, 2014

## 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, 2013. 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 Position, 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 \$200.1 million, liabilities of \$7.3 million, and net position of \$192.8 million.
- Net position, as measured in the government-wide financial statements, decreased by \$3.5 million. The decrease in net position can be mainly attributed to the asset depreciation net of capital asset additions and the General Fund's negative change in fund balance.
- The City's long-term debt as of June 30, 2013 is about \$4.4 million. This amount only represents City's outstanding debt.
- Of the total net position, close to \$18.5 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 2013, the City's governmental funds reported a combined ending fund balance of \$24.4 million, a decrease of \$0.7 million for the year ending June 30, 2013. The detailed components of Revenues and Expenditures can be found in the accompanying Statement of Revenues, Expenditures and Changes in Fund Balances on page 26.
- 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, 2013, the General Fund, fund balance was \$3,623,076, a net decrease of \$1,035,125 over the balance at June 30, 2012. The decrease represents a structural deficit that was expected as a strategy has been in place to utilize reserves during the economic downturn in place of future revenues projected from new development projects that will result in increased revenues for the City's general fund.
- The \$0.3 million fund balance in the Local Transportation Special Revenue is for road projects.
- The \$4.1 million fund balance in the Off-site Street Improvement Special Revenue is for highway and street projects.
- The Redevelopment Housing Set-Aside Special Revenue activity was transferred to the Housing Authority during the RDA dissolution. The \$9.8 million fund balance in the Housing Authority Special Revenue Fund is being held for low and moderate income housing projects. However, \$8.8 million of the fund balance is nonspendable, which includes an advance of \$6.9 million to Redevelopment Agency and a Note Receivable of \$1.9 million due from Bay Homes Corporation.

**City of Suisun City**  
**Management's Discussion and Analysis**

- The Housing Authority Choice Voucher Fund has a restricted fund balance of \$166,126. This program is funded by the federal government.
- All Other Non-Major Funds have a fund balance of about \$6.4 million as of June 30, 2013.

**FY 2012-2013 Project Highlights**

- MAIN STREET REHABILITATION (Solano St. to Lotz Way) – This project consists of subgrade repair, pavement resurfacing, curb, gutter and sidewalk replacement in areas where the roadway has settled. The project was mainly funded through a federal grant. The total project cost was about \$742,000.
- GRIZZLY ISLAND BIKE TRAIL PHASE 1 – This is construction of a bike/pedestrian path from Marina Boulevard, along the south side of Highway 12 to Grizzly Island Road. The total cost of the project was \$2.1 million. It was funded by the State of California and a Federal Grant.
- SENIOR CENTER REMODEL – The Senior Center was given a make-over, paid primarily by a CDBG grant. A new, more functional kitchen was installed. All appliances and areas of the kitchen were brought up to the current building code. The large recreation room was improved with new floor tiles, paint, dividers, lighting and ceiling tiles. The front interior entrance area was reconfigured so that it is more functional and inviting.
- FIRE DEPARTMENT ISO RATING OF CLASS 3 – ISO stands for Insurance Service Organization. This is a group of trained, professional evaluators that assess almost every fire department in the U.S. ISO uses a consistent set of guidelines to evaluate a fire department. The purpose of ISO is to give insurance companies a uniform system on which to base their insurance premiums. ISO gives a ranking of 1 through 10, with 1 being the best and 10 being no protection at all. A good rating equates to lower fire insurance premium for the residents of Suisun City.
- 4<sup>th</sup> OF JULY EVENT – The Suisun City Community Services Foundation has successfully funded the July 4, 2012 event. The monies raised in 2012 through the fees collected from fireworks vendors funded the July 4, 2013 event. This funding strategy will continue in future years.

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

## **City of Suisun City** **Management's Discussion and Analysis**

The Statement of Activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of 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.

The City maintains a total of 97 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.

**City of Suisun City**  
**Management's Discussion and Analysis**

**Governmental Funds**  
**Revenues, Expenditures and Other Changes in Fund Balances**  
**For the Fiscal Year Ended June 30, 2013**

	<b>General Fund</b>	<b>Other Major Funds</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
Revenues	\$ 7,830,360	\$ 4,414,868	\$ 6,872,747	\$ 19,117,975
Current expenditures	9,465,961	2,902,982	4,420,389	16,789,332
Capital outlay	21,347	1,604,754	720,177	2,346,278
Debt service	-	-	776,607	776,607
	<u>9,487,308</u>	<u>4,507,736</u>	<u>5,917,173</u>	<u>19,912,217</u>
Net transfers and sale of capital assets	621,823	(243,145)	(248,378)	130,300
Net change in fund balances	(1,035,125)	(336,013)	707,196	(663,942)
Fund balances, beginning of year	4,658,201	14,675,180	5,707,512	25,040,893
<b>Fund balances, end of year</b>	<u><u>\$ 3,623,076</u></u>	<u><u>\$ 14,339,167</u></u>	<u><u>\$ 6,414,708</u></u>	<u><u>\$ 24,376,951</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 38 for details. The major fiduciary fund under Agency Funds maintained by the City is the Suisun-Solano Water Agency Fund. Please refer to page 38 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 revenue funds.

**Other Supplementary Information**

This includes a budgetary comparison schedule of 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 Position

Net position is a measure of a government's financial position and, over time, a trend of increasing or decreasing net position is an indicator of the financial health of the organization. The City of Suisun's net position, exceeded liabilities by \$192,815,654. A schedule of net position is presented in the following table.

**Net Position**  
**June 30, 2013 and 2012**

	Governmental Activities		Total Percentage Change
	2013	2012	
Current and other assets	\$ 43,203,956	\$ 44,691,948	-3%
Capital Assets	156,877,385	159,498,321	-2%
<b>Total Assets</b>	<b>200,081,341</b>	<b>204,190,269</b>	<b>-2%</b>
Current liabilities	2,824,557	2,793,216	1%
Noncurrent liabilities	4,441,130	5,063,627	-12%
<b>Total Liabilities</b>	<b>7,265,687</b>	<b>7,856,843</b>	<b>-8%</b>
Net position:			
Net investment in capital assets	152,391,576	154,434,694	-1%
Restricted for:			
Debt service	308,496	434,167	-29%
Housing programs	10,990,620	11,006,653	0%
Special districts assessment	1,782,213	1,628,268	9%
Special projects and programs	7,271,235	2,300,078	216%
Sewer maintenance	1,558,953	1,416,567	10%
Total Restricted Net Position	21,911,517	16,785,733	31%
Unrestricted	18,512,561	25,112,999	-26%
<b>Total Net Position</b>	<b>\$ 192,815,654</b>	<b>\$ 196,333,426</b>	<b>-2%</b>

**City of Suisun City**  
**Management's Discussion and Analysis**

Net investment in capital assets (e.g., land, buildings, equipment and infrastructure) of \$152,391,576 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.

Restricted net position of \$21.9 million represent resources that are subject to external restrictions on how they may be used. The \$18.5 million unrestricted net position consist mainly of \$3.4 million in general fund and \$15.1 million for all other funds to be used to finance the day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements.

**City of Suisun City**  
**Management's Discussion and Analysis**

Analysis of Changes in Net Position

The City's net position decreased by \$3.5 million during the current fiscal year. Information about changes in net position is presented in the summary table below:

**Activities and Changes in Net Position**  
**For the Fiscal Years Ended June 30, 2013 and 2012**

	Governmental Activities		Total Percentage Change
	2013	2012	
<b>Revenues:</b>			
Program revenues:			
Charges for services	\$ 7,604,543	\$ 7,839,618	-3%
Operating grants & contributions	6,461,677	6,971,430	-7%
Capital grants & contributions	1,566,250	616,098	154%
General revenues:			
Property Taxes	2,035,163	7,462,146	-73%
Sales Tax	1,353,938	1,003,761	35%
Gain on sale of capital assets	140,000	140,000	0%
Investment earnings	96,508	563,726	-83%
Extraordinary gain on RDA dissolution	-	64,548,860	
<b>Total revenues</b>	<b>19,258,079</b>	<b>89,145,639</b>	<b>-78%</b>
<b>Program expenses:</b>			
General government	5,149,804	12,709,382	-59%
Public safety	6,244,689	6,662,665	-6%
Public works	2,910,593	2,555,024	14%
Highways and streets	2,812,778	4,152,173	-32%
Building Services	938,927	1,028,453	-9%
Culture & recreation	2,078,300	2,242,286	-7%
Community development	2,430,831	2,554,075	-5%
Interest on long-term debt	209,929	1,418,876	-85%
<b>Total program expenses</b>	<b>22,775,851</b>	<b>33,322,933</b>	<b>-32%</b>
<b>Change in net position</b>	<b>(3,517,772)</b>	<b>55,822,706</b>	<b>-106%</b>
Net position-Beginning	196,333,426	140,510,721	40%
<b>Net position - Ending</b>	<b>\$ 192,815,654</b>	<b>\$ 196,333,426</b>	<b>-2%</b>

Note: Last year's figures include seven months of Redevelopment Agency's financial data.

**City of Suisun City**  
**Management's Discussion and Analysis**

The City generated a total of \$19.3 million in revenues and spent \$22.8 million in expenses. Net position decreased by \$3,517,772 due mainly to the following factors:

- The significant decrease in total revenue of about \$69.8 million was brought mainly by an accounting entry of an extraordinary gain in the dissolution of the former Redevelopment Agency recorded last year.
- The total expenses have decreased by \$10.5 million or by 32% as illustrated previously. The decrease can be mostly attributed to the removal of the Redevelopment Agency's financial activities for seven months in last year's statement.

**ANALYSIS OF MAJOR GOVERNMENTAL FUNDS**

**General Fund**

General Fund revenues of about \$7.8 million were generated. There is an increase of about \$140,000 from last year. The sales tax revenue was higher by about \$350,000 due to a one-time tax correction from one of the businesses in the City. The increase was offset by the decrease in intergovernmental revenue, investment earnings and in charges for services.

General Fund expenditures of \$9.5 million were made. This is a decrease of about \$450,000 from last year. The decrease is a result of the continuing efforts by the City to limit its expenses while the revenue sources have not increased.

The General Fund balance at fiscal year-end was \$3.6 million, consisting of \$75,444 nonspendable, \$59,073 committed for Main Street West Project, \$204,363 restricted as loan guarantee/collateral on Foster Boltz, Inc. restaurant loan. The unassigned fund balance as of June 30, 2013 was \$3.3 million.

**Local Transportation Special Revenue**

This fund accounts for federal, state and local funds used for streets, pedestrian and bikeway improvements. Revenues worth \$1,651,000 were generated mostly through grants. Expenditures of \$1,688,000 mainly consist of \$129,000 for Main Street road rehabilitation and \$1,461,000 for Grizzly Bike Trail.

**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, 2013 the total fund balance reported is \$4,064,439.

**Housing Authority Special Revenue Fund**

This fund will account for the remaining former RDA-Housing Set-Aside Special Revenue Fund after the dissolution of RDA. The total fund balance as of June 30, 2013 is \$9,812,275, however as mentioned earlier, \$1,936,859 is due from Bay Homes Corporation and \$6,901,505 is due from the former RDA.

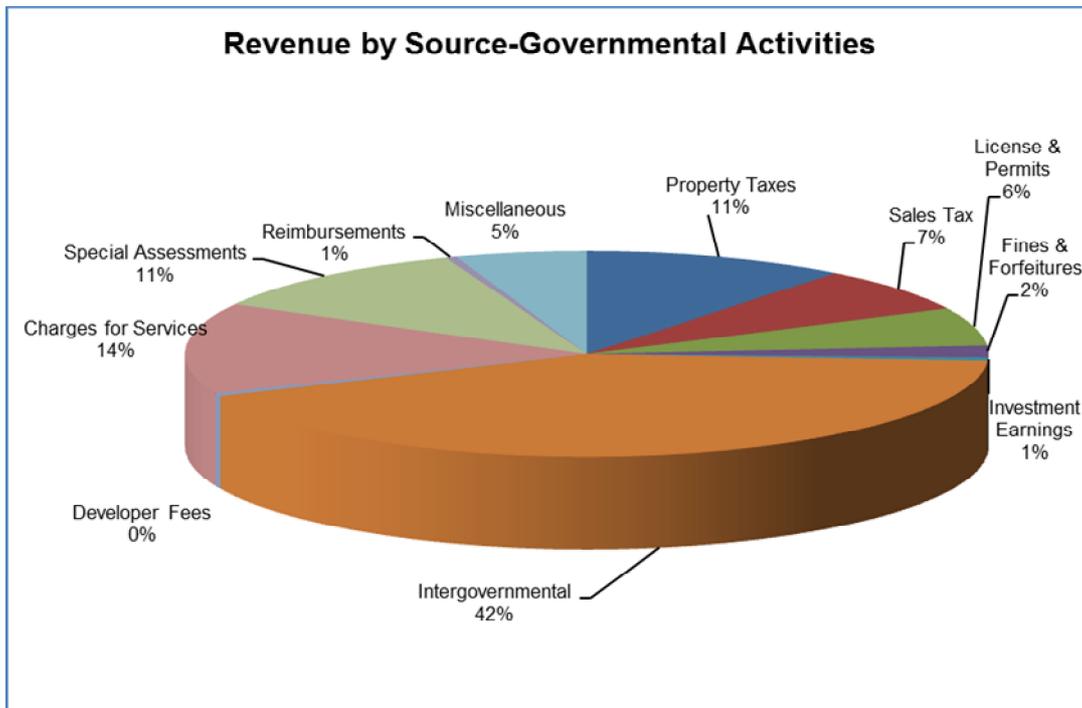
**City of Suisun City**  
**Management’s Discussion and Analysis**

Housing Authority Choice Vouchers – Special Revenue Fund

This fund is used to account for a federal funded program known as Housing Choice Vouchers for housing assistance. On June 30, 2013 the total restricted fund balance reported is \$166,126.

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, 2013 and the amount and percentage of increases and decreases in relation to prior year revenues.



About 42 percent of the City’s general governmental revenues are realized from other governmental agencies. In 2012-2013 these included:

State of California Gas Tax	\$ 665,646
Federal HUD Section 8 Housing Assistance Program	2,594,913
Federal & State Public Safety Grants	365,200
Federal Grant -Capital Improvement	667,129
Local Transportation - Capital Projects Grants	1,566,250
Property Tax (VLF)	1,547,642
All Other Intergovernmental Allocations	658,591
<b>Total</b>	<b>\$ 8,065,371</b>

**City of Suisun City**  
**Management's Discussion and Analysis**

Revenues	2013	2012	% of Increase (Decrease)
Property Taxes	\$ 2,035,163	\$ 7,462,146	-72.73%
Sales Tax	1,353,938	1,003,761	34.89%
License & Permits	1,139,939	1,131,020	0.79%
Fines & Forfeitures	353,083	373,379	-5.44%
Investment Earnings	96,404	516,023	-81.32%
Intergovernmental	8,065,371	7,631,673	5.68%
Developer Fees	84,600	26,797	0.00%
Charges for Services	2,740,061	2,723,938	0.59%
Special Assessments	2,153,648	2,100,866	2.51%
Reimbursements	85,000	478,432	-82.23%
Miscellaneous	1,010,768	961,042	5.17%
<b>Total</b>	<b>\$ 19,117,975</b>	<b>\$ 24,409,076</b>	<b>-21.68%</b>

Overall revenues decreased by about \$5.3 million. This is due to the fact that last year's number includes Redevelopment Agency's seven months of financial activity as demonstrated by the \$5.4 million decrease in property tax.

Investment earnings decrease is due to all-time low interest rates. The City's investment portfolio average yield as of June 30, 2013 was 0.88% compared to last year's 1.13%. Another factor to consider is the required market value reporting of investment at the end of the year. Any increase or decrease in the market value is reported under investment earnings.

Intergovernmental revenues is higher compared from prior year due to capital projects funded through grants.

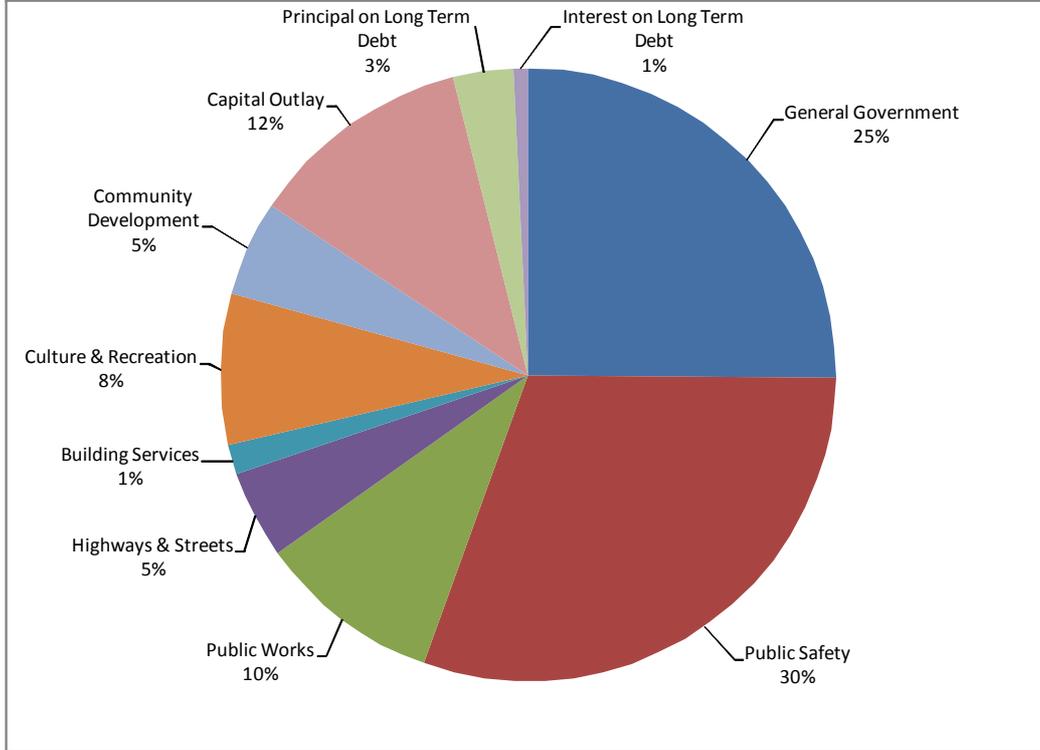
The slight increase in charges for services signifies no change in the services offered by the City.

Reimbursement revenue mainly represents the Suisun-Solano Water Authority's share of the street patching projects in the City. Last year's amount include the Chryl Way rehabilitation cost.

Miscellaneous revenues were slightly higher due to an additional one-time refund from the County for the administration fee related to the collection of property tax.

**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, 2013 and the percentage increases and decreases in relation to prior year expenditures.



Expenditures	2013	2012	% of Increase Decrease
General Government	\$ 5,012,158	\$ 5,771,915	-13%
Public Safety	6,040,232	6,403,988	-6%
Public Works	1,916,321	1,791,049	7%
Highways & Streets	915,197	2,141,840	-57%
Building Services	315,548	355,128	-11%
Culture & Recreation	1,587,806	1,729,250	-8%
Community Development	1,002,070	1,907,011	-47%
Capital Outlay	2,346,278	1,085,341	116%
Tax Increment Pass-through	-	907,778	-100%
Principal on Long Term Debt	622,497	3,107,583	-80%
Interest on Long Term Debt	154,110	1,594,394	-90%
<b>Total Expenditures</b>	<b>\$ 19,912,217</b>	<b>\$ 26,795,277</b>	<b>-25.7%</b>

Governmental spending decrease by about \$6.9 million or about 25.7% compared to prior year. The \$26.8 million expenditures last year includes the Redevelopment Agency's expenditures prior to dissolution.

- Significant decreases of expenditures in areas of general government, culture and recreation, community development, tax increment pass-through and principal and interest on long term debt are all the result of the redevelopment dissolution.

**City of Suisun City**  
**Management's Discussion and Analysis**

- Highways and Streets expenditures are lower because street rehabilitation projects are less compared to prior year.
- Public Safety decrease of expenditures from prior year can be attributed to a lower operating costs and lower grant funding for safety programs.
- Significant increase in capital outlay expenditures was brought by the construction of Grizzly Island Bike Trail and the Senior Center Improvement.

The table above shows the comparison. Some of the expenditure increases were also offset by revenue increases. Last year's implementation of AB1X 26 (RDA dissolution) has caused unusual comparative numbers from prior year.

Below is information related to capital outlay expenditures for fiscal year 2012-13:

Schedule of Capital Outlay Expenditures	Amount
HP Laser Jet 9040 DN	\$ 6,365
Police Dept-Vidmic VX Unit Speaker Mic	14,982
Boat Trailer	6,286
Police Dept-Airlink Antenna & Base	9,620
Police Dept-Panasonic Touchpad Tablet Computers	7,895
Fire Dept-Motorolla Radios	10,475
Fire Dept- Turnout Coats & Pants	18,772
Main Street Rehabilitation Phase 1	129,669
Grizzly Island Bike Trail	1,461,434
Railroad Extension to Marina	13,651
Senior Center Improvement	667,129
Total Capital Outlay	\$ 2,346,278

**City of Suisun City**  
**Management's Discussion and Analysis**

**General Fund Budgetary Comparison Schedule**  
**For the Fiscal Year Ended June 30, 2013**

	<b><u>Original Budget</u></b>	<b><u>Final Budget</u></b>	<b><u>Actual</u></b>	<b><u>Variance Final Budget</u></b>
<b>Beginning fund balance, July 1, 2012</b>			\$ 4,658,201	
Resources:				
Revenues	\$ 8,102,700	\$ 8,102,700	7,830,360	\$ (272,340)
Transfer in & sale of capital assets	884,800	884,800	848,853	(35,947)
<b>Total Resources</b>	<b><u>8,987,500</u></b>	<b><u>8,987,500</u></b>	<b><u>8,679,213</u></b>	<b><u>(308,287)</u></b>
Appropriations:				
Expenditures	9,576,000	9,576,000	9,487,308	88,692
Transfer out	223,400	223,400	227,030	(3,630)
<b>Total Appropriations</b>	<b><u>9,799,400</u></b>	<b><u>9,799,400</u></b>	<b><u>9,714,338</u></b>	<b><u>85,062</u></b>
Resources over (under) appropriations	<b><u>\$ (811,900)</u></b>	<b><u>\$ (811,900)</u></b>	<b><u>(1,035,125)</u></b>	<b><u>\$ (223,225)</u></b>
<b>Ending fund balances, June 30, 2013</b>			<b><u>\$ 3,623,076</u></b>	

**Budget Modifications**

For fiscal year 2012-13, appropriations were adopted by fund. The total actual expenditures in the General Fund per above table did not exceed total original budget. The small favorable variance in expenditures was mostly due to cost savings in Community Development. Some individual funds may have exceeded their original budgets, and budget amendments were approved by the City Council. For more detailed information, 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, 2013 amount to \$157 million, net of accumulated depreciation of \$96 million. This investment in capital assets includes land and improvements, buildings and improvements, machinery and equipment, construction in progress, and all infrastructures.

Additional information on the City's capital assets can be found in Note 7 on pages 55 of the accompanying basic financial statements.

Debt Administration

At the end of the current fiscal year, the City had \$4.4 million in long-term debt, net, outstanding. At June 30, 2013, the City has a total long-term debts and obligations as summarized below.

General Obligation Bonds	\$ 1,685,000	38%
Certificates of Participation	720,000	16%
Capital Leases	274,680	6%
North Bay Aqueduct Agreement	<u>1,761,450</u>	<u>40%</u>
Sub-total	<u>\$ 4,441,130</u>	<u>100%</u>

The City has met all required debt service payments and is maintaining required reserve funds with bond trustees. The \$1.7 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 \$1.0 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 58, of the accompanying basic financial statements.

Economic Factors and Next Year's Budget

At the local level, the City's financial budget for fiscal year 2013-2014 is a status quo budget. In terms of financial challenges, there are still a number of unknowns that the City is dealing with, including but not limited to the RDA dissolution. The City is working through the implementation requirements of the Affordable Care Act as well as monitoring the changes in CALPERS system.

Wal-Mart has completed the site grading and is expected to apply for building permits by spring of 2014.

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.

The FY 2013-2014 Annual Budget assumptions and strategy continue to be conservative. Budget strategies include:

- Continue with temporary salary reduction of 5% which took effect on July 1, 2012.
- Continue with Hiring Freeze, although recognizing that the organization is feeling significant strains that needed to be monitored.
- Continue to analyze operational efficiencies when dealing with vacancies.

**City of Suisun City**  
**Management's Discussion and Analysis**

- Continue to seek grants to fund capital improvement projects.
- Continue to trim the operating budgets while utilizing alternative approaches.
- Continue to provide the business community and the residents with the highest level and quality of services while the City position itself for new development opportunities concurrent with the stages of the General Plan Update.

The FY 2013-2014 General Fund operating budget is about \$9.8 million, almost the same amount in FY 2012-2013 budget. There are no major capital expenditures 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 POSITION AND  
STATEMENT OF ACTIVITIES**

The Statement of Net Position 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 Position 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 Position presents information in a way that focuses the reader on the composition of the City's net position, by subtracting total liabilities from total assets.

The Statement of Net Position 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 Funds, Capital Projects Funds, Debt Service Funds, and Internal Service Funds.

The Statement of Activities reports increases and decreases in the City's net position. 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 Position is computed and reconciled with the Statement of Net Position.

Both these Statements include the financial activities of the 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 POSITION  
JUNE 30, 2013**

	Governmental Activities
<b>ASSETS</b>	
Cash and investments	\$ 14,644,242
Cash with fiscal agents	249,000
Receivables:	
Accounts receivable, net	2,944,189
Interest receivable	20,502
Notes receivable, net	12,525,849
Prepaid items	6,592
Other assets	77,819
Advance to other governments	12,735,763
Capital assets	
Nondepreciable	52,188,998
Depreciable, net	104,688,387
Total Assets	200,081,341
<b>LIABILITIES</b>	
Accounts payable	337,628
Interest payable	44,679
Unearned revenue	515,439
Refundable deposits	184,001
Retention payable	64,835
Claims payable	
Due within one year	181,612
Due in more than one year	775,949
Accrued compensated absence:	
Due within one year	259,498
Due in more than one year	259,498
Net OPEB obligation, due in more than one year	201,418
Long-term debt, net	
Due within one year	648,030
Due in more than one year	3,793,100
Total Liabilities	7,265,687
<b>NET POSITION</b>	
Net investment in capital assets	152,391,576
Restricted for:	
Debt service	308,496
Housing programs	10,990,620
Special districts assessments	1,782,213
Special projects and programs	7,271,235
Sewer maintenance	1,558,953
Total Restricted Net Position	21,911,517
Unrestricted	18,512,561
Total Net Position	\$ 192,815,654

See accompanying notes to financial statements

**CITY OF SUISUN CITY  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED 30, 2013**

Functions/Programs	Expenses	Program Revenues		Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions		
<b>PRIMARY GOVERNMENT</b>					
Governmental activities:					
General government	\$ 5,149,804	\$ 2,334,850	\$ 4,637,104	\$ -	\$ 1,822,150
Public safety	6,244,689	858,969	462,400	-	(4,923,320)
Public works	2,910,593	1,335,518	26,786	-	(1,548,289)
Highways and streets	2,812,778	493,314	665,646	1,566,250	(87,568)
Building services	938,927	146,740	-	-	(792,187)
Culture and recreation	2,078,300	1,380,093	667,129	-	(31,078)
Community development	2,430,831	1,055,059	2,612	-	(1,373,160)
Interest on long-term debt	209,929	-	-	-	(209,929)
<b>Total governmental activities</b>	<b>\$ 22,775,851</b>	<b>\$ 7,604,543</b>	<b>\$ 6,461,677</b>	<b>\$ 1,566,250</b>	<b>(7,143,381)</b>
General revenues:					
Property taxes					2,035,163
Sales taxes					1,353,938
Investment earnings					96,508
Gain on sale of capital assets					140,000
<b>Total general revenues</b>					<b>3,625,609</b>
Change in net position					(3,517,772)
Net position - Beginning					196,333,426
Net position - Ending					<b>\$ 192,815,654</b>

See accompanying notes to financial statements

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<b>FUND FINANCIAL STATEMENTS</b>
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**MAJOR GOVERNMENTAL FUNDS**

The funds described below were determined to be Major Funds by the City in fiscal year 2013. 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.

**HOUSING AUTHORITY CHOICE VOUCHERS FUND**

This fund is used to account for intergovernmental revenues received to be used for housing assistance payment programs.

**CITY OF SUISUN CITY  
GOVERNMENTAL FUNDS  
BALANCE SHEET  
JUNE 30, 2013**

	Major Funds						Total
	General	Local Transportation Special Revenue	Off-site Street Improvement	Housing Authority Special Revenue	Housing Authority Choice Vouchers	Non-Major Governmental Funds	
<b>ASSETS</b>							
Cash and investments	\$ 1,036,451	\$ -	\$ 4,064,439	\$ 988,705	\$ 158,701	\$ 6,471,484	\$ 12,719,780
Cash with fiscal agent	-	-	-	-	-	249,000	249,000
Receivables:							
Accounts receivable, net	335,021	1,676,888	-	212	7,425	924,643	2,944,189
Due from other funds	2,427,844	-	-	-	-	-	2,427,844
Interest receivable	3,390	-	-	17,112	-	-	20,502
Notes receivable, net	2,036,503	-	-	10,489,346	-	-	12,525,849
Prepaid items	3,759	-	-	596	-	2,237	6,592
Advances to other governments	-	-	-	6,901,505	-	-	6,901,505
Other assets	-	-	-	-	-	6,588	6,588
<b>Total Assets</b>	<b>\$ 5,842,968</b>	<b>\$ 1,676,888</b>	<b>\$ 4,064,439</b>	<b>\$ 18,397,476</b>	<b>\$ 166,126</b>	<b>\$ 7,653,952</b>	<b>\$ 37,801,849</b>
<b>LIABILITIES</b>							
Accounts payable	\$ 132,181	\$ 3,024	\$ -	\$ 11,667	\$ -	\$ 134,223	\$ 281,095
Unearned revenues	503,987	-	-	83	-	11,369	515,439
Due to other funds	-	1,312,702	-	-	-	1,049,521	2,362,223
Deferred revenues	1,464,818	-	-	8,552,487	-	-	10,017,305
Refundable deposits	118,906	-	-	20,964	-	44,131	184,001
Retention payable	-	64,835	-	-	-	-	64,835
<b>Total Liabilities</b>	<b>2,219,892</b>	<b>1,380,561</b>	<b>-</b>	<b>8,585,201</b>	<b>-</b>	<b>1,239,244</b>	<b>13,424,898</b>
<b>FUND BALANCES</b>							
Nonspendable							
Notes receivable	71,685	-	-	1,936,859	-	-	2,008,544
Prepays	3,759	-	-	596	-	-	4,355
Advances to other governments	-	-	-	6,901,505	-	-	6,901,505
Restricted							
Debt service	-	-	-	-	-	308,496	308,496
Special projects & programs	204,363	296,327	4,064,439	973,315	166,126	6,189,642	11,894,212
Committed	59,073	-	-	-	-	79,093	138,166
Assigned	-	-	-	-	-	77,803	77,803
Unassigned	3,284,196	-	-	-	-	(240,326)	3,043,870
<b>Total Fund Balances</b>	<b>3,623,076</b>	<b>296,327</b>	<b>4,064,439</b>	<b>9,812,275</b>	<b>166,126</b>	<b>6,414,708</b>	<b>24,376,951</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 5,842,968</b>	<b>\$ 1,676,888</b>	<b>\$ 4,064,439</b>	<b>\$ 18,397,476</b>	<b>\$ 166,126</b>	<b>\$ 7,653,952</b>	<b>\$ 37,801,849</b>

See accompanying notes to financial statements

**CITY OF SUISUN CITY  
RECONCILIATION OF THE  
GOVERNMENTAL FUNDS - FUND BALANCES  
WITH THE  
GOVERNMENTAL ACTIVITIES STATEMENT OF NET POSITION  
JUNE 30, 2013**

TOTAL FUND BALANCES - TOTAL GOVERNMENTAL FUNDS \$ 24,376,951

Amounts reported for Governmental Activities in the Statement of Net Position  
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 156,308,668

**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 Position.

Cash and investments	1,924,462
Capital assets	568,717
Other assets	10,931
Accounts payable	(56,533)
Due to City of Suisun City	(65,621)
Claims payable	(957,561)

**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	5,834,258
Other assets-debt issuance costs	60,300
Long-term debt	(4,441,130)
Accrued interest payable	(44,679)
NET OPEB obligations, due in more than one year	(201,418)
Compensated absences	(518,996)

NET POSITION OF GOVERNMENTAL ACTIVITIES \$ 192,815,654

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, 2013**

	Major Funds						Total
	General	Local Transportation Special	Off-site Street Improvement	Housing Authority Special Revenue	Housing Authority Choice Vouchers	Non-Major Governmental Funds	
<b>REVENUES</b>							
Taxes:							
Property taxes	\$ 1,384,372	\$ -	\$ -	\$ -	\$ -	\$ 650,791	\$ 2,035,163
Sales taxes	1,353,938	-	-	-	-	-	1,353,938
Licenses and permits	1,111,793	-	-	-	-	28,146	1,139,939
Fines and forfeits	241,117	-	-	-	-	111,966	353,083
Intergovernmental revenue	1,617,152	1,566,250	-	317	2,343,529	2,538,123	8,065,371
Developer fees	-	-	38,416	-	-	46,184	84,600
Special assessments	-	-	-	-	-	2,153,648	2,153,648
Charges for services	1,919,569	-	-	310,332	-	510,160	2,740,061
Investment earnings	45,024	-	5,092	39,644	-	6,644	96,404
Reimbursements	-	85,000	-	-	-	-	85,000
Miscellaneous revenue	157,395	-	11,983	9,814	4,491	827,085	1,010,768
<b>Total revenues</b>	<b>7,830,360</b>	<b>1,651,250</b>	<b>55,491</b>	<b>360,107</b>	<b>2,348,020</b>	<b>6,872,747</b>	<b>19,117,975</b>
<b>EXPENDITURES</b>							
Current:							
General government	1,585,606	-	-	97,116	2,507,529	821,907	5,012,158
Public safety	5,680,267	-	-	-	-	359,965	6,040,232
Public works	413,694	-	-	-	-	1,502,627	1,916,321
Highways and streets	-	84,138	-	-	-	831,059	915,197
Building services	315,548	-	-	-	-	-	315,548
Culture and recreation	1,085,432	-	-	-	-	502,374	1,587,806
Community development	385,414	-	-	214,199	-	402,457	1,002,070
Capital outlay	21,347	1,604,754	-	-	-	720,177	2,346,278
Debt service:							
Principal on long-term debt	-	-	-	-	-	622,497	622,497
Interest and fiscal charges	-	-	-	-	-	154,110	154,110
<b>Total expenditures</b>	<b>9,487,308</b>	<b>1,688,892</b>	<b>-</b>	<b>311,315</b>	<b>2,507,529</b>	<b>5,917,173</b>	<b>19,912,217</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(1,656,948)</b>	<b>(37,642)</b>	<b>55,491</b>	<b>48,792</b>	<b>(159,509)</b>	<b>955,574</b>	<b>(794,242)</b>
<b>OTHER FINANCING SOURCES (USES)</b>							
Sale of capital assets	140,000	-	-	-	-	-	140,000
Transfer in	708,853	20,651	48,258	-	-	932,773	1,710,535
Transfer out	(227,030)	(233,403)	(13,651)	(65,000)	-	(1,181,151)	(1,720,235)
<b>Total other financing sources (uses)</b>	<b>621,823</b>	<b>(212,752)</b>	<b>34,607</b>	<b>(65,000)</b>	<b>-</b>	<b>(248,378)</b>	<b>130,300</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>(1,035,125)</b>	<b>(250,394)</b>	<b>90,098</b>	<b>(16,208)</b>	<b>(159,509)</b>	<b>707,196</b>	<b>(663,942)</b>
<b>BEGINNING FUND BALANCES</b>	<b>4,658,201</b>	<b>546,721</b>	<b>3,974,341</b>	<b>9,828,483</b>	<b>325,635</b>	<b>5,707,512</b>	<b>25,040,893</b>
<b>ENDING FUND BALANCES</b>	<b>\$ 3,623,076</b>	<b>\$ 296,327</b>	<b>\$ 4,064,439</b>	<b>\$ 9,812,275</b>	<b>\$ 166,126</b>	<b>\$ 6,414,708</b>	<b>\$ 24,376,951</b>

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 POSITION  
FOR THE YEAR ENDED JUNE 30, 2013**

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 Position 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	\$	(663,942)
<p>Amounts reported for governmental activities in the Statement of Activities are different because of the following:</p>		
<b>CAPITAL ASSETS TRANSACTIONS</b>		
<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		2,346,278
The disposal of capital asset is deducted from the fund balance		(799,619)
Depreciation expense is deducted from the fund balance (Depreciation expense is net of internal service fund depreciation of \$112,264 which has already been allocated to internal service funds)		(4,155,328)
<b>LONG-TERM DEBT PROCEEDS AND PAYMENTS</b>		
<p>Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position, Repayment of bond principal is an expenditure in the governmental funds, but on the Statement of Net Position the repayment reduces long-term liabilities.</p>		
Repayment of debt principal is added back to fund balances		622,497
Amortized cost of issuance		(11,140)
Changes in Compensated absences		2,570
Changes in Net OPEB Obligation		(18,337)
Changes in accrued interest payable		(44,679)
<b>ACCRUAL OF NON-CURRENT ITEMS</b>		
<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>		
Advance to other governments		(334,060)
<b>ALLOCATION OF INTERNAL SERVICE FUND ACTIVITY</b>		
<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 Position - All Internal Service Funds		(462,012)
<b>CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<b>\$</b>	<b><u>(3,517,772)</u></b>

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, 2013**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Taxes:				
Property taxes	\$ 1,429,000	\$ 1,429,000	\$ 1,384,372	\$ (44,628)
Sales taxes	1,358,000	1,358,000	1,353,938	(4,062)
Licenses and permits	1,153,500	1,153,500	1,111,793	(41,707)
Fines and forfeits	215,000	215,000	241,117	26,117
Intergovernmental revenue	1,675,000	1,675,000	1,617,152	(57,848)
Charges for services	2,140,700	2,140,700	1,919,569	(221,131)
Investment earnings	87,000	87,000	45,024	(41,976)
Miscellaneous revenue	44,500	44,500	157,395	112,895
Total Revenues	<u>8,102,700</u>	<u>8,102,700</u>	<u>7,830,360</u>	<u>(272,340)</u>
<b>EXPENDITURES</b>				
Current:				
General government	1,672,000	1,484,100	1,585,606	(101,506)
Public safety	5,508,300	5,670,000	5,680,267	(10,267)
Public Works	405,600	405,600	413,694	(8,094)
Building Services	314,500	314,500	315,548	(1,048)
Culture and recreation	1,087,600	1,107,400	1,085,432	21,968
Community Development	563,000	563,000	385,414	177,586
Capital Outlay	25,000	31,400	21,347	10,053
Total Expenditures	<u>9,576,000</u>	<u>9,576,000</u>	<u>9,487,308</u>	<u>88,692</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>				
	<u>(1,473,300)</u>	<u>(1,473,300)</u>	<u>(1,656,948)</u>	<u>(183,648)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of capital assets	140,000	140,000	140,000	\$ -
Transfer in	744,800	744,800	708,853	(35,947)
Transfer (out)	(223,400)	(223,400)	(227,030)	3,630
Total Other Financing Sources (Uses)	<u>661,400</u>	<u>661,400</u>	<u>621,822</u>	<u>(39,578)</u>
<b>NET CHANGE IN FUND BALANCES</b>				
	<u>\$ (811,900)</u>	<u>\$ (811,900)</u>	<u>(1,035,125)</u>	<u>\$ (223,225)</u>
<b>BEGINNING FUND BALANCES</b>			<u>4,658,201</u>	
<b>ENDING FUND BALANCES</b>			<u>\$ 3,623,076</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, 2013**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Intergovernmental revenue	\$ 1,907,400	\$ 1,907,400	\$ 1,566,250	\$ (341,150)
Reimbursements	-	-	85,000	85,000
Total Revenues	<u>1,907,400</u>	<u>1,907,400</u>	<u>1,651,250</u>	<u>(256,150)</u>
<b>EXPENDITURES</b>				
Current:				
Highways and streets	75,000	75,000	84,138	(9,138)
Capital outlay	<u>1,997,400</u>	<u>1,907,000</u>	<u>1,604,754</u>	<u>302,246</u>
Total Expenditures	<u>2,072,400</u>	<u>1,982,000</u>	<u>1,688,892</u>	<u>293,108</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>(165,000)</u>	<u>(74,600)</u>	<u>(37,642)</u>	<u>36,958</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer in	665,000	665,000	20,651	(644,349)
Transfer (out)	-	<u>(250,400)</u>	<u>(233,403)</u>	<u>16,997</u>
Total Other Financing Sources (Uses)	<u>665,000</u>	<u>414,600</u>	<u>(212,752)</u>	<u>(627,352)</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>\$ 500,000</u>	<u>\$ 340,000</u>	(250,394)	<u>\$ (590,394)</u>
<b>BEGINNING FUND BALANCES</b>			<u>546,721</u>	
<b>ENDING FUND BALANCES</b>			<u>\$ 296,327</u>	

**CITY OF SUISUN CITY**  
**OFF-SITE STREET IMPROVEMENT FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<b>REVENUES</b>				
Developer fees	\$ -	\$ -	\$ 38,416	\$ 38,416
Investment earnings	-	-	5,092	5,092
Miscellaneous revenue	701,000	701,000	11,983	(689,017)
Total Revenues	<u>701,000</u>	<u>701,000</u>	<u>55,491</u>	<u>(645,509)</u>
<b>EXPENDITURES</b>				
Current:				
Community development	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>701,000</u>	<u>701,000</u>	<u>55,491</u>	<u>(645,509)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer in	-	-	48,258	48,258
Transfer (out)	(315,000)	(315,000)	(13,651)	301,349
Total Other Financing Sources (Uses)	<u>(315,000)</u>	<u>(315,000)</u>	<u>34,607</u>	<u>349,607</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>\$ 386,000</u>	<u>\$ 386,000</u>	90,098	<u>\$ (295,902)</u>
<b>BEGINNING FUND BALANCES</b>			<u>3,974,341</u>	
<b>ENDING FUND BALANCES</b>			<u>\$ 4,064,439</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, 2013**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<b><u>REVENUES</u></b>				
Intergovernmental revenue	\$ -	\$ -	\$ 317	\$ 317
Charge for services	401,000	401,000	310,332	(90,668)
Investment earnings	10,000	10,000	39,644	29,644
Miscellaneous revenue	20,300	20,300	9,814	(10,486)
Total Revenues	<u>431,300</u>	<u>431,300</u>	<u>360,107</u>	<u>(71,193)</u>
<b><u>EXPENDITURES</u></b>				
Current:				
General government	103,500	103,500	97,116	6,384
Community development	257,300	257,300	214,199	43,101
Total Expenditures	<u>360,800</u>	<u>360,800</u>	<u>311,315</u>	<u>49,485</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>70,500</u>	<u>70,500</u>	<u>48,792</u>	<u>(21,708)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer in	83,500	83,500	-	(83,500)
Transfer (out)	(148,500)	(148,500)	(65,000)	83,500
Total Other Financing Sources (Uses)	<u>(65,000)</u>	<u>(65,000)</u>	<u>(65,000)</u>	<u>-</u>
<b>NET CHANGES IN FUND BALANCES</b>	<u>\$ (65,000)</u>	<u>\$ 5,500</u>	(16,208)	<u>\$ (21,708)</u>
<b>BEGINNING FUND BALANCES</b>			<u>9,828,483</u>	
<b>ENDING FUND BALANCES</b>			<u>\$ 9,812,275</u>	

**CITY OF SUISUN CITY**  
**HOUSING AUTHORITY CHOICE VOUCHERS FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<b><u>REVENUES</u></b>				
Intergovernmental revenue	\$ 2,542,400	\$ 2,542,400	\$ 2,343,529	\$ (198,871)
Investment earnings	3,000	3,000	-	(3,000)
Miscellaneous revenue	12,000	12,000	4,491	(7,509)
Total Revenues	<u>2,557,400</u>	<u>2,557,400</u>	<u>2,348,020</u>	<u>(209,380)</u>
<b><u>EXPENDITURES</u></b>				
Current:				
General government	<u>2,851,100</u>	<u>2,851,100</u>	<u>2,507,529</u>	<u>343,571</u>
Total Expenditures	<u>2,851,100</u>	<u>2,851,100</u>	<u>2,507,529</u>	<u>343,571</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>(293,700)</u>	<u>(293,700)</u>	<u>(159,509)</u>	<u>134,191</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer in	-	-	-	-
Transfer (out)	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGES IN FUND BALANCES</b>	<u>\$ (293,700)</u>	<u>\$ (293,700)</u>	<u>(159,509)</u>	<u>\$ 134,191</u>
<b>BEGINNING FUND BALANCES</b>			<u>325,635</u>	
<b>ENDING FUND BALANCES</b>			<u>\$ 166,126</u>	

<b>PROPRIETARY FUNDS</b>
--------------------------

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 FUND NET POSITION  
 JUNE 30, 2013**

	<u>Governmental Activities- Internal Service Funds</u>
<b>ASSETS</b>	
Current Assets:	
Cash and investments	\$ 1,924,462
Other assets	<u>10,931</u>
Total Current Assets	<u>1,935,393</u>
Non-Current Assets:	
Capital assets	
Depreciable, net	<u>568,717</u>
Total Assets	<u>2,504,110</u>
<b>LIABILITIES</b>	
Current Liabilities:	
Accounts payable	56,533
Due to City of Suisun City	65,621
Claims payable	<u>181,612</u>
Total Current Liabilities	<u>303,766</u>
Non-Current Liabilities:	
Claims payable	<u>775,949</u>
Total Liabilities	<u>1,079,715</u>
<b>NET POSITION</b>	
Net investment in capital assets	568,717
Unrestricted	<u>855,678</u>
Total Net Position	<u><u>\$ 1,424,395</u></u>

See accompanying notes to the financial statements

**CITY OF SUISUN CITY  
 PROPRIETARY FUNDS  
 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
 FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Governmental Activities - Internal Service Funds</u>
<b>OPERATING REVENUES</b>	
Charges to City departments	\$ 2,011,716
Miscellaneous	20,801
Total Operating Revenue	<u>2,032,517</u>
<b>OPERATING EXPENSES</b>	
Salaries and benefits	1,106,074
Services and supplies	747,428
Claims and settlements	538,567
Depreciation	112,264
Total Operating Expenses	<u>2,504,333</u>
Operating Income (Loss)	<u>(471,816)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>	
Interest income	104
Total Nonoperating Revenues (Expenses)	<u>104</u>
<b>Net income (loss) before transfers</b>	(471,712)
Transfer in	<u>9,700</u>
<b>CHANGE IN NET POSITION</b>	(462,012)
Net Position, Beginning of Year	1,886,407
Net Position, End of Year	<u>\$ 1,424,395</u>

See accompanying notes to financial statements

**CITY OF SUISUN CITY  
 PROPRIETARY FUNDS  
 STATEMENT OF CASH FLOWS  
 FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Governmental            Activities -            Internal            Service Funds</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Cash received from customers/departments	\$ 2,032,517
Cash paid to suppliers	(1,156,316)
Cash paid to employees	(1,106,074)
Net cash used by operating activities	<u>(229,873)</u>
<b>CASH FLOW FROM NONCAPITAL FINANCING            ACTIVITIES</b>	
Transfer in	<u>9,700</u>
Net cash provided by noncapital financing activities	<u>9,700</u>
<b>CASH FLOW FROM CAPITAL AND RELATED FINANCING            ACTIVITIES</b>	
Purchase of capital assets	<u>(55,932)</u>
Net cash used by capital and related financing activities	<u>(55,932)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Interest received	<u>104</u>
Net cash provided (used) by investing activities	<u>104</u>
Net Cash Flows	<u>(276,001)</u>
Cash and investments at beginning of period	<u>2,200,463</u>
Cash and cash equivalents at end of period	<u>\$ 1,924,462</u>
Reconciliation of operating income (loss) to net cash flows from operating activities:	
Operating income (loss)	\$ (471,816)
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:	
Depreciation	112,264
Change in assets and liabilities:	
Accounts payable and claims payable	83,782
Due to City of Suisun City	45,897
Cash Flows from Operating Activities	<u>\$ (229,873)</u>

See accompanying notes to financial statements

<b>FIDUCIARY FUNDS</b>
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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 FUND NET POSITION  
JUNE 30, 2013**

	RDA Obligation Retirement Trust Fund	Agency Funds
<b>ASSETS</b>		
Cash and investments	\$ 4,610,428	\$ 11,313,628
Cash with fiscal agent	4,262,336	876,539
Receivables:		
Assesment receivable	-	1,178,356
Loans	215,457	-
Deferred charges	1,101,251	-
Restricted assets - Cash and Investments	1,448,675	-
	<u>11,638,147</u>	<u>\$ 13,368,523</u>
<b>LIABILITIES</b>		
Accounts payable	279	\$ 531,109
Accrued liabilities	25,244	-
Deferred revenues	171,963	-
Advances from other governments	12,735,763	-
Interest payable	814,578	-
Due to other agencies	-	12,837,414
Long-term liabilities:		
Due within one year	2,905,290	-
Due in more than one year	58,987,431	-
	<u>75,640,548</u>	<u>\$ 13,368,523</u>
<b>NET POSITION</b>		
Total net position (deficit) held in trust	<u>\$ (64,002,401)</u>	

See accompanying notes to the financial statements

**CITY OF SUISUN CITY  
 FIDUCIARY FUNDS  
 STATEMENT OF CHANGES IN FUND NET POSITION  
 PRIVATE PURPOSE TRUST FUND  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

	RDA Obligation Retirement Trust Fund
	Fund
<b>ADDITIONS</b>	
Tax increment revenues	\$ 5,762,397
Program income	13,650
Investment income	346
Total additions	5,776,393
<b>DEDUCTIONS</b>	
Program expenses	491,202
Investment loss	44,986
Debt services:	
Interest and fiscal charges	3,490,585
Total deductions	4,026,773
<b>CHANGE IN NET POSITION</b>	1,749,620
<b>NET POSITION (DEFICIT), BEGINNING OF YEAR</b>	(65,752,021)
<b>NET POSITION (DEFICIT), END OF YEAR</b>	\$ (64,002,401)

See accompanying notes to the financial statements

**CITY OF SUISUN CITY**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2013**

**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, 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 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, 2013**

**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 Position 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. Certain 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. 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, 2013**

**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.

**Housing Authority Choice Vouchers** - This fund is used to account for intergovernmental revenues received to be used for housing assistance payment programs.

**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.

**F. Use of Restricted/Unrestricted Position**

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

**CITY OF SUISUN CITY**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2013**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**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 Position. 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).

<b>CITY OF SUISUN CITY</b> <b>Notes to Basic Financial Statements</b> <b>For the Year Ended June 30, 2013</b>
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<b>NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)</b>
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Changes in compensated absences were as follows:

Beginning Balance	\$	521,566
Additions		546,318
Payments		(548,888)
Ending Balance		518,996
Due in One Year		259,498
Due in More than One Year	\$	259,498

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 with useful life of more than 1 year, 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 Position 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, actual results could differ from estimates.

**CITY OF SUISUN CITY**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2013**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**M. Recent Accounting Pronouncements**

*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, with 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, 2013**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*GASB Statement No. 70*

In April 2013, GASB issued GASB Statement No. 70, Accounting and Financial Reporting for Nonexchange Financial Guarantees. The objective of this Statement is to improve accounting and financial reporting by state and local governments that extend and receive nonexchange financial guarantees. The provisions of this Statement are effective for reporting periods beginning after June 15, 2013. Earlier application is encouraged. The City is required to implement the provisions of this Statement in fiscal year ending June 30, 2015, and is currently evaluating the impact on the financial statements.

**N. *Changes in Accounting Principles***

In 2013, the City has implemented the following Governmental Accounting Standards Board (GASB) Statements:

*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. The objective of this Statement is to incorporate into the GASB's authoritative literature certain accounting and financial reporting guidance that is included in the following pronouncements issued on or before November 30, 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 pronouncement is effective for periods beginning after December 15, 2011. The City has implemented the provisions of this Statement as of June 30, 2013, which did not have any significant impact 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. The objective of this Statement is to improve financial reporting by providing guidance and standardizing the presentation of deferred outflows of resources and deferred inflows of resources and their effect on a government's net positions. This pronouncement is effective for financial statements for periods beginning after December 15, 2011. The City has implemented the provision of this Statement as of June 30, 2013.

**CITY OF SUISUN CITY**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2013**

**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 general, 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 funds require the approval of the City Council. The legal level of budgetary control is the 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	Amount
JAG Grants	\$ 1,810
ABAG Grants	12
Highway 12 Bond	47
Northbay Aqueduct-Debt Service	1,734
Municipal Facilities and Equipment	264

**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 percent of the City's cash on deposit or first trust deed mortgage notes with a value of 150 percent 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, 2013 the carrying value of the City's deposits and cash on hand was \$7,313,644. The City was not exposed to custodial credit risks as all deposits are insured or collateralized.

<b>CITY OF SUISUN CITY</b> <b>Notes to Basic Financial Statements</b> <b>For the Year Ended June 30, 2013</b>
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<b>NOTE 3 – CASH AND INVESTMENTS (Continued)</b>
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**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, 2013 are as follows:

City cash and investments in primary government:	
Cash and investments	\$ 14,644,242
Cash with fiscal agent	249,000
Total City cash and investments in primary government	14,893,242
City cash and investments in Trust Funds (Separate Statement)	
Cash and investments	4,610,428
Cash with fiscal agent	4,262,336
Restricted cash and investment	1,448,675
Total Trust Funds cash and investments	10,321,439
Cash and investments in Agency Funds (Separate Statement)	
Cash and investments	11,313,628
Cash with fiscal agent	876,539
Total Fiduciary Funds cash and investments	12,190,167
Total cash and investments	\$ 37,404,848

**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, 2013**

**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	270 days	A	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:

Authorized Investment Type	Maximum Maturity	Credit Quality
Federal Securities	No Limit	N/A
U.S. Government Obligation	No Limit	N/A
U.S. Government Sponsored Obligations	No Limit	N/A
Money Market Accounts	N/A	AAm-AAAm
FDIC Insured Deposits	One Year	N/A
Investment Agreements	No Limit	AA-AAAm
Commercial Paper	None to 270 days	A
State Obligations:		
General Obligation	N/A	A
General Short-Term Obligation	No Limit	A-1
Special Revenue Bonds	No Limit	AA
Federal Funds	360 days	A-1
Repurchase Agreements	30 days	A
Local Agency Investment Fund	N/A	N/A

**CITY OF SUISUN CITY**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2013**

**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	\$ 1,955,788	\$ 4,566,258	\$ 2,436,265	\$ 1,566,387	\$ 169,121	\$ 10,693,819
Federal Agency Securities	1,370,971	1,733,496	8,176,738	553,366	2,651,472	14,486,043
Local Agency Investment Funds	3,157,317	-	-	-	-	3,157,317
Money Market Mutual Funds	1,151,895	-	-	-	-	1,151,895
Certificate of Deposits	451,469	150,660	-	-	-	602,129
Total Investments	<u>\$ 8,087,440</u>	<u>\$ 6,450,414</u>	<u>\$ 10,613,003</u>	<u>\$ 2,119,753</u>	<u>\$ 2,820,593</u>	30,091,203
Cash in Bank and on Hand						<u>7,313,644</u>
Total Cash and Investments						<u>\$ 37,404,848</u>

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, 2013, these investments have an average maturity of 278 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, 2013 for all U.S. Treasury Notes and Federal Agency Securities are A-1+ or 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, 2013.

**CITY OF SUISUN CITY**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2013**

**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, 2013, those investments consisted of:

Reporting Unit	Issuer	Investment Type	Reported Amount
Governmental Activities:			
Primary Government	Federal National Mortgage Association	Federal Agency Securities	\$ 4,511,045
	Federal Home Loan Mortgage Corp.	Federal Agency Securities	5,596,717
Fiduciary Funds:			
RDA Successor Agency	Federal Home loan Bank	Federal Agency Securities	3,507,787

**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, 2013 were as follows:

Fund Making Transfer	Fund Receiving Transfers	Amount Transferred	
General Fund	Non-Major Governmental Funds	\$ 217,330	A
	Internal Service Fund	9,700	A
Local Transportation Special Revenue Fund	Off-site Street Improvement Fund	48,258	B
	Non-Major Governmental Funds	185,145	B
Off-site Street Improvement Funds	Local Transportation Special Revenue Fund	13,651	B
Housing Authority Special Revenue	General Fund	65,000	A
Non-Major Governmental Funds	General Fund	644,555	A
	Local Transportation Special Revenue Fund	7,000	B
	Non-Major Governmental Funds	529,596	A/C
		<b>\$ 1,720,235</b>	

(A) To fund general operations/receiving transfers.

(B) To fund capital improvement projects.

(C) To fund debt service.

**CITY OF SUISUN CITY**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2013**

**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, 2013 the following funds have balances due to the General Fund.

Due To:	Due From:	Amount
General Fund	Special Revenue Funds:	
	Local Transportation Fund	\$ 1,312,702
	AB 939	4,943
	Special Event	1,669
	Traffic Safety	10,206
	Police Grants	58,963
	Bay REN-ABAG Grant	2,612
	Boating Safety	3,909
	SLESF Grant	45,006
	ATOD	18,412
	Marina Fuel	50,673
	Downtown-Marina Property Management	2,781
	Special Assessment Districts	31,721
	Capital Projects Funds:	
	Municipal Facilities Equipment	218,408
	Senior Center Improvement	600,218
	Internal Service Fund	65,621
	Total	\$ 2,427,844

**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 (Note 6)	500,000
First Time Home Buyers	1,907,045
Total Notes Receivables	\$ 12,525,849

**CITY OF SUISUN CITY**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2013**

**NOTE 5 – NOTES RECEIVABLE (Continued)**

**A. *Bay Homes Development Corporation***

The note receivable of \$1,936,859 relates to a loan made by the former 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 and is accounted for in the Housing Authority Special Revenue Fund. The loan bears interest at 2 percent 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 \$17,112 to the Agency as of June 30, 2013. All outstanding balance and accrued but unpaid interest is due and payable on June 21, 2026.

**B. *Cottonwood Creek Housing Association***

The former Redevelopment 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 percent 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, 2013 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 and is accounted for in the Housing Authority Special Revenue Fund.

**C. *Solano County Library Construction***

The Agency advanced \$1,098,000 to Solano County for the construction of the Solano County Library. Due to RDA dissolution the former Redevelopment Agency assigned this agreement to the City and is accounted for in the general fund. 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, 2013. Such repayments shall include interest of three percent per annum. As of June 30, 2013, the outstanding balance of these loans was \$1,023,891.

**D. *Redevelopment, Housing Rehabilitation, and CDBG***

The City and the former RDA Agency entered into agreements with individuals and businesses for housing rehabilitation, economic development, and redevelopment loans. As of June 30, 2013, the outstanding balance of these loans was \$512,612. Due to RDA dissolution the former Redevelopment Agency assigned this agreement to the City and is accounted for in the general fund.

**CITY OF SUISUN CITY**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2013**

**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 former Suisun City Redevelopment Agency (the “Agency”) provided down payment assistance in the form of second mortgages. 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, 2013, 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 percent 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 six percent. 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 19, 2014. As of June 30, 2013, 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 Net Position under full accrual accounting.

**CITY OF SUISUN CITY**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2013**

**NOTE 6 – DEVELOPMENT AGREEMENT (Continued)**

The former Redevelopment Agency 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, 2013**

**NOTE 7 - CAPITAL ASSETS (Continued)**

**A. Capital Asset Additions and Retirements**

Capital assets activity for the year ended June 30, 2013 is as follows:

	Balance June 30, 2012	Additions	Transfers and Adjustments	Balance June 30, 2013
<b>Governmental Activities:</b>				
Capital assets not being depreciated:				
Land and improvements	\$ 52,151,305	\$ -	\$ -	\$ 52,151,305
Construction in Progress	1,520,861	2,271,882	(3,755,050)	37,693
Total non-depreciable assets	<u>53,672,166</u>	<u>2,271,882</u>	<u>(3,755,050)</u>	<u>52,188,998</u>
Capital assets being depreciated:				
Buildings	29,966,360	-	-	29,966,360
Buildings and improvements	12,429,714	-	729,676	13,159,390
Equipment	4,522,488	74,396	-	4,596,884
Infrastructure	45,496,705	-	-	45,496,705
Streets-Pavement System	104,782,264	-	2,225,755	107,008,019
Total capital assets being depreciated	<u>197,197,531</u>	<u>74,396</u>	<u>2,955,431</u>	<u>200,227,358</u>
Less accumulated depreciation for:				
Buildings	8,135,285	597,287	-	8,732,572
Buildings and improvements	7,733,694	780,688	-	8,514,382
Equipment	3,053,974	165,766	-	3,219,740
Infrastructure	19,844,671	984,287	-	20,828,958
Streets-Pavement System	53,184,736	1,627,300	-	54,812,036
Total accumulated depreciation	<u>91,952,360</u>	<u>4,155,328</u>	<u>-</u>	<u>96,107,688</u>
Net capital assets being depreciated	<u>105,245,171</u>	<u>(4,080,932)</u>	<u>2,955,431</u>	<u>104,119,670</u>
Net general capital assets	<u>158,917,337</u>	<u>(1,809,050)</u>	<u>(799,619)</u>	<u>156,308,668</u>
Internal Service Funds				
Vehicle, Machine & Equipment	2,624,672	99,997	-	2,724,669
Accumulated depreciation -Vehicle, Machine & Equipment	2,043,688	112,264	-	2,155,952
Net internal service funds	<u>580,984</u>	<u>(12,267)</u>	<u>-</u>	<u>568,717</u>
Total capital assets, net	<u>\$ 159,498,321</u>	<u>\$ (1,821,317)</u>	<u>\$ (799,619)</u>	<u>\$ 156,877,385</u>

**CITY OF SUISUN CITY**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2013**

**NOTE 7 - CAPITAL ASSETS (Continued)**

The \$37,693 construction in progress is related to the Railroad Ext. Marina to Main Street project.

**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	\$	147,892
Public works		646,058
Highways & streets		1,686,264
Building services		618,535
Culture and recreation		447,754
Community development		608,825
Internal Service Funds		112,264
Total depreciation expense	\$	4,267,592

**CITY OF SUISUN CITY**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2013**

**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, 2013 were as follows:

	Balance June 30, 2012	Additions	Retirement	Balance June 30, 2013	Current Portion
<b>City of Suisun City:</b>					
North Bay Aqueduct due 7/1/36	\$ 1,837,140	\$ -	\$ 75,690	\$ 1,761,450	\$ 76,715
General Obligation Bonds Highway 12 Expansion 5.0%-5.2%, due 2/1/19	1,910,000	-	225,000	1,685,000	235,000
2004 Certificates of Participation 1.5%-4.4%, due 11/1/15	940,000	-	220,000	720,000	230,000
Capital Lease Obligations	376,487	-	101,807	274,680	106,315
<b>Total City of Suisun City</b>	<u>5,063,627</u>	<u>-</u>	<u>622,497</u>	<u>4,441,130</u>	<u>648,030</u>
<b>Total Governmental Activity Debt</b>	<u>\$ 5,063,627</u>	<u>\$ -</u>	<u>\$ 622,497</u>	<u>4,441,130</u>	<u>\$ 648,030</u>
Less: Current portion				(648,030)	
Non-current portion				<u>\$ 3,793,100</u>	

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, 2013:

For The Year Ending June 30,	Principal	Interest
2014	\$ 648,030	\$ 124,649
2015	683,763	97,732
2016	655,081	68,896
2017	367,740	48,100
2018	387,740	33,020
2019-2023	713,700	16,900
2024-2028	388,700	-
2029-2033	388,700	-
2034-2038	207,676	-
<b>Total</b>	<u>\$ 4,441,130</u>	<u>\$ 389,297</u>

**CITY OF SUISUN CITY**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2013**

**NOTE 8 – LONG TERM DEBT (Continued)**

**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.

The long-term debt activities for the Successor Agency of the Suisun City Redevelopment Agency for the year ended June 30, 2013 were as follows:

	Balance June 30, 2012	Additions	Retirement	Balance June 30, 2013	Current Portion
<b>Successor Agency:</b>					
<i>Tax Allocation Bonds:</i>					
1998 Tax Allocation Revenue Bonds					
Current Interest Term Bonds					
3.9%-5.20%, due 10/1/28	\$ 5,905,000	\$ -	\$ 255,000	\$ 5,650,000	\$ 270,000
Capital Appreciation Bonds					
3.9%-5.32%, due 10/1/28 and					
3.9%-5.37%, due 10/1/33	15,057,480	815,176	-	15,872,656	-
2003-B Tax Allocation Refunding Bonds					
2.0%-3.375%, due 10/1/2023	30,015,000	-	1,820,000	28,195,000	2,045,000
2003-A Tax Allocation Refunding Bonds					
2.0%-3.375%, due 10/1/2023	5,005,000	-	275,000	4,730,000	315,000
<i>Loans payable:</i>					
Marina Loan #94-5-319					
4.5%, due 10/1/48	1,558,370	-	17,118	1,541,252	17,889
Marina Loan #91-10-305					
4.5% due 8/1/22	1,176,382	-	84,993	1,091,389	84,993
Marina Loan #91-10-305					
4.5% due 8/1/42	3,753,816	-	57,973	3,695,843	60,582
Marina Expansion Loan					
7.239%, due 10/24/25	2,261,592	-	104,276	2,157,316	111,826
<b>Total Trust Fund Debt</b>	<u>64,732,640</u>	<u>815,176</u>	<u>2,614,360</u>	<u>62,933,456</u>	<u>\$ 2,905,290</u>
<i>(Less) Plus:</i>					
2003-B deferred refunding, net	(1,153,078)	-	(96,089)	(1,056,989)	
2003-B premium, net	34,577	-	2,882	31,695	
2003-A discount, net	(16,254)	-	(813)	(15,441)	
<b>Total Turst Fund Long-term debt, net</b>	<u>\$ 63,597,885</u>	<u>\$ 815,176</u>	<u>\$ 2,520,340</u>	61,892,721	
Less: Current portion				(2,905,290)	
Non-current portion				<u>\$ 58,987,431</u>	

**CITY OF SUISUN CITY**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2013**

**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 percent to 5.2 percent. 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 percent to 2.0 percent 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 percent to 4.40 percent. 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 \$295,000 at June 30, 2013.

**CITY OF SUISUN CITY**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2013**

**NOTE 10 – NET POSITION AND FUND BALANCES**

**A. *Net Position***

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

*Net investment in capital assets* describes the portion of Net Position 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 Position 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 Position 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. The City Council through resolution gives authorization to the Director of Administrative Services or Designee to Assigned Fund Balances and to report these amounts in the Comprehensive Annual Financial Statement.

**CITY OF SUISUN CITY**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2013**

**NOTE 10 – NET POSITION AND FUND BALANCES (Continued)**

**C. Deficit / Fund Balance**

As of June 30, 2013, the Municipal Facilities Fund had a negative fund balance of \$221,889; 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 \$18,437. 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	Housing Authority Choice Vouchers	Other Governmental	
Nonspendable:							
Advances	\$ -	\$ -	\$ -	\$ 6,901,505	\$ -	\$ -	\$ 6,901,505
Prepaid and other assets	3,759	-	-	596	-	-	4,355
Notes receivable	71,685	-	-	1,936,859	-	-	2,008,544
Restricted for:							
Housing programs	-	-	-	973,315	166,126	221,568	1,361,009
Debt service	-	-	-	-	-	308,496	308,496
Special project and programs	204,363	-	4,064,439	-	-	1,445,324	5,714,126
Street improvement projects	-	296,327	-	-	-	24,700	321,027
Park development	-	-	-	-	-	1,156,884	1,156,884
Sewer maintenance	-	-	-	-	-	1,558,953	1,558,953
Special districts assessments	-	-	-	-	-	1,782,213	1,782,213
Committed for:							
Main street west project	59,073	-	-	-	-	-	59,073
Special events	-	-	-	-	-	79,093	79,093
Assigned for:							
Asset forfeiture	-	-	-	-	-	11,056	11,056
DARE donations	-	-	-	-	-	13,879	13,879
Nuisance abatement	-	-	-	-	-	34,832	34,832
Traffic towing	-	-	-	-	-	18,036	18,036
Unassigned for:							
General government	3,284,196	-	-	-	-	-	3,284,196
Municipal facilities and Equipment	-	-	-	-	-	(221,889)	(221,889)
Marina operations	-	-	-	-	-	(18,437)	(18,437)
<b>Total fund balance</b>	<b>\$ 3,623,076</b>	<b>\$ 296,327</b>	<b>\$ 4,064,439</b>	<b>\$ 9,812,275</b>	<b>\$ 166,126</b>	<b>\$ 6,414,708</b>	<b>\$ 24,376,951</b>

**CITY OF SUISUN CITY**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2013**

**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

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 30-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 \$957,561 reported in the fund at June 30, 2013 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.

**CITY OF SUISUN CITY**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2013**

**B. Liability for Uninsured Claims**

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

	2013	2012
Beginning balance	\$ 854,285	\$ 638,242
Increase (Decrease) in current year claims and changes in estimates	641,843	667,158
Claims paid	(538,567)	(451,115)
Ending Balance	957,561	854,285
Current portion	181,612	173,270
Non-current portion	\$ 775,949	\$ 681,015

**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, 2013, are summarized as follows:

	Safety - Fire	Safety - Police	Miscellaneous
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	28.355%	38.100%	12.299%

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.

**CITY OF SUISUN CITY**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2013**

**NOTE 12 - PENSION PLAN (Continued)**

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:

Year	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
2011	\$ 1,182,877	100%	\$ -
2012	1,233,619	100%	-
2013	1,095,549	100%	-

CALPERS uses the market related value method of valuing the Plan's assets. An investment rate of return of 7.5 percent is assumed, including inflation at 2.75 percent. Annual salary increases are assumed to vary by duration of service and annual retirement benefit increases are assumed to be 3.3 percent. 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, 2013 was 19 years for the miscellaneous plan, 19 years for the safety police plan, and 13 years for the safety fire plan.

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
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%
2012	84,829,856	75,003,561	9,826,295	88.4%	21,079,631	46.6%

The City's Safety Fire Plan represents approximately 1.15 percent, 1.07 percent, and 1.05 percent of the State-wide pool for the years ended June 30, 2012, 2011, and 2010, respectively, based on covered payroll of \$242,971, \$234,860, and \$229,219 for those years.

**CITY OF SUISUN CITY**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2013**

**NOTE 12 - PENSION PLAN (Continued)**

*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
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%
2012	11,724,021,480	9,854,787,710	1,869,233,770	84.1%	947,734,809	197.2%

The City's Safety Police Plan represents approximately 0.19 percent, 0.19 percent, and 0.17 percent of the State-wide pool for the years ended June 30, 2012, 2011, and 2010, respectively, based on covered payroll of \$1,813,884, \$1,810,925, and \$1,621,697 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
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%
2012	4,175,139,166	3,686,598,343	488,540,823	88.3%	757,045,663	64.5%

The City's Miscellaneous Plan represents approximately 0.48 percent, 0.50 percent, and 0.50 percent of the State-wide pool for the years ended June 30, 2012, 2011, and 2010, respectively, based on covered payroll of \$3,623,373, \$3,779,597, and \$3,718,257 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.

**CITY OF SUISUN CITY**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2013**

**NOTE 13 – OTHER POST EMPLOYMENT BENEFITS (Continued)**

**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 \$115 each month per each retiree. For retired employees with 10 years of service, the City contributes 50 percent of \$115 each month. For retired employees with 20 or more years of service, the City contributes 100 percent 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, 2013 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) 2.5 percent investment rate of return, (b) 2.9 percent payroll growth rate, (c) 2.7 percent inflation rate, and (c) health care cost trend rates from 4.7 percent to 8.0 percent 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 26 years remaining.

**C. Funding Progress and Funded Status**

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

Annual Required Contribution	\$ 37,442
Interest on Net OPEB Obligation	4,577
Adjustment to Annual Required Contribution	<u>(5,742)</u>
Annual OPEB cost	36,277
Age Adjusted Contributions made	<u>(17,940)</u>
(Decrease) increase in net OPEB obligations	18,337
Net OPEB obligation (asset) June 30, 2012	183,081
<b>Net OPEB obligation (asset) June 30, 2013</b>	<b><u><u>\$ 201,418</u></u></b>

The actuarial accrued liability (AAL) representing the present value of future benefits, included in the actuarial study dated June 30, 2013 amounted to \$500,658.

**CITY OF SUISUN CITY**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2013**

**NOTE 13 – OTHER POST EMPLOYMENT BENEFITS (Continued)**

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 are 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%
June 30, 2013	-	500,658	500,658	0.00%	4,888,926	10.24%

The annual OPEB costs, age adjusted contributions, the percentage of pension cost contributed, and net OPEB obligation for the fiscal year ended 2013, 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, 2011	\$ 81,102	\$ 12,600	15.5%	\$ 118,724
June 30, 2012	80,485	16,128	20.0%	183,081
June 30, 2013	36,277	17,940	49.5%	201,418

**CITY OF SUISUN CITY**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2013**

**NOTE 14- 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.

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.

The State Controller's Office completed a draft of the Asset Transfer Review in September 2013. Staff reviewed the draft, and reported several discrepancies whereby City records did not match figures provided in the Asset Transfer Review. As of this writing, Staff has not received a response from the State Controller's office. As of March 5, 2014, the status of the Asset Transfer Review of the former Suisun City Redevelopment Agency is reported as "in progress" on the State Controller's website.

**NOTE 15 – 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. The 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.

**CITY OF SUISUN CITY**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2013**

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 approximately \$5,834,000. A payment schedule for \$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**

## 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.

**ABAG GRANTS** – This fund accounts for the Bay Area Regional Energy Network Grant.

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

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

**SSWA STREET REPAIR** – This fund accounts for the street patching program funded by Suisun-Solano Water District.

**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.

**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 COP** - 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.

<b>NON-MAJOR GOVERNMENTAL FUNDS (Continued)</b>
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**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.

WARMART MITIGATION PROJECTS – This fund was established to carry out capital projects associated with the development of the Wal-Mart at Walters Road.

**CITY OF SUISUN CITY  
NON-MAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEETS  
JUNE 30, 2013**

	<b>SPECIAL REVENUE FUNDS</b>			
	Special		State	
	Gas Tax	AB 939	Energy Program	Police Grants
<b>ASSETS</b>				
Cash and investments	\$ 262,414	\$ 120,887	\$ -	\$ 55
Cash with fiscal agent	-	-	-	-
Receivables:				
Accounts receivable, net	60,138	10,108	-	59,954
Prepaid items	-	-	-	-
Other assets	-	-	-	-
<b>Total assets</b>	<b>\$ 322,552</b>	<b>\$ 130,995</b>	<b>\$ -</b>	<b>\$ 60,009</b>
<b>LIABILITIES</b>				
Accounts payable	15,777	7	-	-
Unearned revenues	-	-	-	-
Due to other funds	-	4,943	-	58,963
Refundable deposits	-	-	-	-
<b>Total Liabilities</b>	<b>15,777</b>	<b>4,950</b>	<b>-</b>	<b>58,963</b>
<b>FUND BALANCES</b>				
Restricted				
Debt service	-	-	-	-
Special projects & programs	306,775	126,045	-	1,046
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
<b>Total Fund Balances</b>	<b>306,775</b>	<b>126,045</b>	<b>-</b>	<b>1,046</b>
<b>Total liabilities and fund balances</b>	<b>\$ 322,552</b>	<b>\$ 130,995</b>	<b>\$ -</b>	<b>\$ 60,009</b>

**SPECIAL REVENUE FUNDS**

CDBG Study Grant	JAG Grants	Fire Grants	ABAG Grant	Prop 49 Grant	Housing Authority Administration	SSWA Street Repair	ATOD Grant
\$ 3,150	\$ 7,895	\$ 4,093	\$ -	\$ 71,868	\$ 214,505	\$ 24,700	\$ -
-	-	-	-	-	-	-	-
-	-	-	2,612	-	7,425	-	24,459
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 3,150</u>	<u>\$ 7,895</u>	<u>\$ 4,093</u>	<u>\$ 2,612</u>	<u>\$ 71,868</u>	<u>\$ 221,930</u>	<u>\$ 24,700</u>	<u>\$ 24,459</u>
-	7,895	-	-	317	362	-	510
-	-	-	-	-	-	-	-
-	-	-	2,612	-	-	-	18,412
-	-	-	-	-	-	-	-
-	<u>7,895</u>	-	<u>2,612</u>	<u>317</u>	<u>362</u>	-	<u>18,922</u>
-	-	-	-	-	-	-	-
3,150	-	4,093	-	71,551	221,568	24,700	5,537
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>3,150</u>	<u>-</u>	<u>4,093</u>	<u>-</u>	<u>71,551</u>	<u>221,568</u>	<u>24,700</u>	<u>5,537</u>
<u>\$ 3,150</u>	<u>\$ 7,895</u>	<u>\$ 4,093</u>	<u>\$ 2,612</u>	<u>\$ 71,868</u>	<u>\$ 221,930</u>	<u>\$ 24,700</u>	<u>\$ 24,459</u>

(Continued, next page)

**CITY OF SUISUN CITY  
NON-MAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEETS (Continued)  
JUNE 30, 2013**

	<b>SPECIAL REVENUE FUNDS</b>			
	Sewer Maintenance	Marina Fuel	Boating Safety	Asset Forfeiture
<b>ASSETS</b>				
Cash and investments	\$ 1,577,682	\$ 25,211	\$ -	\$ 11,056
Cash with fiscal agent	-	-	-	-
Receivables:				
Accounts receivable, net	-	617	16,966	-
Prepaid items	-	-	-	-
Other assets	-	6,588	-	-
Total assets	<u>\$ 1,577,682</u>	<u>\$ 32,416</u>	<u>\$ 16,966</u>	<u>\$ 11,056</u>
<b>LIABILITIES</b>				
Accounts payable	18,729	180	10,150	-
Unearned revenues	-	-	-	-
Due to other funds	-	50,673	3,909	-
Refundable deposits	-	-	-	-
Total Liabilities	<u>18,729</u>	<u>50,853</u>	<u>14,059</u>	<u>-</u>
<b>FUND BALANCES</b>				
Restricted				
Debt service	-	-	-	-
Special projects & programs	1,558,953	-	2,907	-
Committed	-	-	-	-
Assigned	-	-	-	11,056
Unassigned	-	(18,437)	-	-
Total Fund Balances	<u>1,558,953</u>	<u>(18,437)</u>	<u>2,907</u>	<u>11,056</u>
Total liabilities and fund balances	<u>\$ 1,577,682</u>	<u>\$ 32,416</u>	<u>\$ 16,966</u>	<u>\$ 11,056</u>

**SPECIAL REVENUE FUNDS**

<u>DARE/ Donations</u>	<u>Nuisance Abatement</u>	<u>NSP Grant</u>	<u>Traffic Towing</u>	<u>Traffic Safety</u>
\$ 13,879	\$ 35,217	\$ 229,411	\$ 18,036	\$ -
-	-	-	-	-
-	-	-	-	10,289
-	-	-	-	-
-	-	-	-	-
<u>\$ 13,879</u>	<u>\$ 35,217</u>	<u>\$ 229,411</u>	<u>\$ 18,036</u>	<u>\$ 10,289</u>
-	385	-	\$ -	\$ -
-	-	-	-	-
-	-	-	-	10,206
-	-	-	-	-
<u>-</u>	<u>385</u>	<u>-</u>	<u>-</u>	<u>10,206</u>
-	-	-	-	-
-	-	229,411	-	83
-	-	-	-	-
13,879	34,832	-	18,036	-
-	-	-	-	-
<u>13,879</u>	<u>34,832</u>	<u>229,411</u>	<u>18,036</u>	<u>83</u>
<u>\$ 13,879</u>	<u>\$ 35,217</u>	<u>\$ 229,411</u>	<u>\$ 18,036</u>	<u>\$ 10,289</u>

(Continued, next page)

**CITY OF SUISUN CITY  
NON-MAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEETS (Continued)  
JUNE 30, 2013**

	<b>SPECIAL REVENUE FUNDS</b>					
	SLESF Grant	School Resource Grant	Bureau Of Justice Vest Grant	Special Event	Downtown- Marina Property Management	Special Assessment Districts
<b>ASSETS</b>						
Cash and investments	\$ -	\$ 39	\$ -	80,526	\$ 274,845	\$ 1,847,389
Cash with fiscal agent	-	-	-	-	-	-
Receivables:						
Accounts receivable, net	45,006	-	-	-	16,503	14,000
Prepaid items	-	-	-	2,237	-	-
Other assets	-	-	-	-	-	-
Total assets	<u>\$ 45,006</u>	<u>\$ 39</u>	<u>\$ -</u>	<u>\$ 82,763</u>	<u>\$ 291,348</u>	<u>\$ 1,861,389</u>
<b>LIABILITIES</b>						
Accounts payable	-	-	-	2,001	9,714	37,455
Unearned revenues	-	-	-	-	11,369	-
Due to other funds	45,006	-	-	1,669	2,781	31,721
Refundable deposits	-	-	-	-	34,131	10,000
Total Liabilities	<u>45,006</u>	<u>-</u>	<u>-</u>	<u>3,670</u>	<u>57,995</u>	<u>79,176</u>
<b>FUND BALANCES</b>						
Restricted						
Debt service	-	-	-	-	-	-
Special projects & programs	-	39	-	-	233,353	1,782,213
Committed	-	-	-	79,093	-	-
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
Total Fund Balances	<u>-</u>	<u>39</u>	<u>-</u>	<u>79,093</u>	<u>233,353</u>	<u>1,782,213</u>
Total liabilities and fund balances	<u>\$ 45,006</u>	<u>\$ 39</u>	<u>\$ -</u>	<u>\$ 82,763</u>	<u>\$ 291,348</u>	<u>\$ 1,861,389</u>

**DEBT SERVICE FUNDS**

Highway 12 Bond	North Bay Aqueduct	Civic Center COP	Fire Truck Acquisition	Vehicle Lease
\$ 35,997	\$ 8,559	14,940	\$ -	\$ -
-	-	249,000	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 35,997</u>	<u>\$ 8,559</u>	<u>\$ 263,940</u>	<u>\$ -</u>	<u>\$ -</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
35,997	8,559	263,940	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>35,997</u>	<u>8,559</u>	<u>263,940</u>	<u>-</u>	<u>-</u>
<u>\$ 35,997</u>	<u>\$ 8,559</u>	<u>\$ 263,940</u>	<u>\$ -</u>	<u>\$ -</u>

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**CITY OF SUISUN CITY  
NON-MAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEETS (Continued)  
JUNE 30, 2013**

	<b>CAPITAL PROJECTS FUNDS</b>				Total Non-Major Governmental Funds
	Park Development	Municipal Facilities Equipment	Senior Center Improvement	Walmart Mitigation Projects	
<b>ASSETS</b>					
Cash and investments	\$ 1,127,796	\$ -	\$ -	\$ 461,334	\$ 6,471,484
Cash with fiscal agent	-	-	-	-	249,000
Receivables:					
Accounts receivable, net	29,088	-	627,478	-	924,643
Prepaid items	-	-	-	-	2,237
Other assets	-	-	-	-	6,588
Total assets	<u>\$ 1,156,884</u>	<u>\$ -</u>	<u>\$ 627,478</u>	<u>\$ 461,334</u>	<u>\$ 7,653,952</u>
<b>LIABILITIES</b>					
Accounts payable	-	3,481	27,260	-	134,223
Unearned revenues	-	-	-	-	11,369
Due to other funds	-	218,408	600,218	-	1,049,521
Refundable deposits	-	-	-	-	44,131
Total Liabilities	<u>-</u>	<u>221,889</u>	<u>627,478</u>	<u>-</u>	<u>1,239,244</u>
<b>FUND BALANCES</b>					
Restricted					-
Debt service	-	-	-	-	308,496
Special projects & programs	1,156,884	-	-	461,334	6,189,642
Committed	-	-	-	-	79,093
Assigned	-	-	-	-	77,803
Unassigned	-	(221,889)	-	-	(240,326)
Total Fund Balances	<u>1,156,884</u>	<u>(221,889)</u>	<u>-</u>	<u>461,334</u>	<u>6,414,708</u>
Total liabilities and fund balances	<u>\$ 1,156,884</u>	<u>\$ -</u>	<u>\$ 627,478</u>	<u>\$ 461,334</u>	<u>\$ 7,653,952</u>

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**CITY OF SUISUN CITY  
NON-MAJOR GOVERNMENTAL FUNDS  
COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2013**

**SPECIAL REVENUE FUNDS**

	Special Gas Tax	AB 939	State Energy Program	Police Grants	CDBG Study Grant	JAG Grants
<b>REVENUES</b>						
Taxes:						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	28,146	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Intergovernmental	665,646	12,786	-	92,462	-	19,810
Developer fees	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-
Charges for services	12,735	829	-	-	-	-
Investment earnings	-	(85)	-	-	-	-
Miscellaneous	1,850	-	-	-	-	-
Total Revenues	<u>680,231</u>	<u>41,676</u>	<u>-</u>	<u>92,462</u>	<u>-</u>	<u>19,810</u>
<b>EXPENDITURES</b>						
Current:						
General government	-	-	-	-	-	-
Public safety	-	-	-	92,408	-	2,295
Public works	-	46,471	-	-	-	-
Highways and streets	791,762	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Community development	-	-	-	-	598	-
Capital outlay	-	-	-	-	-	17,515
Debt Service						
Principal	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total Expenditures	<u>791,762</u>	<u>46,471</u>	<u>-</u>	<u>92,408</u>	<u>598</u>	<u>19,810</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>(111,531)</u>	<u>(4,795)</u>	<u>-</u>	<u>54</u>	<u>(598)</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	86,518	-	-	-	-	-
Transfers (out)	(13,000)	(5,000)	(1)	-	-	-
Total Other Financing Sources (Uses)	<u>73,518</u>	<u>(5,000)</u>	<u>(1)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>(38,013)</u>	<u>(9,795)</u>	<u>(1)</u>	<u>54</u>	<u>(598)</u>	<u>-</u>
<b>BEGINNING FUND BALANCES</b>	<u>344,788</u>	<u>135,840</u>	<u>1</u>	<u>992</u>	<u>3,748</u>	<u>-</u>
<b>ENDING FUND BALANCES</b>	<u>\$ 306,775</u>	<u>\$ 126,045</u>	<u>\$ -</u>	<u>\$ 1,046</u>	<u>\$ 3,150</u>	<u>\$ -</u>

**SPECIAL REVENUE FUNDS**

Fire Grants	ABAG Grant	Prop 49 Grant	Housing Authority Administration	SSWA Street Repair	ATOD Grant	Sewer Maintenance	Marina Fuel
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	2,612	97,200	713,550	-	64,989	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	377,083	-
-	-	-	-	-	130	8,625	-
-	-	232	-	49	-	3,028	-
-	-	-	5,840	-	-	-	52,492
-	2,612	97,432	719,390	49	65,119	388,736	52,492
-	-	-	821,907	-	-	-	-
-	-	-	-	-	74,119	-	-
-	-	-	-	-	-	246,350	-
-	-	99,089	-	-	-	-	59,601
-	2,612	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	2,612	99,089	821,907	-	74,119	246,350	59,601
-	-	(1,657)	(102,517)	49	(9,000)	142,386	(7,109)
-	-	-	-	24,651	11,630	-	-
-	-	-	-	-	-	-	-
-	-	-	-	24,651	11,630	-	-
-	-	(1,657)	(102,517)	24,700	2,630	142,386	(7,109)
4,093	-	73,208	324,085	-	2,907	1,416,567	(11,328)
\$ 4,093	\$ -	\$ 71,551	\$ 221,568	\$ 24,700	\$ 5,537	\$ 1,558,953	\$ (18,437)

(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, 2013**

**SPECIAL REVENUE FUNDS**

	Boating Safety	Asset Forfeiture	DARE/ Donations	Nuisance Abatement	NSP Grant	Traffic Towing
<b>REVENUES</b>						
Taxes:						
Property taxes	\$ 5,101	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Fines and forfeits	-	856	-	-	-	-
Intergovernmental	43,765	-	-	-	-	-
Developer fees	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-
Charges for services	-	-	-	14,199	-	27,950
Investment earnings	-	(9)	14	-	1,073	86
Miscellaneous	-	-	5,456	-	411,914	-
Total Revenues	<u>48,866</u>	<u>847</u>	<u>5,470</u>	<u>14,199</u>	<u>412,987</u>	<u>28,036</u>
<b>EXPENDITURES</b>						
Current:						
General government	-	-	-	-	-	-
Public safety	41,190	-	2,576	-	-	-
Public works	-	-	-	3,565	-	-
Highways and streets	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Community development	-	-	-	-	297,178	-
Capital outlay	6,286	-	-	-	-	-
Debt Service						
Principal	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total Expenditures	<u>47,476</u>	<u>-</u>	<u>2,576</u>	<u>3,565</u>	<u>297,178</u>	<u>-</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>						
	<u>1,390</u>	<u>847</u>	<u>2,894</u>	<u>10,634</u>	<u>115,809</u>	<u>28,036</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	-	-	-	-	-	-
Transfers (out)	-	-	-	-	-	(10,000)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(10,000)</u>
<b>NET CHANGE IN FUND BALANCES</b>						
	<u>1,390</u>	<u>847</u>	<u>2,894</u>	<u>10,634</u>	<u>115,809</u>	<u>18,036</u>
<b>BEGINNING FUND BALANCES</b>						
	<u>1,517</u>	<u>10,209</u>	<u>10,985</u>	<u>24,198</u>	<u>113,602</u>	<u>-</u>
<b>ENDING FUND BALANCES</b>						
	<u>\$ 2,907</u>	<u>\$ 11,056</u>	<u>\$ 13,879</u>	<u>\$ 34,832</u>	<u>\$ 229,411</u>	<u>\$ 18,036</u>

**SPECIAL REVENUE FUNDS**

Traffic Safety	SLESF Grant	School Resource Grant	Bureau Of Justice Vest Grant	Special Event	Downtown-Marina Property Management	Special Assessment Districts
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
111,110	-	-	-	-	-	-
-	100,000	42,000	2,174	-	-	14,000
-	-	-	-	-	-	-
-	-	-	-	-	-	1,776,565
-	-	-	-	99,626	339,266	6,800
(141)	-	-	-	-	509	984
-	-	-	-	40,448	685	8,400
<u>110,969</u>	<u>100,000</u>	<u>42,000</u>	<u>2,174</u>	<u>140,074</u>	<u>340,460</u>	<u>1,806,749</u>
-	-	-	-	-	-	-
-	100,000	44,500	2,877	-	-	-
-	-	-	-	-	-	1,206,241
-	-	-	-	-	-	39,297
-	-	-	-	78,105	247,579	-
-	-	-	-	-	94,752	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	100,000	44,500	2,877	78,105	342,331	1,245,538
<u>110,969</u>	<u>-</u>	<u>(2,500)</u>	<u>(703)</u>	<u>61,969</u>	<u>(1,871)</u>	<u>561,211</u>
-	-	-	703	-	41,600	266,479
(110,980)	-	-	-	-	(27,400)	(673,745)
<u>(110,980)</u>	<u>-</u>	<u>-</u>	<u>703</u>	<u>-</u>	<u>14,200</u>	<u>(407,266)</u>
(11)	-	(2,500)	-	61,969	12,329	153,945
94	-	2,539	-	17,124	221,024	1,628,268
<u>\$ 83</u>	<u>\$ -</u>	<u>\$ 39</u>	<u>\$ -</u>	<u>\$ 79,093</u>	<u>\$ 233,353</u>	<u>\$ 1,782,213</u>

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**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, 2013**

**DEBT SERVICE FUNDS**

	Highway 12 Bond	North Bay Aqueduct	Civic Center COP	Fire Truck Acquisition	Vehicle Lease
<b>REVENUES</b>					
Taxes:					
Property taxes	\$ 304,158	\$ 7,472	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Developer fees	-	-	-	-	-
Special assessments	-	-	-	-	-
Charges for services	-	-	-	-	-
Investment earnings	(533)	(118)	-	(414)	-
Miscellaneous	-	-	-	-	-
Total Revenues	<u>303,625</u>	<u>7,354</u>	<u>-</u>	<u>(414)</u>	<u>-</u>
<b>EXPENDITURES</b>					
Current:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Public works	-	-	-	-	-
Highways and streets	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Community development	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt Service					
Principal	225,000	75,690	220,000	101,807	-
Interest and fiscal charges	100,547	44	38,130	15,389	-
Total Expenditures	<u>325,547</u>	<u>75,734</u>	<u>258,130</u>	<u>117,196</u>	<u>-</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>(21,922)</u>	<u>(68,380)</u>	<u>(258,130)</u>	<u>(117,610)</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	-	-	255,380	85,318	-
Transfers out	-	-	-	-	(327)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>255,380</u>	<u>85,318</u>	<u>(327)</u>
<b>NET CHANGE IN FUND BALANCES</b>	(21,922)	(68,380)	(2,750)	(32,292)	(327)
<b>BEGINNING FUND BALANCES</b>	57,919	76,939	266,690	32,292	327
<b>ENDING FUND BALANCES</b>	<u>\$ 35,997</u>	<u>\$ 8,559</u>	<u>\$ 263,940</u>	<u>\$ -</u>	<u>\$ -</u>

**CAPITAL PROJECTS FUNDS**

Park Development	Municipal Facilities and Equipment	Senior Center Improvement	Walmart Mitigation Projects	Total Non-Major Governmental Funds
\$ -	\$ 334,060	\$ -	\$ -	\$ 650,791
-	-	-	-	28,146
-	-	-	-	111,966
-	-	667,129	-	2,538,123
28,184	18,000	-	-	46,184
-	-	-	-	2,153,648
-	-	-	-	510,160
1,365	(236)	-	840	6,644
-	-	-	300,000	827,085
<u>29,549</u>	<u>351,824</u>	<u>667,129</u>	<u>300,840</u>	<u>6,872,747</u>
-	-	-	-	821,907
-	-	-	-	359,965
-	-	-	-	1,502,627
-	-	-	-	831,059
18,000	-	-	-	502,374
-	7,317	-	-	402,457
-	29,247	667,129	-	720,177
-	-	-	-	622,497
-	-	-	-	154,110
<u>18,000</u>	<u>36,564</u>	<u>667,129</u>	<u>-</u>	<u>5,917,173</u>
11,549	315,260	-	300,840	955,574
-	-	-	160,494	932,773
-	(340,698)	-	-	(1,181,151)
-	(340,698)	-	160,494	(248,378)
11,549	(25,438)	-	461,334	707,196
1,145,335	(196,451)	-	-	5,707,512
<u>\$ 1,156,884</u>	<u>\$ (221,889)</u>	<u>\$ -</u>	<u>\$ 461,334</u>	<u>\$ 6,414,708</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, 2013**

	<b>SPECIAL REVENUE FUNDS</b>					
	<b>SPECIAL GAS TAX</b>			<b>AB 939</b>		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	28,146	28,146
Fines and forfeits	-	-	-	-	-	-
Intergovernmental revenue	788,200	665,646	(122,554)	40,000	12,786	(27,214)
Developer fees	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-
Charges for services	-	12,735	12,735	-	829	829
Investment earnings	5,000	-	(5,000)	1,600	(85)	(1,685)
Miscellaneous revenue	-	1,850	1,850	-	-	-
Total Revenues	<u>793,200</u>	<u>680,231</u>	<u>(112,969)</u>	<u>41,600</u>	<u>41,676</u>	<u>76</u>
<b>EXPENDITURES</b>						
Current:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Public works	-	-	-	135,600	46,471	89,129
Highways and streets	821,300	791,762	29,538	-	-	-
Culture and recreation	-	-	-	-	-	-
Community development	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Debt Service:						
Principal on long-term debt	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total Expenditures	<u>821,300</u>	<u>791,762</u>	<u>29,538</u>	<u>135,600</u>	<u>46,471</u>	<u>89,129</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>(28,100)</u>	<u>(111,531)</u>	<u>(83,431)</u>	<u>(94,000)</u>	<u>(4,795)</u>	<u>89,205</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfer in	87,700	86,518	(1,182)	-	-	-
Transfer (out)	<u>(356,000)</u>	<u>(13,000)</u>	<u>343,000</u>	<u>(45,000)</u>	<u>(5,000)</u>	<u>40,000</u>
Total Other Financing Sources (Uses)	<u>(268,300)</u>	<u>73,518</u>	<u>341,818</u>	<u>(45,000)</u>	<u>(5,000)</u>	<u>40,000</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>\$ (296,400)</u>	<u>(38,013)</u>	<u>\$ 258,387</u>	<u>\$ (139,000)</u>	<u>(9,795)</u>	<u>\$ 129,205</u>
<b>BEGINNING FUND BALANCES</b>		<u>344,788</u>			<u>135,840</u>	
<b>ENDING FUND BALANCES</b>		<u>\$ 306,775</u>			<u>\$ 126,045</u>	

**SPECIAL REVENUE FUNDS**

<b>STATE ENERGY PROGRAM</b>			<b>POLICE GRANTS</b>			<b>CDBG STUDY GRANT</b>		
<b>Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>	<b>Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>	<b>Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	172,800	92,462	(80,338)	50,000	-	(50,000)
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	172,800	92,462	(80,338)	50,000	-	(50,000)
-	-	-	-	-	-	-	-	-
-	-	-	170,100	92,408	77,692	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	53,800	598	53,202
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	170,100	92,408	77,692	53,800	598	53,202
-	-	-	-	-	-	-	-	-
-	-	-	2,700	54	(2,646)	(3,800)	(598)	3,202
-	-	-	-	-	-	-	-	-
-	(1)	(1)	-	-	-	-	-	-
-	(1)	(1)	-	-	-	-	-	-
\$ -	(1)	\$ (1)	\$ 2,700	54	\$ (2,646)	\$ (3,800)	(598)	\$ 3,202
	<u>1</u>			<u>992</u>			<u>3,748</u>	
	<u>\$ -</u>		<u>\$ 1,046</u>				<u>\$ 3,150</u>	

(Continued, next page)

**SPECIAL REVENUE FUNDS**

	<b>JAG GRANTS</b>			<b>FIRE GRANTS</b>		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Intergovernmental revenue	18,000	19,810	1,810	4,000	-	(4,000)
Developer fees	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Investment earnings	-	-	-	-	-	-
Miscellaneous revenue	-	-	-	-	-	-
<b>Total Revenues</b>	<b>18,000</b>	<b>19,810</b>	<b>1,810</b>	<b>4,000</b>	<b>-</b>	<b>(4,000)</b>
<b>EXPENDITURES</b>						
Current:						
General government	-	-	-	-	-	-
Public safety	18,000	2,295	15,705	4,000	-	4,000
Public works	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Community development	-	-	-	-	-	-
Capital outlay	-	17,515	(17,515)	-	-	-
Debt Service:						
Principal on long-term debt	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>18,000</b>	<b>19,810</b>	<b>(1,810)</b>	<b>4,000</b>	<b>-</b>	<b>4,000</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfer in	-	-	-	-	-	-
Transfer (out)	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ -</b>	<b>-</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>	<b>\$ -</b>
<b>BEGINNING FUND BALANCES</b>		-			4,093	
<b>ENDING FUND BALANCES</b>		<b>\$ -</b>			<b>\$ 4,093</b>	

**SPECIAL REVENUE FUNDS**

<b>ABAG GRANTS</b>			<b>PROP 49 GRANT</b>			<b>HOUSING AUTHORITY ADMINISTRATION</b>		
<b>Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>	<b>Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>	<b>Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
2,600	2,612	12	130,000	97,200	(32,800)	918,600	713,550	(205,050)
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	800	232	(568)	3,000	-	(3,000)
-	-	-	-	-	-	-	5,840	5,840
<u>2,600</u>	<u>2,612</u>	<u>12</u>	<u>130,800</u>	<u>97,432</u>	<u>(33,368)</u>	<u>921,600</u>	<u>719,390</u>	<u>(202,210)</u>
-	-	-	-	-	-	1,248,200	821,907	426,293
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
2,600	2,612	(12)	99,100	99,089	11	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>2,600</u>	<u>2,612</u>	<u>(12)</u>	<u>99,100</u>	<u>99,089</u>	<u>11</u>	<u>1,248,200</u>	<u>821,907</u>	<u>426,293</u>
-	-	-	31,700	(1,657)	(33,357)	(326,600)	(102,517)	224,083
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ 31,700</u>	<u>(1,657)</u>	<u>\$ (33,357)</u>	<u>\$ (326,600)</u>	<u>(102,517)</u>	<u>\$ 224,083</u>
-	-	-	-	73,208	-	-	324,085	-
<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>\$ 71,551</u>	<u>-</u>	<u>-</u>	<u>\$ 221,568</u>	<u>-</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, 2013**

	<b>SPECIAL REVENUE FUNDS</b>					
	<b>SSWA-STREET REPAIR</b>			<b>ATOD GRANT</b>		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Intergovernmental revenue	-	-	-	83,000	64,989	(18,011)
Developer fees	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-
Charges for services	-	-	-	-	130	130
Investment earnings	-	49	49	-	-	-
Miscellaneous revenue	-	-	-	-	-	-
<b>Total Revenues</b>	<b>-</b>	<b>49</b>	<b>49</b>	<b>83,000</b>	<b>65,119</b>	<b>(17,881)</b>
<b>EXPENDITURES</b>						
Current:						
General government	-	-	-	-	-	-
Public safety	-	-	-	174,000	74,119	99,881
Public works	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Community development	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Debt Service:						
Principal on long-term debt	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>174,000</b>	<b>74,119</b>	<b>99,881</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>-</b>	<b>49</b>	<b>49</b>	<b>(91,000)</b>	<b>(9,000)</b>	<b>82,000</b>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfer in	-	24,651	24,651	84,000	11,630	(72,370)
Transfer (out)	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>24,651</b>	<b>24,651</b>	<b>84,000</b>	<b>11,630</b>	<b>(72,370)</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ -</b>	<b>24,700</b>	<b>\$ 24,700</b>	<b>\$ (7,000)</b>	<b>2,630</b>	<b>\$ 9,630</b>
<b>BEGINNING FUND BALANCES</b>		<b>-</b>			<b>2,907</b>	
<b>ENDING FUND BALANCES</b>		<b>\$ 24,700</b>			<b>\$ 5,537</b>	

**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, 2013**

**SPECIAL REVENUE FUNDS**

<b>SEWER MAINTENANCE</b>			<b>MARINA FUEL</b>			<b>BOATING SAFETY</b>		
Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,101	\$ 5,101
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	43,000	43,765	765
-	-	-	-	-	-	-	-	-
350,000	377,083	27,083	-	-	-	-	-	-
-	8,625	8,625	-	-	-	-	-	-
15,000	3,028	(11,972)	(200)	-	200	-	-	-
-	-	-	68,000	52,492	(15,508)	-	-	-
<u>365,000</u>	<u>388,736</u>	<u>23,736</u>	<u>67,800</u>	<u>52,492</u>	<u>(15,308)</u>	<u>43,000</u>	<u>48,866</u>	<u>5,866</u>
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	41,190	(41,190)
1,630,900	246,350	1,384,550	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	60,600	59,601	999	47,800	-	47,800
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	6,286	(6,286)
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>1,630,900</u>	<u>246,350</u>	<u>1,384,550</u>	<u>60,600</u>	<u>59,601</u>	<u>999</u>	<u>47,800</u>	<u>47,476</u>	<u>324</u>
<u>(1,265,900)</u>	<u>142,386</u>	<u>1,408,286</u>	<u>7,200</u>	<u>(7,109)</u>	<u>(14,309)</u>	<u>(4,800)</u>	<u>1,390</u>	<u>6,190</u>
-	-	-	-	-	-	6,000	-	(6,000)
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	6,000	-	(6,000)
<u>\$(1,265,900)</u>	<u>142,386</u>	<u>\$ 1,408,286</u>	<u>\$ 7,200</u>	<u>(7,109)</u>	<u>\$ (14,309)</u>	<u>\$ 1,200</u>	<u>1,390</u>	<u>\$ 190</u>
	<u>1,416,567</u>			<u>(11,328)</u>			<u>1,517</u>	
	<u>\$ 1,558,953</u>			<u>\$ (18,437)</u>			<u>\$ 2,907</u>	

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**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, 2013**

**SPECIAL REVENUE FUNDS**

	<b>ASSET FORFEITURE</b>			<b>DARE/DONATIONS</b>		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Fines and forfeits	1,000	856	(144)	-	-	-
Intergovernmental revenue	-	-	-	-	-	-
Developer fees	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Investment earnings	100	(9)	(109)	100	14	(86)
Miscellaneous revenue	-	-	-	100	5,456	5,356
<b>Total Revenues</b>	<b>1,100</b>	<b>847</b>	<b>(253)</b>	<b>200</b>	<b>5,470</b>	<b>5,270</b>
<b>EXPENDITURES</b>						
Current:						
General government	-	-	-	-	-	-
Public safety	15,500	-	15,500	9,300	2,576	6,724
Public works	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Community development	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Debt Service:						
Principal on long-term debt	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>15,500</b>	<b>-</b>	<b>15,500</b>	<b>9,300</b>	<b>2,576</b>	<b>6,724</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(14,400)</b>	<b>847</b>	<b>15,247</b>	<b>(9,100)</b>	<b>2,894</b>	<b>11,994</b>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfer in	-	-	-	-	-	-
Transfer (out)	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ (14,400)</b>	<b>847</b>	<b>\$ 15,247</b>	<b>\$ (9,100)</b>	<b>2,894</b>	<b>\$ 11,994</b>
<b>BEGINNING FUND BALANCES</b>		<b>10,209</b>			<b>10,985</b>	
<b>ENDING FUND BALANCES</b>		<b>\$ 11,056</b>			<b>\$ 13,879</b>	

**SPECIAL REVENUE FUNDS**

<b>NUISANCE ABATEMENT</b>			<b>NSP GRANT</b>			<b>TRAFFIC TOWING</b>		
<b>Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>	<b>Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>	<b>Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
14,000	14,199	199	-	-	-	10,000	27,950	17,950
-	-	-	100	1,073	973	-	86	86
-	-	-	297,100	411,914	114,814	-	-	-
<u>14,000</u>	<u>14,199</u>	<u>199</u>	<u>297,200</u>	<u>412,987</u>	<u>115,787</u>	<u>10,000</u>	<u>28,036</u>	<u>18,036</u>
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
64,900	3,565	61,335	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	297,200	297,178	22	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>64,900</u>	<u>3,565</u>	<u>61,335</u>	<u>297,200</u>	<u>297,178</u>	<u>22</u>	<u>-</u>	<u>-</u>	<u>-</u>
(50,900)	10,634	61,534	-	115,809	115,809	10,000	28,036	18,036
-	-	-	-	-	-	(10,000)	(10,000)	-
-	-	-	-	-	-	(10,000)	(10,000)	-
<u>\$ (50,900)</u>	<u>10,634</u>	<u>\$ 61,534</u>	<u>\$ -</u>	<u>115,809</u>	<u>\$ 115,809</u>	<u>\$ -</u>	<u>18,036</u>	<u>\$ 18,036</u>
	<u>24,198</u>			<u>113,602</u>			<u>-</u>	
	<u>\$ 34,832</u>			<u>\$ 229,411</u>			<u>\$ 18,036</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, 2013**

	<b>SPECIAL REVENUE FUNDS</b>					
	<b>TRAFFIC SAFETY</b>			<b>SLESF GRANT</b>		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Fines and forfeits	110,000	111,110	1,110	-	-	-
Intergovernmental revenue	-	-	-	100,000	100,000	-
Developer fees	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Investment earnings	200	(141)	(341)	-	-	-
Miscellaneous revenue	-	-	-	-	-	-
Total Revenues	<u>110,200</u>	<u>110,969</u>	<u>769</u>	<u>100,000</u>	<u>100,000</u>	<u>-</u>
<b>EXPENDITURES</b>						
Current:						
General government	-	-	-	-	-	-
Public safety	-	-	-	100,000	100,000	-
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>-</u>	<u>-</u>	<u>-</u>	<u>100,000</u>	<u>100,000</u>	<u>-</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>110,200</u>	<u>110,969</u>	<u>769</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfer in	-	-	-	-	-	-
Transfer (out)	(112,700)	(110,980)	1,720	-	-	-
Total Other Financing Sources (Uses)	<u>(112,700)</u>	<u>(110,980)</u>	<u>1,720</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>\$ (2,500)</u>	<u>(11)</u>	<u>\$ 2,489</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
<b>BEGINNING FUND BALANCES</b>		<u>94</u>			<u>-</u>	
<b>ENDING FUND BALANCES</b>		<u>\$ 83</u>			<u>\$ -</u>	

**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, 2013**

<b>SPECIAL REVENUE FUNDS</b>								
<b>BUREAU OF JUSTICE VEST</b>								
<b>SCHOOL RESOURCE GRANT</b>			<b>GRANT</b>			<b>SPECIAL EVENT</b>		
Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
42,000	42,000	-	1,100	2,174	1,074	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	99,626	99,626
-	-	-	-	-	-	-	-	-
-	-	-	900	-	(900)	137,300	40,448	(96,852)
<u>42,000</u>	<u>42,000</u>	<u>-</u>	<u>2,000</u>	<u>2,174</u>	<u>174</u>	<u>137,300</u>	<u>140,074</u>	<u>2,774</u>
-	-	-	-	-	-	-	-	-
44,500	44,500	-	2,900	2,877	23	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	78,105	(78,105)
-	-	-	-	-	-	156,800	-	156,800
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>44,500</u>	<u>44,500</u>	<u>-</u>	<u>2,900</u>	<u>2,877</u>	<u>23</u>	<u>156,800</u>	<u>78,105</u>	<u>78,695</u>
<u>(2,500)</u>	<u>(2,500)</u>	<u>-</u>	<u>(900)</u>	<u>(703)</u>	<u>197</u>	<u>(19,500)</u>	<u>61,969</u>	<u>81,469</u>
-	-	-	1,000	703	(297)	-	-	-
-	-	-	-	-	-	(500)	-	500
-	-	-	1,000	703	(297)	(500)	-	500
<u>\$ (2,500)</u>	<u>(2,500)</u>	<u>\$ -</u>	<u>\$ 100</u>	<u>-</u>	<u>\$ (100)</u>	<u>\$ (20,000)</u>	<u>61,969</u>	<u>\$ 81,969</u>
	<u>2,539</u>			<u>-</u>			<u>17,124</u>	
	<u>\$ 39</u>			<u>\$ -</u>			<u>\$ 79,093</u>	

(Continued, next page)

**SPECIAL REVENUE FUNDS**

	<b>DOWNTOWN-MARINA</b>					
	<b>PROPERTY MANAGEMENT</b>			<b>SPECIAL ASSESSMENTS DISTRICTS</b>		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Intergovernmental revenue	-	-	-	1,596,200	14,000	(1,582,200)
Developer fees	-	-	-	-	-	-
Special assessments	-	-	-	182,500	1,776,565	1,594,065
Charges for services	379,400	339,266	(40,134)	-	6,800	6,800
Investment earnings	-	509	509	10,700	984	(9,716)
Miscellaneous revenue	1,000	685	(315)	21,500	8,400	(13,100)
<b>Total Revenues</b>	<b>380,400</b>	<b>340,460</b>	<b>(39,940)</b>	<b>1,810,900</b>	<b>1,806,749</b>	<b>(4,151)</b>
<b>EXPENDITURES</b>						
Current:						
General government	605,700	-	605,700	-	-	-
Public safety	-	-	-	-	-	-
Public works	-	-	-	1,132,900	1,206,241	(73,341)
Highways and streets	-	-	-	387,500	39,297	348,203
Culture and recreation	-	247,579	(247,579)	-	-	-
Community development	-	94,752	(94,752)	-	-	-
Capital outlay	-	-	-	-	-	-
Debt Service:						
Principal on long-term debt	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>605,700</b>	<b>342,331</b>	<b>263,369</b>	<b>1,520,400</b>	<b>1,245,538</b>	<b>274,862</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(225,300)</b>	<b>(1,871)</b>	<b>223,429</b>	<b>290,500</b>	<b>561,211</b>	<b>270,711</b>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfer in	41,600	41,600	-	267,800	266,478	(1,322)
Transfer (out)	(27,400)	(27,400)	-	(670,100)	(673,745)	(3,645)
<b>Total Other Financing Sources (Uses)</b>	<b>14,200</b>	<b>14,200</b>	<b>-</b>	<b>(402,300)</b>	<b>(407,267)</b>	<b>(4,967)</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ (211,100)</b>	<b>12,329</b>	<b>\$ 223,429</b>	<b>\$ (111,800)</b>	<b>153,944</b>	<b>\$ 265,744</b>
<b>BEGINNING FUND BALANCES</b>		<b>221,024</b>			<b>1,628,268</b>	
<b>ENDING FUND BALANCES</b>		<b>\$ 233,353</b>			<b>\$1,782,212</b>	

**DEBT SERVICE FUNDS**

<b>HIGHWAY 12 BOND</b>			<b>NORTH BAY AQUEDUCT</b>			<b>CIVIC CENTER COP</b>		
Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
\$ 634,500	\$ 304,158	\$ (330,342)	\$ 73,900	\$ 7,472	\$ (66,428)	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
100	(533)	(633)	100	(118)	(218)	-	-	-
-	-	-	-	-	-	-	-	-
<u>634,600</u>	<u>303,625</u>	<u>(330,975)</u>	<u>74,000</u>	<u>7,354</u>	<u>(66,646)</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
214,100	225,000	(10,900)	74,000	75,690	(1,690)	220,000	220,000	-
111,400	100,547	10,853	-	44	(44)	46,700	38,130	8,570
<u>325,500</u>	<u>325,547</u>	<u>(47)</u>	<u>74,000</u>	<u>75,734</u>	<u>(1,734)</u>	<u>266,700</u>	<u>258,130</u>	<u>8,570</u>
<u>309,100</u>	<u>(21,922)</u>	<u>(331,022)</u>	<u>-</u>	<u>(68,380)</u>	<u>(68,380)</u>	<u>(266,700)</u>	<u>(258,130)</u>	<u>8,570</u>
-	-	-	-	-	-	258,200	255,380	(2,820)
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	258,200	255,380	(2,820)
<u>\$ 309,100</u>	<u>(21,922)</u>	<u>\$ (331,022)</u>	<u>\$ -</u>	<u>(68,380)</u>	<u>\$ (68,380)</u>	<u>\$ (8,500)</u>	<u>(2,750)</u>	<u>\$ 5,750</u>
	<u>57,919</u>			<u>76,939</u>			<u>266,690</u>	
	<u>\$ 35,997</u>			<u>\$ 8,559</u>			<u>\$ 263,940</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, 2013**

**DEBT SERVICE FUNDS**

	<b>FIRE TRUCK ACQUISITION</b>			<b>VEHICLE LEASE</b>		
	<b>Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>	<b>Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>
<b>REVENUES</b>						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Intergovernmental revenue	-	-	-	-	-	-
Developer fees	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Investment earnings	700	(414)	(1,114)	-	-	-
Miscellaneous revenue	-	-	-	-	-	-
<b>Total Revenues</b>	<b>700</b>	<b>(414)</b>	<b>(1,114)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>EXPENDITURES</b>						
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	101,807	(4,307)	-	-	-
Interest and fiscal charges	51,600	15,389	36,211	-	-	-
<b>Total Expenditures</b>	<b>149,100</b>	<b>117,196</b>	<b>31,904</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(148,400)</b>	<b>(117,610)</b>	<b>30,790</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfer in	116,500	85,318	(31,182)	-	-	-
Transfer (out)	-	-	-	-	(327)	(327)
<b>Total Other Financing Sources (Uses)</b>	<b>116,500</b>	<b>85,318</b>	<b>(31,182)</b>	<b>-</b>	<b>(327)</b>	<b>(327)</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ (31,900)</b>	<b>(32,292)</b>	<b>\$ (392)</b>	<b>\$ -</b>	<b>(327)</b>	<b>\$ (327)</b>
<b>BEGINNING FUND BALANCES</b>		<b>32,292</b>			<b>327</b>	
<b>ENDING FUND BALANCES</b>		<b>\$ -</b>			<b>\$ -</b>	

**CAPITAL PROJECTS FUNDS  
MUNICIPAL FACILITIES AND**

<b>PARK DEVELOPMENT</b>			<b>EQUIPMENT</b>			<b>SENIOR CENTER IMPROVEMENT</b>		
Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ 334,060	\$ 334,060	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	669,800	667,129	(2,671)
45,000	28,184	(16,816)	55,200	18,000	(37,200)	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
11,600	1,365	(10,235)	5,000	(236)	(5,236)	-	-	-
-	-	-	-	-	-	-	-	-
<u>56,600</u>	<u>29,549</u>	<u>(27,051)</u>	<u>60,200</u>	<u>351,824</u>	<u>291,624</u>	<u>669,800</u>	<u>667,129</u>	<u>(2,671)</u>
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
18,000	18,000	-	-	-	-	-	-	-
-	-	-	7,319	7,317	2	-	-	-
-	-	-	28,981	29,247	(266)	669,800	667,129	2,671
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>18,000</u>	<u>18,000</u>	<u>-</u>	<u>36,300</u>	<u>36,564</u>	<u>(264)</u>	<u>669,800</u>	<u>667,129</u>	<u>2,671</u>
<u>38,600</u>	<u>11,549</u>	<u>(27,051)</u>	<u>23,900</u>	<u>315,260</u>	<u>291,360</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-	-	-	-
-	-	-	(340,700)	(340,698)	2	-	-	-
-	-	-	(340,700)	(340,698)	2	-	-	-
<u>\$ 38,600</u>	<u>11,549</u>	<u>\$ (27,051)</u>	<u>\$ (316,800)</u>	<u>(25,438)</u>	<u>\$ 291,362</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
	<u>1,145,335</u>			<u>(196,451)</u>			<u>-</u>	
	<u>\$1,156,884</u>			<u>\$ (221,889)</u>			<u>\$ -</u>	

**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, 2013**

	<u>CAPITAL PROJECTS FUNDS</u>		
	<u>WALMART MITIGATION PROJECTS</u>		
	Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>			
Property taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Fines and forfeits	-	-	-
Intergovernmental revenue	-	-	-
Developer fees	-	-	-
Special assessments	-	-	-
Charges for services	-	-	-
Investment earnings	-	840	840
Miscellaneous revenue	-	300,000	300,000
Total Revenues	-	300,840	300,840
<b>EXPENDITURES</b>			
Current:			
General government	-	-	-
Public safety	-	-	-
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	-	-	-
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	-	300,840	300,840
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfer in	-	160,494	160,494
Transfer (out)	-	-	-
Total Other Financing Sources (Uses)	-	160,494	160,494
<b>NET CHANGE IN FUND BALANCES</b>	\$ -	461,334	\$ 461,334
<b>BEGINNING FUND BALANCES</b>		-	
<b>ENDING FUND BALANCES</b>		\$ 461,334	

## **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 POSITION**  
**JUNE 30, 2013**

	Motor Vehicle Repair Fund	Motor Vehicle Replacement Fund	Network Maintenance Fund	Public Works Operating Cost Fund	Self-Insurance Fund	Total
<b>ASSETS</b>						
Current Assets:						
Cash and investments	\$ 110,922	\$ 1,374,700	\$ 139,556	\$ 5,898	\$ 293,386	\$ 1,924,462
Other assets	10,931	-	-	-	-	10,931
Total Current Assets	<u>121,853</u>	<u>1,374,700</u>	<u>139,556</u>	<u>5,898</u>	<u>293,386</u>	<u>1,935,393</u>
Non-Current Assets:						
Advance to other funds						
Capital assets, net	-	517,171	51,546	-	-	568,717
Total Non-Current Assets	<u>-</u>	<u>517,171</u>	<u>51,546</u>	<u>-</u>	<u>-</u>	<u>568,717</u>
Total Assets	<u>121,853</u>	<u>1,891,871</u>	<u>191,102</u>	<u>5,898</u>	<u>293,386</u>	<u>2,504,110</u>
<b>LIABILITIES</b>						
Current Liabilities:						
Accounts payable	234	44,065	539	5,898	5,797	56,533
Payables:						
Due to City of Suisun City	-	-	-	-	65,621	65,621
Claims Payable	-	-	-	-	181,612	181,612
Total Current Liabilities	<u>234</u>	<u>44,065</u>	<u>539</u>	<u>5,898</u>	<u>253,030</u>	<u>303,766</u>
Non-Current Liabilities:						
Claims Payable	-	-	-	-	775,949	775,949
Total Liabilities	<u>234</u>	<u>44,065</u>	<u>539</u>	<u>5,898</u>	<u>1,028,979</u>	<u>1,079,715</u>
<b>NET POSITION</b>						
Net investment in capital assets	-	517,171	51,546	-	-	568,717
Unrestricted	121,619	1,330,635	139,017	-	(735,593)	855,678
Total Net Position	<u>\$ 121,619</u>	<u>\$ 1,847,806</u>	<u>\$ 190,563</u>	<u>\$ -</u>	<u>\$ (735,593)</u>	<u>\$ 1,424,395</u>

**CITY OF SUISUN CITY  
INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

	Motor Vehicle Repair Fund	Motor Vehicle Replacement Fund	Network Maintenance Fund	Public Works Operating Cost Fund	Self-Insurance Fund	Total
<b>Operating revenues:</b>						
Charges to City departments	\$ 52,929	\$ 163,372	\$ 180,549	\$ 970,640	\$ 644,226	\$ 2,011,716
Miscellaneous revenue	-	-	-	-	20,801	20,801
Total operating revenues	<u>52,929</u>	<u>163,372</u>	<u>180,549</u>	<u>970,640</u>	<u>665,027</u>	<u>2,032,517</u>
<b>Operating expenditures:</b>						
Salaries and benefits	21,761	6,447	120,942	825,375	131,549	1,106,074
Services and supplies	95,733	-	47,600	145,068	459,027	747,428
Claims and settlements	-	-	-	-	538,567	538,567
Depreciation	-	94,796	17,468	-	-	112,264
Total operating expenditures	<u>117,494</u>	<u>101,243</u>	<u>186,010</u>	<u>970,443</u>	<u>1,129,143</u>	<u>2,504,333</u>
<b>Operating income (loss):</b>	<u>(64,565)</u>	<u>62,129</u>	<u>(5,461)</u>	<u>197</u>	<u>(464,116)</u>	<u>(471,816)</u>
<b>Nonoperating revenue (expense):</b>						
Interest income	-	2,269	232	15	-	2,516
Interest expense	(272)	-	-	-	(2,140)	(2,412)
Total nonoperating revenue (expense):	<u>(272)</u>	<u>2,269</u>	<u>232</u>	<u>15</u>	<u>(2,140)</u>	<u>104</u>
<b>Net income (loss) before transfers:</b>	<u>(64,837)</u>	<u>64,398</u>	<u>(5,229)</u>	<u>212</u>	<u>(466,256)</u>	<u>(471,712)</u>
Transfers in	-	-	-	-	9,700	9,700
Changes in net position	<u>(64,837)</u>	<u>64,398</u>	<u>(5,229)</u>	<u>212</u>	<u>(456,556)</u>	<u>(462,012)</u>
Net position, beginning of year	186,456	1,783,408	195,792	(212)	(279,037)	1,886,407
Net position, end of year	<u>\$ 121,619</u>	<u>\$ 1,847,806</u>	<u>\$ 190,563</u>	<u>\$ -</u>	<u>\$ (735,593)</u>	<u>\$ 1,424,395</u>

**CITY OF SUISUN CITY  
INTERNAL SERVICE FUNDS**

**COMBINING STATEMENTS OF CASH FLOWS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

	Motor Vehicle Repair Fund	Motor Vehicle Replacement Fund	Network Maintenance Fund	Public Works Operating Cost Fund	Self-Insurance Funds	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
Cash received from customers/departments	\$ 52,929	\$ 163,372	\$ 180,549	\$ 970,640	\$ 665,027	\$ 2,032,517
Cash paid to suppliers	(106,006)	-	(48,031)	(148,669)	(853,610)	(1,156,316)
Cash paid to employees	(21,761)	(6,447)	(120,942)	(825,375)	(131,549)	(1,106,074)
Net cash provided (used) by operating activities	<u>(74,838)</u>	<u>156,925</u>	<u>11,576</u>	<u>(3,404)</u>	<u>(320,132)</u>	<u>(229,873)</u>
<b>CASH FLOW FROM NONCAPITAL FINANCING ACTIVITIES</b>						
Transfer in	-	-	-	-	9,700	9,700
Net cash provided by noncapital financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,700</u>	<u>9,700</u>
<b>CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>						
Purchase of capital assets	-	(34,172)	(21,760)	-	-	(55,932)
Net cash used by capital and related financing activities	<u>-</u>	<u>(34,172)</u>	<u>(21,760)</u>	<u>-</u>	<u>-</u>	<u>(55,932)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
Interest	(272)	2,269	232	15	(2,140)	104
Net cash provided (used) by investing activities	<u>(272)</u>	<u>2,269</u>	<u>232</u>	<u>15</u>	<u>(2,140)</u>	<u>104</u>
Net Cash Flows	(75,110)	125,022	(9,952)	(3,389)	(312,572)	(276,001)
Cash and investments at beginning of period	186,032	1,249,678	149,508	9,287	605,958	2,200,463
Cash and cash equivalents at end of period	<u>\$ 110,922</u>	<u>\$ 1,374,700</u>	<u>\$ 139,556</u>	<u>\$ 5,898</u>	<u>\$ 293,386</u>	<u>\$ 1,924,462</u>
<b>Reconciliation of operating income (loss) to net cash flows from operating activities:</b>						
Operating income (loss)	\$ (64,565)	\$ 62,129	\$ (5,461)	\$ 197	\$ (464,116)	\$ (471,816)
<b>Adjustments to reconcile operating income (loss) to net cash flows from operating activities:</b>						
Depreciation	-	94,796	17,468	-	-	112,264
<b>Change in assets and liabilities:</b>						
Accounts payable and claims payable	(10,273)	0	(431)	(3,601)	98,087	83,782
Due to City of Suisun City	-	-	-	-	45,897	45,897
Cash Flows from Operating Activities	<u>\$ (74,838)</u>	<u>\$ 156,925</u>	<u>\$ 11,576</u>	<u>\$ (3,404)</u>	<u>\$ (320,132)</u>	<u>\$ (229,873)</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.

<b>AGENCY FUNDS (Continued)</b>
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**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.

**JAG 2011 GRANT**

This fund accounts for the JAG 2011 grant programs.

**SUISUN-SOLANO WATER AGENCY**

This fund accounts for the funds collected in behalf of SSWA.

**SB 118 STEINBERG DISABILITY ACCESS**

This fund accounts for fees collected in behalf of the Division of the State Architect pursuant to specified percentages.

**CITY OF SUISUN CITY**  
**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**AGENCY FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

	Balance June 30, 2012	Additions	Deletions	Balance June 30, 2013
<u>Casa de Suisun</u>				
<u>ASSETS:</u>				
Cash and investments	\$ 67,217	\$ 9,255	\$ (38,783)	\$ 37,689
Total assets	<u>\$ 67,217</u>	<u>\$ 9,255</u>	<u>\$ (38,783)</u>	<u>\$ 37,689</u>
<u>LIABILITIES:</u>				
Due to other agencies	\$ 67,217	\$ 9,136	\$ (38,664)	\$ 37,689
Total Liabilities	<u>\$ 67,217</u>	<u>\$ 9,136</u>	<u>\$ (38,664)</u>	<u>\$ 37,689</u>
<u>Rec/Com Programs</u>				
<u>ASSETS:</u>				
Cash and investments	\$ 25,061	\$ 9,049	\$ (5,660)	\$ 28,450
Total assets	<u>\$ 25,061</u>	<u>\$ 9,049</u>	<u>\$ (5,660)</u>	<u>\$ 28,450</u>
<u>LIABILITIES:</u>				
Due to other agencies	\$ 25,061	\$ 3,389	\$ -	\$ 28,450
Total Liabilities	<u>\$ 25,061</u>	<u>\$ 3,389</u>	<u>\$ -</u>	<u>\$ 28,450</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, 2013**

	<u>Balance</u> <u>June 30, 2012</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2013</u>
<u>School Impact Fees</u>				
<u>ASSETS:</u>				
Cash and investments	\$ 5	\$ 63,783	\$ -	\$ 63,788
Assessments receivable	3,298	-	(3,298)	-
Total assets	<u>\$ 3,303</u>	<u>\$ 63,783</u>	<u>\$ (3,298)</u>	<u>\$ 63,788</u>
<u>LIABILITIES:</u>				
Accounts payable	\$ -	\$ 63,784	\$ -	63,784
Due to other agencies	3,303	63,784	(67,083)	4
Total Liabilities	<u>\$ 3,303</u>	<u>\$ 127,568</u>	<u>\$ (67,083)</u>	<u>\$ 63,788</u>
 <u>Public Arts and Bid</u>				
<u>ASSETS:</u>				
Cash and investments	\$ 621	\$ 21,179	\$ (21,100)	\$ 700
Total assets	<u>\$ 621</u>	<u>\$ 21,179</u>	<u>\$ (21,100)</u>	<u>\$ 700</u>
<u>LIABILITIES:</u>				
Due to other agencies	\$ 621	\$ 42,128	\$ (42,049)	\$ 700
Total Liabilities	<u>\$ 621</u>	<u>\$ 42,128</u>	<u>\$ (42,049)</u>	<u>\$ 700</u>
 <u>Strong Motion Fees</u>				
<u>ASSETS:</u>				
Cash and investments	\$ 205	\$ 807	\$ (582)	\$ 430
Total assets	<u>\$ 205</u>	<u>\$ 807</u>	<u>\$ (582)</u>	<u>\$ 430</u>
<u>LIABILITIES:</u>				
Accounts payable	\$ 205	\$ 1,615	\$ (1,390)	430
Total Liabilities	<u>\$ 205</u>	<u>\$ 1,615</u>	<u>\$ (1,390)</u>	<u>\$ 430</u>

**CITY OF SUISUN CITY**  
**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES (Continued)**  
**AGENCY FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

	Balance June 30, 2012	Additions	Deletions	Balance June 30, 2013
<u>Solano County Trust</u>				
<u>ASSETS:</u>				
Cash and investments	\$ 46	\$ 73,544	\$ (46)	\$ 73,544
Total assets	<u>\$ 46</u>	<u>\$ 73,544</u>	<u>\$ (46)</u>	<u>\$ 73,544</u>
<u>LIABILITIES:</u>				
Accounts payable	\$ 46	\$ 73,200	\$ (46)	\$ 73,200
Due to other agencies	-	73,544	(73,200)	344
Total Liabilities	<u>\$ 46</u>	<u>\$ 146,744</u>	<u>\$ (73,246)</u>	<u>\$ 73,544</u>
<u>Transit Tickets</u>				
<u>ASSETS:</u>				
Cash and investments	\$ 530	\$ 13,113	\$ (13,300)	\$ 343
Total assets	<u>\$ 530</u>	<u>\$ 13,113</u>	<u>\$ (13,300)</u>	<u>\$ 343</u>
<u>LIABILITIES:</u>				
Accounts payable	\$ 434	\$ 14,579	\$ (14,670)	343
Due to other agencies	96	14,483	(14,579)	0
Total Liabilities	<u>\$ 530</u>	<u>\$ 29,062</u>	<u>\$ (29,249)</u>	<u>\$ 343</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, 2013**

	Balance June 30, 2012	Additions	Deletions	Balance June 30, 2013
<u>Victorian Harbor Assessment District</u>				
<u>ASSETS:</u>				
Cash and investments	\$ 98,977	\$ 55,325	\$ (56,177)	\$ 98,125
Total assets	<u>\$ 98,977</u>	<u>\$ 55,325</u>	<u>\$ (56,177)</u>	<u>\$ 98,125</u>
<u>LIABILITIES:</u>				
Due to other agencies	\$ 98,977	-	\$ (852)	\$ 98,125
Total Liabilities	<u>\$ 98,977</u>	<u>\$ -</u>	<u>\$ (852)</u>	<u>\$ 98,125</u>
<u>Sewer District Trust</u>				
<u>ASSETS:</u>				
Cash and investments	\$ 260,048	\$ 3,000,473	\$ (2,954,710)	\$ 305,811
Assessments receivable	307,972	3,280,740	(3,278,165)	310,547
Total assets	<u>\$ 568,020</u>	<u>\$ 6,281,213</u>	<u>\$ (6,232,875)</u>	<u>\$ 616,358</u>
<u>LIABILITIES:</u>				
Due to other agencies	\$ 568,020	\$ 3,335,857	\$ (3,287,519)	\$ 616,358
Total Liabilities	<u>\$ 568,020</u>	<u>\$ 3,335,857</u>	<u>\$ (3,287,519)</u>	<u>\$ 616,358</u>
<u>Solano Garbage</u>				
<u>ASSETS:</u>				
Cash and investments	\$ -	\$ 169,137	\$ -	\$ 169,137
Total assets	<u>\$ -</u>	<u>\$ 169,137</u>	<u>\$ -</u>	<u>\$ 169,137</u>
<u>LIABILITIES:</u>				
Accounts payable	\$ -	\$ 169,137	\$ -	\$ 169,137
Total Liabilities	<u>\$ -</u>	<u>\$ 169,137</u>	<u>\$ -</u>	<u>\$ 169,137</u>

**CITY OF SUISUN CITY**  
**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES (Continued)**  
**AGENCY FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

	Balance June 30, 2012	Additions	Deletions	Balance June 30, 2013
<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	\$ 241	\$ 632	\$ (485)	\$ 388
Total assets	<u>\$ 241</u>	<u>\$ 632</u>	<u>\$ (485)</u>	<u>\$ 388</u>
<u>LIABILITIES:</u>				
Accounts payable	\$ 241	\$ 633	\$ (486)	\$ 388
Total Liabilities	<u>\$ 241</u>	<u>\$ 633</u>	<u>\$ (486)</u>	<u>\$ 388</u>
 <u>Harbor Plaza Trash</u>				
<u>ASSETS:</u>				
Assessments receivable	\$ 4,229	\$ 30,324	\$ (29,982)	\$ 4,571
Total assets	<u>\$ 4,229</u>	<u>\$ 30,324</u>	<u>\$ (29,982)</u>	<u>\$ 4,571</u>
<u>LIABILITIES:</u>				
Accounts payable	\$ 1,090	\$ 33,763	\$ (31,144)	\$ 3,709
Due to other agencies	3,139	32,306	(34,583)	862
Total Liabilities	<u>\$ 4,229</u>	<u>\$ 66,069</u>	<u>\$ (65,727)</u>	<u>\$ 4,571</u>

**CITY OF SUISUN CITY**  
**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES (Continued)**  
**AGENCY FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

	<u>Balance</u> <u>June 30, 2012</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2013</u>
<b><u>JAG Grant</u></b>				
<b><u>ASSETS:</u></b>				
Cash and investments	\$ 2,072	\$ 7	\$ (2,079)	\$ -
Total assets	<u>\$ 2,072</u>	<u>\$ 7</u>	<u>\$ (2,079)</u>	<u>\$ -</u>
<b><u>LIABILITIES:</u></b>				
Due to other agencies	\$ 2,072	\$ 344	\$ (2,416)	\$ -
Total Liabilities	<u>\$ 2,072</u>	<u>\$ 344</u>	<u>\$ (2,416)</u>	<u>\$ -</u>
<b><u>JAG II Grant</u></b>				
<b><u>ASSETS:</u></b>				
Cash and investments	\$ 7	\$ 1	\$ (8)	\$ -
Total assets	<u>\$ 7</u>	<u>\$ 1</u>	<u>\$ (8)</u>	<u>\$ -</u>
<b><u>LIABILITIES:</u></b>				
Due to other agencies	\$ 7	\$ 9	\$ (16)	\$ -
Total Liabilities	<u>\$ 7</u>	<u>\$ 9</u>	<u>\$ (16)</u>	<u>\$ -</u>
<b><u>JAG 2011 Grant</u></b>				
<b><u>ASSETS:</u></b>				
Cash and investments	\$ 156,071	\$ 350	\$ (155,998)	\$ 423
Total assets	<u>\$ 156,071</u>	<u>\$ 350</u>	<u>\$ (155,998)</u>	<u>\$ 423</u>
<b><u>LIABILITIES:</u></b>				
Accounts payable	\$ 120,213	\$ 34,474	\$ (154,687)	\$ -
Due to other agencies	35,858	216	(35,651)	423
Total Liabilities	<u>\$ 156,071</u>	<u>\$ 34,690</u>	<u>\$ (190,338)</u>	<u>\$ 423</u>

**CITY OF SUISUN CITY**  
**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES (Continued)**  
**AGENCY FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

	Balance June 30, 2012	Additions	Deletions	Balance June 30, 2013
<u>Suisun-Solano Water Agency</u>				
<u>ASSETS:</u>				
Cash and investments	\$ 10,846,925	\$ -	\$ (324,514)	\$ 10,522,411
cash with fiscal agent	878,844	-	(2,305)	876,539
Assessments receivable	749,299	113,939	-	863,238
Total assets	\$ 12,475,068	\$ 113,939	\$ (326,819)	\$ 12,262,188
<u>LIABILITIES:</u>				
Accounts payable	\$ 262,289	\$ -	\$ (42,171)	220,118
Due to other agencies	12,212,779	-	(170,709)	12,042,070
Total Liabilities	\$ 12,475,068	\$ -	\$ (212,880)	\$ 12,262,188
 <u>SB 1186 Steinberg Disability Access</u>				
<u>ASSETS:</u>				
Cash and investments	-	\$ 902	-	\$ 902
Total assets	\$ -	\$ 902	\$ -	\$ 902
<u>LIABILITIES:</u>				
Due to other agencies	\$ -	\$ 902	\$ -	\$ 902
Total Liabilities	\$ -	\$ 902	\$ -	\$ 902
	Balance June 30, 2012	Additions	Deletions	Balance June 30, 2013
<u>Combined Totals</u>				
Cash and investments	\$ 11,469,513	\$ 3,417,557	\$ (3,573,442)	\$ 11,313,628
Cash with fiscal agent	878,844	-	(2,305)	876,539
Assessments receivable	1,064,798	3,425,003	(3,311,445)	1,178,356
Total assets	\$ 13,413,155	\$ 6,842,560	\$ (6,887,192)	\$ 13,368,523
<u>LIABILITIES:</u>				
Accounts payable	\$ 384,518	\$ 391,185	\$ (244,594)	\$ 531,109
Due to other agencies	13,028,637	3,576,098	(3,767,321)	12,837,414
Total Liabilities	\$ 13,413,155	\$ 3,967,283	\$ (4,011,915)	\$ 13,368,523

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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 Position by Component
2. Changes in Net Position
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 POSITION BY COMPONENT  
LAST TEN FISCAL YEARS**

Fiscal Year

	2004	2005	2006	2007	2008
Primary Government					
Governmental activities:					
Net investment in capital assets	\$ 23,583,975	\$ 24,607,570	\$ 24,987,074	\$ 83,499,340	\$ 89,322,941
Restricted	5,007,205	5,104,513	6,213,218	13,167,071	13,051,878
Unrestricted	13,381,611	18,685,435	22,525,248	39,439,121	38,666,587
Total governmental activities net position	<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>
	2009	2010	2011	2012	2013
Primary Government					
Governmental activities:					
Net investment in capital assets	\$ 103,823,239	\$ 108,661,774	\$ 97,346,564	\$ 154,434,694	\$ 152,391,576
Restricted	26,518,847	22,896,799	16,772,817	16,785,733	21,911,517
Unrestricted	17,132,168	10,516,962	26,391,340	25,112,999	18,512,561
Total governmental activities net position	<u>\$ 147,474,254</u>	<u>\$ 142,075,535</u>	<u>\$ 140,510,721</u>	<u>\$ 196,333,426</u>	<u>\$ 192,815,654</u>

Source: Financial Statements

**CITY OF SUISUN CITY  
CHANGE IN NET POSITION  
LAST TEN FISCAL YEARS**

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Expenses:</b>										
<b>Governmental activities:</b>										
General government	\$ 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	\$ 5,149,804
Public safety	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	6,244,689
Public works	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	2,910,593
Highways and streets	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	2,812,778
Building services	254,554	267,083	344,430	651,340	1,010,367	792,348	832,962	553,654	1,028,453	938,927
Culture and recreation	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	2,078,300
Community development	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	2,430,831
Interest on long-term debt	5,773,905	4,106,121	4,042,990	3,598,258	3,745,638	3,899,396	3,922,503	3,674,323	1,418,875	209,929
<b>Total Governmental activities expenses</b>	<b>28,737,733</b>	<b>27,359,991</b>	<b>32,824,560</b>	<b>28,851,782</b>	<b>34,026,862</b>	<b>32,524,118</b>	<b>36,668,497</b>	<b>32,749,572</b>	<b>33,322,933</b>	<b>22,775,851</b>
<b>Program Revenues:</b>										
<b>Charges for services:</b>										
General government	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	2,334,850
Public safety	389,582	359,496	697,476	319,940	748,481	312,754	810,646	497,122	860,999	858,969
Public works	612,747	589,803	624,341	2,216,104	639,941	517,821	718,775	772,921	1,248,534	1,335,518
Highways & streets	1,732,932	2,394,708	1,553,808	2,334,759	879,344	342,901	894,102	891,925	845,521	493,314
Building services	59,231	298,204	41,298	317,863	18,164	53,089	19,630	177,336	116,018	146,740
Culture & recreation	744,000	471,208	1,094,006	1,196,929	1,350,270	1,332,502	842,178	1,166,700	1,300,975	1,380,093
Community development	-	1,785,045	1,917,728	283,191	2,344,049	1,477,067	314,293	622,638	1,345,583	1,055,059
Operating grants and contribution	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	6,461,677
Capital grants and contributions	3,857,913	2,221,756	639,070	2,537,781	1,834,313	5,098,395	1,438,277	633,925	616,098	1,566,250
<b>Total Governmental program revenues</b>	<b>10,908,248</b>	<b>14,390,816</b>	<b>13,136,008</b>	<b>15,182,965</b>	<b>14,441,616</b>	<b>18,351,666</b>	<b>15,664,201</b>	<b>14,981,148</b>	<b>15,427,145</b>	<b>15,632,470</b>
<b>Net revenues (expense)</b>	<b>(17,829,485)</b>	<b>(12,969,175)</b>	<b>(19,688,552)</b>	<b>(13,668,817)</b>	<b>(19,585,246)</b>	<b>(14,172,452)</b>	<b>(21,004,296)</b>	<b>(17,768,424)</b>	<b>(17,895,788)</b>	<b>(7,143,381)</b>
<b>General revenues:</b>										
<b>Taxes:</b>										
Property taxes	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	2,035,163
Sales taxes	869,220	914,679	1,049,626	1,042,944	982,667	954,945	885,450	859,750	1,003,761	1,353,938
Intergovernmental revenue-unrestricted	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	140,000
Investment earnings	610,872	807,935	1,274,550	1,945,746	1,797,494	1,347,807	912,493	651,672	563,726	96,508
Miscellaneous revenue	2,037,240	1,638,781	2,366,770	2,211,492	502,082	-	-	719,754	-	-
Extraordinary gain on RDA dissolution	-	-	-	-	-	-	-	-	71,740,255	-
Extraordinary loss on RDA dissolution	-	-	-	-	-	-	-	-	(7,191,395)	-
Total general revenues	<b>20,540,635</b>	<b>19,393,901</b>	<b>25,016,575</b>	<b>27,655,972</b>	<b>24,521,121</b>	<b>20,605,300</b>	<b>15,605,578</b>	<b>16,203,610</b>	<b>73,718,493</b>	<b>3,625,609</b>
<b>Changes in net position</b>	<b>\$ 2,711,150</b>	<b>\$ 6,424,727</b>	<b>\$ 5,328,022</b>	<b>\$ 13,987,155</b>	<b>\$ 4,935,875</b>	<b>\$ 6,432,848</b>	<b>\$ (5,398,718)</b>	<b>\$ (1,564,814)</b>	<b>\$ 55,822,705</b>	<b>\$ (3,517,772)</b>

Source: Financial statements

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

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General fund:										
Nonspendable	\$ 2,775	\$ 1,775	\$ 1,775	\$ 74,055	\$ 64,281	\$ 3,696	\$ 2,011,268	\$ 11,652	\$ 81,076	\$ 75,444
Restricted	-	-	-	-	-	-	-	-	-	204,363
Committed	-	-	-	-	-	-	-	1,412,100	59,073	59,073
Assigned	-	-	-	-	-	-	-	185,400	199,284	-
Unassigned	-	-	-	-	-	-	-	5,763,562	4,318,768	3,284,196
Unreserved/Undesignated	2,343,785	3,491,385	4,232,462	6,028,725	4,598,741	3,250,328	4,035,401	-	-	-
Total general fund	\$ 2,346,560	\$ 3,493,160	\$ 4,234,237	\$ 6,102,780	\$ 4,663,022	\$ 3,254,024	\$ 6,046,669	\$ 7,372,714	\$ 4,658,201	\$ 3,623,076
All other governmental funds:										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,170,612	\$ 8,839,135	\$ 8,838,960
Restricted	-	-	-	-	-	-	-	7,607,709	5,579,796	11,998,345
Committed	-	-	-	-	-	-	-	1,111,438	-	79,093
Assigned	-	-	-	-	-	-	-	12,680,211	5,165,068	77,803
Unassigned	-	-	-	-	-	-	-	(7,109,787)	798,693	(240,326)
Reserved	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	8,577,567	13,612,325	17,595,791	19,121,306	22,009,271	22,345,744	12,511,486	-	-	-
Capital projects funds	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	\$ 28,271,560	\$ 31,928,673	\$ 36,752,972	\$ 35,278,167	\$ 39,896,905	\$ 39,426,058	\$ 26,006,954	\$ 23,460,183	\$ 20,382,692	\$ 20,753,875

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									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Revenues:</b>										
<b>Taxes:</b>										
Property taxes	\$ 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	\$ 2,035,163
Sales taxes	869,220	914,679	1,049,626	1,042,944	982,667	954,945	885,450	859,750	1,003,761	1,353,938
Licenses and permits	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	1,139,939
Fines and forfeits	130,013	180,576	214,948	263,533	225,420	211,881	224,397	386,036	373,379	353,083
Intergovernmental revenue	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	8,065,371
Developer fees	1,917,161	1,400,453	984,385	1,140,627	615,649	310,548	-	24,563	26,797	84,600
Special assessments	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	2,153,648
Charges for services	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	2,740,061
Investment earnings	610,872	784,362	1,289,785	1,945,746	1,797,494	1,347,807	912,493	618,464	516,023	96,404
Reimbursements	1,202,276	590,008	881,923	2,953,283	1,964,620	75,489	75,000	75,000	478,432	85,000
Miscellaneous revenue	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	1,010,768
<b>Total revenues</b>	<b>31,309,839</b>	<b>34,323,810</b>	<b>34,243,143</b>	<b>40,302,295</b>	<b>38,481,871</b>	<b>40,060,396</b>	<b>30,705,299</b>	<b>30,690,877</b>	<b>24,409,076</b>	<b>19,117,975</b>
<b>Expenditures:</b>										
<b>Current:</b>										
General government	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	5,012,158
Public safety	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	6,040,232
Public works	438,698	545,517	503,832	2,141,410	2,215,153	1,679,017	1,629,560	1,754,874	1,791,049	1,916,321
Highways and streets	640,412	445,455	1,290,203	1,185,064	1,331,444	2,037,459	1,523,707	808,796	2,141,840	915,197
Building services	254,554	289,169	326,663	408,029	471,634	252,908	264,142	335,910	355,128	315,548
Culture and recreation	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	1,587,806
Community development	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	1,002,070
Tax increment pass-through	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	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	2,346,278
Principal on long-term debt	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	622,497
Interest on long-term debt	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	154,110
<b>Total expenditures</b>	<b>74,630,083</b>	<b>29,423,767</b>	<b>29,503,736</b>	<b>42,403,261</b>	<b>35,585,891</b>	<b>43,074,268</b>	<b>44,872,295</b>	<b>32,763,400</b>	<b>26,795,277</b>	<b>19,912,217</b>
Revenue Over (Under) expenditures	(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)	(794,242)
<b>Other Financing Sources (Uses):</b>										
Debt Proceeds	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	140,000
Extraordinary gain on RDA dissolution	-	-	-	-	-	-	-	-	958,565	-
Extraordinary loss on RDA dissolution	-	-	-	-	-	-	-	-	(4,504,368)	-
Transfer in	7,398,257	6,629,672	7,102,679	10,404,010	8,641,623	13,571,886	12,930,268	15,557,006	13,236,339	1,710,535
Transfer out	(7,178,254)	(6,726,002)	(7,102,679)	(10,404,010)	(8,758,623)	(13,677,859)	(12,930,268)	(15,557,006)	(13,236,339)	(1,720,235)
<b>Total other financing sources (uses)</b>	<b>52,100,003</b>	<b>(96,330)</b>	<b>825,975</b>	<b>2,580,539</b>	<b>283,000</b>	<b>1,134,027</b>	<b>3,539,956</b>	<b>851,796</b>	<b>(3,405,803)</b>	<b>130,300</b>
<b>Net Change in fund balance</b>	<b>\$ 8,779,759</b>	<b>\$ 4,803,713</b>	<b>\$ 5,565,382</b>	<b>\$ 479,573</b>	<b>\$ 3,178,980</b>	<b>\$ (1,879,845)</b>	<b>\$ (10,627,040)</b>	<b>\$ (1,220,726)</b>	<b>\$ (5,792,004)</b>	<b>\$ (663,942)</b>
Debt service as a percentage of non-capital expenditures	74.7%	24.3%	21.0%	19.2%	17.6%	19.8%	20.6%	18.4%	18.3%	4.4%

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)	Personal Property (1)	Total (1)	Direct Tax Rate	Increase (Decrease) in Market Value
	Net Assessed Market Value	Net Assessed Market Value	Net Assessed Market Value		
2003-04	\$ 1,411,206	\$ 21,457	\$ 1,432,663	1.119%	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	1,757,783	19,903	1,777,686	1.120%	-19.7%
2010-11	1,713,240	19,305	1,732,545	1.121%	-2.5%
2011-12	1,658,664	19,102	1,677,766	1.124%	-3.2%
2012-13	1,544,932	24,042	1,568,974	1.115%	-6.5%

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
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%
2012-13	1,384	1,384	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 Agencies	Overlapping Governments	Total
2003-04	.0179	.0339	.0321	0.916	0.119	1.119
2004-05	.0179	.0339	.0321	0.916	0.116	1.116
2005-06	.0179	.0339	.0321	0.916	0.106	1.106
2006-07	.0179	.0339	.0321	0.916	0.100	1.100
2007-08	.0179	.0339	.0321	0.916	0.095	1.095
2008-09	.0179	.0339	.0321	0.916	0.097	1.097
2009-10	.0179	.0339	.0321	0.916	0.120	1.120
2010-11	.0179	.0339	.0321	0.916	0.121	1.121
2011-12	.0179	.0339	.0321	0.916	0.124	1.124
2012-13	.0179	.0339	.0321	0.916	0.116	1.115

Notes:

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

**CITY OF SUISUN CITY  
PRINCIPAL TAXPAYERS  
JUNE 30, 2013**

		2013	
Taxpayer	Type of Business	Assessed Valuation	Percentage of Net Assessed Valuation
Heritage Owner LLC	Commercial Offices	\$ 26,000,000	1.66%
Cap V Suisun LLC	Residential	20,069,908	1.28%
Village Green Apartments LLC	Multi-Family Residential	18,437,520	1.17%
Walmart Stores Inc	Vacant Lot	14,933,308	0.95%
Peter L. Carter Trust	Commercial	11,380,000	0.73%
WRI Golden State LLC	Commercial Sales and Service	9,117,505	0.58%
One Harbor Center	Commercial Office Lease	8,500,000	0.54%
Pellarin Enterprises	Commercial	7,893,322	0.50%
Louden LLC	Residential	6,171,535	0.39%
Waterfront Hotel Investors	Commercial	6,153,661	0.39%
Total of principal property taxpayers		<u>128,656,759</u>	<u>8.20%</u>
All other property taxpayers		<u>1,440,579,058</u>	<u>91.80%</u>
Total		<u><u>\$ 1,569,235,817</u></u>	<u><u>100.00%</u></u>

		2004	
Taxpayer	Type of Business	Assessed Valuation	Percentage of Net Assessed Valuation
Pan Pacific Retail Properties	Commercial Offices	\$ 17,868,287	1.25%
Village Green Apartments LLC	Multi-Family Residential	15,987,799	1.12%
Sunset Avenue Apartments	Multi-Family Residential	14,695,629	1.03%
333 Sunset	Commercial	8,642,603	0.60%
One Harbor Center	Commercial Office Lease	8,399,080	0.59%
WRI Golden State LLC	Commercial Sales and Service	7,907,040	0.55%
K Hovnanian Forecast Homes Inc	Vacant Lot	6,972,442	0.49%
John Bruno Trust	Residential	5,853,724	0.41%
KEN Inc	Vacant Lot	4,434,858	0.31%
Evelyn M. Aldredge Trust	Commercial	4,204,621	0.29%
Total of principal property taxpayers		<u>94,966,083</u>	<u>6.63%</u>
All other property taxpayers		<u>1,337,697,291</u>	<u>93.37%</u>
Total		<u><u>\$ 1,432,663,374</u></u>	<u><u>100.00%</u></u>

Notes:

(1) Source - Solano County Assessor Data, HDL, Coren & Cone

**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)**

Fiscal Year	Estimated Population (1)	Net Assessed Valuation (2)	Gross Bonded Debt	Net Bonded Debt	Percentage of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita	Percentage of Net Bonded Debt to Personal Income
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	0.92%
2009-10	28,255	1,777,685,864	2,320,000	2,320,000	0.13%	82.1	0.83%
2010-11	27,992	1,732,544,743	2,120,000	2,120,000	0.12%	75.7	1.08%
2011-12	28,117	1,677,766,866	1,910,000	1,910,000	0.11%	67.9	1.31%
2012-13	28,234	1,568,974,153	1,685,000	1,685,000	0.11%	59.7	1.53%

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
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
2012-13	225,000	99,095	324,095	19,912,217	.02

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 &amp; Notes Payable</u>	<u>Total Primary Government</u>	<u>Percentage of Personal Income</u>	<u>Per Capita</u>
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%	2,588
2010-11	2,120,000	1,155,000	56,240,467	473,977	10,912,393	70,901,837	0.03%	2,533
2011-12	1,910,000	940,000	-	376,486	10,749,965	13,976,451	0.18%	497
2012-13	1,685,000	720,000	-	274,680	1,761,450	4,441,130	0.58%	157

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.
- (3) Tax Allocation Bonds were eliminated from the table due to the dissolution of the Redevelopment Agency.

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

<u>Fiscal Year</u>	<u>Assessed Value</u>	<u>Debt Limit</u>	<u>Total Net Debt Applicable to Limit</u>	<u>Legal Debt Margin</u>	<u>Ratio of Outstanding Net Debt Limit</u>
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	1,777,685,864	66,663,220	2,320,000	64,343,220	3.48%
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%
2012-13	1,568,974,153	58,836,531	1,685,000	57,151,531	2.86%

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**  
**SCHEDULE OF DIRECT AND OVERLAPPING DEBT**  
**JUNE 30, 2013**

2012-13 Assessed Valuation \$ 1,568,974,153

	Total Debt 6/30/13	% Applicable (1)	City's Share of Debt 6/30/13
<b>Direct and Overlapping Tax and Assessment Debt</b>			
Solano County Community College District	\$ 219,921,989	4.159%	\$ 9,146,556
Fairfield-Suisun Joint Unified School District	82,395,000	14.0470%	11,574,026
FSUSD Community Facilities District # 1	1,547,503	100.0%	1,547,503
FSUSD Community Facilities District # 4	456,252	100.0%	456,252
FSUSD Community Facilities District # 5	30,762,156	16.314%	5,018,538
<b>City of Suisun City General Obligation Bonds</b>	<b>1,685,000</b>	<b>100.0%</b>	<b>1,685,000</b>
City of Suisun City Zone of Benefit Obligations	1,762,050	100.0%	1,762,050
Suisun City 1915 Act Bonds	295,000	100.0%	295,000
<b>Total Direct and Overlapping Tax and Assessment Debt</b>			<b>31,484,925</b>
<b>Direct and Overlapping General Fund Obligation Debt:</b>			
Solano County General Fund Obligations	117,170,000	3.997%	4,465,448
Solano County Pension Obligations	74,285,000	3.997%	2,969,171
Solano County Board of Education Certificates of Participation	1,955,000	3.997%	78,141
FSUSD-Certificates of Participation	1,571,820	14.047%	220,794
<b>City of Suisun City Certificates of Participation</b>	<b>720,000</b>	<b>100.0%</b>	<b>720,000</b>
<b>Total Direct and Overlapping General Fund Obligation Debt</b>			<b>8,453,554</b>
<b>Overlapping Tax Increment Debt:</b>	51,535,996	0.004-99.982%	45,443,446
<b>Total Direct Debt</b>			<b>2,405,000</b>
Total Overlapping Debt			82,976,925
<b>COMBINED TOTAL DEBT</b>			<b>\$ 85,381,925 (2)</b>

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

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

Ratios to 2012-13 Assessed Valuation:

<b>Direct debt (\$1,685,000)</b>	<b>0.11%</b>
Total Direct and Overlapping Tax and Assessment Debt	2.01%
<b>Total Direct Debt (\$2,405,000)</b>	<b>0.15%</b>
Combined Total Debt	5.44%

Ratios to Redevelopment Incremental Valuation (\$1,000,877,182):

Total Overlapping Tax Increment Debt	4.54%
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**Source:** California Municipal Statistics, Inc.

**CITY OF SUISUN CITY  
DEMOGRAPHICS STATISTICS  
LAST TEN FISCAL YEARS**

Fiscal Year	City Size Square Mile	City Population (1)	Population Increase	Population of Household	Unemployment Rate (2)	Per Capita Personal Income	Median Household Income (3)	Total Personal Income
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	28,117	125	3.132	11.8	24,953	71,795	698,135,000
2012-13	4.02	28,234	117	3.160	8.4	25,838	71,795	729,510,000

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 EMPLOYEES  
JUNE 30, 2013**

<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 Superstors	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>1104</u>	<u>67.94%</u>
Total - All Suisun City		<u>1625</u>	

Source : City's Business License Records

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

Function	Full-time Equivalent Employees as of June 30									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Government	15	14	15	16	15	18	15	15	16	16
Public Safety	39	38	39	37	40	36	40	37	35	33
Public Works	15	17	18	16	18	17	18	16	14	14
Community Development	4	4	4	6	5	5	5	5	6	6
Recreation	5	5	5	8	6	5	5	3	3	4
Redevelopment	3	3	3	3	4	4	4	3	0	0
Total	<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>	<u>73</u>

Source: City of Suisun City records.

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

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Public Safety - Police										
Arrests	768	907	953	955	937	1,507	1,327	1,297	1,148	1,137
Parking citations issued	1,242	1,691	1,734	1,631	1,372	2,438	2,584	2,213	2,015	2,315
Public Safety - Fire										
Number of emergency calls	1,692	1,601	1,775	1,776	1,674	1,866	1,813	1,669	1,717	1,882
Culture and Recreation										
Number of recreation classes	not available	not available	194	174	300	196	254	150	235	431
Number of facility rentals	not available	not available	850	730	736	382	162	450	598	612
Water Accounts										
Residential	not available	6,997	7,656	7,725	7,704	7,740	7,838	7,857	7,891	7,921
Multi-Family Residential	not available	67	89	89	108	107	108	106	107	106
Commercial	not available	136	156	140	137	144	142	141	140	147
Landscape/Irrigation,others	not available	109	122	122	120	118	116	117	124	140

Source: Various City records.

Note: 1) Information prior to 2003 is not available.

2) 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
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	-	-	-	-
2010-11	-	-	-	-
2011-12	1	4,200,000	-	-
2012-13	-	-	21	3,869,341

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>
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%
2012-13	2,153,648	2,153,648	100.00%

Notes:

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

**CITY OF SUISUN CITY  
MISCELLANEOUS STATISTICS  
JUNE 30, 2013**

City Type	General Law
Date of Incorporation	1868
Date Founded	1848
Form of Government	Council/Manager
Population	28,234
Land Area	4.02 Square Miles
Municipal Water Plant	4 Steel Reservoirs with 6,500,000 Gallons Storage Capacity 3,146,619 Gallons Daily Average Distribution 90.26 Miles of Water Main Line
Police Protection	1 Station, 1 Sub-station 21 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	1,568,974,153
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

**CITY OF SUISUN CITY, CALIFORNIA**

**REPORT ON FEDERAL AWARDS  
IN ACCORDANCE WITH  
OMB CIRCULAR A-133**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

**CITY OF SUISUN CITY, CALIFORNIA  
SINGLE AUDIT**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

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

VALUE THE DIFFERENCE

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL  
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

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

We have audited, in accordance with the 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Suisun City (City) as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the City of Suisun City's basic financial statements, and have issued our report thereon dated March 5, 2014. Our report includes an emphasis of matter paragraph regarding the City's adoption of GASB Statement 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Varrinet, Trine, Day & Co. LLP.  
Pleasanton, California  
March 5, 2014



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

VALUE THE DIFFERENCE

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY OMB CIRCULAR A-133**

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

**Report on Compliance for Each Major Federal Program**

We have audited the City of Suisun City's (City) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2013. The City's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

***Auditors' Responsibility***

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City's compliance.

***Opinion on Each Major Federal Program***

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013.

### ***Other Matters***

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items 2013-1 and 2013-2. Our opinion on each major Federal program is not modified with respect to these matters.

The City's response to the noncompliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

### **Report on Internal Control Over Compliance**

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal controls over compliance that we consider to be a material weakness. However, we identified certain deficiencies in internal control over compliance as described in the accompanying schedule of findings and questioned costs as items 2013-1 and 2013-2 that we consider to be significant deficiencies.

The City's response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

**Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133**

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Suisun City as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated March 5, 2014, which contained unmodified opinions on those financial statements. Our report included an emphasis of matter paragraph regarding the City's adoption of GASB Statement 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates 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 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Varrinek, Trine, Day & Co. LLP.

Pleasanton, California

March 25, 2014, except for our report  
on the schedule of expenditures of federal  
awards, for which the date is March 5, 2014.

**CITY OF SUISUN CITY, CALIFORNIA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2013**

Federal Grantor / Pass-Through Grantor / Program Title	Federal CFDA Number	Agency or Pass-Through Number	Federal Expenditures
<b>U.S. Department of Justice</b>			
<i>Direct Programs:</i>			
ARRA - Edward Byrne Memorial Justice Assistance Grant (JAG)	16.804	2009-SB-B9-0537	\$ 1,720
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2011-DJ-BX-3139	35,327
ARRA - Public Safety Partnership and Community Policing Grants	16.710	2009-RK-WX-0163	26,249
Bulletproof Vest Partnership Program	16.607		2,174
<b>Total U.S. Department of Justice</b>			65,470
<b>U.S. Department of Transportation</b>			
<i>Passed through the State of California Department of Transportation</i>			
ARRA - Highway Planning and Construction	20.205	* ESPL-5032(024)	104,816
Highway Planning and Construction	20.205	* SR2SCML-5032(20)	996,086
Highway Planning and Construction	20.205	* STPCML-6249(026)	20,808
<i>Total Passed through the State of California Department of Transportation</i>			1,121,710
<i>Passed through the State of California Office of Traffic Safety</i>			
State and Community Highway Safety	20.600	DD1318	12,433
State and Community Highway Safety	20.600	PT13108	29,092
State and Community Highway Safety	20.608	SC13421	3,825
<i>Total Passed through the State of California Office of Traffic Safety</i>			45,349
<b>Total U.S. Department of Transportation</b>			1,167,059
<b>U.S. Department of Housing and Urban Development</b>			
<i>Direct Programs:</i>			
Section 8 Housing Choice Vouchers	14.871	*	2,891,319
<i>Total Direct Programs</i>			2,891,319
<i>Passed through the State of California Department of Housing and Community Development</i>			
Community Development Block Grant	14.228	* 09-PTAG-6499	598
Community Development Block Grant	14.228	* 10-STBG-6739	667,129
<i>Total passed through the State of California Department of Housing and Community Development</i>			667,727
<b>Total U.S. Department of Housing and Urban Development</b>			3,559,046
<b>TOTAL CURRENT EXPENDITURES OF FEDERAL AWARDS</b>			\$ 4,791,575

\* Denotes major program

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

**CITY OF SUISUN CITY, CALIFORNIA**

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2013**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**General** – The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards programs of the City of Suisun City (City). The City’s reporting entity is defined in Note 1 of the City’s basic financial statements. All federal awards received directly from federal agencies as well as federal awards passed through other government agencies are included in the schedule.

**Basis of Accounting** – The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 of the City’s basic financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

**Relationship to Basic Financial Statements** – The amounts reported in the accompanying Schedule of Expenditures of Federal Awards agrees, in all material respects, to amounts reported within the City’s financial statements. Federal award revenues are reported principally in the City’s basic financial statements as intergovernmental revenues in the General and Special Revenue funds.

**Catalog of Federal Domestic Assistance (CFDA) Numbers** – The CFDA numbers included in this report were determined based on the program name, review of grant contract information, and the Office of Management and Budget’s Catalog of Federal Domestic Assistance.

**Pass-Through Entities’ Identifying Number** – When federal awards were received from a pass-through entity, the Schedule of Expenditures of Federal Awards shows, if available, the identifying number assigned by the pass-through entity. When no identifying number is shown, the City has determined that no identifying number is assigned for the program or the City was unable to obtain an identifying number from the pass-through entity.

**NOTE 2 – SUBRECIPIENTS**

Part of the federal expenditures presented in the City’s Schedule of Expenditures of Federal Awards, were passed through to subrecipients as follows:

Federal Grantor / Pass-Through Grantor / Program Title	Federal CFDA Number	Agency or Pass-Through Number	Amount Provided to Subrecipients
<b>U.S. Department of Justice</b>			
<i>Direct Programs:</i>			
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2011-DJ-BX-3139	\$ 17,237

**CITY OF SUISUN CITY, CALIFORNIA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2013**

**I. SUMMARY OF AUDITOR’S RESULTS**

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FINANCIAL STATEMENTS

Type of auditor's report issued:	<u>Unmodified</u>
Internal control over financial reporting:	
Material weaknesses identified?	<u>No</u>
Significant deficiencies identified?	<u>None reported</u>
Noncompliance material to financial statements noted?	<u>No</u>

FEDERAL AWARDS

Internal control over major programs:	
Material weaknesses identified?	<u>No</u>
Significant deficiencies identified?	<u>Yes</u>
Type of auditor's report issued on compliance for major programs:	<u>Unmodified</u>
Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section .510(a)?	<u>Yes</u>

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
<u>20.205 (ARRA)</u>	<u>Highway Planning and Construction (including ARRA)</u>
<u>14.228</u>	<u>Community Development Block Grant</u>
<u>14.871</u>	<u>Section 8 Housing Choice Vouchers</u>

Dollar threshold used to distinguish between Type A and Type B programs:	<u>\$ 300,000</u>
Auditee qualified as low-risk auditee?	<u>No</u>

**CITY OF SUISUN CITY, CALIFORNIA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2013**

**II. FINANCIAL STATEMENT FINDINGS**

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None.

**CITY OF SUISUN CITY, CALIFORNIA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2013**

**III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

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The following findings represent significant deficiencies, and/or instances of noncompliance including questioned costs that are required to be reported by *OMB Circular A-133, section .510(a)*.

**Finding 2013-1**

**Program:** Section 8 Housing Choice Vouchers

**CFDA No.:** 14.871

**Award Year:** 2013

**Federal Agency:** U.S. Department of Housing and Urban Development

**Compliance Requirement:** Reporting

**Criteria:**

Financial Reports (OMB No. 2535-0107) – Financial Assessment Subsystem, FASS-PH. The Uniform Financial Reporting Standards (24 CFR section 5.801) require PHAs to submit timely GAAP-based unaudited and audited financial information electronically to HUD. The FASS-PH system is one of HUD’s main monitoring and oversight systems for the HCVP. VTD noted that the deadline for submission of this annual report is March 31<sup>st</sup> of the following year.

**Condition Found:**

VTD noted that the 2012 FASS-PH report was submitted on May 22, 2013, which is after the required deadline.

**Questioned Costs:**

No questioned costs were noted as a result of the audit procedures performed.

**Context:**

The condition described above was noted during our examination of the City’s compliance with OMB Circular A-133 Compliance Supplement.

**Effect:**

As a result of the condition, the City increased its risk of non-compliance with requirements set forth in OMB A-133 Compliance Supplement.

**Cause:**

Lack of internal controls in place that would ensure the City complies with the reporting deadline outlined above.

**Recommendation:**

We recommend the City establish procedures that would ensure that the Reporting requirements are met.

**Views of Responsible Officials and Planned Corrective Actions:**

The City will implement controls and procedures to ensure compliance with requirements set out in the OMB Circular A-133 Compliance Supplement, as they relate to Reporting.

## CITY OF SUISUN CITY, CALIFORNIA

### SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2013

#### III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

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##### FINDING 2013-2

**Program:** Community Development Block Grant

**CFDA No.:** 14.228

**Award Year:** 2013

**Federal Agencies:** U.S. Department of Housing and Urban Development (Passed-through)

**Passed-through:** State of California Department of Housing and Community Development

**Compliance Requirement:** Reporting

**Criteria:**

The following reports should be submitted to the State of California Department of Housing and Community Development by the due dates as follows;

- Annual Grantee Performance Report (GPR): Submit within ninety (90) days after the termination date of the agreement.
- Section 3 Report: Submit with the annual GPR by July 31 for each State Fiscal Year.
- Final Wage Compliance Report: Submit within thirty (30) days after construction is completed.

**Condition Found:**

VTD noted that the Final GPR was submitted on October 10, 2013 and the Section 3 Report was submitted on August 28, 2013. Both of these submissions were made after the required deadline. Furthermore, the City did not submit the final Wage Compliance Report.

**Questioned Costs:**

No questioned costs were noted as a result of the audit procedures performed.

**Context:**

The condition described above was noted during our examination of the City's reporting process.

**Effect:**

As a result of the condition, the City increased its risk of non-compliance with reporting requirements set forth in OMB A-133 Compliance Supplement and the program agreement.

**Cause:**

Lack of internal controls in place that would ensure the City complies with the reporting deadlines outlined above.

**Views of Responsible Officials and Planned Corrective Actions:**

The City will implement controls and procedures to ensure compliance with requirements set out in the OMB Circular A-133 Compliance Supplement and the program agreement, as they relate to Reporting.

## CITY OF SUISUN CITY, CALIFORNIA

### SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2013

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#### Finding 2012-1

**Program:** Section 8 Housing Choice Vouchers

**CFDA No.:** 14.871

**Award Year:** 2012

**Federal Agency:** U.S. Department of Housing and Urban Development

**Compliance Requirement:** Reporting

**Criteria:**

VMS HUD-52681-B, Voucher for Payment of Annual Contributions and Operating Statement (OMB No. 2577-0169). The PHA submits this form electronically to HUD via the VMS monthly on the same basis of accounting (full or modified) as the PHA prepares its annual financial submission to HUD through the FASS-PH system. VTD noted that the deadline for submission of this monthly report was the 21<sup>st</sup> day of the following month.

Financial Reports (OMB No. 2535-0107) – Financial Assessment Subsystem, FASS-PH. The Uniform Financial Reporting Standards (24 CFR section 5.801) require PHAs to submit timely GAAP-based unaudited and audited financial information electronically to HUD. The FASS-PH system is one of HUD’s main monitoring and oversight systems for the HCVP. VTD noted that the deadline for submission of this annual report is March 31<sup>st</sup> of the following year.

**Condition Found:**

VTD noted that the May 2012 VMS report was submitted five days late, on June 26, 2012. VTD also noted that the 2011 FASS-PH report was submitted on May 16, 2012, which is after the required deadline.

**Questioned Costs:**

No questioned costs were noted as a result of the audit procedures performed.

**Context:**

The condition described above was noted during our examination of the City’s compliance with OMB Circular A-133 Compliance Supplement.

**Effect:**

As a result of the condition, the City increased its risk of non-compliance with requirements set forth in OMB A-133 Compliance Supplement.

**Cause:**

Lack of internal controls in place that would ensure the City complies with the reporting deadlines outlined above.

**Recommendation:**

We recommended the City to establish procedures that would ensure that the Reporting requirements are met.

**Current Status:**

Since the last year audit, the federal grant manager for the Section 8 Housing Choice Vouchers program implemented procedures to submit the VMS reports on or before the required deadline. For the Financial Report (OMB No. 2535-0107), VTD noted that the GAAP-based audited financial information was submitted late again this year (see current year finding 2013-1). For the June 30, 2013, the City expects to submit the Financial Report (OMB No. 2535-0107) before the required deadline.

## CITY OF SUISUN CITY, CALIFORNIA

### SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2013

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#### FINDING 2012-2

**Programs:** Highway Planning and Construction (Including ARRA), Section 8 Housing Choice Vouchers  
**CFDA No's:** 20.205, 14.871

**Award Year:** 2012

**Federal Agencies:** U.S. Department of Transportation (Passed-through), U.S. Department of Housing and Urban Development (Direct)

**Passed-through:** State of California Department of Transportation

**Compliance Requirement:** Reporting

**Criteria:**

The single audit reporting package and data collection form should be submitted to the Federal Audit Clearinghouse (FAC) by the nine month due date.

**Condition Found:**

VTD noted that the June 30, 2012 reporting package and data collection form due March 31, 2013 was not submitted as of our audit date of April 26, 2013, which is after the required deadline.

**Questioned Costs:**

No questioned costs were noted as a result of the audit procedures performed.

**Context:**

The condition described above was noted during our examination of the City's reporting process.

**Effect:**

As a result of the condition, the City increased its risk of non-compliance with reporting requirements set forth in OMB A-133 Compliance Supplement and the single audit will be considered a high risk audit for succeeding 2 years.

**Cause:**

An extraordinary amount of unanticipated work imposed on the finance department by the State of California's dissolution of Redevelopment Agencies which led to the untimely completion and submission of the single audit package.

**Recommendation:**

We recommended the City to establish procedures that would ensure that the reporting requirements are met.

**Current Status:**

VTD noted that the June 30, 2012 reporting package and data collection form was submitted on May 23, 2013. For the June 30, 2013 reporting package and data collection form, the City expects to submit before the required deadline of March 31, 2014.