

Comprehensive Annual Financial Report

FISCAL YEAR ENDED JUNE 30, 2011



City of

SUISUN CITY

CALIFORNIA

Comprehensive Annual Financial Report

FISCAL YEAR ENDED JUNE 30, 2011

**Prepared by the
Department of Administrative Services**



CITY OF SUISUN CITY, CALIFORNIA

Comprehensive Annual Financial Report
For the Year Ended June 30, 2011

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

First and Third Tuesday
Every Month

CITY OF SUISUN CITY

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

March 15, 2012

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, 2011 (FY 2010-2011) 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, 2011, 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 also serves as the governing board of the Redevelopment Agency of the City of Suisun City, the Housing Authority of the City of Suisun City, and various special assessment districts, and these activities are included in the City's financial statements as part of the reporting entity.

KEY FINANCIAL REPORT SECTIONS

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

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

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

ECONOMIC CONDITION AND OUTLOOK

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

The City was established in 1868 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:

- Job growth is forecast at 1.2 percent in 2011. Between 2011 and 2016, the annual growth rate is forecast to average 2.9 percent per year.
- Population is expected to grow 0.4 percent in 2011. Annual growth in the 2011 to 2016 period is forecast to average 0.8 percent per year.
- Net migration will remain negative in 2011, but increase over the long run. From 2011 to 2016, an average of 1,000 net migrants enters the county per year.
- Between 2011 and 2016, all sectors experience some net positive job creation, with the exception of farm employment. The fastest growing sectors are expected to be professional services, retail trade, education and healthcare, government, and construction, each of which creates over 2,000 jobs. Employment in financial activities takes over 20 years to return to the levels of 2005-2006.
- Total taxable sales adjusted for inflation are expected to increase by an average of 4.7 percent per year during the 2011 to 2016 period.
- Real per capita income is forecast to rise 0.6 percent in 2011.

Source: http://www.dot.ca.gov/hq/tpp/offices/eab/socio_economic_files/2011/Solano.pdf

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

The continuous challenge that the City faces is how to generate an ongoing source 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 General Fund cash-flow analysis for the fiscal year 2011-12 budget, the cash-flow deficit is in the range of \$1.1 million per year. The ongoing revenues do not cover projected expenditures which results in a structural operating deficit; though the overall budget is still balanced because of the use of one-time monies to cover expenditures. Given the availability of “bridging” funds at the end of fiscal year 2011-12, the General Fund has the resources necessary to sustain the proposed level of expenditures through June 30, 2014, which is one year beyond the estimated opening date of the Wal-Mart Supercenter.

On December 29, 2011, the State Supreme Court wiped out the existence of redevelopment agencies, leaving local government across California in an unenviable financial situation. This decision will impact our community both in the short- and long-term. From a short-term perspective, the General Fund will experience losses in the range of 10% or \$1.0 million annually. Longer-term, there would be no money to pay for urban renewal, affordable housing, and other projects.

In spite of the current economic crisis, the City and its Redevelopment Agency have managed to facilitate some major projects in 2011.

MAJOR INITIATIVES

With Economic Development as one of the top priorities of the City Council, the City completed or initiated a number of significant projects, among which are the following:

- Main Street Rehabilitation – the project improved a portion of the Main Street to complement new restaurants and businesses at Harbor Square Courtyard along the Marina.
- Community & Aquatic Center – The Salvation Army acquired the center and will open around spring of 2012.
- Entered into an Exclusive Negotiation Agreement (ENA) with KK/Raphel Properties to develop a 30-acre site located at the northwest corner of State Route 12 and Marina Boulevard

The full detail of project highlights in fiscal year 2010-2011 can be found under the Management’s Discussion and Analysis section of this report.

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 to departments within funds.

Only the City Council has the authority to increase total appropriations to departments within funds subject to the appropriation limits established by State law. The City Council did approve supplemental appropriation increases during the year.

Encumbrance accounting, a system where unperformed contracts and commitments to purchase are recorded against appropriations, is not used by the City. As demonstrated by the statements and schedules included in the financial section of this report, the City continues to meet its responsibility for sound financial management.

Fiscal Management

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

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

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

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

In spite of the challenging times facing us on so many areas, the FY 2011-12 Annual Budget continues us on this path consistent with the City Council's commitments and goals. With an adequate reserves and the promise of increased sales tax and transient occupancy tax tied to ongoing economic development efforts, the City continue through the next fiscal year without cutting staff, reducing compensation, instituting furloughs or significantly modifying service levels.

OTHER INFORMATION

Independent Audit

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

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Suisun City for its comprehensive annual financial report for the fiscal year ended June 30, 2010. This is the seventh straight year the City has received the award.

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

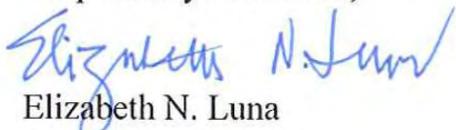
A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

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 Council members for their unfailing support for maintaining the highest standards of professionalism in the management of the City of Suisun City's finances.

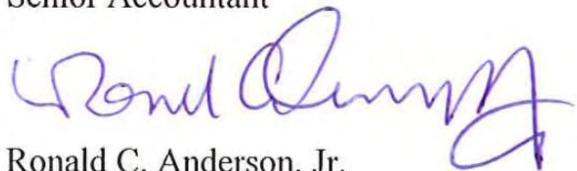
Respectfully submitted,



Elizabeth N. Luna
Senior Accountant



Mark Joseph
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, 2011

CITY COUNCIL

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

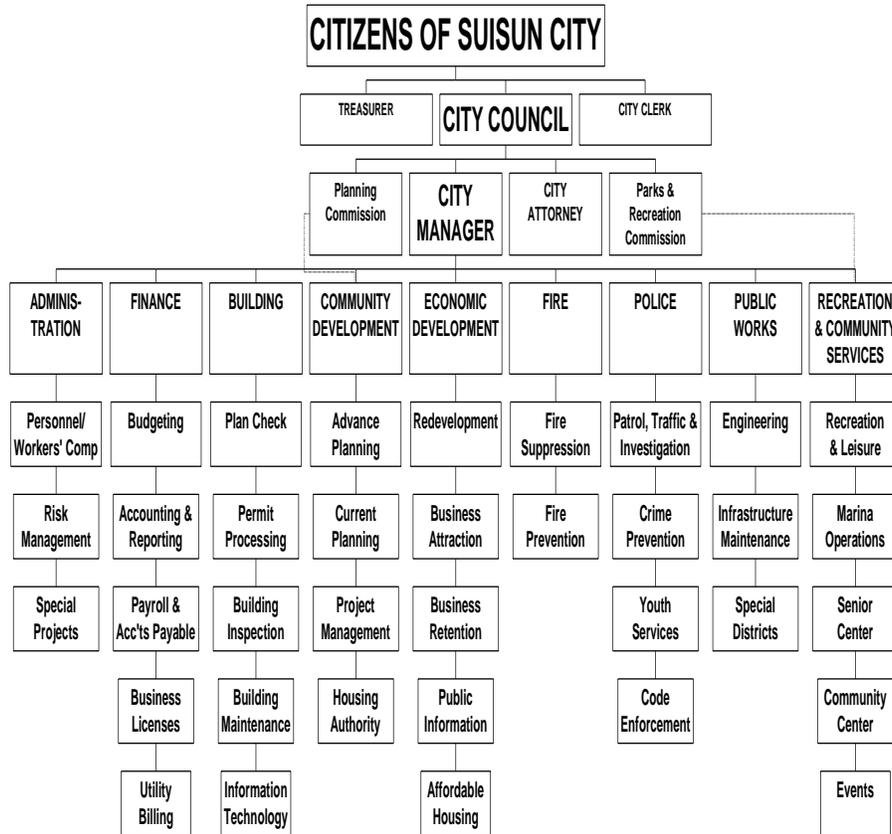
ELECTED AND APPOINTED OFFICIALS

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

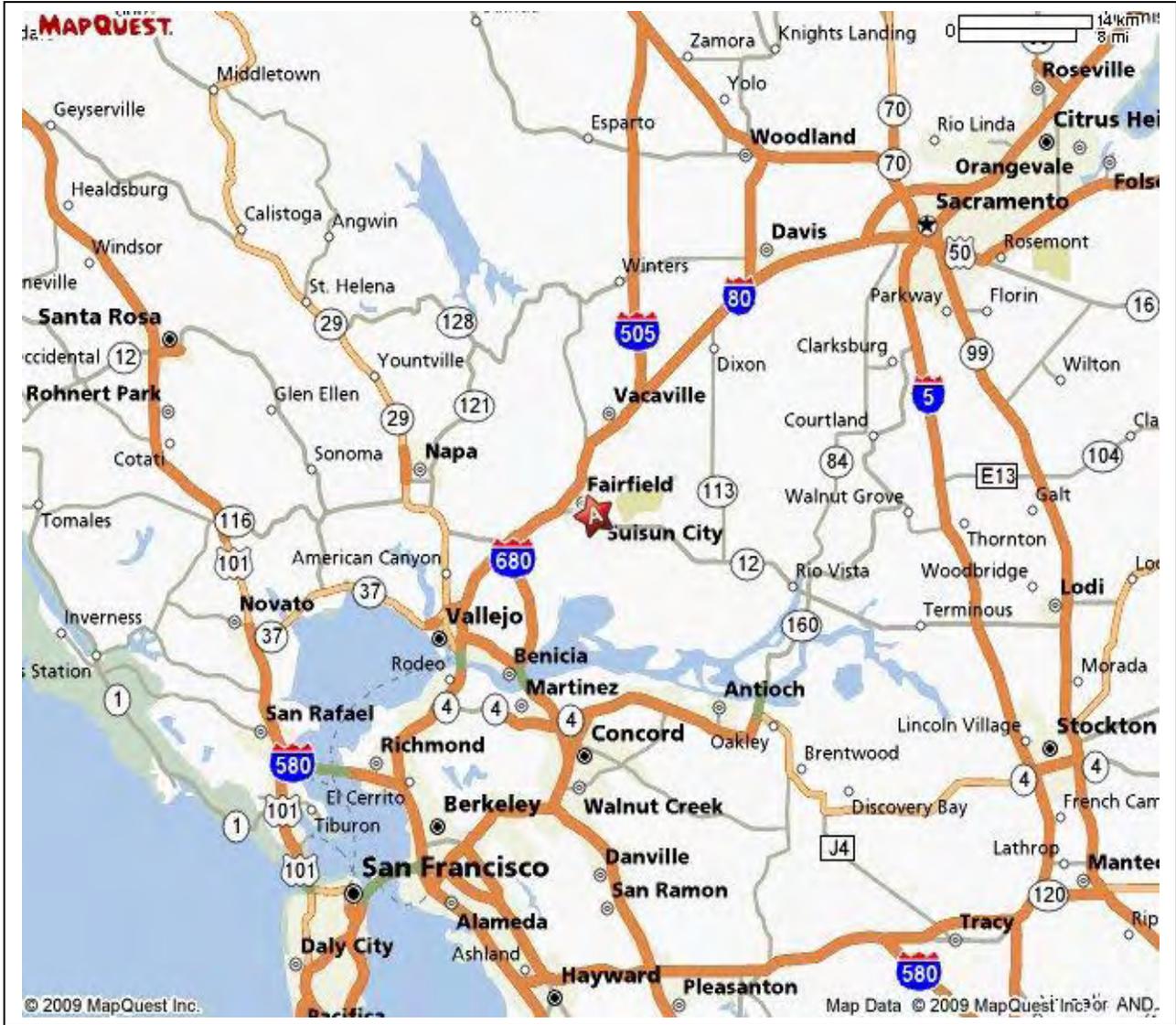
ADMINISTRATIVE TEAM

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

CITY OF SUISUN CITY ORGANIZATION CHART



Location Map



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, 2010

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



Linda C. Davison

President

Jeffrey R. Emer

Executive Director



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, 2011, which collectively comprise the City's basic financial statements, as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these basic 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 for financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial positions of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Suisun City as of June 30, 2011, and the respective changes in financial position and where applicable, cash flows thereof and the respective budgetary comparisons for the General, Local Transportation and RDA-Housing Set Aside funds, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 16 to the financial statements, the California State Legislature enacted two different Assembly Bills, the first, AB X1 26, provided for the dissolution of redevelopment agencies, and the second, ABV XI 27., provided a mechanism for the continuance of redevelopment of agencies. On December 29, 2011, the California Supreme Court upheld that Assembly Bill X1 26, which dissolves redevelopment agencies, was constitutional and determined that AB X1 27 was unconstitutional. Additionally, as described in Note 16, this event causes substantial doubt regarding the City of Suisun City Redevelopment Agency's ability to continue as a going concern. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

As described in Notes 4 and 7, to the financial statements, during fiscal year 2010-2011, the City and the Redevelopment Agency (the "Agency") took several actions including the conveyance of certain real property and the repayment of loans by the Agency to the City.

As described in the Note 1 to the financial statements, the City has adopted the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* and GASB Statement No. 59, *Financial Statements Omnibus*, effective July 1, 2010.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 15, 2012, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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* and should be considered in conjunction with this report in considering the results of our audit.

Management's Discussion and Analysis is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The supplementary information listed in the Table of Contents is presented for purposes of additional analysis and is not a required part of the basic statements. This information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all materials respects in relation to the basic financial statements taken as a whole.

The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and accordingly, we express no opinion on them.

Varrinet, Trine, Day & Co., LLP.

Pleasanton, California
March 15, 2012

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, 2011. 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

- The Government-Wide Statement of Net Assets, appearing as the first statement of the Basic Financial Statements and summarized in this Management Discussion and Analysis, shows the City's assets to be \$215 million, liabilities of \$74 million, and net assets of \$141 million.
- Net assets, as measured in the government-wide financial statements, decreased \$1.6 million. The decrease is summarized by total revenues of \$31.2 million, less total expenses of \$32.8 million, resulted to a negative net change of about \$1.6 million.
- The City's long-term debt decreased by \$2,307,847. The decrease was primarily due to principal payments of about \$3.0 million and the recording of accreted interest of \$0.7 million in the 1998 Capital Appreciation Bonds. Please refer to Note 8 for details.

Governmental Funds Financial Statements

- As of the close of fiscal year 2011, the City's governmental funds reported a combined ending fund balance of \$30.8 million, a decrease of \$1.2 million for the year ending June 30, 2011. 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, 2011, the General Fund, fund balance was \$7,372,714, a net increase of \$1,326,045 over the balance at June 30, 2010. The bulk of this increase was due to the \$1.6 million transfer in from the Redevelopment Agency. The amount transferred to the City is committed for the Railroad Extension project, Gateway Signage and for development preparation of Crystal School Site. As of June 30, 2011, the unassigned fund balance for the General Fund was \$5,763,562.
- The (\$939,497) fund balance in the Redevelopment Agency Debt Service Fund includes \$6.0 million restricted for debt service and a (\$6.9 million) in undesignated fund balance. The negative fund balance is a result of \$8.1 million in liabilities which includes the \$6.9 million advances from Housing Set-Aside Fund used to pay Supplemental Educational Revenue Augmentation Fund (SERAF).
- The \$1.1 million fund balance in the Local Transportation Special Revenue is for road projects.
- The \$10.0 million fund balance in the Redevelopment Housing Set-Aside Special Revenue is being held for low- and moderate-income Redevelopment Agency housing projects. However, \$8.8 million of the fund balance is nonspendable; \$6.9 million was an advance to Redevelopment Agency and \$1.9 million is a Note Receivable due from Bay Homes Corporation.

City of Suisun City
Management's Discussion and Analysis

FT 2010-2011 Project Highlights

- Issued a Request for Qualifications/Proposals for the development of an approximately 30 acre site located at the northwest corner of Highway 12 and Marina Boulevard. Entered into an Exclusive Negotiation Agreement (ENA) with KK/Raphel Properties to develop the parcel and began negotiations on a Disposition and Development Agreement.
- The Redevelopment Agency continued to work with the Suisun City Historic Waterfront Business Improvement District (“BID”), which resulted in expansion of the Mother’s Day Crafts Show and the Waterfront Festival into growing regional attractions bringing new economic activity. The partnership included the launch of a new Restaurant Week event in January, a traditionally slow time for local dining destinations. The success of the event substantiates making this a new annual event.
- Entered into leases with owners of private property located at northwest corner of Main Street at Sacramento Street, and the northwest corner of Main Street at California Street for the purpose of creating temporary parking lots. The lots plus one Agency-owned parcel were improved with compacted gravel to provide additional parking to facilitate continued growth and vibrancy of the Waterfront District.
- Applied for a U.S. Environmental Protection Agency Brownfields Cleanup Grant to remediate a redwood underground storage tank discovered during the demolition phase on the former Crystal Middle School site, which was previously purchased by the Agency for future redevelopment.
- Applied for a Community Development Block Grant (CDBG) of \$500,000 for business loans to start-ups and expanding business, to facilitate the creation and retention of new local business and jobs
- Continued administration of the Main Street West (MSW) Disposition and Development Agreement, which resulted in the completion of Harbor Square, and Hampton Inn and Suites. In early 2011, the regional office of the U.S. Social Security Administration occupied nearly half of the available second floor office space in Harbor Square, a 40,000 square foot multi-tenant, mixed-use building which houses new ground floor retail and restaurant tenants, including Subway, Cast Iron Grill & Bar, Dimitri’s Lounge by the Bay, and Edward Jones Investments. Eco-Delight Coffee, a wholesale coffee producer and distributor, opened its first American retail operation on the first floor of Harbor Square in January 2011. On June 7, 2011, the Agency issued the Notice of Completion for public improvements associated with the Harbor Square development.
- The Redevelopment Agency authorized production of construction documents for a new Iconic Sign to serve as a destination gateway to attract additional customers from Highway 12 to the Waterfront District.
- The Redevelopment Agency supported a Transportation for Livable Communities (LTC) grant application through the Solano Transportation Authority (STA) by providing a 20% local match up to \$12,000 to secure \$150,000 grant for the Lotz Way Pedestrian and Bicycle Improvement Project within the Suisun City Downtown Waterfront District Priority Development Area.
- Continued implementation of the Agency’s comprehensive Marketing Plan, which specifically outlines the necessary steps in creating an overall brand and marketing strategy for the City to create a distinct identity as a tourist destination and prime business location.
- Worked with North Bay Housing Coalition, Inc. (NBHC) to carry out the provisions of an Owner Participation Agreement to provide affordable housing options for low and moderate income persons or households with developmental disabilities by providing a loan from the low/moderate income housing fund used to purchase a home in the Project Area.

City of Suisun City
Management's Discussion and Analysis

- Continued administration of a Neighborhood Reinvestment Program for residential properties in need of exterior improvements. The intent of this program is to provide funding to low- and moderate-income persons and households to improve the curb appeal in residential neighborhoods throughout the Agency's Project Area to eliminate blight and maintain property values within existing neighborhoods. In 2010-11, the Agency utilized \$76,000 of Housing Set-Aside monies as matching funds for this program, which leveraged into a total public/private investment of \$143,900 for 46 projects within the existing neighborhoods of Suisun City located with the Agency's Project Area.
- Continued administration of a First-Time Homebuyer Program that provides low- and moderate-income households with up to 35% of the purchase price in down payment assistance in the form of shared equity 2nd mortgages to purchase foreclosed homes. In 2010-11, the Agency issued \$779,381 in First-Time Homebuyer Assistance Loans to 17 qualifying low- and moderate-income households and one community non-profit agency for the purchase of previously foreclosed homes located in Suisun City. The non-profit organization provides group housing for disabled individuals. As a result of this assistance, \$3.3 million in local residential real estate was moved from bank-ownership to private ownership. The Program was utilized to locate buyers for properties refurbished under a grant from the federal Neighborhood Stabilization Program (NSP). In partnership with the Suisun City Housing Authority, the NSP program properties accounted for \$322,617 of the First-Time Homebuyer Assistance Loans purchasing \$1.06 million worth of refurbished foreclosed housing stock. In 2010-11, the Agency Since the program's inception in 2008-09, the Agency has assisted 39 first-time homebuyer households and one non-profit agency, with a total loan amount of \$1.9 million resulting in \$7.8 million in foreclosed residential real estate returning to productive private ownership. The Agency originally budgeted \$4.4 million in Housing Set-Aside monies to fund this program. In addition to creating affordable home ownership opportunities, this program was designed to help deal with the significant balance of foreclosures currently on the market and to eliminate blight in neighborhoods.
- Grizzly Island Trail Conceptual Plan – The primary focus of this project is to improve the safety for students walking to school in Suisun City. This will be accomplished through constructing a path along the south side of Highway 12 in the Suisun Marsh area that will connect the Crystal Middle School area to the west with the Crescent Elementary School area to the east. Currently, students living in each of these areas must cross Highway 12 twice to reach their respective schools. In addition to improving student safety, we are building a new public amenity which will provide for family fun, mini -field trips for schools and the opportunity for the general public to view the wild life and plants of the area. At this point, the finalized Plans & Specs are anticipated to be completed by the end of January 2012. Construction for this project is anticipated to begin in spring 2012 and be completed by Fall 2012 enabling students to utilize the path in late 2012.
- Landscaping along bikeway on Main Street – This project has beautified the newly installed Central County Bikeway along the Denverton curve portion of Main Street (from the new pedestrian bridge to the Suisun City Train Station). The project installed landscaping as well as an automatic irrigation system. In order to complete the project it was necessary to remove the existing poplar trees, create and improve grading, perform soil preparation, place decomposed granite around the planting beds and lastly, install a retaining wall at the bridge abutment. This project was completed on-time in summer 2011. The finished product has visually enhanced the bikeway as well as the entry way into the downtown area of Suisun
- Main Street Rehabilitation (ARRA) –This Project has improved a portion of Main Street from Solano Street to Driftwood Drive. The project consisted of subgrade repair and pavement resurfacing, along with curb/gutter and sidewalk replacement in areas where the roadway had settled. To address pavement issues, the contractor performed pavement resurfacing, subgrade stabilization, pavement marking removal, AC overlay and new pavement markings. In addition, the project included improvements to several sections of the curb/gutter and sidewalk. Additional improvements included the upgrade of existing pedestrian ramps which be replaced to meet the current ADA Standard. This project was entirely funded through ARRA funds (\$670,000). The project was completed in winter 2011.

City of Suisun City
Management's Discussion and Analysis

- Countdown Pedestrian Heads Along Highway 12 – This project upgraded the existing pedestrian signal modules along Highway 12. Twenty existing pedestrian signal modules were upgraded with LED countdown modules. The three upgraded intersections were: Marina Boulevard at Highway 12, Sunset Avenue at Grizzly Island Road, and Lawler Ranch Parkway at Emperor Drive. The project was coordinated with Caltrans as the impacted traffic signals are owned and operated by Caltrans. This project was completed in fall of 2010.
- KROC Center – The Salvation Army purchased the city-owned recreation center previously leased to YMCA on December 2009. The Salvation Army Community Center in Suisun City will become one of three Kroc Centers in California. It will open sometime around spring of 2012. The Kroc Center's 60,000 sq. ft. program space will offer state of the art fitness and aquatic centers, a large kitchen, a multi-use gymnasium, dining facilities and a brand new theater.
- Lawler Falls Park Pond Repairs- In general, the project addressed the water loss problem in the two ponds in Lawler Falls Park. This was achieved by removing the first foot of the pond floor, installing an appropriate geomembrane liner and replacing the top foot of the pond floor as a cost effective solution to the water loss problem.
- Police Department launches new website to help residents interact more effectively with law enforcement - In addition to a new crime mapping system, the website includes a number of eServices, including code enforcement reporting and online citation payments.
- Public Safety - The ongoing effort by the Police Department to work with the community has resulted in an eight-year low in the number of serious crimes. Suisun City recorded a crime rate of 26 crimes per thousand residents.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's financial statements. The City's financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements

The government-wide financial statements consist of a Statement of Net Assets and a Statement of Activities and Changes in Net Assets. These statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business. They provide information about the activities of the City as a whole and present a longer-term view of the City's finances.

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

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

City of Suisun City
Management's Discussion and Analysis

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

Governmental Funds
Revenues, Expenditures and Other Changes in Fund Balances
For the Fiscal Year Ended June 30, 2011

	General Fund	Other Major Funds	Other Governmental Funds	Total Governmental Funds
Revenues	\$ 8,185,414	\$ 12,904,107	\$ 9,601,356	\$ 30,690,877
Current expenditures	9,694,815	6,293,729	9,871,581	25,860,125
Capital outlay	32,735	792,722	240,886	1,066,343
Debt service	14,472	5,022,491	799,970	5,836,933
	<u>9,742,022</u>	<u>12,108,942</u>	<u>10,912,437</u>	<u>32,763,400</u>
Net transfers including sale of capital assets & issuance of debt	2,882,653	(834,019)	(1,196,837)	851,797
Net change in fund balances	1,326,045	(38,854)	(2,507,918)	(1,220,727)
Fund balances, beginning of year	6,046,669	10,209,197	15,797,757	32,053,623
Fund balances, end of year	<u>\$ 7,372,714</u>	<u>\$ 10,170,343</u>	<u>\$ 13,289,840</u>	<u>\$ 30,832,897</u>

City of Suisun City Management's Discussion and Analysis

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, unreserved 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. The major fiduciary fund maintained by the City is the Suisun-Solano Water Agency Fund. Please refer to page 103 for details.

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 basic 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 major 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 GASB Statement 44, a set of financial trends information is provided under this section applicable for the last eight-ten years.

City of Suisun City
Management's Discussion and Analysis

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Analysis of Net Assets

Net assets are a measure of a government's financial position and, over time, a trend of increasing or decreasing net assets is an indicator of the financial health of the organization. The City of Suisun's net assets exceeded liabilities by \$140,510,721. A schedule of net assets is presented in the following table.

Net Assets
June 30, 2011 and 2010

	Governmental Activities		Total Percentage Change
	2011	2010	
Current and other assets	\$ 46,426,945	\$ 47,095,613	-1%
Capital Assets	168,248,401	171,206,238	-2%
Total Assets	214,675,346	218,301,851	-2%
Current liabilities	6,370,371	6,152,486	4%
Noncurrent liabilities	67,794,254	70,074,411	-3%
Total Liabilities	74,164,625	76,226,897	-3%
Net assets:			
Invested in capital assets, net of related debt	97,346,564	108,661,774	-10%
Restricted for:			
Debt Service	6,448,682	6,554,533	-2%
RDA housing set-aside programs	2,186,052	11,242,512	-81%
Off-site street improvement	4,955,012	3,821,236	30%
Sewer maintenance	1,215,733	1,495,712	-19%
Park development capital projects	172,658	1,353,293	-87%
Municipal facilities and equipment	230,815	4,667,779	-95%
Special districts assessment	1,563,865	1,342,399	16%
1998/2003 Tax Allocation Bonds capital projects	-	407,805	-100%
Total Restricted Net Assets	16,772,817	30,885,269	-46%
Unrestricted	26,391,340	2,528,492	944%
Total net assets	\$ 140,510,721	\$ 142,075,535	-1%

Net assets invested in capital assets (e.g., land, buildings, equipment and infrastructure) of \$97,346,564 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 other sources other than the related assets, because the capital assets themselves cannot be used to repay these debts.

City of Suisun City
Management's Discussion and Analysis

Restricted net assets of \$16.8 million represent resources that are subject to external restrictions on how they may be used. The \$26.4 million unrestricted net assets consist mainly of \$5.7 million in general fund and \$10.2 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.

Analysis of Changes in Net Assets

The City's net assets decreased by \$1.6 million during the current fiscal year. This negative growth in the City's net assets is principally from the governmental activities. Information about changes in net assets is presented in the summary table below:

Activities and Changes in Net Assets
For the Fiscal Years Ended June 30, 2011 and 2010

	Governmental Activities		Total Percentage Change
	2011	2010	
Revenues:			
Program revenues:			
Charges for services	\$ 6,678,582	\$ 6,934,343	-4%
Operating grants & contributions	7,668,640	7,291,581	5%
Capital grants & contributions	633,925	1,438,277	-56%
General revenues:			
Property Taxes	13,120,638	13,400,389	-2%
Sales Tax	859,750	885,450	-3%
Gain on sale of capital assets	851,796	407,246	0%
Investment earnings	651,672	912,493	-29%
Miscellaneous	719,754	-	0%
Total revenues	31,184,757	31,269,778	0%
Program expenses:			
General government	11,311,026	15,431,040	-27%
Public safety	6,562,319	6,356,448	3%
Public works	2,571,579	3,205,912	-20%
Highways and streets	2,793,630	2,739,175	2%
Building Services	553,654	832,962	-34%
Culture & recreation	2,201,925	2,255,968	-2%
Community development	3,081,116	1,924,490	60%
Interest on long-term debt	3,674,323	3,922,503	-6%
Total program expenses	32,749,571	36,668,497	-11%
Change in net assets	(1,564,814)	(5,398,719)	-71%
Net assets-Beginning	142,075,535	147,474,254	-4%
Net assets - end of the year	\$ 140,510,721	\$ 142,075,535	-1%

Note: For the purpose of comparison, some revenues and expenditures in 2010 were reclassified to conform to the 2011 table using the classification of typical California city revenues, i.e. tax increment pass-through is now classified under general government.

City of Suisun City
Management's Discussion and Analysis

Net assets decreased by \$1,564,814 due to the following factors:

- The City generated a total of \$31.2 million in revenues and spent \$32.7 million in expenditures. The slight decrease in total revenue of about \$85,000 is a combination of increase in operating grants, increase in miscellaneous revenue, and decrease in investment earnings and in capital grants and contributions as illustrated above. The miscellaneous revenue includes the \$675,000 settlement from YMCA over its abrupt closure of the North Bay YMCA in 2008.
- The total expenditures have decreased by \$3,918,926 or by 11% as illustrated above. The decrease was mainly due to payment of \$5.7 million in Supplemental Educational Revenue Augmentation Fund (SERAF) in fiscal year 2009-2010 compared to this year payment of \$1.2 million. Major decrease comes from highway and streets expenditures and building services. The increase in community development is attributed to the Neighborhood Stabilization program funded by Housing Economic Recovery Act (HERA).

ANALYSIS OF MAJOR GOVERNMENTAL FUNDS

General Fund

General Fund revenues of about \$8.2 million were generated. This represents a significant increase of about \$674,000 from the previous fiscal year. The increase was mainly attributed to the YMCA settlement payment of \$675,000.

General Fund expenditures of \$9.7 million were made, including an increase of about \$600,000 from previous fiscal year. The public safety expenditure had an increase of about \$400,000 and the City spent about \$200,000 in general update plan study.

The General Fund balance at fiscal year-end was \$7.4 million, consisting of \$1.05 million committed for Railroad extension project, Gateway signage and Crystal School site development preparation. The unassigned fund balance as of June 30, 2011 is \$5.7 million.

Local Transportation Special Revenue

This fund accounts for federal, state and local funds used for streets, pedestrian and bikeway improvements. Revenues worth \$634,000 were generated mostly through grants and a transfer in of about \$1.0 million from various funds like Gas Tax, OSSIP, Sewer and Redevelopment funds. Expenditures of \$870,000 consist of \$380,000 for Main Street road rehabilitation, \$277,000 for Grizzly Bike Trail and \$213,000 in various streets projects within City limits.

RDA-housing Set-Aside – Special Revenue Fund

This fund is used to account for the 20% tax increment revenue set-aside monies required by law to be used only for low and moderate-income housing. The decrease in the fund balance of \$1.2 million was mainly due to the re-acquisition of an 8.9-acre parcel near the Post Office for future use to benefit the City's housing program when the economy improves amounting to \$2.0 million. The fund also spent \$0.8 million for First Time Home Buyer program.

RDA Bonds Debt Service Fund

This is the principal debt service fund of the redevelopment agency that is used to account primarily for all tax increment revenues and payment of debt service on long-term debt obligations. The bonds are secured by a pledge of all incremental tax revenues to be received by the Agency and funds held by the trustee. As of June 30, 2011, the fund balance was (\$939,497).

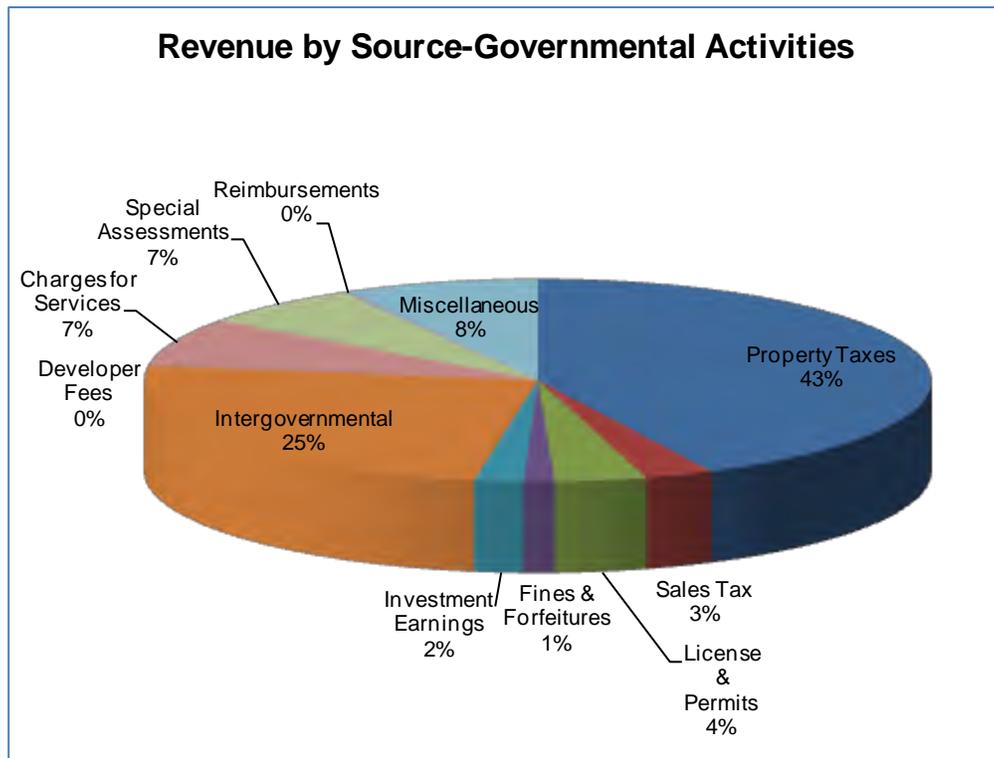
City of Suisun City
Management's Discussion and Analysis

The decrease in the property assessed valuation had resulted in a 2.1% decrease in property tax revenues. Compared to previous years, the slight decrease of property tax revenues demonstrated that property values are slowly stabilizing. Expenditures dropped significantly due to decrease in SERAF payment from \$5.7 million in FY 2009-10 to \$1.2 million in this fiscal year.

Recent changes in legislation affecting the RDA Bonds Debt Service Fund can be found in Note 16.

Analysis of All Governmental Funds

The following schedule and chart presents a summary of general, special revenue, debt service and capital projects fund revenues for the fiscal year ended June 30, 2011 and the amount and percentage of increases and decreases in relation to prior year revenues.



While about 43 percent of total revenues are derived from property taxes, 87 percent of these property tax revenues go to the Redevelopment Agency.

About 25 percent of the City's general governmental revenues are realized from other governmental agencies. In 2010-2011 these included:

State of California Gas Tax	\$ 729,560
Federal HUD Section 8 Housing Assistance Program	2,868,575
Federal & State Public Safety Grants	506,349
Local Transportation - Capital Projects Grants	558,925
Property Tax (VLF)	1,696,603
All Other Intergovernmental Allocations	1,244,590
Total	\$ 7,604,602

City of Suisun City
Management's Discussion and Analysis

Revenues	2011	2010	% of Increase (Decrease)
Property Taxes	\$ 13,120,638	\$ 13,400,389	-2.09%
Sales Tax	859,750	885,450	-2.90%
License & Permits	1,155,074	1,220,182	-5.34%
Fines & Forfeitures	386,036	224,397	72.03%
Investment Earnings	618,464	912,493	-32.22%
Intergovernmental	7,604,602	9,024,843	-15.74%
Developer Fees	24,563	-	0.00%
Charges for Services	2,329,627	2,415,639	-3.56%
Special Assessments	2,061,924	1,950,477	5.71%
Reimbursements	75,000	75,000	0.00%
Miscellaneous	2,455,199	597,011	311.25%
Total	\$ 30,690,877	\$ 30,705,880	-0.05%

Property taxes slight decrease shows that property assessed valuation is slowly stabilizing.

Developer fees (impact fees) low activity is a result of the current economic conditions in Suisun City and country wide.

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

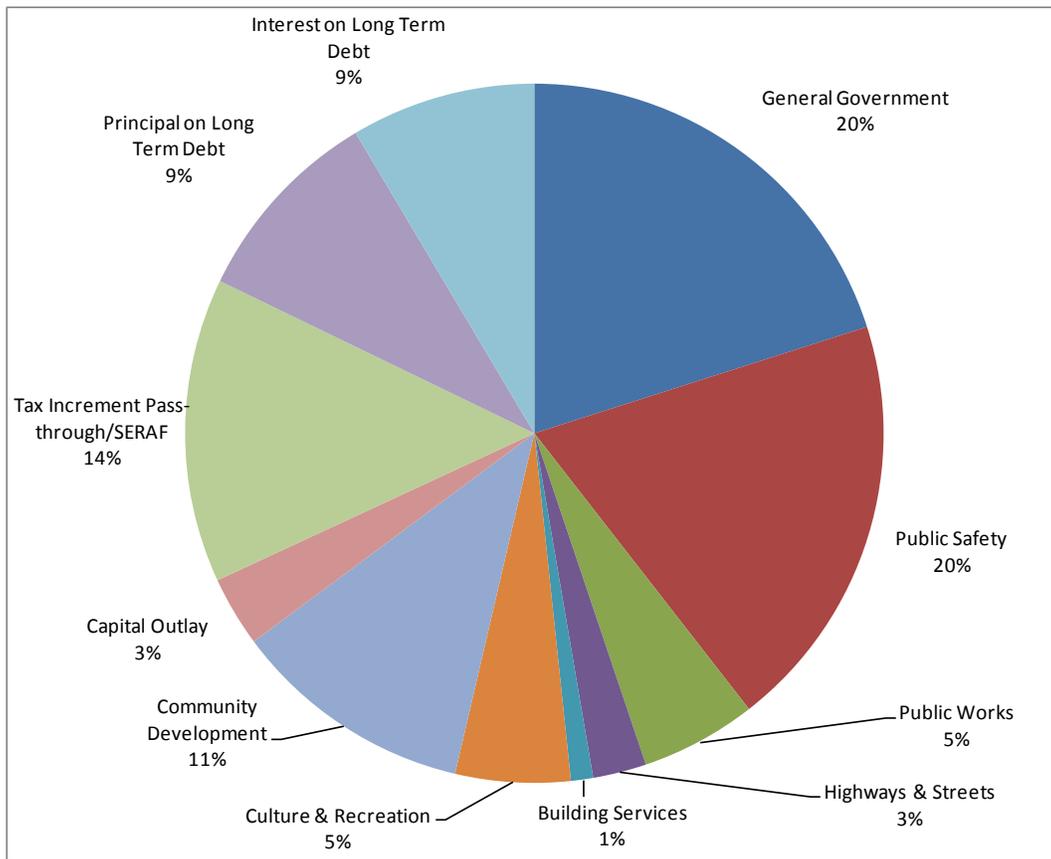
The slight decrease in charges for services is an overall effect of the market. This revenue accounts for recreation room rentals, park rentals, recreation program fees, rents & royalties, engineering service fees, planning & zoning fees, police fees, marina berth operations and all other fees related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

Intergovernmental revenues are lower compared from prior year due to decrease in local transportation capital grants and the completion of the Neighborhood Stabilization grant.

Investment earnings decrease is due to all-time low interest rates. The City's investment portfolio average yield as of June 30, 2011 is 1.44% compared to last year's 1.86%

City of Suisun City
Management's Discussion and Analysis

The following schedule and chart presents a summary of expenditures for the fiscal year ended June 30, 2011 and the percentage increases and decreases in relation to prior year expenditures.



Expenditures	2011	2010	% of Increase Decrease
General Government	\$ 6,574,212	\$ 6,341,061	4%
Public Safety	6,361,385	6,254,866	2%
Public Works	1,754,874	1,629,560	8%
Highways & Streets	808,796	1,523,707	-47%
Building Services	335,910	264,142	27%
Culture & Recreation	1,739,236	2,123,400	-18%
Community Development	3,664,635	2,152,997	70%
Capital Outlay	1,066,343	7,921,267	-87%
Tax Increment Pass-through/SERAF	4,621,078	9,067,551	-49%
Principal on Long Term Debt	3,041,254	4,506,630	-33%
Interest on Long Term Debt	2,795,679	3,087,114	-9%
Total Expenditures	\$ 32,763,400	\$ 44,872,295	-27.0%

City of Suisun City
Management's Discussion and Analysis

Governmental spending decrease by about \$12.1 million or about 27.0% compared to prior year. The decrease is caused by one-time expenditures in the prior year and not from operating expenditures:

- Decrease in capital outlay - The larger number from prior year is due to the acquisition of land known as Hofmann property worth \$5.0 million acquired by the Housing Set-Aside Fund.
- Tax Increment Pass-through is lower compared to prior year due to SERAF's payment of \$1.2 million this fiscal year and \$5.7 million if FY2009-2010.
- Highways and Streets expenditures are low because street rehabilitation projects are fewer compared to prior year.
- Culture and recreation expenditure is lower due to various factors such as reduction in events at the waterfront, fewer park improvements expenditures and lower cost of part-time personnel in the recreation department.
- Principal on long-term debt payment is lower because last year the City paid off the YMCA lease when the facility was sold to Salvation Army.
- Increase in Community Development expenditures is attributed to Neighborhood Stabilization Program (NSP) and to non-recurring redevelopment projects such as the Courtyard, downtown parking area improvement and expenditures relating to Main Street developments.

The table above shows the comparison. Some of the expenditure increases were also offset by revenue increases. There was no bond refunding for this fiscal year and no new debt.

Schedule of Capital Outlay Expenditures	Amount
Video Recorders-Police	\$ 14,728
Yamaha Water Jet Ski - Boating Safety	24,998
Police-SQL Server & Soft Assurance	5,859
Police-DELL PWEREDGE R410 Server	5,573
Police-Handheld Barcode	8,975
Lawler Fall Park Improvement	62,352
Radar Signs	42,813
Gateway Signage	19,682
Railroad Extension-Marina to Main	13,004
HVAC- Energy Block Grant	7,867
Chryl Way Sewer-Adjustment	(4,296)
Sunset & Railroad Rehabilitation	4,000
Senior Center Improvement	2,170
Hall Park Improvements	1,697
Grizzly Bike Trail	276,857
Landscaping Bikeway Closure	79,768
Main Street Rehab	380,576
MSW Courtyard	112,622
Crystal Middle School Old Site	7,098
Total Capital Outlay	\$ 1,066,343

City of Suisun City
Management's Discussion and Analysis

General Fund Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget</u>
Beginning fund balances, July 1, 2010	\$ -	\$ -	\$ 6,046,669	\$ -
Resources:				
Revenues	7,722,300	7,732,300	8,185,414	453,114
Transfer in & sale of capital assets	1,810,000	5,170,600	3,322,562	(1,848,038)
Total Resources	<u>9,532,300</u>	<u>12,902,900</u>	<u>11,507,976</u>	<u>(1,394,924)</u>
Appropriations:				
Expenditures	12,696,400	16,104,000	9,742,022	6,361,978
Transfer out	456,300	462,300	439,909	22,391
Total Appropriations	<u>13,152,700</u>	<u>16,566,300</u>	<u>10,181,931</u>	<u>6,384,369</u>
Resources over (under) appropriations	<u>\$ (3,620,400)</u>	<u>\$ (3,663,400)</u>	1,326,045	<u>\$ 4,989,445</u>
Ending fund balances, June 30, 2011			<u>\$ 7,372,714</u>	

Budget Modifications

For fiscal year 2010-11, appropriations were adopted by fund. The total actual expenditures in General Fund per above table did not exceed total original budget. The \$6.3 million under budget is mainly the contingency budget of \$5.7 million to which \$1.2 million is for capital reserve. Some individual departments may have exceeded their original budgets, and budget amendments were approved by the City Council. For more detailed information, please refer to the footnotes as listed in the table of contents.

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.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The City's net capital assets for its governmental funds as of June 30, 2011 amount to \$168 million, net of accumulated depreciation of \$90 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 of the accompanying basic financial statements.

City of Suisun City
Management's Discussion and Analysis

Debt Administration

At the end of the current fiscal year, the City had \$70.9 million in long-term debt, net, outstanding compared to \$73.1 million last year, about 3% decrease. The decrease is primarily due to principal payments. At June 30, 2011, the City had total long-term debts and obligations as summarized below:

Tax Allocation Bonds	\$ 56,240,467	79%
Redevelopment Loans	9,000,588	12%
General Obligation Bonds	2,120,000	3%
Certificates of Participation	1,155,000	2%
Capital Leases	473,977	1%
North Bay Aqueduct Agreement	1,911,805	3%
Sub-total	<u>\$ 70,901,837</u>	<u>100%</u>

The City has met all required debt service payments and is maintaining required reserve funds with bond trustees. The \$56.2 million in tax allocation bonds and \$9.0 million in redevelopment loans are repayable from tax increment revenues received by the City's Redevelopment Agency. The \$2.1 million in general obligation Highway 12 bonds and the \$1.9 million for North Bay Aqueduct are repayable from a voter-approved property tax. The remaining \$1.6 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 of the accompanying basic financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

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

Although approved by the City more than four years ago, the Wal-Mart project still needs to clear a final hurdle in permitting. Approval of an amendment to the Waste Discharge Requirement Order, issued in 2010 by the San Francisco Regional Water Quality Control Board (SFRWQCB) and final approval by the Army Corps of Engineers (ACOE) are the final steps prior to construction. Upon receipt of these final approvals, anticipated to be no later than June 2012, Wal-Mart will apply for building permits from the City of Suisun City.

The City has positioned itself well relative to its cash reserves to weather the current economic down turn without service reduction, layoffs or staff furloughs. The General Fund reserves have been augmented by the strategic property sale of Twin Sister and reimbursement of Redevelopment funds back to General Fund for the Harbor Center Street Extension project. These actions by the Council and the Redevelopment Agency facilitated a continuation of a "bridging" strategy that ensures the ability to meet service level needs of the community until major development comes in.

On December 29, 2011, the California Supreme Court upheld that Assembly Bill X1 26 was constitutional. Assembly bill X1 26 dissolves redevelopment agencies and redirects their property tax revenues. The City's management is evaluating the impact of this event and the details of the outcome are not yet known.

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

City of Suisun City
Management's Discussion and Analysis

The FY 2011-2012 Annual Budget assumptions and strategy continue to be conservative. Highlights include:

- Reserves in General Fund continue to be strong.
- Assumptions related to reductions in property-related revenues continue to be conservative.
- Institution of a Hiring Freeze, so that Council has control over staffing levels.
- Aggressive capital improvement programs funded by grants.
- No salary adjustments other than merit increases in the coming fiscal year.
- Departments targeted an overall 5% reduction in their operating budgets through a combination of reduced spending and /or increased department-driven revenues.

The FY 2011-2012 General Fund operating budget is about \$9.9 million, almost identical to FY 2010-2011 budget. This budget includes amount for PERS retirement and health insurance premiums. There are no major capital expenditures budgeted at this time.

The Redevelopment Agency's tax increment revenue is budgeted at \$11.0 million for FY 2011-12. Of that amount, 20% is transferred to the Housing Set-Aside Fund and another 31% is passed through to other agencies. As of this writing, the impact of the dissolution of Redevelopment Agency on February 1, 2012 is unknown.

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
Ph: 707-421-3215

CITY OF SUISUN CITY

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

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

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

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

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

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

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

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

**CITY OF SUISUN
STATEMENT OF NET ASSETS
JUNE 30, 2011**

	Governmental Activities
ASSETS	
Cash and investments (Note 3)	\$ 25,851,647
Cash with fiscal agents (Note 3)	4,828,260
Receivables:	
Accounts receivable, net	1,235,964
Developer agreement (Note 6)	912,163
Interest receivable	101,761
Notes receivable, net (Note 5)	11,787,712
Prepaid items	45,507
Other assets	1,663,933
Capital Assets (Note 7)	
Nondepreciable	59,659,102
Depreciable, net	108,589,299
Total Assets	214,675,346
LIABILITIES	
Accounts payable and claims payable	781,831
Interest payable	937,793
Unearned revenue	23,244
Refundable deposits	266,315
Retention payable	48,495
Claims payable (Note 11)	
Due within one year	243,906
Due in more than one year	394,336
Accrued compensated absence: (Note 1.I)	
Due within one year	224,072
Due in more than one year	224,072
Net OPEB Obligation, due in more than one year (Note 13)	118,724
Long-term debt, net (Note 8)	
Due within one year	3,107,583
Due in more than one year	67,794,254
Total Liabilities	74,164,625
NET ASSETS (Note 10)	
Invested in capital assets, net of related debt	97,346,564
Restricted for:	
Debt service	6,448,682
RDA Housing Set-Aside programs	2,186,052
Off-site street improvement	4,955,012
Municipal facilities and equipment	230,815
Special districts assessments	1,563,865
Park development capital projects	172,658
Sewer Maintenance	1,215,733
Total Restricted Net Assets	16,772,817
Unrestricted	26,391,340
Total Net Assets	\$ 140,510,721

See accompanying notes to financial statements

**CITY OF SUISUN CITY
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED 30, 2011**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
PRIMARY GOVERNMENT					
Governmental activities:					
General government	\$ 11,311,026	\$ 2,549,941	\$ 1,907,544	\$ -	\$ (6,853,541)
Public safety	6,562,319	497,122	683,237	-	(5,381,960)
Public works	2,571,579	772,921	5,000	-	(1,793,658)
Highways and streets	2,793,630	891,925	729,560	633,925	(538,220)
Building services	553,654	177,336	-	-	(376,318)
Culture and recreation	2,201,925	1,166,699	-	-	(1,035,226)
Community development	3,081,116	622,638	4,343,299	-	1,884,821
Interest on long-term debt	3,674,323	-	-	-	(3,674,323)
Total governmental activities	<u>\$ 32,749,572</u>	<u>\$ 6,678,582</u>	<u>\$ 7,668,640</u>	<u>\$ 633,925</u>	<u>(17,768,425)</u>
Change in net assets:					
Net (expense) revenue					
General revenues:					
Property taxes					13,120,638
Sales taxes					859,750
Investment earnings					651,672
Gain on sale of capital assets					851,796
Settlements (YMCA +Low & Mod Hsg)					719,754
Total general revenues					<u>16,203,610</u>
Change in net assets					(1,564,814)
Net Assets-Beginning					<u>142,075,535</u>
Net assets-Ending					<u>\$ 140,510,721</u>

See accompanying notes to financial statements

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FUND FINANCIAL STATEMENTS

MAJOR GOVERNMENTAL FUNDS

The funds described below were determined to be Major Funds by the City in fiscal 2011. 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.

RDA - HOUSING SET-ASIDE SPECIAL REVENUE

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

RDA BONDS DEBT SERVICE

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

**CITY OF SUISUN CITY
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2011**

	Major Funds					Total
	General	Local Transportation Special Revenue	RDA-Housing Set-Aside Special Revenue	RDA Bonds Debt Service	Other Non-Major Governmental Funds	
<u>ASSETS</u>						
Cash and investments	\$ 7,019,919	\$ 960,783	\$ 1,113,566	\$ 1,595,476	\$ 12,955,257	\$ 23,645,001
Cash with fiscal agent	-	-	-	4,579,260	249,000	4,828,260
Receivables:						
Accounts receivable, net	403,970	363,745	10,604	-	457,645	1,235,964
Developer agreement (Note 6)	-	-	-	-	912,163	912,163
Due from other funds (Note 4.B.)	228,983	-	-	-	70,971	299,954
Interest receivable	19,103	-	82,188	-	470	101,761
Notes receivable, net (Note 5)	-	-	10,465,428	1,023,891	298,393	11,787,712
Prepaid items (Note 1.G.)	11,652	-	1,011	-	32,844	45,507
Advances to other funds (Note 4.C.)	-	-	6,901,505	-	-	6,901,505
Other assets	-	-	-	-	15,005	15,005
Total Assets	\$ 7,683,627	\$ 1,324,528	\$ 18,574,302	\$ 7,198,627	\$ 14,991,748	\$ 49,772,832
<u>LIABILITIES</u>						
Accounts payable	\$ 168,516	\$ 164,595	\$ 17,082	\$ 212,728	\$ 189,664	\$ 752,585
Unearned revenues	4,519	-	-	-	18,725	23,244
Due to other funds (Note 4.B.)	-	-	-	-	299,954	299,954
Deferred revenues	-	-	8,528,569	1,023,891	1,095,377	10,647,837
Advances from other funds (Note 4.C.)	-	-	-	6,901,505	-	6,901,505
Refundable deposits	137,878	-	30,249	-	98,188	266,315
Retention payable	-	48,495	-	-	-	48,495
Total Liabilities	310,913	213,090	8,575,900	8,138,124	1,701,908	18,939,935
<u>FUND BALANCES</u>						
Nonspendable						
Notes receivable	-	-	1,936,859	-	298,393	2,235,252
Prepays	11,652	-	1,011	-	32,844	45,507
Advances to other funds	-	-	6,901,505	-	-	6,901,505
Restricted						
Debt service	-	-	-	5,978,382	470,300	6,448,682
Special projects & programs	-	1,111,438	1,159,027	-	8,053,670	10,324,135
Committed	1,412,100	-	-	-	-	1,412,100
Assigned	185,400	-	-	-	4,443,327	4,628,727
Unassigned	5,763,562	-	-	(6,917,879)	(8,694)	(1,163,011)
Total Fund Balances	7,372,714	1,111,438	9,998,402	(939,497)	13,289,840	30,832,897
Total Liabilities and Fund Balances	\$ 7,683,627	\$ 1,324,528	\$ 18,574,302	\$ 7,198,627	\$ 14,991,748	\$ 49,772,832

See accompanying notes to financial statements

**CITY OF SUISUN CITY
RECONCILIATION OF
GOVERNMENTAL FUNDS - FUND BALANCES
WITH THE
GOVERNMENTAL ACTIVITIES STATEMENT OF NET ASSETS
JUNE 30, 2011**

Total Fund Balances - Total Governmental Funds \$ 30,832,897

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

CAPITAL ASSETS

Capital Assets used in Governmental Activities are not current assets or financial resources
and therefore are not reported in the Governmental Funds 167,599,523

ALLOCATION OF INTERNAL SERVICE FUND NET ASSETS

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

Cash and investments	2,206,646
Capital assets	648,878
Other assets	10,931
Accounts payable	(29,246)
Claims payable	(638,242)

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. 10,647,837

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:

Other assets-debt issuance costs	1,637,997
Long-term debt	(70,901,837)
NET OPEB obligations, due in more than one year	(118,724)
Interest payable	(937,793)
Non-current portion of compensated absences	(448,146)

NET ASSETS OF GOVERNMENTAL ACTIVITIES \$ 140,510,721

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, 2011**

	Major Funds					Total
	General	Local Transportation Special Revenue	RDA-Housing Set-Aside Special Revenue	RDA Bonds Debt Service	Other Non-Major Governmental Funds	
Revenues:						
Taxes:						
Property taxes	\$ 1,257,516	\$ -	\$ -	\$ 11,478,307	\$ 384,815	\$ 13,120,638
Sales taxes	859,750	-	-	-	-	859,750
Licenses and permits	1,126,347	-	-	-	28,727	1,155,074
Fines and forfeits	231,635	-	-	-	154,401	386,036
Intergovernmental revenue	1,880,687	558,925	-	-	5,164,990	7,604,602
Developer fees	-	-	-	-	24,563	24,563
Special assessments	-	-	-	-	2,061,924	2,061,924
Charges for services	1,969,612	-	-	-	360,015	2,329,627
Investment earnings	133,268	-	85,074	216,477	183,645	618,464
Reimbursements	-	75,000	-	-	-	75,000
Miscellaneous revenue	726,599	-	490,324	-	1,238,276	2,455,199
Total revenues	<u>8,185,414</u>	<u>633,925</u>	<u>575,398</u>	<u>11,694,784</u>	<u>9,601,356</u>	<u>30,690,877</u>
Expenditures:						
Current:						
General government	1,834,734	-	-	-	4,739,478	6,574,212
Public safety	5,631,846	-	-	-	729,539	6,361,385
Public works	427,818	-	-	-	1,327,056	1,754,874
Highways and streets	-	77,383	-	-	731,413	808,796
Building services	335,910	-	-	-	-	335,910
Culture and recreation	1,168,811	-	-	-	570,425	1,739,236
Community development	295,696	-	1,595,268	-	1,773,671	3,664,635
Tax increment pass-through	-	-	-	4,621,078	-	4,621,078
Capital outlay	32,735	792,722	-	-	240,886	1,066,343
Debt service:						
Principal on long-term debt	14,472	-	-	2,427,267	599,515	3,041,254
Interest and fiscal charges	-	-	-	2,595,224	200,455	2,795,679
Total expenditures	<u>9,742,022</u>	<u>870,105</u>	<u>1,595,268</u>	<u>9,643,569</u>	<u>10,912,437</u>	<u>32,763,400</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(1,556,608)</u>	<u>(236,180)</u>	<u>(1,019,870)</u>	<u>2,051,215</u>	<u>(1,311,081)</u>	<u>(2,072,522)</u>
OTHER FINANCING SOURCES (USES)						
Sale of capital assets	851,796	-	-	-	-	851,796
Operating transfer in	2,470,766	1,040,915	2,295,087	5,551,398	4,198,840	15,557,006
Operating transfer out	(439,909)	-	(2,519,327)	(7,202,092)	(5,395,677)	(15,557,006)
Total other financing sources (uses)	<u>2,882,653</u>	<u>1,040,915</u>	<u>(224,240)</u>	<u>(1,650,694)</u>	<u>(1,196,837)</u>	<u>851,796</u>
NET CHANGE IN FUND BALANCES	<u>1,326,045</u>	<u>804,735</u>	<u>(1,244,110)</u>	<u>400,521</u>	<u>(2,507,917)</u>	<u>(1,220,726)</u>
BEGINNING FUND BALANCES	<u>6,046,669</u>	<u>306,703</u>	<u>11,242,512</u>	<u>(1,340,018)</u>	<u>15,797,757</u>	<u>32,053,623</u>
ENDING FUND BALANCES	<u>\$ 7,372,714</u>	<u>\$ 1,111,438</u>	<u>\$ 9,998,402</u>	<u>\$ (939,497)</u>	<u>\$ 13,289,840</u>	<u>\$ 30,832,897</u>

See accompanying notes to financial statements

**CITY OF SUISUN CITY
RECONCILIATION OF THE
NET CHANGES IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS
WITH THE CHANGE IN
GOVERNMENTAL NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2011**

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

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS \$ (1,220,726)

Amounts reported for governmental activities in the Statement of Activities are different because of the following:

CAPITAL ASSETS TRANSACTIONS

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.

The capital outlay expenditures are therefore added back to fund balances.

From Capital Outlay 1,066,343

Depreciation expense is deducted from the fund balance (Depreciation expense is net of internal service fund depreciation of 117,425 which has already been allocated to internal service funds) (3,990,706)

LONG-TERM DEBT PROCEEDS AND PAYMENTS

Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Assets, Repayment of bond principal is an expenditure in the governmental funds, but on the Statement of Net Assets the repayment reduces long-term liabilities.

Repayment of debt principal is added back to fund balances 3,041,254
Capital appreciation bond interest expense (733,407)
Record amortization of gain on refunding (94,020)
Amortized cost of issuance (83,689)

ACCRUAL OF NON-CURRENT ITEMS

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):

Deferred revenue 702,996
Compensated absences (36,834)
NET OPEB Obligation (68,502)
Change in accrued interest payable 32,472

ALLOCATION OF INTERNAL SERVICE FUND ACTIVITY

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.

Change in Net Assets - All Internal Service Funds (179,994)

CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES \$ (1,564,814)

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, 2011

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues:</u>				
Taxes:				
Property taxes	\$ 1,282,500	\$ 1,282,500	\$ 1,257,516	\$ (24,984)
Sales taxes	986,000	986,000	859,750	(126,250)
Licenses and permits	1,106,900	1,106,900	1,126,347	19,447
Fines and forfeits	197,000	197,000	231,635	34,635
Intergovernmental revenue	1,849,200	1,849,200	1,880,687	31,487
Charges for services	2,174,800	2,174,800	1,969,612	(205,188)
Investment earnings	93,700	93,700	133,268	39,568
Miscellaneous revenue	32,200	42,200	726,598	684,398
Total Revenues	<u>7,722,300</u>	<u>7,732,300</u>	<u>8,185,414</u>	<u>453,114</u>
<u>Expenditures</u>				
Current:				
General government	4,730,000	6,163,600	1,834,734	4,328,866
Public safety	5,625,300	5,695,700	5,631,846	63,854
Building services	366,400	366,400	335,910	30,490
Public works	408,900	408,900	427,818	(18,918)
Highways and streets	-	150,000	-	150,000
Culture and recreation	1,121,300	1,391,600	1,168,811	222,789
Community development	444,500	665,700	295,696	370,004
Capital outlay	-	1,262,100	32,735	1,229,365
Debt Service:				
Principal	-	-	14,472	(14,472)
Total Expenditures	<u>12,696,400</u>	<u>16,104,000</u>	<u>9,742,022</u>	<u>6,361,978</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(4,974,100)</u>	<u>(8,371,700)</u>	<u>(1,556,608)</u>	<u>6,815,092</u>
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	532,000	532,000	851,796	319,796
Transfer in	1,278,000	4,638,600	2,470,766	(2,167,834)
Transfer (out)	(456,300)	(462,300)	(439,909)	22,391
Total Other Financing Sources	<u>1,353,700</u>	<u>4,708,300</u>	<u>2,882,653</u>	<u>(1,825,647)</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	<u>\$ (3,620,400)</u>	<u>\$ (3,663,400)</u>	1,326,045	<u>\$ 4,989,445</u>
BEGINNING FUND BALANCES			<u>6,046,669</u>	
ENDING FUND BALANCES			<u>\$ 7,372,714</u>	

See accompanying notes to financial statements

**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, 2011**

	<u>Budgeted Amounts</u>		Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>	Original	Final		
Total Revenues	\$ 1,359,200	\$ 1,577,000	\$ 633,925	\$ (943,075)
 <u>Expenditures</u>				
Current:	364,400	398,800	77,383	321,417
Highways and streets	1,881,200	2,269,000	792,722	1,476,278
Capital outlay	2,245,600	2,667,800	870,105	1,797,695
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(886,400)	(1,090,800)	(236,180)	854,620
 OTHER FINANCING SOURCES (USES)				
Transfer in	886,400	1,036,400	1,040,915	4,515
Total Other Financing Sources	886,400	1,036,400	1,040,915	4,515
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	\$ -	\$ (54,400)	804,735	\$ 859,135
BEGINNING FUND BALANCES			306,703	
ENDING FUND BALANCES			\$ 1,111,438	

See accompanying notes to financial statements

CITY OF SUISUN CITY
RDA-HOUSING SET-ASIDE SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Investment earnings	\$ 130,000	\$ 130,000	\$ 85,074	\$ (44,926)
Miscellaneous revenue	445,200	445,200	490,324	45,124
 Total Revenues	 575,200	 575,200	 575,398	 198
<u>Expenditures</u>				
Current:				
Community development	2,075,500	2,118,500	1,595,268	523,232
Total Expenditures	2,075,500	2,118,500	1,595,268	523,232
 EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	 (1,500,300)	 (1,543,300)	 (1,019,870)	 523,430
 OTHER FINANCING SOURCES (USES)				
Transfer in	2,240,000	2,240,000	2,295,087	55,087
Transfer (out)	(557,300)	(3,717,300)	(2,519,327)	1,197,973
 Total Other Financing Sources	 1,682,700	 (1,477,300)	 (224,240)	 1,253,060
 EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	 \$ 182,400	 \$ (3,020,600)	 (1,244,110)	 \$ 1,776,490
 BEGINNING FUND BALANCES			 11,242,512	
 ENDING FUND BALANCES			 \$ 9,998,402	

See accompanying notes to financial statements

INTERNAL SERVICE FUNDS

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

**CITY OF SUISUN CITY
 PROPRIETARY FUNDS
 STATEMENT OF NET ASSETS
 JUNE 30, 2011**

	<u>Governmental Activities- Internal Service Fund</u>
ASSETS	
Current Assets:	
Cash and investments	\$ 2,206,646
Other assets	10,931
Total Current Assets	<u>2,217,577</u>
Non-Current Assets:	
Capital assets	
Depreciable, net	<u>648,878</u>
Total Assets	<u>2,866,455</u>
LIABILITIES	
Current Liabilities:	
Accounts payable	29,246
Claims payable	243,906
Total Current Liabilities	<u>273,152</u>
Non-Current Liabilities:	
Claims payable	<u>394,336</u>
Total Liabilities	<u>667,488</u>
<u>NET ASSETS</u>	
Invested in capital assets	648,878
Unrestricted	<u>1,550,089</u>
Total Net Assets	<u><u>\$ 2,198,967</u></u>

See accompanying notes to financial statements

**CITY OF SUISUN CITY
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
 FOR THE YEAR ENDED JUNE 30, 2011**

	<u>Governmental Activities - Internal Service Fund</u>
OPERATING REVENUES	
Charges to City departments	\$ 2,229,088
Miscellaneous	28,965
Total Operating Revenue	<u>2,258,053</u>
OPERATING EXPENSES	
Salaries and benefits	1,367,321
Services and supplies	670,209
Claims and settlements	317,176
Depreciation	117,425
Total Operating Expenses	<u>2,472,131</u>
Operating Income (Loss)	<u>(214,078)</u>
NONOPERATING REVENUES (EXPENSES)	
Interest income	35,337
Interest expense	(1,253)
Total Nonoperating Revenues (Expenses)	<u>34,084</u>
Change in net assets	(179,994)
Net assets, beginning of year	<u>2,378,961</u>
Net assets, end of year	<u>\$ 2,198,967</u>

See accompanying notes to financial statements

**CITY OF SUISUN CITY
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED JUNE 30, 2011**

	<u>Governmental Activities - Internal Service Fund</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from customers/departments	
Cash paid to suppliers	\$ 2,258,053
Cash paid to employees	(932,540)
Net cash provided by operating activities	<u>(1,367,321)</u>
	<u>(41,808)</u>
CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchase of capital assets	<u>(83,948)</u>
Cash Flows from Capital and Related Financing Activities	<u>(83,948)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest received	<u>34,084</u>
Cash Flows from Investing Activities	<u>34,084</u>
Net Cash Flows	(91,672)
Cash and investments at beginning of period	<u>2,298,319</u>
Cash and cash equivalents at end of period	<u><u>\$ 2,206,646</u></u>
Reconciliation of operating income (loss) to net cash flows from operating activities:	
Operating income (loss)	\$ (214,078)
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:	
Depreciation	117,425
Change in assets and liabilities:	
Accounts payable and claims payable	<u>54,844</u>
Cash Flows from Operating Activities	<u><u>\$ (41,808)</u></u>

See accompanying notes to financial statements

FIDUCIARY FUNDS

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

**CITY OF SUISUN CITY
 FIDUCIARY FUNDS
 STATEMENT OF FIDUCIARY NET ASSETS
 JUNE 30, 2011**

	<u>Agency Funds</u>
ASSETS	
Cash and investments (Note 3)	\$ 12,494,064
Cash with fiscal agent (Note 3)	821,761
Assessments receivable	981,339
Total Assets	<u>\$ 14,297,165</u>
 LIABILITIES	
Accounts payable	\$ 646,747
Due to other agencies	13,650,418
Total Liabilities	<u>\$ 14,297,165</u>

See accompanying notes to financial statements

CITY OF SUISUN CITY
Notes to Basic Financial Statements
For the Year Ended June 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

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

PRIMARY GOVERNMENT

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

BLENDED COMPONENT UNITS

The City of Suisun City Redevelopment Agency (Agency) was established to assist in the clearance and rehabilitation of City areas determined to be in a declining condition. The Agency has the same governing board as the City, all accounting and administrative functions are performed by City staff and its activities are intended to finance capital improvements and economic development to benefit the City. The financial activities of the Agency have been included in the Redevelopment Agency and Redevelopment Agency Low Income Housing Special Revenue Funds, the Redevelopment Agency Debt Service Fund, and the Redevelopment Agency Capital Projects Fund. Audited annual financial statements are available from the Agency at 701 Civic Center Boulevard, Suisun City, CA 94585.

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.

CITY OF SUISUN CITY
Notes to Basic Financial Statements
For the Year Ended June 30, 2011

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 U.S.A.

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

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

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

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

C. Major Funds

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

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

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

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

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

CITY OF SUISUN CITY
Notes to Basic Financial Statements
For the Year Ended June 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

D. Basis of Accounting

The government-wide and proprietary 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.

E. Use of Restricted/Unrestricted Net Assets

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

F. 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.

CITY OF SUISUN CITY
Notes to Basic Financial Statements
For the Year Ended June 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. *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.

H. *Capital Assets*

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

I. *Compensated Absences*

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

Changes in compensated absences were as follows:

Beginning Balance	\$	411,310
Additions		499,812
Payments		(462,978)
Ending Balance		448,144
Due in One Year		224,072
Due in More than One Year	\$	224,072

Compensated absences are liquidated by the fund that has record the liability. The long-term portion of 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. *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.

CITY OF SUISUN CITY
Notes to Basic Financial Statements
For the Year Ended June 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

K. *Estimates*

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

L. *Recent Accounting Pronouncements*

Implemented during 2010-11

GASB Statement No. 54

In March 2009, GASB issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The requirements of this statement were incorporated into the presentation of the financial statements for June 30, 2011. The composition and classification of the various component amounts that comprise the fund balance differ from prior year presentations.

GASB Statement No. 59

In June 2010, GASB issued Statement No. 59, *Financial Instrument Omnibus*. The objective of this statement is to update and improve existing standards regarding financial reporting and disclosure requirements of certain financial instruments and external investment pools for which significant issues have been identified in practice. This statement was effective July 1, 2010 and did not significantly impact the financial statements of the City.

Upcoming

GASB Statement No. 62

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

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

CITY OF SUISUN CITY
Notes to Basic Financial Statements
For the Year Ended June 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

GASB Statement No. 63

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

GASB Statement No. 64

In June 2011, GASB issued Statement No. 64, *Derivative Instruments: Application of Hedge Accounting Termination Provisions – an amendment of GASB Statement No. 53*. The objective of this Statement is to clarify whether an effective hedging relationship continues after the replacement of a swap counterparty or a swap counterparty's credit support provider. The Statement sets forth criteria that establish when the effective hedging relationship continues and hedge accounting should continue to be applied. The provisions of Statement No. 64 are effective for financial statements for periods beginning after June 15, 2011, with earlier application encouraged. The City has not determined its effect on the financial statements.

CITY OF SUISUN CITY
Notes to Basic Financial Statements
For the Year Ended June 30, 2011

NOTE 2 - BUDGETS AND BUDGETARY ACCOUNTING

A. *Budgeting Procedures*

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

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

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

B. *Expenditures that Exceed Budget*

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

Fund	Amount
General Fund	
Public Works	\$ 18,918
Debt Service Principal	14,472
RDA Bonds - Debt Service Funds	
Tax increment pass-through	13,078
Interest and fiscal charges	13,624
State Energy Program-Special Revenue Fund	
Community Development	1,466
Police Grant	
Capital Outlay	136,066
JAG Grants	
Capital Outlay	20,406
Traffic Towing	
Public Safety	183
Vehicle Lease	
Principal and Interest	150
RDA-Other Special Revenue	
Community Development	188,139
1998/2003 Tax Allocation Bonds	
Capital Outlay	1,098

CITY OF SUISUN CITY
Notes to Basic Financial Statements
For the Year Ended June 30, 2011

NOTE 3 - CASH AND INVESTMENTS

A. Policies

California Law requires banks and savings and loan institutions to pledge government securities with a market value of 110% of the City's cash on deposit or first trust deed mortgage notes with a value of 150% of the City's cash on deposit as collateral for these deposits. Under California Law this collateral is held in an investment pool by an independent financial institution in the City's name and places the City ahead of general creditors of the institution pledging the collateral.

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, 2011 are as follows:

City cash and investments in primary government:

Cash and investments	\$	25,851,647
Cash with fiscal agent		4,828,260
Total City cash and investments in primary government		30,679,907

Cash and investments in Fiduciary Funds (Separate Statement)

Cash and investments		12,494,064
Cash with fiscal agent		821,761
Total Fiduciary Funds cash and investments		13,315,825
Total cash and investments	\$	43,995,732

CITY OF SUISUN CITY
Notes to Basic Financial Statements
For the Year Ended June 30, 2011

NOTE 3 – CASH AND INVESTMENTS (Continued)

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.

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-1	25%	10%
Certificates of Deposit	5 years	No Limit	30%	No Limit
Local Agency Investment Fund	No Limit	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-1
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, 2011

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	\$ 5,822,071	\$ 1,350,497	\$ 396,083	\$ 911,736	\$ 2,192,424	\$ 10,672,811
Federal Agency Securities	3,159,387	7,031,884	1,684,639	1,500,077	1,620,682	14,996,669
Local Agency Investment Funds	5,635,554	-	-	-	-	5,635,554
Money Market Mutual Funds	1,074,666	-	-	-	-	1,074,666
Certificate of Deposits	971,000	1,235,000	185,000	-	-	2,391,000
Total Investments	<u>\$ 16,662,678</u>	<u>\$ 9,617,381</u>	<u>\$ 2,265,722</u>	<u>\$ 2,411,813</u>	<u>\$ 3,813,106</u>	34,770,700
Cash in Bank and on Hand						<u>9,225,032</u>
Total Cash and Investments						<u>\$ 43,995,732</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, 2011, these investments have an average maturity of 237 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, 2011 for all U.S. Treasury Notes and Federal Agency Securities are AAA as provided by Standard and Poor's investment rating system. Money Market Mutual Funds were rated AAA by Standard and Poor's investment rating system. The Local Agency Investment Funds were not rated as of June 30, 2011.

CITY OF SUISUN CITY
Notes to Basic Financial Statements
For the Year Ended June 30, 2011

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, 2011, those investments consisted of:

Reporting Unit	Issuer	Investment Type	Reported Amount
Entity-wide	Federal National Mortgage Association	Federal Agency Securities	\$ 6,184,000
	Federal Home Loan Mortgage Corp.	Federal Agency Securities	2,503,707
Major Fund:			
RDA Bonds Debt Service Fund	Federal Home Loan Bank	Federal Agency Securities	3,679,052

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, 2011 were as follows:

Fund Making Transfer	Fund Receiving Transfers	Amount Transferred	
General Fund	RDA - Other Special Revenue Fund	\$ 21,200	E
	Non-Major Governmental Funds	418,709	A
RDA - Housing Set-Aside Special Revenue Fund	General Fund	65,000	A
	Non-Major Governmental Funds	2,100	A
	RDA Bonds Debt Service Fund	1,960,009	F
	RDA Bonds Debt Service Fund	492,218	C
RDA Bonds Debt Service Fund	General Fund	1,510,578	A
	Municipal Facilities & Equipment	2,295,659	G
	Municipal Facilities & Equipment	641,001	H
	RDA - Other Special Revenue Funds	2,497,830	A
	RDA - Housing Set-Aside Special Revenue Fund	2,295,087	D
Non-Major Governmental Funds	Non-Major Governmental Funds	257,596	BC
	General Fund	895,188	A
	Local Transportation Special Revenue Fund	890,915	B
	Other Debt Service Funds	129,800	C
	RDA Bonds Debt Service Fund	803,512	B
	Non-Major Governmental Funds	380,604	A
		<u>\$ 15,557,006</u>	

- (A) To fund general operations/receiving transfers.
- (B) To fund capital improvement projects.
- (C) To fund debt service.
- (D) To fund 20% tax increment to Housing Set-Aside Fund.
- (E) To reimburse RDA - Administration Fund
- (F) To reimburse RDA for Property assigned to Low & Moderate Housing
- (G) To repay long-term advances-Civic Center COP
- (H) To pay future share of Civic Center COP

CITY OF SUISUN CITY
Notes to Basic Financial Statements
For the Year Ended June 30, 2011

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, 2011 the following funds have balances due to the General Fund.

Due To:	Due From:	Amount
General Fund	Special Revenue Funds:	
	Special Gas Tax	\$ 35,549
	State Energy Programs	9,333
	Police Grants	84,180
	Boating Safety	41,551
	JAG Grant	350
	Fire Grants	5,758
	ATOD	13,577
	SLESF Grant	16,645
General Fund	Special Assessment Districts	22,040
RDA Other Special Revenue Funds	Marina Operations Special Revenue Fund	20,560
	RDA Other Special Revenue-Property Acq/Disp Fund	50,411
	Total	<u>\$ 299,954</u>

C. Long-Term Interfund Advances

The Redevelopment Agency Reimbursement entered into an agreement with the City in which the Redevelopment Agency agreed to provide the City all or a portion of the moneys paid as lease payments under a lease agreement entered into between the City and the Suisun City Public Financing Authority providing for the lease by the City of the Civic Center improvements, amounting to \$4,591,318 as of June 30, 2010. On March 8, 2011, the Redevelopment Agency and the City have determined that the Agency's fair share of the total lease reimbursement payments equal to fifty percent (50%). The Agency paid the advance in full.

During fiscal 2010, the General Fund advanced \$2.5 million to the RDA Bonds Debt Service Fund for the acquisition and project construction of the Harbor Center Street Extension Project. The advance is non-interest bearing. As of June 30, 2010, the outstanding amount of the advance is \$2 million. On March 8, 2011, the Agency resolved to settle these advances and paid the City in full.

The Redevelopment Agency's Housing Set-Aside Special Revenue Fund advanced \$6,901,505 to the RDA Bonds Debt Service Fund to pay for the City's portion of supplemental educational revenue augmentation fund (SERAF) for fiscal years 2009-10 and 2010-2011. Because of the Redevelopment Agency dissolution, the advances will be subject to the interpretation of Assembly Bill X1 26.

CITY OF SUISUN CITY
Notes to Basic Financial Statements
For the Year Ended June 30, 2011

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
Housing Rehabilitation Loans	183,214
CDBG Loans	43,494
First Time Home Buyers	1,883,127
Total Notes Receivables	\$ 11,787,712

A. *Bay Homes Development Corporation*

The note receivable of \$1,936,859 relates to a loan made by the Agency to the Bay Homes Development Corporation for the purpose of constructing a 28-unit very low and moderate income rental housing project. The loan bears interest at 2% per annum and is secured by a deed of trust, assignment of rents, security agreement, and fixture filing on the underlying project. Repayment of the loan is to be made from residual cash flows, to the extent generated by the completed housing project. The Corporation owes unpaid interest of \$82,188 to the Agency as of June 30, 2011. All outstanding and accrued but unpaid interest is due and payable June 21, 2026.

B. *Cottonwood Creek Housing Association*

The Agency entered to a Disposition, Development and Loan agreements with Cottonwood Creek Housing Associates, LP, a California limited partnership for the construction of Cottonwood Creek Apartments, a low and moderate income housing project of the Agency. The total loan agreement provides for loans up to \$7,950,000. The loan bears a contingent simple interest of 3% from the date of disbursement until paid and is secured by a deed of trust with assignment rents and security agreement. Repayment of the loan is contingent upon availability of residual income. The loan receivable at June 30, 2011 consists of a note from the sale of land valued at \$1,800,000 and cash advances of \$4,845,442.

C. *Solano County Library Construction*

The Agency advanced \$1,098,000 to Solano County for the construction of the Solano County Library. The Agency will be repaid from future collections of Public Facilities Fees for all advances made by the Agency. The City has collected \$0 Public Facilities Fees as of June 30, 2011. Such repayments shall include interest of three percent (3%) per annum. As of June 30, 2011, the outstanding balance of these loans was \$1,023,891.

CITY OF SUISUN CITY
Notes to Basic Financial Statements
For the Year Ended June 30, 2011

NOTE 5 – NOTES RECEIVABLE (Continued)

D. *Redevelopment, Housing Rehabilitation, and CDBG*

The City and the Agency entered into agreements with individuals and businesses for housing rehabilitation, economic development, and redevelopment loans. As of June 30, 2011, the outstanding balance of these loans was \$298,393.

E. *First Time Home Buyers*

To create affordable homeownership opportunities for qualified low and moderate income persons and households, the Suisun City Redevelopment Agency (the “Agency”) provides down payment assistance in the form of 2nd mortgages. The Agency made ten (17) loans during fiscal year 2011 totaling \$779,381. 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, 2011, the aggregate outstanding balance of loans under this program was \$1,883,127.

NOTE 6 – DEVELOPMENT AGREEMENT

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

Pursuant to the Disposition and Development Agreement as amended on February 19, 2009, between the Agency of Suisun City and Main Street West Partners, LLC (the “Developer”), the Agency agreed to provide a loan to the Developer of up to \$500,000 that bears an annual interest rate of 6%. The Developer is entitled to use the loan to provide rent credits in the form of reduced or temporarily abated rent and to pay for tenant improvements for commercial tenants when such improvements exceed \$30 per square foot. The outstanding balance of the loan together with all accrued interest is due and payable from a component of the proceeds from the sale of residential units developed as part of the project in the amount of \$35,000 per residential unit. Repayments are credited first toward accrued interest then toward principal. The entire outstanding balance of the loan together with accrued interest is due and payable on February 19th, 2014. As of June 30, 2011, the Developer has drawn \$412,163. The Agency has recorded this amount and has offset it by deferred revenue at the fund level statement under modified accrual accounting. The deferred revenue is eliminated at the government-wide Statement of Activities under full accrual accounting.

CITY OF SUISUN CITY
Notes to Basic Financial Statements
For the Year Ended June 30, 2011

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	25-30 years
Buildings and Vehicle, Equipment	3-25 years
Machinery and Equipment	3-20 years
Infrastructure	25-65 years
Streets-Pavement System	10-75 years

A. Capital Asset Additions and Retirements

Capital assets activity for the year ended June 30, 2011 is as follows:

	Balance June 30, 2010	Additions	Transfers and Adjustments	Balance June 30, 2011
Governmental Activities:				
Capital assets not being depreciated:				
Land and improvements	\$ 58,027,461	\$ -	\$ -	\$ 58,027,461
Construction in Progress	7,790,118	1,010,507	(7,168,984)	1,631,641
Total non-depreciable assets	<u>65,817,579</u>	<u>1,010,507</u>	<u>(7,168,984)</u>	<u>59,659,102</u>
Capital assets being depreciated:				
Buildings	29,966,360			29,966,360
Buildings and improvements	9,181,677	3,130,555	-	12,312,232
Equipment	4,376,174	102,946	-	4,479,120
Infrastructure	49,878,577		(4,805,291)	45,073,286
Streets-Pavement System	95,373,800	3,991,321	4,805,291	104,170,412
Total capital assets being depreciated	<u>188,776,588</u>	<u>7,224,822</u>	<u>-</u>	<u>196,001,410</u>
Less accumulated depreciation for:				
Buildings	6,936,631	599,327	-	7,535,958
Buildings and improvements	7,091,056	363,129	-	7,454,185
Equipment	2,602,978	216,834	-	2,819,812
Infrastructure	17,941,104	928,588	-	18,869,692
Streets-Pavement System	49,498,514	1,882,828	-	51,381,342
Total accumulated depreciation	<u>84,070,283</u>	<u>3,990,706</u>	<u>-</u>	<u>88,060,989</u>
Net capital assets being depreciated	<u>104,706,305</u>	<u>3,234,116</u>	<u>-</u>	<u>107,940,421</u>
Net general capital assets	<u>170,523,884</u>	<u>4,244,623</u>	<u>(7,168,984)</u>	<u>167,599,523</u>
Internal Service Funds				
Vehicle, Machine & Equipment	2,590,116	83,949	-	2,674,065
Accumulated depreciation -Vehicle, Machine & Equipment	1,907,762	117,425	-	2,025,187
Net internal service funds	<u>682,354</u>	<u>(33,476)</u>	<u>-</u>	<u>648,878</u>
Total capital assets, net	<u>\$ 171,206,238</u>	<u>\$ 4,211,147</u>	<u>\$ (7,168,984)</u>	<u>\$ 168,248,401</u>

CITY OF SUISUN CITY
Notes to Basic Financial Statements
For the Year Ended June 30, 2011

NOTE 7 - CAPITAL ASSETS (Continued)

Major construction in progress consists of \$404,852 in Main Street Rehabilitation, \$749,845 Crystal Middle School Development and \$340,681 in Grizzly Bike Trail.

B. Capital Asset Contributions

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

C. Depreciation Allocation

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

Public safety	\$	159,379
Public works		804,684
Highways & streets		1,882,827
Building services		493,695
Culture and recreation		154,291
Community development		495,830
Internal Service Funds		117,425
Total depreciation expense	\$	4,108,131

D. Transactions Between the City and the Redevelopment Agency

As discussed in Note 16, redevelopment agencies across the State of California will be dissolved. During the 29 years of the Agency's existence, the Agency has acquired numerous parcels to facilitate future development to achieve the goals and objectives of the Agency's Redevelopment Plan. During FY2011, the Agency owned 84 parcels. The passage of the legislation to dissolve redevelopment agencies will likely result in these properties begin sold off to accelerate repayment of Agency debts without regard to the redevelopment objective for which the Agency acquired these properties.

Section 33205 of Community Redevelopment law allows a redevelopment agency to delegate its redevelopment powers and functions to the city that created it, and Section 33220 further allows a city or other public entity to enter into agreements with a redevelopment agency and to acquire real property assets from the agency in order to further the goals and objectives of the Community Redevelopment Law and the Agency's Redevelopment Plan.

CITY OF SUISUN CITY
Notes to Basic Financial Statements
For the Year Ended June 30, 2011

NOTE 7 - CAPITAL ASSETS (Continued)

The Agency's acquisition and disposition of land is one of the main tools used to spur private investment in office, commercial and residential projects in the city of Suisun City. The Agency owned 84 properties which represent some of the most valuable land in the City. These properties included:

- 30 acres at North West corner of Highway 12 / Marina Blvd;
- Approximately 15 acres included in Main Street West Developer Development Agreement;
- 8.29 acres at Highway 12 / Sunset Avenue for the purpose of developing affordable housing.

To ensure these properties are developed in furtherance of the redevelopment purposes identified in the Agency's Redevelopment Plan, the City and Housing Authority acquired these properties amounting to \$24.4 million from the Agency, by way of transfer, as allowed under the current Community Redevelopment Law. Transfer of these properties will allow the City and Housing Authority to continue forward the Agency's Redevelopment Plan goal of facilitating development projects that stimulate economic development, private investment and blight eliminations, and increase, improve and expand the community's supply of affordable housing.

CITY OF SUISUN CITY
Notes to Basic Financial Statements
For the Year Ended June 30, 2011

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, 2011 is as follows:

	Balance June 30, 2010	Additions	Retirement	Balance June 30, 2011	Current Portion
Redevelopment Agency:					
<i>Tax Allocation Bonds:</i>					
1998 Tax Allocation Revenue Bonds					
Current Interest Term Bonds					
3.9%-5.20%, due 10/1/28	\$ 6,375,000	\$ -	\$ 235,000	\$ 6,140,000	\$ 235,000
Capital Appreciation Bonds					
3.9%-5.32%, due 10/1/28 and					
3.9%-5.37%, due 10/1/33	13,550,835	733,407	-	14,284,242	-
2003-B Tax Allocation Refunding Bonds					
2.0%-3.375%, due 10/1/2023	33,490,000	-	1,710,000	31,780,000	1,765,000
2003-A Tax Allocation Refunding Bonds					
2.0%-3.375%, due 10/1/2023	5,510,000	-	245,000	5,265,000	260,000
<i>Loans payable:</i>					
Marina Loan #94-5-319					
4.5%, due 10/1/48	1,590,427	-	15,676	1,574,751	16,381
Marina Loan #91-10-305					
4.5% due 8/1/22	1,335,545	-	77,830	1,257,715	81,333
Marina Loan #91-10-305					
4.5% due 8/1/42	3,862,381	-	53,088	3,809,293	55,477
Marina Expansion Loan					
7.239%, due 10/24/25	2,449,502	-	90,673	2,358,829	97,237
Total Redevelopment Agency	<u>68,163,690</u>	<u>733,407</u>	<u>2,427,267</u>	<u>66,469,830</u>	<u>2,510,428</u>
City of Suisun City:					
North Bay Aqueduct					
due 7/1/36	1,985,445	-	73,640	1,911,805	74,665
General Obligation Bonds Highway 12 Expansion					
5.0%-5.2%, due 2/1/19	2,320,000	-	200,000	2,120,000	210,000
2004 Certificates of Participation					
1.5%-4.4%, due 11/1/15	1,360,000	-	205,000	1,155,000	215,000
Capital Lease Obligations	609,324	-	135,347	473,977	97,490
Total City of Suisun City	<u>6,274,769</u>	<u>-</u>	<u>613,987</u>	<u>5,660,782</u>	<u>597,155</u>
Total Governmental Activity Debt	<u>74,438,459</u>	<u>733,407</u>	<u>3,041,254</u>	<u>72,130,612</u>	<u>\$ 3,107,583</u>
<i>(Less) Plus:</i>					
2003-B deferred refunding, net	(1,345,256)	-	(96,089)	(1,249,167)	
2003-B premium, net	40,341	-	2,882	37,459	
2003-A discount, net	(17,880)	-	(813)	(17,067)	
Total Long-term debt, net	<u>\$ 73,115,664</u>	<u>\$ 733,407</u>	<u>\$ 2,947,234</u>	70,901,837	
Less: Current portion				(3,107,583)	
Non-current portion				<u>\$ 67,794,254</u>	

CITY OF SUISUN CITY
Notes to Basic Financial Statements
For the Year Ended June 30, 2011

NOTE 8 - LONG TERM DEBT (Continued)

B. Debt Service Requirements

Future principal and interest payments were as follows at June 30, 2011:

For The Year Ending June 30,	Principal	Interest
2012	\$ 3,107,584	\$ 2,496,589
2013	3,236,858	2,377,389
2014	3,557,144	2,243,744
2015	3,608,500	2,096,074
2016	3,701,366	1,941,169
2017-2021	18,799,970	7,698,005
2022-2026	17,144,085	7,985,106
2027-2031	10,267,402	15,530,531
2032-2036	6,526,021	9,706,251
2037-2041	1,181,478	389,223
2042-2046	760,452	129,467
2047-2050	239,752	21,890
Total	<u>\$ 72,130,612</u>	<u>\$ 52,615,439</u>

C. Redevelopment Agency Long-Term Debt Issues

1998 Tax Allocation Bonds - On February 1, 1998, the Redevelopment Agency issued \$14,996,384 original principal amount of 1998 Tax Allocation, which were purchased by the Suisun City Public Financing Authority (a component unit of the City of Suisun City). The proceeds from the sale of the Bonds were used to finance redevelopment activities of the Agency. The bonds bear interest at rates from 3.9%-5.37%. Interest is payable semi-annually each April 1 and October 1 through 2033. Principal payment are payable annually on October 1 through 2033.

Upon sale of the bonds, \$6,906,000 was placed on deposit in a special escrow fund. Prior to each April 1 and October 1, through 2003, the Agency shall file, with the bond trustee, a Tax Revenue Certificate to identify amounts, if any, to be released from the Series 1998 special escrow fund and transferred to the Agency and to the reserve fund to meet the increased reserve requirement, as a result of such release of funds. On October 1, 2000, \$3,889,303 was released from the Series 1998 special escrow fund with \$3,494,260 being deposited into the Agency tax allocation bond project fund and \$270,740 being deposited into the reserve fund, and \$124,303 was deposited into the interest account. An additional \$20,597 of investment earnings was released and deposited into the interest account for payment of the current year interest of the bonds. All remaining funds in the special escrow fund were released by October 1, 2002. The bonds are secured by a lien of the tax revenues of the Agency on parity with the lien securing the outstanding 2003 Series A & B Tax Allocation Bonds.

CITY OF SUISUN CITY
Notes to Basic Financial Statements
For the Year Ended June 30, 2011

NOTE 8 - LONG-TERM DEBT (Continued)

The Agency's bonds secure payment of the Financing Authority's bonds totaling \$14,996,384. The Authority's 1998 Tax Allocation Revenue Bonds consist of \$7,955,000 term bonds maturing October 1, 2028, and \$7,041,384 in capital appreciation bonds maturing 2028 and 2033. Interest on those bonds (other than the capital appreciation bonds) is payable each October 1 and April 1, commencing October 1, 1998. In the case of the capital appreciation bonds, accreted value shall be determined by compounding interest semi-annually on April 1 and October 1, commencing October 1, 1998, payable upon maturity or prior redemption. As of June 30, 2011, accreted interest amounted to \$7,242,855.

The Agency has pledged all future tax increment revenues, less amounts required to be set aside in the Low Income Housing Fund, for the repayment of the Tax Allocation Bonds. The pledge of all future tax increment revenues ends upon repayment of \$52,729,672 remaining debt service on the Bonds, which is scheduled to occur in 2034. For fiscal year 2011, \$11,478,307 of total tax increment revenue less \$2,295,661 of 20% housing set-aside, less \$3,217,280 of pass through payments (County of Solano, Fairfield-Suisun Unified School District, Solano County Superintendent of Schools, Solano Community College District) amounted to \$5,965,366. This amount represented coverage of 10.55 over the \$565,511 of debt service.

2003 Series A Tax Allocation Bonds and 2003 Series B Tax Allocation Refunding Bonds – On July 1, 2003, the Agency issued \$6,390,000 original principal amount of 2003 Series A Tax Allocation Bonds and \$43,000,000 original principal amount of 2003 Series B Tax Allocation Refunding Bonds. The proceeds from the sale of the Bonds were used to refinance and advance refund the 1993 Tax Allocation Bonds and to obtain additional financing for redevelopment projects. The bonds bear interest at rates from 2.0% to 3.375%. Interest is payable semi-annually each April 1 and October 1, through 2023. Principal payments are due October 1, through 2023.

The refunding took advantage of lower interest rates which were available and results in reduction debt service requirements over the life of the new debt. Proceeds of \$44,680,426 were transferred to a trustee and placed in irrevocable trust to redeem the 1993 Tax Allocation Refunding Bonds. Accordingly, the 1993 bonds were removed from the balance sheet. The advance refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$2,017,879 which has been deferred in accordance with GASB Statement No. 23. The deferred amount recognized is being amortized over the life of the new debt on a straight-line basis.

The 2003 Series A bonds are subject to optional redemption on any date on or after October 1, 2012, with a premium of 2% from October 1, 2011 through September 30, 2012 and 1% from October 1, 2012 through September 30, 2013. Term bonds maturing October 1, 2013 October 1, 2018, October 1, 2022 and October 1, 2032 are subject to mandatory sinking fund redemption commencing October 1, 2010, from sinking account payments at a redemption price equal to the principal amount plus accrued interest.

The 2003 Series B bonds maturing on or after October 1, 2012 are subject to redemption at the option of the Agency from any source of available funds on any date on or after October 1, 2011 with a premium of 2% from October 1, 2011 through September 30, 2012 and 1% from October 1, 2012 through September 30, 2013. Bonds maturing October 1, 2013 and thereafter are subject to a redemption price equal to the principal amount plus accrued interest.

At June 30, 2011, \$514,376 was on deposit in the 2003 Series A reserve account, and \$3,326,252 was on deposit in the 2003 Series B reserve account.

CITY OF SUISUN CITY
Notes to Basic Financial Statements
For the Year Ended June 30, 2011

NOTE 8 - LONG-TERM DEBT (Continued)

The Agency has pledged all future tax increment revenues, less amounts required to be set aside in the Low Income Housing Fund, for the repayment of the Tax Allocation Bonds. The pledge of all future tax increment revenues ends upon repayment of \$49,522,375 remaining debt service on the Bonds, which is scheduled to occur in 2032. Projected tax increment revenues are expected to provide coverage over debt service of 3.2 over the life of the Bonds. For fiscal year 2011, \$11,478,307 of total tax increment revenue less \$2,295,661 of 20% housing set-aside, less \$3,217,280 of Pass through payments (County of Solano, Fairfield-Suisun Unified School District, Solano County Superintendent of Schools, Solano Community College District) amounted to \$5,965,366. This represented coverage of 1.68 over the \$3,554,230 of debt service.

Marina Loan – On July 22, 1991, the Agency entered into agreement with the California Department of Boating and Waterways, whereby a loan of \$8,091,405 was granted to the Agency to finance a small craft harbor. The loan bears interest at 4.5% per annum on the unpaid balance, commencing with the date of each transfer of loan funds to the Agency. Repayment of the loan commences August 1, 1998, with 68% of the loan repayable over 50 years and 32% of the loan payable over 30 years. The Agency is required to maintain a reserve fund increasing to a limit of \$2 million. At June 30, 2011, the Agency had \$1,399,122 its reserve account.

The Marina expansion loan – On October 24, 1995, Agency entered into a loan agreement with Sheldon Oil Company in the amount of \$3,250,000 for the acquisition of property related to the Marina. The note bears interest at 7.239% per annum, is payable in installments of \$268,000 annually on October 24, through 2025. The loan may be prepaid at the option of the Agency after October 24, 2001 with a premium of up to 4%.

D. City's Long-Term Debt Issues

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

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

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

CITY OF SUISUN CITY
Notes to Basic Financial Statements
For the Year Ended June 30, 2011

NOTE 8 - LONG-TERM DEBT (Continued)

November 1, 2015. Certificates maturing on or after November 1, 2004 are subject to redemption on or after November 1, 2004, with a premium of 2.0% through October 31, 2010.

Capital Lease Obligations - The capital lease agreement entered by the City for the purpose of reconstruction of recreation facilities to provide the City with a modern YMCA was fully paid when the City sold the facility to Salvation Army on December 2009.

On January 9, 2006, the City entered into a five-year lease agreement for the purchase of a new street sweeper. The lease is payable in semi-annual installments of \$14,225 through January 4, 2011.

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 \$365,000 at June 30, 2011.

NOTE 10 – NET ASSETS AND FUND BALANCES

A. Net Assets

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

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

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

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

CITY OF SUISUN CITY
Notes to Basic Financial Statements
For the Year Ended June 30, 2011

NOTE 10 – NET ASSETS AND FUND BALANCES (Continued)

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 fund balance represents amounts that can only be used for specific purposes pursuant to constraints imposed by the City Council, the City's highest level of decision-making authority, through adoption of an ordinance or resolution. These committed amounts cannot be used for any other purpose unless the Council removes or changes the specific uses through the same type of formal action taken to establish the commitment. These Council actions must occur prior to June 30th of the applicable fiscal year.

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.

C. *Deficit / Fund Balance*

As of June 30, 2011, the RDA Bonds Debt Service Fund had a negative fund balance of \$939,497 and the Marina Operations had a negative fund balance of \$2,490. 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.

CITY OF SUISUN CITY
Notes to Basic Financial Statements
For the Year Ended June 30, 2011

NOTE 10 – NET ASSETS AND FUND BALANCES (Continued)

D. Fund Balance Classification Detail

	Major Funds					Total Governmental Funds
	General	Local Transportation Special Revenue	Redevelopment Low/Moderate Income Housing	Redevelopment Debt Service Fund	Other Governmental	
Nonspendable:						
Advances	\$ -	\$ -	\$ 6,901,505	\$ -	\$ -	\$ 6,901,505
Prepaid and other assets	11,652	-	1,011	-	32,844	45,507
Notes receivable	-	-	1,936,859	-	298,393	2,235,252
Restricted for:						
Housing programs	-	-	1,159,027	-	1,027,025	2,186,052
Debt service	-	-	-	5,978,382	470,300	6,448,682
Street and highways	-	1,111,438	-	-	3,843,574	4,955,012
Capital projects	-	-	-	-	1,914	1,914
Community development	-	-	-	-	172,658	172,658
Public Safety	-	-	-	-	163,974	163,974
Culture & recreation	-	-	-	-	64,927	64,927
Sewer maintenance	-	-	-	-	1,215,733	1,215,733
Special districts assessments	-	-	-	-	1,563,865	1,563,865
Committed for:						
Railroad Extension	1,047,100	-	-	-	-	1,047,100
Gateway Signage	215,000	-	-	-	-	215,000
Crytal School Site Dev	150,000	-	-	-	-	150,000
Assigned for:						
City Events	185,400	-	-	-	-	185,400
Capital projects	-	-	-	-	4,218,514	4,218,514
Public Safety	-	-	-	-	16,720	16,720
Community development	-	-	-	-	200,265	200,265
Other purpose	-	-	-	-	7,828	7,828
Unassigned for:						
General government	5,763,562	-	-	-	-	5,763,562
Public Safety	-	-	-	-	(3,454)	(3,454)
Culture & recreation	-	-	-	-	(2,490)	(2,490)
Debt Service	-	-	-	(6,917,879)	(2,750)	(6,920,629)
Total fund balance	\$ 7,372,714	\$ 1,111,438	\$ 9,998,402	\$ (939,497)	\$ 13,289,840	\$ 30,832,897

CITY OF SUISUN CITY
Notes to Basic Financial Statements
For the Year Ended June 30, 2011

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

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

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

All funds of the City participate in the program and make payments to the self-insurance fund based on estimates of amounts needed to pay prior and current year claims and to establish a reserve for catastrophe losses. The claims liability of \$638,242 reported in the fund at June 30, 2011 is based on accounting standards which require that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred and the amount of the loss can be reasonable estimated.

B. Liability for Uninsured Claims

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

	2011	2010
Beginning balance	\$ 577,644	\$ 817,196
Increase (Decrease) in current year claims and changes in estimates	377,774	(31,502)
Claims paid	(317,176)	(208,050)
Ending Balance	638,242	577,644
Current portion	243,906	188,208
Non-current portion	\$ 394,336	\$ 389,436

CITY OF SUISUN CITY
Notes to Basic Financial Statements
For the Year Ended June 30, 2011

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, 2011, are summarized as follows:

	<u>Safety - Fire</u>	<u>Safety - Police</u>	<u>Miscellaneous</u>
Benefit Vesting Schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	55	50	55
Monthly benefits, as % of annual salary	1.426% - 2.50%	3%	1.426% - 2.418%
Required employee contribution rates	7%	9%	7%
Required employer contribution rates	24.409%	34.708%	10.981%

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

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

<u>Year</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
2009	\$ 1,087,200.00	100%	\$ -
2010	1,124,400.00	100%	-
2011	1,182,877.00	100%	-

CALPERS uses the market related value method of valuing the Plan's assets. An investment rate of return of 7.75% is assumed, including inflation at 3.00%. Annual salary increases are assumed to vary by duration of service and annual retirement benefit increases are assumed to be 3.25%. 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, 2011 was 18 years for the miscellaneous plan, 19 years for the safety police plan, and 17 years for the safety fire plan.

CITY OF SUISUN CITY
Notes to Basic Financial Statements
For the Year Ended June 30, 2011

NOTE 12 – PENSION PLAN (Continued)

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

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

State-wide Pool - Safety Plan: Fire

Actuarial						
Valuation Date	Entry Age Accrued Liability	Value of Assets	Unfunded (Overfunded) Liability	Unfunded Ratio	Annual Covered Payroll	Unfunded (Overfunded) Liability as % of Payroll
2008	\$ 69,011,153	\$ 62,163,959	\$ 6,847,194	90.1%	\$ 21,538,000	31.8%
2009	73,625,106	63,095,026	10,530,080	85.7%	21,879,598	48.1%
2010	80,550,533	69,069,025	11,481,508	85.7%	21,754,150	52.8%

The City’s Safety Fire Plan represents approximately 1.05%, 1.04%, and 1.17% of the State-wide pool for the years ended June 30, 2010, 2009, and 2008, respectively, based on covered payroll of \$229,219, \$228,331, and \$252,099 for those years.

State-wide Pool - Safety Plan: Police

Actuarial						
Valuation Date	Entry Age Accrued Liability	Value of Assets	Unfunded (Overfunded) Liability	Unfunded Ratio	Annual Covered Payroll	Unfunded (Overfunded) Liability as % of Payroll
2008	\$ 8,700,467,733	\$ 7,464,927,716	\$ 1,235,540,017	85.8%	\$ 914,840,596	135.1%
2009	9,721,675,347	8,027,158,724	1,694,516,623	82.6%	973,814,168	174.0%
2010	10,167,475,166	8,470,235,152	1,697,240,014	83.3%	955,980,815	177.5%

The City’s Safety Police Plan represents approximately 0.17%, 0.14%, and 0.15% of the State-wide pool for the years ended June 30, 2010, 2009, and 2008, respectively, based on covered payroll of \$1,621,697, \$1,410,031 and \$1,348,462 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
2008	\$ 2,780,280,768	\$ 2,547,323,278	\$ 232,957,490	91.6%	\$ 688,606,681	33.8%
2009	3,104,798,222	2,758,511,101	346,287,121	88.8%	742,981,488	46.6%
2010	3,309,064,934	2,946,408,106	362,656,828	89.0%	748,401,352	48.5%

The City’s Miscellaneous Plan represents approximately 0.50%, 0.53%, and 0.53% of the State-wide pool for the years ended June 30, 2010, 2009, and 2008, respectively, based on covered payroll of \$3,718,257, \$3,920,345, and \$3,648,170 for those years.

CITY OF SUISUN CITY
Notes to Basic Financial Statements
For the Year Ended June 30, 2011

NOTE 13 – OTHER POST EMPLOYMENT BENEFITS

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

A. Plan Description and Funding Policy

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

B. Actuarial Assumptions

The annual required contribution (ARC) was determined as part of a June 30, 2011 actuarial valuation using the GASB 45 Alternative Measurement Method. This is a projected unit credit method, which takes into account those benefits that are expected to be earned in the future as well as those already accrued. The actuarial assumptions included (a) 2.0% investment rate of return, (b) 2.9% payroll growth rate, and (c) health care cost trend rates from 4.7% to 8.0% for medical benefits. Actuarially determined amounts are subject to revision at least tri-annually as results are compared to past expectations and new estimates are made about the future. The City's OPEB unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll using a 30 year amortization period on a closed basis.

C. Funding Progress and Funded Status

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

Annual Required Contribution	\$ 81,555
Interest on Net OPEB Obligation	1,005
Adjustment to Annual Required Contribution	(1,457)
Annual OPEB cost	81,102
Age Adjusted Contributions made	(12,600)
(Decrease) increase in net OPEB obligations	68,502
Net OPEB obligation (asset) June 30, 2010	50,222
Net OPEB obligation (asset) June 30, 2011	\$ 118,724

CITY OF SUISUN CITY
Notes to Basic Financial Statements
For the Year Ended June 30, 2011

NOTE 13 – OTHER POST EMPLOYMENT BENEFITS (Continued)

The actuarial accrued liability (AAL) representing the present value of future benefits, included in the actuarial study dated June 30, 2010 amounted to \$751,418.

The Plan's annual required contributions and actual contributions for fiscal year ended June 30, 2011 is set forth 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, 2011	\$ -	\$ 751,418	\$ 751,418	0.00%	\$ 5,825,400	12.90%

The Schedule of Funding Progress presents trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits. Trend data from the June 30, 2011 actuarial study is presented below:

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

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.

CITY OF SUISUN CITY
Notes to Basic Financial Statements
For the Year Ended June 30, 2011

NOTE 15 – TAX INCREMENT SHIFT TO SUPPLEMENTAL EDUCATIONAL REVENUE AUGMENTATION FUND (SERAF)

The State of California adopted AB26 4X in July 2009 which directs that a portion of the incremental property taxes received by redevelopment agencies, based on the property taxes received in fiscal year 2006-07, be paid instead to the County supplemental educational revenue augmentation fund (SERAF) in fiscal years 2009-10 and 2010-11. The State Department of Finance determines each authority's SERAF payment by November 15 of each year, and payments are due by May 10 of the applicable year. The Agency's RDA Bonds Debt Service Fund made its first SERAF payment in the amount of \$5,723,200 in fiscal year 2009-10. In fiscal year 2010-11, the SERAF payment was \$1,178,305. The \$6.9 million borrowed from the Agency's Housing set-aside Income Housing Fund is expected to be fully repaid by June 30, 2015. However, with the passing of AB X1 26, the payment of this interfund borrowing is subject to deliberation by the review committee.

NOTE 16 – RECENT CHANGES IN LEGISLATION AFFECTING CALIFORNIA REDEVELOPMENT AGENCIES

On June 29, 2011, the Governor of the State of California signed Assembly Bills X1 26 and 27 as part of the State's budget package. Assembly Bill X1 26 requires each California redevelopment agency to suspend nearly all activities except to implement existing contracts, meet already-incurred obligations, preserve its assets and prepare for the impending dissolution of the agency. Assembly Bill X1 27 provides a means for redevelopment agencies to continue to exist and operate by means of a Voluntary Alternative Redevelopment Program. Under this program, each city would adopt an ordinance agreeing to make certain payments to the County Auditor Controller in fiscal year 2011-12 and annual payments each fiscal year thereafter. Assembly Bill X1 27 indicates that the city "may use any available funds not otherwise obligated for other uses" to make this payment. The City of Suisun City had intended to use available monies of its redevelopment agency for this purpose and the City and Agency approved a reimbursement agreement to accomplish that objective.

Assembly Bill X1 26 directs the State Controller of the State of California to review the propriety of any transfers of assets between redevelopment agencies and other public bodies that occurred after January 1, 2011. If the public body that received such transfers is not contractually committed to a third party for the expenditure or encumbrance of those assets, the State Controller is required to order the available assets to be transferred to the public body designated as the successor agency by Assembly Bill X1 26. At a special joint meeting of the City of Suisun City and the Agency in FY2011, eighty four parcels (see Note 6 for details) were transferred from the Agency to the City of Suisun City pursuant to Section 33220(g) of the Health and Safety Code. Additionally, the City might be impacted if reimbursements previously paid by the Agency to the City for shared administrative services are reduced or eliminated.

The League of California Cities and the California Redevelopment Association (CRA) filed a lawsuit on July 18, 2011 on behalf of cities, counties and redevelopment agencies petitioning the California Supreme Court to overturn Assembly Bills X1 26 and 27 on the grounds that these bills violate the California Constitution. On August 11, 2011, the California Supreme Court issued a stay of all of Assembly Bill X1 27 and most of Assembly Bill X1 26. The California Supreme Court stated in its order that "the briefing schedule is designed to facilitate oral argument as early as possible in 2011, and a decision before January 15, 2012." A second order issued by the California Supreme Court on August 17, 2011 indicated that certain provisions of Assembly Bills X1 26 and 27 were still in effect and not affected by its previous stay, including requirements to file an appeal of the determination of the community remittance payment by August 15, the requirement to adopt an Enforceable Obligation Payment Schedule ("EOPS") by August 29, 2011, and the requirement to prepare a preliminary draft of the initial Recognized Obligation Payment Schedule ("ROPS") by September 30, 2011.

CITY OF SUISUN CITY
Notes to Basic Financial Statements
For the Year Ended June 30, 2011

NOTE 16 – RECENT CHANGES IN LEGISLATION AFFECTING CALIFORNIA REDEVELOPMENT AGENCIES (Continued)

Since the stay provided by Assembly Bill X1 26 only affects enforcement, each agency must adopt an Enforceable Obligation Payment Schedule (EOPS) and draft Recognized Obligation Payment Schedule (ROPS) prior to September 30, as required by the statute. Enforceable obligations include bonds, loans and payments required by the federal or State government; legally enforceable payments required in connection with agency employees such as pension payments and unemployment payments, judgments or settlements; legally binding and enforceable agreements or contracts; and contracts or agreements necessary for the continued administration or operation of the agency that are permitted for purposes set forth in AB X1 26.

On August 23, 2011, the Agency adopted the Enforceable Obligation payment Schedule (EOPS), and on September 20, 2011, the Agency adopted and amended EOPS. On September 20, 2011, the Agency made available to the public the Preliminary Draft of Recognized Obligation Payment Schedule (PDROPS).

On or about September 29, 2011, a Complaint for Declaratory and Injunctive Relief and Petition for Writ of Mandate was filed by the City of Cerritos and its Agency and other California cities and redevelopment agencies challenging the constitutionality of Assembly Bill X1 26 and 27. This action was filed with the Sacramento Superior Court.

On December 29, 2011, the California Supreme Court upheld that Assembly Bill X1 26 was constitutional. Assembly Bill X1 26 dissolves redevelopment agencies and redirects their property tax revenues. Assembly Bill X1 27 was struck down by the Supreme Court. This event causes substantial doubt about the Agency's ability to continue as a going concern.

The City and the Redevelopment Agency management is evaluating the impact of this event and the details of the outcome are not yet known.

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SUPPLEMENTAL INFORMATION

CITY OF SUISUN CITY
RDA-BONDS DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<u>Revenues:</u>				
Property taxes	\$ 11,200,000	\$ 11,200,000	\$ 11,478,307	\$ 278,307
Investment earnings	205,000	205,000	216,477	11,477
 Total Revenues	 <u>11,405,000</u>	 <u>11,405,000</u>	 <u>11,694,784</u>	 <u>289,784</u>
<u>Expenditures</u>				
Current:				
Tax increment pass-through	3,408,000	4,608,000	4,621,078	(13,078)
Principal on long-term debt	2,427,300	4,427,300	2,427,267	2,000,033
Interest and fiscal charges	2,581,600	2,581,600	2,595,224	(13,624)
 Total Expenditures	 <u>8,416,900</u>	 <u>11,616,900</u>	 <u>9,643,569</u>	 <u>1,973,331</u>
 EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	 <u>2,988,100</u>	 <u>(211,900)</u>	 <u>2,051,215</u>	 <u>2,263,115</u>
 OTHER FINANCING SOURCES (USES)				
Transfer in	817,300	4,127,300	5,551,398	1,424,098
Transfer (out)	<u>(5,803,200)</u>	<u>(9,886,300)</u>	<u>(7,202,092)</u>	<u>2,684,208</u>
 Total Other Financing Sources	 <u>(4,985,900)</u>	 <u>(5,759,000)</u>	 <u>(1,650,694)</u>	 <u>4,108,306</u>
 EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	 <u>\$ (1,997,800)</u>	 <u>\$ (5,970,900)</u>	 400,521	 <u>\$ 6,371,421</u>
 BEGINNING FUND BALANCES			 <u>(1,340,018)</u>	
 ENDING FUND BALANCES			 <u>\$ (939,497)</u>	

NON-MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

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

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

OFF-SITE STREET IMPROVEMENT - This fund accounts for Capital Improvement Fees generated by new development and expended on street improvement citywide.

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

WORKFORCE GRANTS - This program provides funding in support of development of affordable housing.

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

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

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

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

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

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

TRAFFIC CONGESTION RELIEF - A State of California Assembly Bill that provides funding for street and highway pavement maintenance, rehabilitation, and reconstruction of necessary associated facilities.

NON-MAJOR GOVERNMENTAL FUNDS (Continued)

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.

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-ACQ/ REHAB - 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.

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

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

DEBT SERVICE FUNDS

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

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

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

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

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

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

NON-MAJOR GOVERNMENTAL FUNDS (Continued)

CAPITAL PROJECTS FUNDS

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

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

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

1998/2003 TAX ALLOCATION BONDS - This fund accounts for the bond proceeds used for capital projects, including the new community center and other capital projects.

**CITY OF SUISUN CITY
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEETS
JUNE 30, 2011**

SPECIAL REVENUE FUNDS

	Special Gas Tax	Off-Site Street Improvement	AB 939	State Energy Program	Police Grants
<u>ASSETS:</u>					
Cash and investments	\$ -	\$ 3,738,900	\$ 160,671	\$ -	\$ 55
Cash with fiscal agent	-	-	-	-	-
Receivables:					
Accounts receivable, net	154,682	-	10,287	11,247	85,562
Developer agreement	-	-	-	-	-
Due from other funds	-	-	-	-	-
Interest receivable	-	-	-	-	-
Notes receivable, net	-	-	-	-	-
Prepaid items	-	-	-	-	-
Other assets	-	-	-	-	-
Total assets	<u>\$ 154,682</u>	<u>\$ 3,738,900</u>	<u>\$ 170,958</u>	<u>\$ 11,247</u>	<u>\$ 85,617</u>
<u>LIABILITIES:</u>					
Accounts payable	\$ 14,459	\$ -	\$ -	\$ -	\$ 446
Deferred revenues					
Unearned revenues	-	-	-	-	-
Due to other funds	35,549	-	-	9,333	84,180
Refundable deposits	-	-	-	-	-
Total Liabilities	<u>50,008</u>	<u>-</u>	<u>-</u>	<u>9,333</u>	<u>84,626</u>
<u>FUND BALANCES:</u>					
Nonspendable					
Notes receivable	-	-	-	-	-
Prepays	-	-	-	-	-
Restricted					
Debt service	-	-	-	-	-
Special projects & programs	104,674	3,738,900	170,958	1,914	991
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total Fund Balances	<u>104,674</u>	<u>3,738,900</u>	<u>170,958</u>	<u>1,914</u>	<u>991</u>
Total liabilities and fund balances	<u>\$ 154,682</u>	<u>\$ 3,738,900</u>	<u>\$ 170,958</u>	<u>\$ 11,247</u>	<u>\$ 85,617</u>

SPECIAL REVENUE FUNDS

CDBG Study Grant	JAG Grants	Fire Grants	Workforce Grant	Prop 49 Grant	Housing Authority Choice Vouchers	Housing Authority Administration	ATOD Grant
\$ 1,700	\$ 5,572	\$ 8,437	\$ -	\$ 64,947	\$ 466,389	\$ 440,676	\$ -
-	-	-	-	-	-	-	-
-	350	10,689	-	-	16,397	16,397	17,915
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	3,454	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 1,700</u>	<u>\$ 9,376</u>	<u>\$ 19,126</u>	<u>\$ -</u>	<u>\$ 64,947</u>	<u>\$ 482,786</u>	<u>\$ 457,073</u>	<u>\$ 17,915</u>
\$ -	\$ 9,026	\$ 13,368	\$ -	\$ 20	\$ -	\$ 300	\$ 1,026
-	-	-	-	-	-	-	-
-	350	5,758	-	-	-	-	13,577
-	-	-	-	-	-	-	-
-	<u>9,376</u>	<u>19,126</u>	<u>-</u>	<u>20</u>	<u>-</u>	<u>300</u>	<u>14,603</u>
-	-	-	-	-	-	-	-
-	3,454	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,700	-	-	-	64,927	482,786	456,773	3,312
-	-	-	-	-	-	-	-
-	(3,454)	-	-	-	-	-	-
<u>1,700</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>64,927</u>	<u>482,786</u>	<u>456,773</u>	<u>3,312</u>
<u>\$ 1,700</u>	<u>\$ 9,376</u>	<u>\$ 19,126</u>	<u>\$ -</u>	<u>\$ 64,947</u>	<u>\$ 482,786</u>	<u>\$ 457,073</u>	<u>\$ 17,915</u>

(Continued, next page)

**CITY OF SUISUN CITY
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEETS
JUNE 30, 2011**

	SPECIAL REVENUE FUNDS					
	Sewer Maintenance	Marina Operations	Traffic Congestion Relief	Boating Safety	Asset Forfeiture	DARE/ Donations
<u>ASSETS:</u>						
Cash and investments	\$ 1,216,807	\$ 2,823	\$ -	\$ -	\$ 8,760	\$ 6,379
Cash with fiscal agent	-	-	-	-	-	-
Receivables:						
Accounts receivable, net	-	296	-	42,984	-	-
Developer agreement	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Interest receivable	-	-	-	-	-	-
Notes receivable, net	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-
Other assets	-	15,005	-	-	-	-
Total assets	<u>\$ 1,216,807</u>	<u>\$ 18,124</u>	<u>\$ -</u>	<u>\$ 42,984</u>	<u>\$ 8,760</u>	<u>\$ 6,379</u>
<u>LIABILITIES:</u>						
Accounts payable	\$ 1,074	\$ 54	\$ -	\$ 783	\$ -	\$ -
Deferred revenues	-	-	-	-	-	-
Unearned revenues	-	-	-	-	-	-
Due to other funds	-	20,560	-	41,551	-	-
Refundable deposits	-	-	-	-	-	-
Total Liabilities	<u>1,074</u>	<u>20,614</u>	<u>-</u>	<u>42,334</u>	<u>-</u>	<u>-</u>
<u>FUND BALANCES:</u>						
Nonspendable						
Notes receivable	-	-	-	-	-	-
Prepays	-	-	-	-	-	-
Restricted						
Debt service	-	-	-	-	-	-
Special projects & programs	1,215,733	-	-	650	-	-
Assigned	-	-	-	-	8,760	6,379
Unassigned	-	(2,490)	-	-	-	-
Total Fund Balances	<u>1,215,733</u>	<u>(2,490)</u>	<u>-</u>	<u>650</u>	<u>8,760</u>	<u>6,379</u>
Total liabilities and fund balances	<u>\$ 1,216,807</u>	<u>\$ 18,124</u>	<u>\$ -</u>	<u>\$ 42,984</u>	<u>\$ 8,760</u>	<u>\$ 6,379</u>

SPECIAL REVENUE FUNDS

Nuisance Abatement	NSP Grant	Traffic Towing	Traffic Safety	SLESF Grant	School Resource Grant	Bureau Of Justice Vest Grant	RDA-Other Special Revenue-Funds	Special Assessment Districts
\$ 9,278	\$ 87,466	\$ 1,581	\$ 144,711	\$ -	\$ 2,539	\$ -	\$ 469,469	\$ 1,665,235
-	-	-	-	-	-	-	-	-
-	-	-	11,771	16,645	-	-	13,586	14,000
-	-	-	-	-	-	-	912,163	-
-	-	-	-	-	-	-	70,971	-
-	-	-	-	-	-	-	470	-
-	-	-	-	-	-	-	298,393	-
-	-	-	-	-	-	-	29,390	-
-	-	-	-	-	-	-	-	-
<u>\$ 9,278</u>	<u>\$ 87,466</u>	<u>\$ 1,581</u>	<u>\$ 156,482</u>	<u>\$ 16,645</u>	<u>\$ 2,539</u>	<u>\$ -</u>	<u>\$ 1,794,442</u>	<u>\$ 1,679,235</u>
\$ 1,450	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35,787	\$ 61,236
-	-	-	-	-	-	-	1,095,377	-
-	-	-	-	-	-	-	18,725	-
-	-	-	-	16,645	-	-	50,411	22,040
-	-	-	-	-	-	-	66,094	32,094
<u>1,450</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,645</u>	<u>-</u>	<u>-</u>	<u>1,266,394</u>	<u>115,370</u>
-	-	-	-	-	-	-	298,393	-
-	-	-	-	-	-	-	29,390	-
-	-	-	-	-	-	-	-	-
-	87,466	-	156,482	-	2,539	-	-	1,563,865
7,828	-	1,581	-	-	-	-	200,265	-
-	-	-	-	-	-	-	-	-
<u>7,828</u>	<u>87,466</u>	<u>1,581</u>	<u>156,482</u>	<u>-</u>	<u>2,539</u>	<u>-</u>	<u>528,048</u>	<u>1,563,865</u>
<u>\$ 9,278</u>	<u>\$ 87,466</u>	<u>\$ 1,581</u>	<u>\$ 156,482</u>	<u>\$ 16,645</u>	<u>\$ 2,539</u>	<u>\$ -</u>	<u>\$ 1,794,442</u>	<u>\$ 1,679,235</u>

(Continued, next page)

**CITY OF SUISUN CITY
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEETS
JUNE 30, 2011**

DEBT SERVICE FUNDS

ASSETS:	Highway 12 Bond	North Bay Aqueduct	Civic Center COP	Fire Truck Acquisition	Vehicle Lease
Cash and investments	\$ 64,330	\$ 8,357	\$ -	\$ 148,286	\$ 327
Cash with fiscal agent	-	-	249,000	-	-
Receivables:					
Accounts receivable, net	-	-	-	-	-
Developer agreement	-	-	-	-	-
Due from other funds	-	-	-	-	-
Interest receivable	-	-	-	-	-
Notes receivable, net	-	-	-	-	-
Prepaid items	-	-	-	-	-
Other assets	-	-	-	-	-
Total assets	<u>\$ 64,330</u>	<u>\$ 8,357</u>	<u>\$ 249,000</u>	<u>\$ 148,286</u>	<u>\$ 327</u>
LIABILITIES:					
Accounts payable	\$ -	\$ -	\$ 2,750	\$ -	\$ -
Deferred revenues	-	-	-	-	-
Unearned revenues	-	-	-	-	-
Due to other funds	-	-	-	-	-
Refundable deposits	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>2,750</u>	<u>-</u>	<u>-</u>
FUND BALANCES:					
Nonspendable					
Notes receivable	-	-	-	-	-
Prepays	-	-	-	-	-
Restricted					
Debt service	64,330	8,357	249,000	148,286	327
Special projects & programs	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	(2,750)	-	-
Total Fund Balances	<u>64,330</u>	<u>8,357</u>	<u>246,250</u>	<u>148,286</u>	<u>327</u>
Total liabilities and fund balances	<u>\$ 64,330</u>	<u>\$ 8,357</u>	<u>\$ 249,000</u>	<u>\$ 148,286</u>	<u>\$ 327</u>

CAPITAL PROJECTS FUNDS			Total
Park Development	Municipal Facilities Equipment	1998/2003 Tax Allocation Bonds	Non-Major Governmental Funds
\$ 1,248,234	\$ 2,983,328	\$ -	\$ 12,955,257
-	-	-	249,000
34,837	-	-	457,645
-	-	-	912,163
-	-	-	70,971
-	-	-	470
-	-	-	298,393
-	-	-	32,844
-	-	-	15,005
<u>\$ 1,283,071</u>	<u>\$ 2,983,328</u>	<u>\$ -</u>	<u>\$ 14,991,748</u>
\$ 47,885	\$ -	\$ -	\$ 189,664
-	-	-	1,095,377
-	-	-	18,725
-	-	-	299,954
-	-	-	98,188
<u>47,885</u>	<u>-</u>	<u>-</u>	<u>1,701,908</u>
-	-	-	298,393
-	-	-	32,844
-	-	-	-
-	-	-	470,300
-	-	-	8,053,670
1,235,186	2,983,328	-	4,443,327
-	-	-	(8,694)
<u>1,235,186</u>	<u>2,983,328</u>	<u>-</u>	<u>13,289,840</u>
<u>\$ 1,283,071</u>	<u>\$ 2,983,328</u>	<u>\$ -</u>	<u>\$ 14,991,748</u>

**CITY OF SUISUN CITY
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2011**

SPECIAL REVENUE FUNDS

	Special Gas Tax	Off-Site Street Improvement	AB 939	State Energy Program	Police Grants
REVENUES					
Taxes:					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	28,727	-	-
Fines and forfeits	-	-	-	-	-
Intergovernmental	729,560	-	12,864	11,247	180,910
Developer fees	-	20,669	-	-	-
Special assessments	-	-	-	-	-
Charges for services	-	-	-	-	-
Investment earnings	-	63,510	2,866	-	-
Miscellaneous	1,198	-	-	-	-
Total Revenues	<u>730,758</u>	<u>84,179</u>	<u>44,457</u>	<u>11,247</u>	<u>180,910</u>
Expenditures					
Current:					
General government	-	-	-	-	-
Public safety	-	-	-	-	186,402
Public works	-	-	50,271	-	-
Highways and streets	680,975	-	-	-	-
Culture and recreation	-	-	-	-	-
Community development	-	-	-	1,466	-
Capital outlay	-	-	-	7,867	-
Debt Service					
Principal	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Total Expenditures	<u>680,975</u>	<u>-</u>	<u>50,271</u>	<u>9,333</u>	<u>186,402</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES					
	<u>49,783</u>	<u>84,179</u>	<u>(5,814)</u>	<u>1,914</u>	<u>(5,492)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	170,000	-	-	-	6,066
Transfers (out)	(187,949)	(166,515)	-	-	(574)
Total Other Financing Sources (Uses)	<u>(17,949)</u>	<u>(166,515)</u>	<u>-</u>	<u>-</u>	<u>5,492</u>
NET CHANGE IN FUND BALANCES					
	31,834	(82,336)	(5,814)	1,914	-
BEGINNING FUND BALANCES					
	<u>72,840</u>	<u>3,821,236</u>	<u>176,772</u>	<u>-</u>	<u>991</u>
ENDING FUND BALANCES					
	<u>\$ 104,674</u>	<u>\$ 3,738,900</u>	<u>\$ 170,958</u>	<u>\$ 1,914</u>	<u>\$ 991</u>

SPECIAL REVENUE FUNDS

CDBG Study Grant	JAG Grants	Fire Grants	Workforce Grant	Prop 49 Grant	Housing Authority Choice Vouchers	Housing Authority Administration	ATOD Grant
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
29,150	55,908	24,698	-	96,695	2,574,132	991,070	87,579
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	1,188	4,909	7,457	-
-	-	-	-	-	21,505	21,531	-
<u>29,150</u>	<u>55,908</u>	<u>24,698</u>	<u>-</u>	<u>97,883</u>	<u>2,600,546</u>	<u>1,020,058</u>	<u>87,579</u>
-	-	-	-	-	2,448,432	1,015,771	-
-	35,502	37,598	-	-	-	-	115,818
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
29,550	-	-	(25,076)	81,924	-	-	-
-	20,406	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>29,550</u>	<u>55,908</u>	<u>37,598</u>	<u>(25,076)</u>	<u>81,924</u>	<u>2,448,432</u>	<u>1,015,771</u>	<u>115,818</u>
(400)	-	(12,900)	25,076	15,959	152,114	4,287	(28,239)
2,100	-	12,900	-	-	-	-	19,334
-	-	-	(34,710)	-	-	-	-
<u>2,100</u>	<u>-</u>	<u>12,900</u>	<u>(34,710)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,334</u>
1,700	-	-	(9,634)	15,959	152,114	4,287	(8,905)
-	-	-	9,634	48,968	330,672	452,486	12,217
<u>\$ 1,700</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 64,927</u>	<u>\$ 482,786</u>	<u>\$ 456,773</u>	<u>\$ 3,312</u>

CITY OF SUISUN CITY
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2011

SPECIAL REVENUE FUNDS

	Sewer Maintenance	Marina Operations	Traffic Congestion Relief	Boating Safety	Asset Forfeiture	DARE/ Donations
REVENUES						
Taxes:						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	1,393	-
Intergovernmental	-	-	-	69,417	-	-
Developer fees	-	-	-	-	-	-
Special assessments	357,018	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Investment earnings	23,080	-	422	-	141	116
Miscellaneous	-	54,928	-	-	-	60
Total Revenues	380,098	54,928	422	69,417	1,534	176
Expenditures						
Current:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	3,156
Public works	210,077	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Culture and recreation	-	58,465	-	49,570	-	-
Community development	-	-	-	-	-	-
Capital outlay	-	-	-	24,998	-	-
Debt Service						
Principal	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total Expenditures	210,077	58,465	-	74,568	-	3,156
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	170,021	(3,537)	422	(5,151)	1,534	(2,980)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	5,796	-	-
Transfers (out)	(450,000)	-	(196,450)	-	-	-
Total Other Financing Sources (Uses)	(450,000)	-	(196,450)	5,796	-	-
NET CHANGE IN FUND BALANCES	(279,979)	(3,537)	(196,028)	645	1,534	(2,980)
BEGINNING FUND BALANCES	1,495,712	1,047	196,028	5	7,226	9,359
ENDING FUND BALANCES	\$ 1,215,733	\$ (2,490)	\$ -	\$ 650	\$ 8,760	\$ 6,379

SPECIAL REVENUE FUNDS

Nuisance Abatement	NSP Grant	Traffic Towing	Traffic Safety	SLESF Grant	School Resource Grant	Bureau Of Justice Vest Grant	RDA-Other Special Revenue-Funds	Special Assessment Districts
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-
-	144,015	-	153,008	100,000	42,000	1,745	-	14,000
5,394	-	-	-	-	-	-	-	1,699,512
7,200	-	42,248	-	-	-	-	310,567	-
-	708	-	1,891	-	-	-	6,993	22,131
-	994,870	-	-	-	-	-	81,462	7,500
<u>12,594</u>	<u>1,139,593</u>	<u>42,248</u>	<u>154,899</u>	<u>100,000</u>	<u>42,000</u>	<u>1,745</u>	<u>399,022</u>	<u>1,743,143</u>
-	-	-	-	-	-	-	1,076,493	-
11,841	-	183	-	100,000	42,000	2,926	205,954	-
-	-	-	-	-	-	-	-	1,054,867
-	-	-	-	-	-	-	-	50,438
-	1,005,692	-	-	-	-	-	271,070	-
-	-	-	-	-	-	-	762,039	-
-	-	-	-	-	-	-	114,297	62,352
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>11,841</u>	<u>1,005,692</u>	<u>183</u>	<u>-</u>	<u>100,000</u>	<u>42,000</u>	<u>2,926</u>	<u>2,429,853</u>	<u>1,167,657</u>
753	133,901	42,065	154,899	-	-	(1,181)	(2,030,831)	575,486
-	-	-	-	-	-	602	2,563,711	287,819
-	-	(42,064)	(105,000)	-	-	-	(732,082)	(641,839)
-	-	(42,064)	(105,000)	-	-	602	1,831,629	(354,020)
753	133,901	1	49,899	-	-	(579)	(199,202)	221,466
7,075	(46,435)	1,580	106,583	-	2,539	579	727,250	1,342,399
<u>\$ 7,828</u>	<u>\$ 87,466</u>	<u>\$ 1,581</u>	<u>\$ 156,482</u>	<u>\$ -</u>	<u>\$ 2,539</u>	<u>\$ -</u>	<u>\$ 528,048</u>	<u>\$ 1,563,865</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, 2011**

DEBT SERVICE FUNDS

	Highway 12 Bond	North Bay Aqueduct	Civic Center COP	Fire Truck Acquisition	Vehicle Lease
REVENUES					
Taxes:					
Property taxes	\$ 311,368	\$ 73,447	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Developer fees	-	-	-	-	-
Special assessments	-	-	-	-	-
Charges for services	-	-	-	-	-
Investment earnings	38	366	-	3,361	-
Miscellaneous	-	-	55,222	-	-
Total Revenues	<u>311,406</u>	<u>73,813</u>	<u>55,222</u>	<u>3,361</u>	<u>-</u>
Expenditures					
Current:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Public works	-	-	-	-	-
Highways and streets	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Community development	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt Service					
Principal	200,000	73,640	205,000	93,357	27,518
Interest and fiscal charges	121,506	-	54,180	23,837	932
Total Expenditures	<u>321,506</u>	<u>73,640</u>	<u>259,180</u>	<u>117,194</u>	<u>28,450</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES					
	<u>(10,100)</u>	<u>173</u>	<u>(203,958)</u>	<u>(113,833)</u>	<u>(28,450)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	203,300	-	28,300
Transfers (out)	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>203,300</u>	<u>-</u>	<u>28,300</u>
NET CHANGE IN FUND BALANCES					
	<u>(10,100)</u>	<u>173</u>	<u>(657)</u>	<u>(113,833)</u>	<u>(150)</u>
BEGINNING FUND BALANCES					
	<u>74,430</u>	<u>8,184</u>	<u>246,907</u>	<u>262,119</u>	<u>477</u>
ENDING FUND BALANCES					
	<u>\$ 64,330</u>	<u>\$ 8,357</u>	<u>\$ 246,250</u>	<u>\$ 148,286</u>	<u>\$ 327</u>

CAPITAL PROJECTS FUNDS

Park Development	Municipal Facilities and Equipment	1998/2003 Tax Allocation Bonds	Total Non-Major Governmental Funds
\$ -	\$ -	\$ -	\$ 384,815
-	-	-	28,727
-	-	-	154,401
-	-	-	5,164,990
1,562	2,332	-	24,563
-	-	-	2,061,924
-	-	-	360,015
23,268	14,626	6,574	183,645
-	-	-	1,238,276
<u>24,830</u>	<u>16,958</u>	<u>6,574</u>	<u>9,601,356</u>
198,781	-	-	4,739,477
-	-	-	729,539
-	-	-	1,327,056
-	-	-	731,413
109,396	-	-	570,425
-	-	-	1,773,671
3,868	-	7,098	240,886
-	-	-	599,515
-	-	-	200,455
<u>312,045</u>	<u>-</u>	<u>7,098</u>	<u>10,912,437</u>
<u>(287,215)</u>	<u>16,958</u>	<u>(524)</u>	<u>(1,311,081)</u>
200,992	697,920	-	4,198,840
(31,884)	(2,399,329)	(407,281)	(5,395,677)
<u>169,108</u>	<u>(1,701,409)</u>	<u>(407,281)</u>	<u>(1,196,837)</u>
(118,107)	(1,684,451)	(407,805)	(2,507,917)
<u>1,353,293</u>	<u>4,667,779</u>	<u>407,805</u>	<u>15,797,757</u>
<u>\$ 1,235,186</u>	<u>\$ 2,983,328</u>	<u>\$ -</u>	<u>\$ 13,289,840</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, 2011**

SPECIAL REVENUE FUNDS

	SPECIAL GAS TAX			OFF-SITE STREET IMPROVEMENT		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
Revenues:						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Intergovernmental revenue	666,600	729,560	62,960	-	-	-
Developer fees	-	-	-	1,150,000	20,669	(1,129,331)
Special assessments	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Investment earnings	-	-	-	80,000	63,510	(16,490)
Reimbursements	-	-	-	-	-	-
Miscellaneous revenue	-	1,198	1,198	-	-	-
Total Revenues	666,600	730,758	64,158	1,230,000	84,179	(1,145,821)
Expenditures						
Current:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Public works	-	-	-	-	-	-
Highways and streets	683,200	680,975	2,225	-	-	-
Building services	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Community development	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Debt Service:						
Principal on long-term debt	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total Expenditures	683,200	680,975	2,225	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(16,600)	49,783	66,383	1,230,000	84,179	(1,145,821)
OTHER FINANCING SOURCES (USES)						
Payment from advances	-	-	-	-	-	-
Transfer in	170,000	170,000	-	-	-	-
Transfer (out)	(188,000)	(187,949)	51	(167,000)	(166,515)	485
Total Other Financing Sources	(18,000)	(17,949)	51	(167,000)	(166,515)	485
NET CHANGE IN FUND BALANCES	\$ (34,600)	31,834	\$ 66,434	\$ 1,063,000	(82,336)	\$ (1,145,336)
BEGINNING FUND BALANCES		72,840			3,821,236	
ENDING FUND BALANCES		\$ 104,674			\$ 3,738,900	

(CONTINUED)

SPECIAL REVENUE FUNDS

AB 939			STATE ENERGY PROGRAM			POLICE GRANTS		
Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
25,000	28,727	3,727	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
10,000	12,864	2,864	151,800	11,247	(140,553)	286,300	180,910	(105,390)
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
2,900	2,866	(34)	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>37,900</u>	<u>44,457</u>	<u>6,557</u>	<u>151,800</u>	<u>11,247</u>	<u>(140,553)</u>	<u>286,300</u>	<u>180,910</u>	<u>(105,390)</u>
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	292,300	186,402	105,898
54,500	50,271	4,229	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	1,466	(1,466)	(2,932)	-	2,932
-	-	-	-	-	-	-	-	-
-	-	-	151,800	7,867	143,933	136,066	-	(136,066)
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>54,500</u>	<u>50,271</u>	<u>4,229</u>	<u>151,800</u>	<u>9,333</u>	<u>142,467</u>	<u>425,434</u>	<u>186,402</u>	<u>(27,236)</u>
<u>(16,600)</u>	<u>(5,814)</u>	<u>10,786</u>	<u>-</u>	<u>1,914</u>	<u>1,914</u>	<u>(139,134)</u>	<u>(5,492)</u>	<u>133,642</u>
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	6,000	6,066	66
-	-	-	-	-	-	-	(574)	(574)
-	-	-	-	-	-	6,000	5,492	(508)
<u>\$ (16,600)</u>	<u>(5,814)</u>	<u>\$ 10,786</u>	<u>\$ -</u>	<u>1,914</u>	<u>\$ 1,914</u>	<u>\$ (133,134)</u>	<u>-</u>	<u>\$ 133,134</u>
	<u>176,772</u>			<u>-</u>			<u>991</u>	
	<u>\$ 170,958</u>			<u>\$ 1,914</u>			<u>\$ 991</u>	

(CONTINUED)

**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, 2011**

SPECIAL REVENUE FUNDS

	CDBG STUDY GRANT			JAG GRANTS		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
Revenues:						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Intergovernmental revenue	70,000	29,150	(40,850)	52,200	55,908	3,708
Developer fees	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Investment earnings	-	-	-	-	-	-
Reimbursements	-	-	-	-	-	-
Miscellaneous revenue	-	-	-	-	-	-
Total Revenues	70,000	29,150	(40,850)	52,200	55,908	3,708
Expenditures						
Current:						
General government	-	-	-	-	-	-
Public safety	-	-	-	75,600	35,502	40,098
Public works	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Building services	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Community development	72,100	29,550	42,550	-	-	-
Intergovernmental	-	-	-	-	-	-
Capital outlay	-	-	-	-	20,406	(20,406)
Debt Service:	-	-	-	-	-	-
Principal on long-term debt	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total Expenditures	72,100	29,550	42,550	75,600	55,908	19,692
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(2,100)	(400)	1,700	(23,400)	-	23,400
OTHER FINANCING SOURCES (USES)						
Payment from advances	-	-	-	-	-	-
Transfer in	2,100	2,100	-	-	-	-
Transfer (out)	-	-	-	-	-	-
Total Other Financing Sources	2,100	2,100	-	-	-	-
NET CHANGE IN FUND BALANCES	\$ -	1,700	\$ 1,700	\$ (23,400)	-	\$ 23,400
BEGINNING FUND BALANCES		-			-	
ENDING FUND BALANCES		\$ 1,700			\$ -	

SPECIAL REVENUE FUNDS

FIRE GRANTS			WORKFORCE GRANTS			PROP 49 GRANT		
Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
45,700	24,698	(21,002)	-	-	-	108,000	96,695	(11,305)
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	2,000	1,188	(812)
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>45,700</u>	<u>24,698</u>	<u>(21,002)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>110,000</u>	<u>97,883</u>	<u>(12,117)</u>
-	-	-	-	-	-	-	-	-
58,100	37,598	20,502	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	85,000	81,924	3,076
-	-	-	-	(25,076)	25,076	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>58,100</u>	<u>37,598</u>	<u>20,502</u>	<u>-</u>	<u>(25,076)</u>	<u>25,076</u>	<u>85,000</u>	<u>81,924</u>	<u>3,076</u>
<u>(12,400)</u>	<u>(12,900)</u>	<u>(500)</u>	<u>-</u>	<u>25,076</u>	<u>25,076</u>	<u>25,000</u>	<u>15,959</u>	<u>(9,041)</u>
-	-	-	-	-	-	-	-	-
12,900	12,900	-	-	-	-	-	-	-
-	-	-	(9,700)	(34,710)	(25,010)	-	-	-
<u>12,900</u>	<u>12,900</u>	<u>-</u>	<u>(9,700)</u>	<u>(34,710)</u>	<u>(25,010)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 500</u>	<u>-</u>	<u>\$ (500)</u>	<u>\$ (9,700)</u>	<u>(9,634)</u>	<u>\$ 66</u>	<u>\$ 25,000</u>	<u>15,959</u>	<u>\$ (9,041)</u>
-	-	-	-	9,634	-	-	48,968	-
<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>\$ 64,927</u>	<u>-</u>	<u>-</u>

(CONTINUED)

**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, 2011**

	SPECIAL REVENUE FUNDS								
	HOUSING AUTHORITY-CHOICE VOUCHERS			HOUSING AUTHORITY ADMINISTRATION			ATOD GRANT		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
Revenues:									
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-	-
Intergovernmental revenue	-	-	-	-	-	-	-	-	-
Developer fees	2,970,000	2,574,132	(395,868)	955,800	991,070	35,270	98,000	87,579	(10,421)
Special assessments	-	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-	-
Investment earnings	-	-	-	-	-	-	-	-	-
Reimbursements	2,000	4,909	2,909	7,000	7,457	457	-	-	-
Miscellaneous revenue	-	-	-	-	-	-	-	-	-
	10,000	21,505	11,505	8,000	21,531	13,531	-	-	-
Total Revenues	2,982,000	2,600,546	(381,454)	970,800	1,020,058	49,258	98,000	87,579	(10,421)
Expenditures									
Current:									
General government	3,059,800	2,448,432	611,368	1,403,700	1,015,771	387,929	-	-	-
Public safety	-	-	-	-	-	-	186,800	115,818	70,982
Public works	-	-	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-	-	-
Building services	-	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-	-
Community development	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-
Debt Service:	-	-	-	-	-	-	-	-	-
Principal on long-term debt	-	-	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-	-	-
Total Expenditures	3,059,800	2,448,432	611,368	1,403,700	1,015,771	387,929	186,800	115,818	70,982
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(77,800)	152,114	229,914	(432,900)	4,287	437,187	(88,800)	(28,239)	60,561
OTHER FINANCING SOURCES (USES)									
Payment from advances	-	-	-	-	-	-	-	-	-
Transfer in	-	-	-	-	-	-	88,900	19,334	(69,566)
Transfer (out)	-	-	-	-	-	-	-	-	-
Total Other Financing Sources	-	-	-	-	-	-	88,900	19,334	(69,566)
NET CHANGE IN FUND BALANCES	\$ (77,800)	152,114	\$ 229,914	\$ (432,900)	4,287	\$ 437,187	\$ 100	(8,905)	\$ (9,005)
BEGINNING FUND BALANCES		330,672			452,486			12,217	
ENDING FUND BALANCES		\$ 482,786			\$ 456,773			\$ 3,312	

SPECIAL REVENUE FUNDS

SEWER MAINTENANCE			MARINA OPERATIONS			TRAFFIC CONGESTION RELIEF		
Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	280,800	-	(280,800)
315,000	357,018	42,018	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
25,000	23,080	(1,920)	-	-	-	1,000	422	(578)
-	-	-	-	-	-	-	-	-
-	-	-	100,000	54,928	(45,072)	-	-	-
<u>340,000</u>	<u>380,098</u>	<u>40,098</u>	<u>100,000</u>	<u>54,928</u>	<u>(45,072)</u>	<u>281,800</u>	<u>422</u>	<u>(281,378)</u>
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
321,600	210,077	111,523	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	89,900	58,465	31,435	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>321,600</u>	<u>210,077</u>	<u>111,523</u>	<u>89,900</u>	<u>58,465</u>	<u>31,435</u>	<u>-</u>	<u>-</u>	<u>-</u>
18,400	170,021	151,621	10,100	(3,537)	(13,637)	281,800	422	(281,378)
-	-	-	-	-	-	-	-	-
(450,000)	(450,000)	-	-	-	-	(364,400)	(196,450)	167,950
<u>(450,000)</u>	<u>(450,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(364,400)</u>	<u>(196,450)</u>	<u>167,950</u>
<u>\$ (431,600)</u>	<u>(279,979)</u>	<u>\$ 151,621</u>	<u>\$ 10,100</u>	<u>(3,537)</u>	<u>\$ (13,637)</u>	<u>\$ (82,600)</u>	<u>(196,028)</u>	<u>\$ (113,428)</u>
	1,495,712			1,047			196,028	
	<u>\$ 1,215,733</u>			<u>\$ (2,490)</u>			<u>\$ -</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, 2011**

SPECIAL REVENUE FUNDS									
	BOATING SAFETY			ASSET FORFEITURE			DARE/DONATIONS		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
Revenues:									
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	100	1,393	1,293	-	-	-
Intergovernmental revenue	70,800	69,417	(1,383)	-	-	-	-	-	-
Developer fees	-	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-	-
Investment earnings	-	-	-	100	141	41	200	116	(84)
Reimbursements	-	-	-	-	-	-	-	-	-
Miscellaneous revenue	-	-	-	-	-	-	-	60	60
Total Revenues	<u>70,800</u>	<u>69,417</u>	<u>(1,383)</u>	<u>200</u>	<u>1,534</u>	<u>1,334</u>	<u>200</u>	<u>176</u>	<u>(24)</u>
Expenditures									
Current:									
General government	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	7,400	-	7,400	8,500	3,156	5,344
Public works	-	-	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-	-	-
Building services	-	-	-	-	-	-	-	-	-
Culture and recreation	50,600	49,570	1,030	-	-	-	-	-	-
Community development	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-
Capital outlay	27,000	24,998	2,002	-	-	-	-	-	-
Debt Service:	-	-	-	-	-	-	-	-	-
Principal on long-term debt	-	-	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-	-	-
Total Expenditures	<u>77,600</u>	<u>74,568</u>	<u>3,032</u>	<u>7,400</u>	<u>-</u>	<u>7,400</u>	<u>8,500</u>	<u>3,156</u>	<u>5,344</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(6,800)</u>	<u>(5,151)</u>	<u>1,649</u>	<u>(7,200)</u>	<u>1,534</u>	<u>8,734</u>	<u>(8,300)</u>	<u>(2,980)</u>	<u>5,320</u>
OTHER FINANCING SOURCES (USES)									
Payment from advances	-	-	-	-	-	-	-	-	-
Transfer in	6,800	5,796	(1,004)	-	-	-	-	-	-
Transfer (out)	-	-	-	-	-	-	-	-	-
Total Other Financing Sources	<u>6,800</u>	<u>5,796</u>	<u>(1,004)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u>\$ -</u>	<u>645</u>	<u>\$ 645</u>	<u>\$ (7,200)</u>	<u>1,534</u>	<u>\$ 8,734</u>	<u>\$ (8,300)</u>	<u>(2,980)</u>	<u>\$ 5,320</u>
BEGINNING FUND BALANCES		<u>5</u>			<u>7,226</u>			<u>9,359</u>	
ENDING FUND BALANCES		<u>\$ 650</u>			<u>\$ 8,760</u>			<u>\$ 6,379</u>	

SPECIAL REVENUE FUNDS

NUISANCE ABATEMENT			NSP GRANT			TRAFFIC TOWING		
Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	50,000	144,015	94,015	-	-	-
-	-	-	-	-	-	-	-	-
-	5,394	5,394	-	-	-	-	-	-
1,700	7,200	5,500	-	-	-	77,000	42,248	(34,752)
-	-	-	-	708	708	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	956,000	994,870	38,870	-	-	-
<u>1,700</u>	<u>12,594</u>	<u>10,894</u>	<u>1,006,000</u>	<u>1,139,593</u>	<u>133,593</u>	<u>77,000</u>	<u>42,248</u>	<u>(34,752)</u>
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	183	(183)
12,000	11,841	159	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	1,006,000	1,005,692	308	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>12,000</u>	<u>11,841</u>	<u>159</u>	<u>1,006,000</u>	<u>1,005,692</u>	<u>308</u>	<u>-</u>	<u>183</u>	<u>(183)</u>
(10,300)	753	11,053	-	133,901	133,901	77,000	42,065	(34,935)
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	(77,000)	(42,064)	34,936
-	-	-	-	-	-	(77,000)	(42,064)	34,936
<u>\$ (10,300)</u>	<u>753</u>	<u>\$ 11,053</u>	<u>\$ -</u>	<u>133,901</u>	<u>\$ 133,901</u>	<u>\$ -</u>	<u>1</u>	<u>\$ 1</u>
	<u>7,075</u>			<u>(46,435)</u>			<u>1,580</u>	
	<u>\$ 7,828</u>			<u>\$ 87,466</u>			<u>\$ 1,581</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, 2011**

SPECIAL REVENUE FUNDS

	TRAFFIC SAFETY			SLESF GRANT			SCHOOL RESOURCE GRANT		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
Revenues:									
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-	-
Fines and forfeits	105,000	153,008	48,008	-	-	-	-	-	-
Intergovernmental revenue	-	-	-	100,000	100,000	-	42,000	42,000	-
Developer fees	-	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-	-
Investment earnings	500	1,891	1,391	-	-	-	-	-	-
Reimbursements	-	-	-	-	-	-	-	-	-
Miscellaneous revenue	-	-	-	-	-	-	-	-	-
Total Revenues	105,500	154,899	49,399	100,000	100,000	-	42,000	42,000	-
Expenditures									
Current:									
General government	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	100,000	100,000	-	44,500	42,000	2,500
Public works	-	-	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-	-	-
Building services	-	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-	-
Community development	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-
Debt Service:									
Principal on long-term debt	-	-	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-	-	-
Total Expenditures	-	-	-	100,000	100,000	-	44,500	42,000	2,500
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	105,500	154,899	49,399	-	-	-	(2,500)	-	2,500
OTHER FINANCING SOURCES (USES)									
Payment from advances	-	-	-	-	-	-	-	-	-
Transfer in	-	-	-	-	-	-	-	-	-
Transfer (out)	(105,000)	(105,000)	-	-	-	-	-	-	-
Total Other Financing Sources	(105,000)	(105,000)	-	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES	\$ 500	49,899	\$ 49,399	\$ -	-	\$ -	\$ (2,500)	-	\$ 2,500
BEGINNING FUND BALANCES		106,583			-			2,539	
ENDING FUND BALANCES		\$ 156,482			\$ -			\$ 2,539	

SPECIAL REVENUE FUNDS

BUREAU OF JUSTICE VEST GRANT			RDA-OTHER SPECIAL REVENUE			SPECIAL ASSESSMENTS DISTRICS		
Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
2,000	1,745	(255)	-	-	-	14,000	14,000	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	1,701,300	1,699,512	(1,788)
-	-	-	-	-	-	-	-	-
-	-	-	1,200	6,993	5,793	14,700	22,131	7,431
-	-	-	-	-	-	-	-	-
-	-	-	414,000	392,029	(21,971)	7,500	7,500	-
2,000	1,745	(255)	415,200	399,022	(16,178)	1,737,500	1,743,143	5,643
-	-	-	1,315,300	1,076,493	238,807	-	-	-
3,000	2,926	74	211,800	205,954	5,846	-	-	-
-	-	-	-	-	-	1,309,000	1,054,867	254,133
-	-	-	-	-	-	50,500	50,438	62
-	-	-	-	-	-	-	-	-
-	-	-	355,800	271,070	84,730	-	-	-
-	-	-	573,900	762,039	(188,139)	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	249,200	114,297	134,903	200,000	62,352	137,648
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
3,000	2,926	74	2,706,000	2,429,853	276,147	1,559,500	1,167,657	391,843
(1,000)	(1,181)	(181)	(2,290,800)	(2,030,831)	259,969	178,000	575,486	397,486
-	-	-	-	-	-	-	-	-
1,000	602	(398)	2,898,800	2,563,711	(335,089)	287,700	287,819	119
-	-	-	(681,600)	(732,082)	(50,482)	(640,900)	(641,839)	(939)
1,000	602	(398)	2,217,200	1,831,629	(385,571)	(353,200)	(354,020)	(820)
\$ -	(579)	\$ (579)	\$ (73,600)	(199,202)	\$ (125,602)	\$ (175,200)	221,466	\$ 396,666
	579			727,250			1,342,399	
\$ -	\$ -		\$ 528,048				\$ 1,563,865	

**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, 2011**

DEBT SERVICE FUNDS

	HIGHWAY 12 BOND			NORTH BAY AQUEDUCT		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
Revenues:						
Property taxes	\$ 286,000	\$ 311,368	\$ 25,368	\$ 67,600	\$ 73,447	\$ 5,847
Licenses and permits	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Intergovernmental revenue	-	-	-	-	-	-
Developer fees	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Investment earnings	100	38	(62)	100	366	266
Reimbursements	-	-	-	-	-	-
Miscellaneous revenue	-	-	-	-	-	-
Total Revenues	286,100	311,406	25,306	67,700	73,813	6,113
Expenditures						
Current:						
General government	300	-	300	-	-	-
Public safety	-	-	-	-	-	-
Public works	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Building services	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Community development	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Debt Service:						
Principal on long-term debt	200,000	200,000	-	73,700	73,640	60
Interest and fiscal charges	122,100	121,506	594	-	-	-
Total Expenditures	322,400	321,506	894	73,700	73,640	60
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(36,300)	(10,100)	26,200	(6,000)	173	6,173
OTHER FINANCING SOURCES (USES)						
Payment from advances	-	-	-	-	-	-
Transfer in	-	-	-	-	-	-
Transfer (out)	-	-	-	-	-	-
Total Other Financing Sources	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES	\$ (36,300)	(10,100)	\$ 26,200	\$ (6,000)	173	\$ 6,173
BEGINNING FUND BALANCES		74,430			8,184	
ENDING FUND BALANCES		\$ 64,330			\$ 8,357	

DEBT SERVICE FUNDS

CIVIC CENTER			FIRE TRUCK ACQUISITION			VEHICLE LEASE		
Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	385,000	-	(385,000)	-	-	-
-	-	-	-	-	-	-	-	-
100	-	(100)	4,000	3,361	(639)	-	-	-
-	-	-	-	-	-	-	-	-
56,100	55,222	(878)	-	-	-	-	-	-
56,200	55,222	(978)	389,000	3,361	(385,639)	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
205,000	205,000	-	93,400	93,357	43	27,600	27,518	(82)
54,500	54,180	320	562,500	23,837	538,663	1,000	932	(68)
259,500	259,180	320	655,900	117,194	538,706	28,600	28,450	(150)
(203,300)	(203,958)	(658)	(266,900)	(113,833)	153,067	(28,600)	(28,450)	150
-	-	-	-	-	-	-	-	-
203,300	203,300	-	-	-	-	28,300	28,300	-
-	-	-	-	-	-	-	-	-
203,300	203,300	-	-	-	-	28,300	28,300	-
\$ -	(658)	\$ (658)	\$ (266,900)	(113,833)	\$ 153,067	\$ (300)	(150)	\$ 150
	246,907			262,119			477	
	\$ 246,249			\$ 148,286			\$ 327	

**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, 2011**

CAPITAL PROJECT FUNDS

	PARK DEVELOPMENT			MUNICIPAL FACILITIES AND EQUIPMENT			1998/2003 TAX ALLOCATION BONDS		
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
			Positive (Negative)			Positive (Negative)			Positive (Negative)
Revenues:									
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-	-
Intergovernmental revenue	685,000	-	(685,000)	-	-	-	-	-	-
Developer fees	71,000	1,562	(69,438)	76,000	2,332	(73,668)	-	-	-
Special assessments	-	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-	-
Investment earnings	15,000	23,268	8,268	10,000	14,626	4,626	5,000	6,574	1,574
Reimbursements	-	-	-	-	-	-	-	-	-
Miscellaneous revenue	-	-	-	-	-	-	-	-	-
Total Revenues	771,000	24,830	(746,170)	86,000	16,958	(69,042)	5,000	6,574	1,574
Expenditures									
Current:									
General government	270,000	198,781	71,219	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-	-	-
Building services	-	-	-	-	-	-	-	-	-
Culture and recreation	126,200	109,395	16,805	-	-	-	-	-	-
Community development	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-
Capital outlay	735,000	3,868	731,132	-	-	-	6,000	7,098	(1,098)
Debt Service:	-	-	-	-	-	-	-	-	-
Principal on long-term debt	-	-	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-	-	-
Total Expenditures	1,131,200	312,044	819,156	-	-	-	6,000	7,098	(1,098)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(360,200)	(287,214)	72,986	86,000	16,958	(69,042)	(1,000)	(524)	476
OTHER FINANCING SOURCES (USES)									
Payment from advances	-	-	-	-	-	-	-	-	-
Transfer in	300,000	200,992	(99,008)	2,936,700	697,920	(2,238,780)	-	-	-
Transfer (out)	(31,900)	(31,884)	16	(151,500)	(2,399,329)	(2,247,829)	(408,000)	(407,281)	719
Total Other Financing Sources	268,100	169,108	(98,992)	2,785,200	(1,701,409)	(4,486,609)	(408,000)	(407,281)	719
NET CHANGE IN FUND BALANCES	\$ (92,100)	(118,106)	\$ (26,006)	\$ 2,871,200	(1,684,451)	\$ (4,555,651)	\$ (409,000)	(407,805)	\$ 1,195
BEGINNING FUND BALANCES		1,353,293			4,667,779			407,805	
ENDING FUND BALANCES		\$ 1,235,187			\$ 2,983,328			\$ -	

INTERNAL SERVICE FUNDS

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

MOTOR VEHICLE REPAIR FUND

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

MOTOR VEHICLE REPLACEMENT FUND

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

NETWORK MAINTENANCE FUND

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

PUBLIC WORKS OPERATING COST FUND

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

SELF-INSURANCE FUND

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

**CITY OF SUISUN CITY
INTERNAL SERVICE FUNDS
COMBINING STATEMENTS OF NET ASSETS
JUNE 30, 2011**

	Motor Vehicle Repair Fund	Motor Vehicle Replacement Fund	Network Maintenance Fund	Public Works Operating Cost Fund	Self-Insurance Funds	Total
ASSETS						
Current Assets:						
Cash and investments	\$ 155,848	\$ 1,108,387	\$ 128,097	\$ 3,093	\$ 811,221	\$ 2,206,646
Other assets	10,931	-	-	-	-	10,931
Total Current Assets	<u>166,779</u>	<u>1,108,387</u>	<u>128,097</u>	<u>3,093</u>	<u>811,221</u>	<u>2,217,577</u>
Non-Current Assets:						
Advance to other funds						
Capital assets, net	-	629,117	19,761	-	-	648,878
Total Non-Current Assets	<u>-</u>	<u>629,117</u>	<u>19,761</u>	<u>-</u>	<u>-</u>	<u>648,878</u>
Total Assets	<u>166,779</u>	<u>1,737,504</u>	<u>147,858</u>	<u>3,093</u>	<u>811,221</u>	<u>2,866,455</u>
LIABILITIES						
Current Liabilities:						
Accounts payable	8,605	-	7,114	3,087	10,440	29,246
Claims Payable	-	-	-	-	243,906	243,906
Total Current Liabilities	<u>8,605</u>	<u>-</u>	<u>7,114</u>	<u>3,087</u>	<u>254,346</u>	<u>273,152</u>
Non-Current Liabilities:						
Claims Payable					394,336	394,336
Total Liabilities	<u>8,605</u>	<u>-</u>	<u>7,114</u>	<u>3,087</u>	<u>648,682</u>	<u>667,488</u>
NET ASSETS						
Invested in capital assets	-	629,117	19,761	-	-	648,878
Assigned	158,174	1,108,387	120,983	6	162,539	1,550,089
Total Net Assets	<u>\$ 158,174</u>	<u>\$ 1,737,504</u>	<u>\$ 140,744</u>	<u>\$ 6</u>	<u>\$ 162,539</u>	<u>\$ 2,198,967</u>

**CITY OF SUISUN CITY
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
FOR THE FISCAL YEAR ENDED 30, 2011**

	Motor Vehicle Repair Fund	Motor Vehicle Replacement Fund	Network Maintenance Fund	Public Works Operating Cost Fund	Self-Insurance Funds	Total
Operating Revenues:						
Charges to City departments	\$ 191,800	\$ 128,100	\$ 186,800	\$ 1,186,782	\$ 535,606	\$ 2,229,088
Miscellaneous revenue	-	-	-	-	28,965	28,965
Total Revenues	<u>191,800</u>	<u>128,100</u>	<u>186,800</u>	<u>1,186,782</u>	<u>564,571</u>	<u>2,258,053</u>
Operating Expenditures:						
Salaries and benefits	54,223	17,778	137,891	1,045,474	111,955	1,367,321
Services and supplies	80,964	-	61,802	140,055	387,388	670,209
Claims and settlements	-	-	-	-	317,176	317,176
Depreciation	-	106,597	10,828	-	-	117,425
Total expenditures	<u>135,187</u>	<u>124,375</u>	<u>210,521</u>	<u>1,185,529</u>	<u>816,519</u>	<u>2,472,131</u>
Operating income	<u>56,613</u>	<u>3,725</u>	<u>(23,721)</u>	<u>1,253</u>	<u>(251,948)</u>	<u>(214,078)</u>
Nonoperating revenue (expense):						
Interest income	2,041	17,922	2,273	-	13,101	35,337
Interest expense	-	-	-	(1,253)	-	(1,253)
Total Nonoperating revenue (expense):	<u>2,041</u>	<u>17,922</u>	<u>2,273</u>	<u>(1,253)</u>	<u>13,101</u>	<u>34,084</u>
Changes in net assets	58,654	21,647	(21,448)	-	(238,847)	(179,994)
Net assets, beginning of year	99,520	1,715,857	162,192	6	401,386	2,378,961
Net assets, end of year	<u>\$ 158,174</u>	<u>\$ 1,737,504</u>	<u>\$ 140,744</u>	<u>\$ 6</u>	<u>\$ 162,539</u>	<u>\$ 2,198,967</u>

**CITY OF SUISUN CITY
INTERNAL SERVICE FUNDS
COMBINING STATEMENTS OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

	Motor Vehicle Repair Fund	Motor Vehicle Replacement Fund	Network Maintenance Fund	Public Works Operating Cost Fund	Self-Insurance Funds	Total
CASH FLOWS FROM OPERATING ACTIVITIES						
Cash received from customers/departments	\$ 191,800	\$ 128,100	\$ 186,800	\$ 1,186,782	\$ 564,571	\$ 2,258,053
Cash paid to suppliers	(75,375)	-	(57,129)	(143,963)	(656,073)	(932,540)
Cash paid to employees	(54,223)	(17,778)	(137,891)	(1,045,474)	(111,955)	(1,367,321)
Net cash provided by operating activities	<u>62,202</u>	<u>110,322</u>	<u>(8,220)</u>	<u>(2,655)</u>	<u>(203,457)</u>	<u>(41,808)</u>
CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Purchase of capital assets	-	(68,500)	(15,448)	-	-	(83,948)
Cash Flows from Capital and Related Financing Activities	<u>-</u>	<u>(68,500)</u>	<u>(15,448)</u>	<u>-</u>	<u>-</u>	<u>(83,948)</u>
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest	2,041	17,922	2,273	(1,253)	13,101	34,084
Cash Flows from Investing Activities	<u>2,041</u>	<u>17,922</u>	<u>2,273</u>	<u>(1,253)</u>	<u>13,101</u>	<u>34,084</u>
Net Cash Flows	64,243	59,744	(21,395)	(3,908)	(190,356)	(91,672)
Cash and investments at beginning of period	91,605	1,048,643	149,493	7,001	1,001,577	2,298,319
Cash and cash equivalents at end of period	<u>155,848</u>	<u>1,108,387</u>	<u>128,097</u>	<u>3,093</u>	<u>811,221</u>	<u>2,206,646</u>
Reconciliation of operating income (loss) to net cash flows from operating activities:						
Operating income (loss)	56,613	3,725	(23,721)	1,253	(251,948)	(214,078)
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:						
Depreciation	-	106,597	10,828	-	-	117,425
Change in assets and liabilities:						
Accounts payable and claims payable	5,589	-	4,673	(3,908)	48,490	54,844
Cash Flows from Operating Activities	<u>\$ 62,202</u>	<u>\$ 110,322</u>	<u>\$ (8,220)</u>	<u>\$ (2,655)</u>	<u>\$ (203,457)</u>	<u>\$ (41,808)</u>

AGENCY FUNDS

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

CASA DE SUISUN

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

REC/COM PROGRAMS

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

ASSET FORFEITURE

This fund accounts for funds forfeited by the Police Department.

SCHOOL IMPACT FEES

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

PUBLIC ARTS & BID

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

STRONG MOTION FEES

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

SOLANO COUNTY TRUST

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

TRANSIT TICKETS

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

EVENT TICKETS

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

VICTORIAN HARBOR ASSESSMENT DISTRICT

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

SEWER DISTRICT TRUST

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

SOLANO GARBAGE

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

AGENCY FUNDS (Continued)

SOLID WASTE

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

CBSC – SB 1473

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

HARBOR PLAZA TRASH

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

JAG GRANT

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

JAG GRANT II

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

SUISUN-SOLANO WATER AGENCY

This fund accounts for the funds collected in behalf of SSWA

CITY OF SUISUN CITY
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Balance June 30, 2010	Additions	Deletions	Balance June 30, 2011
<u>Casa de Suisun</u>				
<u>ASSETS:</u>				
Cash and investments	\$ 90,124	\$ -	\$ (4,553)	\$ 85,571
Assessments receivable	-	-	-	-
Interest receivable	-	-	-	-
Total assets	<u>\$ 90,124</u>	<u>\$ -</u>	<u>\$ (4,553)</u>	<u>\$ 85,571</u>
<u>LIABILITIES:</u>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Payable to City of Suisun	-	-	-	-
Deposits payable	-	-	-	-
Due to other agencies	90,124	-	(4,553)	85,571
Total Liabilities	<u>\$ 90,124</u>	<u>\$ -</u>	<u>\$ (4,553)</u>	<u>\$ 85,571</u>
<u>Rec/Com Programs</u>				
<u>ASSETS:</u>				
Cash and investments	\$ 19,450	\$ 11,449	\$ (8,621)	\$ 22,278
Assessments receivable	-	-	-	-
Interest receivable	-	-	-	-
Total assets	<u>\$ 19,450</u>	<u>\$ 11,449</u>	<u>\$ (8,621)</u>	<u>\$ 22,278</u>
<u>LIABILITIES:</u>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Payable to City of Suisun	-	-	-	-
Deposits payable	-	-	-	-
Due to other agencies	19,450	2,828	-	22,278
Total Liabilities	<u>\$ 19,450</u>	<u>\$ 2,828</u>	<u>\$ -</u>	<u>\$ 22,278</u>
<u>Asset Forfeiture</u>				
<u>ASSETS:</u>				
Cash and investments	\$ 6,624	\$ -	\$ -	\$ 6,624
Assessments receivable	-	-	-	-
Interest receivable	-	-	-	-
Total assets	<u>\$ 6,624</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,624</u>
<u>LIABILITIES:</u>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Payable to City of Suisun	-	-	-	-
Deposits payable	-	-	-	-
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
AGENCY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Balance June 30, 2010	Additions	Deletions	Balance June 30, 2011
<u>School Impact Fees</u>				
<u>ASSETS:</u>				
Cash and investments	\$ 5	\$ 7,283	\$ (2,430)	\$ 4,858
Assessments receivable	3,298			3,298
Interest receivable	-	-	-	-
Total assets	<u>\$ 3,303</u>	<u>\$ 7,283</u>	<u>\$ (2,430)</u>	<u>\$ 8,156</u>
<u>LIABILITIES:</u>				
Accounts payable	\$ -	\$ 2,430	\$ (2,430)	\$ -
Payable to City of Suisun	-	-	-	-
Deposits payable	-	-	-	-
Due to other agencies	3,303	7,283	(2,430)	8,156
Total Liabilities	<u>\$ 3,303</u>	<u>\$ 9,713</u>	<u>\$ (4,860)</u>	<u>\$ 8,156</u>
<u>Public Arts and Bid</u>				
<u>ASSETS:</u>				
Cash and investments	\$ 150	\$ 16,320	\$ (16,070)	\$ 400
Assessments receivable	-	-	-	-
Interest receivable	-	-	-	-
Total assets	<u>\$ 150</u>	<u>\$ 16,320</u>	<u>\$ (16,070)</u>	<u>\$ 400</u>
<u>LIABILITIES:</u>				
Accounts payable	\$ -	\$ 16,470	\$ (16,070)	\$ 400
Payable to City of Suisun	-	-	-	-
Deposits payable	-	-	-	-
Due to other agencies	150	16,320	(16,470)	-
Total Liabilities	<u>\$ 150</u>	<u>\$ 32,790</u>	<u>\$ (32,540)</u>	<u>\$ 400</u>
<u>Strong Motion Fees</u>				
<u>ASSETS:</u>				
Cash and investments	\$ 107	\$ 2,933	\$ (767)	\$ 2,273
Assessments receivable	-	-	-	-
Interest receivable	-	-	-	-
Total assets	<u>\$ 107</u>	<u>\$ 2,933</u>	<u>\$ (767)</u>	<u>\$ 2,273</u>
<u>LIABILITIES:</u>				
Accounts payable	\$ 107	\$ 693	\$ (800)	\$ -
Payable to City of Suisun	-	-	-	-
Deposits payable	-	-	-	-
Due to other agencies	-	2,966	(693)	2,273
Total Liabilities	<u>\$ 107</u>	<u>\$ 3,659</u>	<u>\$ (1,493)</u>	<u>\$ 2,273</u>

CITY OF SUISUN CITY
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Balance June 30, 2010	Additions	Deletions	Balance June 30, 2011
<u>Solano County Trust</u>				
<u>ASSETS:</u>				
Cash and investments	\$ -	\$ 8,910	\$ -	\$ 8,910
Assessments receivable	-	-	-	-
Interest receivable	-	-	-	-
Total assets	<u>\$ -</u>	<u>\$ 8,910</u>	<u>\$ -</u>	<u>\$ 8,910</u>
<u>LIABILITIES:</u>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Payable to City of Suisun	-	-	-	-
Deposits payable	-	-	-	-
Due to other agencies	-	8,910	-	8,910
Total Liabilities	<u>\$ -</u>	<u>\$ 8,910</u>	<u>\$ -</u>	<u>\$ 8,910</u>
<u>Transit Tickets</u>				
<u>ASSETS:</u>				
Cash and investments	\$ 615	\$ 4,185	\$ (3,695)	\$ 1,105
Assessments receivable	-	-	-	-
Interest receivable	-	-	-	-
Total assets	<u>\$ 615</u>	<u>\$ 4,185</u>	<u>\$ (3,695)</u>	<u>\$ 1,105</u>
<u>LIABILITIES:</u>				
Accounts payable	\$ 80	\$ 3,312	\$ (3,392)	\$ -
Payable to City of Suisun	-	-	-	-
Deposits payable	-	-	-	-
Due to other agencies	535	4,037	(3,467)	1,105
Total Liabilities	<u>\$ 615</u>	<u>\$ 7,349</u>	<u>\$ (6,859)</u>	<u>\$ 1,105</u>
<u>Event Tickets</u>				
<u>ASSETS:</u>				
Cash and investments	\$ 640	\$ -	\$ -	\$ 640
Assessments receivable	-	-	-	-
Interest receivable	-	-	-	-
Total assets	<u>\$ 640</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 640</u>
<u>LIABILITIES:</u>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Payable to City of Suisun	-	-	-	-
Deposits payable	-	-	-	-
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
AGENCY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Balance June 30, 2010	Additions	Deletions	Balance June 30, 2011
<u>Victorian Harbor Assessment District</u>				
<u>ASSETS:</u>				
Cash and investments	\$ 92,365	\$ 57,584	\$ (51,945)	\$ 98,004
Assessments receivable	-	-	-	-
Interest receivable	-	-	-	-
Total assets	<u>\$ 92,365</u>	<u>\$ 57,584</u>	<u>\$ (51,945)</u>	<u>\$ 98,004</u>
<u>LIABILITIES:</u>				
Accounts payable	\$ -	\$ 4,033	\$ (4,033)	\$ -
Payable to City of Suisun	-	-	-	-
Deposits payable	-	-	-	-
Due to other agencies	92,365	5,639	-	98,004
Total Liabilities	<u>\$ 92,365</u>	<u>\$ 9,672</u>	<u>\$ (4,033)</u>	<u>\$ 98,004</u>
<u>Sewer District Trust</u>				
<u>ASSETS:</u>				
Cash and investments	\$ 248,586	\$ 2,453,646	\$ (2,449,593)	\$ 252,639
Assessments receivable	276,144	3,051,120	(3,036,900)	290,364
Interest receivable	-	-	-	-
Total assets	<u>\$ 524,730</u>	<u>\$ 5,504,766</u>	<u>\$ (5,486,493)</u>	<u>\$ 543,003</u>
<u>LIABILITIES:</u>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Payable to City of Suisun	-	-	-	-
Deposits payable	-	-	-	-
Due to other agencies	524,730	3,064,115	(3,045,842)	543,003
Total Liabilities	<u>\$ 524,730</u>	<u>\$ 3,064,115</u>	<u>\$ (3,045,842)</u>	<u>\$ 543,003</u>
<u>Solano Garbage</u>				
<u>ASSETS:</u>				
Cash and investments	\$ 155,709	\$ 133,081	\$ (155,709)	\$ 133,081
Assessments receivable	-	-	-	-
Interest receivable	-	-	-	-
Total assets	<u>\$ 155,709</u>	<u>\$ 133,081</u>	<u>\$ (155,709)</u>	<u>\$ 133,081</u>
<u>LIABILITIES:</u>				
Accounts payable	\$ 155,709	\$ 133,081	\$ (155,709)	\$ 133,081
Payable to City of Suisun	-	-	-	-
Deposits payable	-	-	-	-
Due to other agencies	-	-	-	-
Total Liabilities	<u>\$ 155,709</u>	<u>\$ 133,081</u>	<u>\$ (155,709)</u>	<u>\$ 133,081</u>

CITY OF SUISUN CITY
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Balance June 30, 2010	Additions	Deletions	Balance June 30, 2011
<u>Solid Waste</u>				
<u>ASSETS:</u>				
Cash and investments	\$ 4,223	\$ -	\$ -	\$ 4,223
Assessments receivable	-	-	-	-
Interest receivable	-	-	-	-
Total assets	<u>\$ 4,223</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,223</u>
<u>LIABILITIES:</u>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Payable to City of Suisun	-	-	-	-
Deposits payable	-	-	-	-
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	\$ 108	\$ 845	\$ (442)	\$ 511
Assessments receivable	-	-	-	-
Interest receivable	-	-	-	-
Total assets	<u>\$ 108</u>	<u>\$ 845</u>	<u>\$ (442)</u>	<u>\$ 511</u>
<u>LIABILITIES:</u>				
Accounts payable	\$ 108	\$ 429	\$ (537)	\$ -
Payable to City of Suisun	-	-	-	-
Deposits payable	-	-	-	-
Due to other agencies	-	940	(429)	511
Total Liabilities	<u>\$ 108</u>	<u>\$ 1,369</u>	<u>\$ (966)</u>	<u>\$ 511</u>
<u>Harbor Plaza Trash</u>				
<u>ASSETS:</u>				
Cash and investments	\$ -	\$ 26,980	\$ (26,460)	\$ 520
Assessments receivable	4,594	28,476	(28,841)	4,229
Interest receivable	-	-	-	-
Total assets	<u>\$ 4,594</u>	<u>\$ 55,456</u>	<u>\$ (55,301)</u>	<u>\$ 4,749</u>
<u>LIABILITIES:</u>				
Accounts payable	\$ 136	\$ 28,161	\$ (28,161)	\$ 136
Payable to City of Suisun	-	-	-	-
Deposits payable	-	-	-	-
Due to other agencies	4,458	28,897	(28,742)	4,613
Total Liabilities	<u>\$ 4,594</u>	<u>\$ 57,058</u>	<u>\$ (56,903)</u>	<u>\$ 4,749</u>

CITY OF SUISUN CITY
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Balance June 30, 2010	Additions	Deletions	Balance June 30, 2011
<u>JAG Grant</u>				
<u>ASSETS:</u>				
Cash and investments	\$ 609,999	\$ 30,954	\$ (419,838)	\$ 221,115
Assessments receivable	-	-	-	-
Interest receivable	-	-	-	-
Total assets	<u>\$ 609,999</u>	<u>\$ 30,954</u>	<u>\$ (419,838)</u>	<u>\$ 221,115</u>
<u>LIABILITIES:</u>				
Accounts payable	\$ 102,024	\$ 505,128	\$ (427,514)	\$ 179,638
Payable to City of Suisun	-	-	-	-
Deposits payable	-	-	-	-
Due to other agencies	507,975	50,230	(516,728)	41,477
Total Liabilities	<u>\$ 609,999</u>	<u>\$ 555,358</u>	<u>\$ (944,242)</u>	<u>\$ 221,115</u>
<u>JAG II Grant</u>				
<u>ASSETS:</u>				
Cash and investments	\$ 195,722	\$ 8,979	\$ (66,022)	\$ 138,679
Assessments receivable	-	-	-	-
Interest receivable	-	-	-	-
Total assets	<u>\$ 195,722</u>	<u>\$ 8,979</u>	<u>\$ (66,022)</u>	<u>\$ 138,679</u>
<u>LIABILITIES:</u>				
Accounts payable	\$ 46,951	\$ 135,603	\$ (46,951)	\$ 135,603
Payable to City of Suisun	-	-	-	-
Deposits payable	-	-	-	-
Due to other agencies	148,771	3,309	(149,004)	3,076
Total Liabilities	<u>\$ 195,722</u>	<u>\$ 138,912</u>	<u>\$ (195,955)</u>	<u>\$ 138,679</u>
<u>Suisun-Solano Water Agency</u>				
<u>ASSETS:</u>				
Cash and investments	\$ 11,441,023	\$ 71,610	\$ -	\$ 11,512,633
cash with fiscal agent	813,305	8,456	-	821,761
Assessments receivable	698,583	-	(15,134)	683,449
Interest receivable	-	-	-	-
Total assets	<u>\$ 12,952,911</u>	<u>\$ 80,066</u>	<u>\$ (15,134)</u>	<u>\$ 13,017,843</u>
<u>LIABILITIES:</u>				
Accounts payable	\$ 211,456	\$ -	\$ (13,567)	\$ 197,889
Payable to City of Suisun	-	-	-	-
Deposits payable	-	-	-	-
Due to other agencies	12,741,455	78,499	-	12,819,954
Total Liabilities	<u>\$ 12,952,911</u>	<u>\$ 78,499</u>	<u>\$ (13,567)</u>	<u>\$ 13,017,843</u>

CITY OF SUISUN CITY
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Balance</u> <u>June 30, 2010</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2011</u>
<u>Combined Totals</u>				
Cash and investments	\$ 12,865,450	\$ 2,834,759	\$ (3,206,145)	\$ 12,494,064
Cash with fiscal agent	813,305	8,456	-	821,761
Assessments receivable	982,619	3,079,596	(3,080,875)	981,339
Total assets	<u>\$ 14,661,374</u>	<u>\$ 5,922,811</u>	<u>\$ (6,287,020)</u>	<u>\$ 14,297,165</u>
<u>LIABILITIES:</u>				
Accounts payable	\$ 516,571	\$ 829,340	\$ (699,164)	\$ 646,747
Due to other agencies	14,144,803	3,273,973	(3,768,358)	13,650,418
Total Liabilities	<u>\$ 14,661,374</u>	<u>\$ 4,103,313</u>	<u>\$ (4,467,522)</u>	<u>\$ 14,297,165</u>

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STATISTICAL SECTION

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

Financial Trends

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

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

Revenue Capacity

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

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

Debt Capacity

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

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

Demographic and Economic Information

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

1. Demographic Statistics
2. Principal Employers

Operating Information

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

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

Sources

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

**CITY OF SUISUN CITY
NET ASSET BY COMPONENT
LAST NINE FISCAL YEARS**

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

Source: Financial Statements

Note: The City of Suisun City implemented GASB 34 for the fiscal year ended June 30, 2003. Information prior to the implementation of GASB 34 is not available. Ten years of historical data is the preferred presentation, but only 9 years are presented in this report because comparable data was not available for years prior to 2003.

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

	Fiscal Year								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
Expenses:									
Governmental activities:									
General government	\$ 3,556,316	\$ 3,836,626	\$ 4,354,512	\$ 5,692,605	\$ 5,244,020	\$ 6,785,352	\$ 7,236,203	\$ 15,431,040	\$ 11,311,026
Public safety	4,349,512	4,339,980	4,685,740	5,251,632	5,861,374	6,324,288	6,363,693	6,356,448	6,562,319
Public works	1,620,099	1,859,194	592,499	691,932	2,966,551	3,342,076	3,638,323	3,205,912	2,571,579
Highways and streets	524,651	640,412	626,094	1,438,421	3,014,295	3,296,699	3,740,463	2,739,175	2,793,630
Building services	239,631	254,554	267,083	344,430	651,340	1,010,367	792,348	832,962	553,654
Culture and recreation	1,568,088	1,321,671	1,101,420	2,011,975	1,870,837	2,355,217	2,316,094	2,255,968	2,201,925
Community development	8,601,001	7,093,672	6,430,496	7,756,666	5,645,108	7,167,225	4,537,598	1,924,490	3,081,116
Interest on long-term debt	4,761,158	5,773,905	4,106,121	4,042,990	3,598,258	3,745,638	3,899,396	3,922,503	3,674,323
Depreciation - unallocated	3,624,882	3,617,719	5,196,026	5,593,909	-	-	-	-	-
Total Governmental activities expenses	28,845,338	28,737,733	27,359,991	32,824,560	28,851,782	34,026,862	32,524,118	36,668,497	32,749,572
Program Revenues:									
Charges for services:									
General government	1,593,715	1,981,754	1,843,284	2,096,939	1,407,458	2,567,517	2,740,062	2,507,689	2,549,941
Public safety	263,638	389,582	359,496	697,476	319,940	748,481	312,754	810,646	497,122
Public works	218,030	612,747	589,803	624,341	2,216,104	639,941	517,821	718,775	772,921
Highways & streets	367,076	1,732,932	2,394,708	1,553,808	2,334,759	879,344	342,901	894,102	891,925
Building services	202,515	59,231	298,204	41,298	317,863	18,164	53,089	19,630	177,336
Culture & recreation	380,680	744,000	471,208	1,094,006	1,196,929	1,350,270	1,332,502	842,178	1,166,700
Community development	-	-	1,785,045	1,917,728	283,191	2,344,049	1,477,067	314,293	622,638
Operating grants and contribution	1,126,389	1,530,089	4,427,312	4,471,342	4,568,940	4,059,537	6,477,075	8,118,611	7,668,640
Capital grants and contributions	1,500,437	3,857,913	2,221,756	639,070	2,537,781	1,834,313	5,098,395	1,438,277	633,925
Total Governmental program revenues	5,652,480	10,908,248	14,390,816	13,136,008	15,182,965	14,441,616	18,351,666	15,664,201	14,981,148
Net revenues (expense)	(23,192,858)	(17,829,485)	(12,969,175)	(19,688,552)	(13,668,817)	(19,585,246)	(14,172,452)	(21,004,296)	(17,768,424)
General revenues:									
Taxes:									
Property taxes	10,946,689	12,206,723	13,851,307	16,169,408	19,875,251	21,238,878	18,302,548	13,400,389	13,120,638
Sales taxes	872,810	869,220	914,679	1,049,626	1,042,944	982,667	954,945	885,450	859,750
Intergovernmental revenue-unrestricted	8,416,554	4,816,580	2,181,199	2,133,868	-	-	-	-	-
Gain on sale of capital asset	-	-	-	2,022,353	2,580,539	-	-	407,246	851,796
Investment earnings	584,675	610,872	807,935	1,274,550	1,945,746	1,797,494	1,347,807	912,493	651,672
Miscellaneous revenue	2,627,968	2,037,240	1,638,781	2,366,770	2,211,492	502,082	-	-	719,754
Total general revenues	23,448,696	20,540,635	19,393,901	25,016,575	27,655,972	24,521,121	20,605,300	15,605,578	16,203,610
Changes in net assets	\$ 255,838	\$ 2,711,150	\$ 6,424,727	\$ 5,328,022	\$ 13,987,155	\$ 4,935,875	\$ 6,432,848	\$ (5,398,718)	\$ (1,564,814)

Source: Financial statements

Note: The City of Suisun City implemented GASB 34 for the fiscal year ended June 30, 2003. Information prior to the implementation of GASB 34 is not available. This schedule contain trend information to help the reader understand how the City's financial performance and well being have changed over time.

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

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

Source: City Financial Statements

Note: The City has implemented GASB 54 effective fiscal year ending June 30, 2010.

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 NINE FISCAL YEARS**

	Fiscal Year								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
Revenues:									
Taxes:									
Property taxes	\$ 10,946,689	\$ 12,206,723	\$ 13,851,307	\$ 16,169,408	\$ 19,875,251	\$ 18,758,360	\$ 18,302,548	\$ 13,400,389	\$ 13,120,638
Sales taxes	872,810	869,220	914,679	1,049,626	1,042,944	982,667	954,945	885,450	859,750
Licenses and permits	1,009,731	1,229,456	1,363,143	1,301,409	1,526,909	1,282,790	1,186,684	1,220,182	1,155,074
Fines and forfeits	116,658	130,013	180,576	214,948	263,533	225,420	211,881	224,397	386,036
Intergovernmental revenue	8,416,554	8,497,755	9,281,068	7,244,280	6,648,135	8,201,756	11,620,296	9,024,843	7,604,602
Developer fees	1,500,437	1,917,161	1,400,453	984,385	1,140,627	615,649	310,548	-	24,563
Special assessments	814,135	931,278	1,010,339	1,074,125	1,579,243	1,669,407	315,946	1,950,477	2,061,924
Charges for services	908,578	1,312,337	1,574,921	1,673,418	1,873,012	2,161,569	3,398,653	2,415,639	2,019,060
Investment earnings	584,675	610,872	784,362	1,289,785	1,945,746	1,797,494	1,347,807	912,493	618,464
Reimbursements	1,302,941	1,202,276	590,008	881,923	2,953,283	1,964,620	75,489	75,000	75,000
Miscellaneous revenue	2,438,596	2,402,748	3,372,954	2,359,838	1,453,612	822,139	2,335,599	596,429	2,765,766
Total revenues	28,911,804	31,309,839	34,323,810	34,243,143	40,302,295	38,481,871	40,060,396	30,705,299	30,690,877
Expenditures:									
Current:									
General government	5,429,124	5,456,726	5,644,970	6,512,605	7,365,359	6,748,235	6,414,336	6,341,061	6,574,212
Public safety	4,186,959	4,339,980	4,637,904	4,931,225	5,795,287	6,220,072	6,351,947	6,254,866	6,361,385
Public works	454,647	438,698	545,517	503,832	2,141,410	2,215,153	1,679,017	1,629,560	1,754,874
Highways and streets	605,848	640,412	445,455	1,290,203	1,185,064	1,331,444	2,037,459	1,523,707	808,796
Building services	236,737	254,554	289,169	326,663	408,029	471,634	252,908	264,142	335,910
Culture and recreation	1,302,991	1,321,671	1,236,637	1,433,707	1,439,984	2,154,353	2,195,208	2,123,400	1,739,236
Community development	3,388,448	2,567,907	1,802,302	3,207,946	7,033,542	3,614,524	1,442,042	2,152,997	3,664,635
Tax increment pass-through	2,476,268	2,905,665	3,661,145	4,254,358	3,978,311	4,264,044	4,017,407	9,067,551	4,621,078
Capital outlay	4,449,870	3,881,546	5,294,548	1,087,217	6,081,255	2,788,405	12,654,625	7,921,267	1,066,343
Principal on long-term debt	2,041,124	47,456,183	2,551,920	2,711,640	3,861,196	2,802,499	2,945,450	4,506,630	3,041,254
Interest on long-term debt	4,189,979	5,366,741	3,314,200	3,244,340	3,113,824	2,975,528	3,083,869	3,087,114	2,795,679
Total expenditures	28,761,995	74,630,083	29,423,767	29,503,736	42,403,261	35,585,891	43,074,268	44,872,295	32,763,400
Revenue Over (Under) expenditures	149,809	(43,320,244)	4,900,043	4,739,407	(2,100,966)	2,895,980	(3,013,872)	(14,166,996)	(2,072,522)
Other Financing Sources (Uses):									
Debt Proceeds	570,000	51,880,000	-	-	-	-	700,000	-	-
Sale of capital assets	-	-	-	825,975	2,580,539	400,000	540,000	3,539,956	851,796
Transfer in	6,894,820	7,398,257	6,629,672	7,102,679	10,404,010	8,641,623	13,571,886	12,930,268	15,557,006
Transfer out	(6,355,406)	(7,178,254)	(6,726,002)	(7,102,679)	(10,404,010)	(8,758,623)	(13,677,859)	(12,930,268)	(15,557,006)
Total other financing sources (uses)	1,109,414	52,100,003	(96,330)	825,975	2,580,539	283,000	1,134,027	3,539,956	851,796
Net Change in fund balance	\$ 1,259,223	\$ 8,779,759	\$ 4,803,713	\$ 5,565,382	\$ 479,573	\$ 3,178,980	\$ (1,879,845)	\$(10,627,040)	\$(1,220,726)
Debt service as a percentage of non-capital expenditures	34.5%	294.7%	32.1%	26.5%	23.8%	21.4%	24.7%	25.9%	22.6%

Source: City Financial Statements

Note: 1. The City of Suisun City has elected to show only nine years of data for this schedule.

2. The property tax in lieu of VLF for FY 06-07 is classified under property tax, whereas in other years, it was shown as intergovernmental revenue. The amount received fro FY 06-07 is \$2,028,639.

3. 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) <hr/> Net Assessed Market Value	Personal Property (1) <hr/> Net Assessed Market Value	Total (1) <hr/> Net Assessed Market Value	Direct Tax Rate	Increase (Decrease) in Market Value
2001-02	\$ 1,183,173	\$ 21,728	\$ 1,204,901	n/a	9.5%
2002-03	1,286,828	21,230	1,308,058	n/a	8.6%
2003-04	1,411,206	21,457	1,432,663	n/a	9.5%
2004-05	1,590,952	23,293	1,614,245	1.116%	12.7%
2005-06	1,836,303	25,495	1,861,798	1.106%	15.3%
2006-07	2,079,531	27,107	2,106,638	1.100%	13.2%
2007-08	2,317,947	23,037	2,340,984	1.095%	11.1%
2008-09	2,193,381	21,618	2,214,999	1.097%	-5.4%
2009-10	1,757,782	19,903	1,777,685	1.260%	-19.7%
2010-11	1,713,239	19,305	1,732,544	0.000%	-2.5%

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
2001-02	630	630	100.0%	0.0%
2002-03	824	824	100.0%	0.0%
2003-04	880	880	100.0%	0.0%
2004-05	1,137	1,137	100.0%	0.0%
2005-06	1,286	1,286	100.0%	0.0%
2006-07	1,245	1,245	100.0%	0.0%
2007-08	1,164	1,164	100.0%	0.0%
2008-09	1,162	1,162	100.0%	0.0%
2009-10	1,170	1,170	100.0%	0.0%
2010-11	1,257	1,257	100.0%	0.0%

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
(Amounts in thousands)**

Fiscal Year	City	County	School	Other	Total
2001-02	.0179	.0339	.0321	0.916	1.000
2002-03	.0179	.0339	.0321	0.916	1.000
2003-04	.0179	.0339	.0321	0.916	1.000
2004-05	.0179	.0339	.0321	0.916	1.000
2005-06	.0179	.0339	.0321	0.916	1.000
2006-07	.0179	.0339	.0321	0.916	1.000
2007-08	.0179	.0339	.0321	0.916	1.000
2008-09	.0179	.0339	.0321	0.916	1.000
2009-10	.0179	.0339	.0321	0.916	1.000
2010-11	.0179	.0339	.0321	0.916	1.000

Notes:

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

**CITY OF SUISUN CITY
PRINCIPAL TAXPAYERS
JUNE 30, 2011**

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Valuation</u>	<u>Percent</u>
Heritage Owner LLC	Commercial Offices	\$ 26,000,000	1.50%
Cap V Suisun LLC	Residential	22,904,461	1.32%
Village Green Apartments LLC	Multi-Family Residential	17,951,742	1.04%
Walmart Stores Inc	Vacant Lot	14,531,079	0.84%
Peter L. Carter Trust	Commercial	11,380,000	0.66%
Waterfront Hotel Investors	Commercial	9,903,886	0.57%
One Harbor Center	Commercial Office Lease	9,000,000	0.52%
WRI Golden State LLC	Commercial Sales and Service	8,871,924	0.51%
Pellarin Enterprises	Commercial	7,680,714	0.44%
Dancing Tides LLC	Residential	<u>6,581,673</u>	0.38%
Total		<u>\$ 134,805,479</u>	7.78%
Total Suisun City Assessed Valuation (value includes Outer TRAs)		<u><u>\$ 1,732,799,560</u></u>	

Notes:

- (1) Source is Solano County Assessment Rolls
- (2) Percent is of fiscal year 2010-2011 total assessed value for the project area.
- (3) Information for the past eight years is not available, and information from last year is available upon request.

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

<u>Fiscal Year</u>	<u>Estimated Population (1)</u>	<u>Net Assessed Valuation (2)</u>	<u>Gross Bonded Debt</u>	<u>Net Bonded Debt</u>	<u>Percentage of Net Bonded Debt to Assessed Value</u>	<u>Net Bonded Debt Per Capita</u>	<u>Percentage of Net Bonded Debt to Personal Income</u>
2001-02	26,118	\$ 1,231,437,000	\$ 3,565,000	\$ 3,565,000	0.30%	136.5	0.58%
2002-03	26,635	1,336,274,000	3,435,000	3,435,000	0.26%	129.0	0.66%
2003-04	27,416	1,462,654,000	3,295,000	3,295,000	0.23%	120.2	0.67%
2004-05	27,716	1,614,245,111	3,155,000	3,155,000	0.20%	113.8	0.72%
2005-06	27,748	1,861,798,248	3,005,000	3,005,000	0.16%	108.3	0.77%
2006-07	27,980	2,106,638,785	2,850,000	2,850,000	0.14%	101.9	0.82%
2007-08	28,193	2,340,984,658	2,685,000	2,685,000	0.11%	95.2	0.90%
2008-09	28,856	2,214,999,652	2,510,000	2,510,000	0.11%	87.0	0.86%
2009-10	28,255	1,777,685,864	2,320,000	2,320,000	0.13%	82.1	0.77%
2010-11	28,212	1,732,544,743	2,120,000	2,120,000	0.12%	75.1	0.99%

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 GOVERNMENT 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
2001-02	\$ 125,000	\$ 191,773	\$ 316,773	\$ 31,241,622	.01
2002-03	130,000	183,500	313,500	29,333,174	.01
2003-04	140,000	176,870	316,870	32,387,757	.01
2004-05	140,000	169,730	309,730	29,958,421	.01
2005-06	150,000	164,242	314,242	29,503,736	.01
2006-07	155,000	154,940	309,940	42,403,261	.01
2007-08	165,000	147,035	312,035	35,585,891	.01
2008-09	175,000	140,122	315,122	43,074,268	.01
2009-10	190,000	129,695	319,695	44,872,295	.01
2010-11	200,000	121,506	321,506	32,763,400	.01

Notes:

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

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

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>Certificates of Participation</u>	<u>Tax Allocation Bonds</u>	<u>Capital Leases</u>	<u>Loan & Notes Payable</u>	<u>Total Primary Government</u>	<u>Percentage of Personal Income</u>	<u>Per Capita</u>
2001-02	\$ 3,565,000	\$ 2,645,000	\$ 60,378,135	\$ 2,857,906	\$ 14,862,501	\$ 84,308,542	0.02%	3,228
2002-03	3,435,000	2,525,000	59,864,314	2,584,946	14,519,546	82,928,806	0.03%	3,114
2003-04	3,295,000	2,490,000	64,964,563	2,384,303	14,176,567	87,310,433	0.03%	3,185
2004-05	3,155,000	2,310,000	63,908,237	2,214,938	13,815,931	85,404,106	0.03%	3,081
2005-06	3,005,000	2,130,000	62,720,806	2,242,941	13,480,461	83,579,208	0.03%	3,012
2006-07	2,850,000	1,945,000	61,478,775	2,054,233	12,077,970	80,405,978	0.03%	2,874
2007-08	2,685,000	1,755,000	60,218,950	1,859,280	11,805,424	78,323,654	0.03%	2,778
2008-09	2,510,000	1,560,000	58,918,140	2,323,505	11,520,749	76,832,394	0.03%	2,663
2009-10	2,320,000	1,360,000	57,603,040	609,324	11,223,300	73,115,664	0.03%	2,534
2010-11	2,120,000	1,155,000	56,240,467	473,977	10,912,393	70,901,837	0.03%	2,457

Notes:

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

**CITY OF SUISUN CITY
COMPUTATION OF LEGAL DEBT MARGIN
JUNE 30, 2011**

Fiscal Year	Assessed Value	Debt Limit	Total Net Debt Applicable to Limit	Legal Debt Margin	Ratio of Outstanding Net Debt Limit
2001-02	\$ 1,231,437,000	\$46,178,888	\$ 3,565,000	\$42,613,888	7.72%
2002-03	1,336,274,941	50,110,310	3,435,000	46,675,310	6.85%
2003-04	1,462,654,823	54,849,556	3,295,000	51,554,556	6.01%
2004-05	1,614,245,111	60,534,192	3,155,000	57,379,192	5.21%
2005-06	1,861,798,248	69,817,434	3,005,000	66,812,434	4.30%
2006-07	2,106,638,785	78,998,954	2,850,000	76,148,954	3.61%
2007-08	2,340,984,658	87,786,925	2,685,000	85,101,925	3.06%
2008-09	2,214,999,652	83,062,487	2,510,000	80,552,487	3.02%
2009-10	1,177,685,864	44,163,220	2,320,000	41,843,220	5.25%
2010-11	1,732,544,743	64,970,428	2,120,000	62,850,428	3.26%

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, 2011**

2010-11 Net Assessed Valuation	\$ 1,732,544,743
Redevelopment Incremental Valuation	1,142,648,049
Adjusted Assessed Valuation	<u>\$ 589,896,694</u>

<u>Direct and Overlapping Tax and Assessment Debt</u>	Total Debt 6/30/11	% Applicable (1)	City's Share of Debt 6/30/11
Fairfield-Suisun Joint Unified School District	\$ 85,490,000	8.130%	\$ 6,950,337
FSUSD Community Facilities District # 1	2,128,669	100.0%	2,128,669
FSUSD Community Facilities District # 4	782,293	100.0%	782,293
FSUSD Community Facilities District # 5	33,614,754	16.314%	5,483,911
Solano County Community College District	10,865,090	2.005%	2,177,532
City of Suisun City General Obligation Bonds	2,120,000	100.0%	2,120,000
City of Suisun City Zone of Benefit Obligations	1,911,205	100.0%	1,911,805
Suisun City 1915 Act Bonds	365,000	100.0%	<u>365,000</u>
Total Direct and Overlapping Tax and Assessment Debt			21,919,547
<u>Direct and Overlapping General Fund Obligation Debt:</u>			
Solano County General Fund Obligations	122,375,000	1.907%	2,333,691
Solano County Pension Obligations	82,805,000	1.907%	1,579,091
Solano County Board of Education Certificates of Participation	2,495,000	1.907%	47,580
City of Suisun City Certificates of Participation	1,155,000	100.0%	<u>1,155,000</u>
Total Direct and Overlapping General Fund Obligation Debt			5,115,362
Total Direct Debt			<u>\$ 3,275,000</u>
Total Overlapping Debt			<u>\$ 23,759,909</u>
COMBINED TOTAL DEBT			<u>\$ 27,034,909</u> (2)

- (1) Percentage of overlapping agency's assessed valuation located within boundaries of the city.
(2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and tax allocation bonds and non-bonded capital lease obligations.

Ratios to Assessed Valuation:

Direct debt (\$2,120,000)	0.12%
Total direct and overlapping tax and assessment debt	1.27%

Ratios to Adjusted Assessed Valuation:

Combined direct debt (\$3,275,000)	0.56%
Combined total debt	4.58%

State school building aid repayable as of June 30, 2009 : \$0 \$ -0-

Source: California Municipal Statistics, Inc.

Notes:

(1) For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another government unit's taxable assessed value that is within the City's boundaries and dividing it by each unit's total taxable assessed value.

(2) Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer a resident, and therefore responsible for repaying the debt, of each overlapping government.

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

<u>Fiscal Year</u>	<u>City Size Square Mile</u>	<u>City Population (1)</u>	<u>Population Increase</u>	<u>Population of Household</u>	<u>Unemployment Rate (2)</u>	<u>Per Capita Personal Income</u>	<u>Median Household Income (3)</u>	<u>Total Personal Income</u>
2001-02	4.02	26,118	(567)	3.590	6.5	\$ 20,565	\$ 73,828	\$ 537,114,124
2002-03	4.02	26,635	517	3.260	7.4	22,647	73,828	603,192,877
2003-04	4.02	27,416	781	3.330	7.1	22,171	73,828	607,828,363
2004-05	4.02	27,716	300	3.234	5.3	22,829	73,828	632,720,114
2005-06	4.02	27,748	32	3.193	5.3	23,122	73,828	641,584,511
2006-07	4.02	27,980	232	3.180	5.6	23,442	74,546	655,911,031
2007-08	4.02	28,193	213	3.165	7.9	24,056	76,136	678,199,762
2008-09	4.02	28,856	663	3.162	6.3	23,021	72,791	664,281,182
2009-10	4.02	28,255	(601)	3.166	11.2	19,219	60,848	543,038,610
2010-11	4.02	28,212	(43)	3.163	12.4	22,892	72,407	645,829,104

Notes:

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

**CITY OF SUISUN CITY
PRINCIPAL EMPLOYERS
JUNE 30, 2011**

<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	9.53%
City of Suisun City	Government	160	5.87%
Old Country Roofing	Contractor -Services	125	4.58%
Carlson Drywall and Spraying	Contractor -Services	100	3.67%
Raley's Superstors	Retail Grocery	100	3.67%
YMCA	Recreation	75	2.75%
Loan Center of CA	Service	70	2.57%
US Post Office	Federal-Courier	52	1.91%
Black Bear Diner	Restaurant	35	1.28%
McDonalds	Fast Food	35	1.28%
Taco Bell	Fast Food	30	1.10%
Jack in the Box	Fast Food	27	0.99%
Meals on Wheels	Fast Food	<u>25</u>	<u>0.92%</u>
Total - Major Employers		<u><u>1094</u></u>	<u><u>40.10%</u></u>
Total - All Suisun City		<u><u>2728</u></u>	

Note: 1. Data for the year 2011 is unavailable, information shown is from 2009 data.

Source : InfoGroup/HDL Coren & Cone

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

Function	Full-time Equivalent Employees as of June 30									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General Government	14	17	15	14	15	16	15	18	15	15
Public Safety	44	41	39	38	39	37	40	36	40	37
Public Works	15	15	15	17	18	16	18	17	18	16
Community Development	5	5	4	4	4	6	5	5	5	5
Recreation	5	5	5	5	5	8	6	5	5	3
Redevelopment	3	3	3	3	3	3	4	4	4	3
Total	86	86	81	81	84	86	88	85	87	79

Source: City of Suisun City records.

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

	2003	2004	2005	2006	2007	2008	2009	2010	2011
Public Safety - Police									
Arrests	not available	768	907	953	955	937	1507	1327	1297
Parking citations issued	not available	1,242	1,691	1,734	1,631	1372	2438	2584	2213
Public Safety - Fire									
Number of emergency calls	1,480	1,692	1,601	1,775	1,776	1674	1866	1813	1669
Culture and Recreation									
Number of recreation classes	not available	not available	not available	194	174	300	196	254	150
Number of facility rentals	not available	not available	not available	850	730	736	382	162	450

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
2001-02	5	\$ 4,732,588	79	\$ 21,630,520
2002-03	1	187,048	157	34,295,580
2003-04	4	759,585	209	47,429,913
2004-05	3	1,230,690	147	34,166,445
2005-06	3	1,474,333	114	31,885,011
2006-07	2	1,368,570	199	34,148,462
2007-08	5	7,386,691	57	9,516,799
2008-09	1	5,500,000	-	-
2009-10	0	-	-	-
2010-11	0	-	-	-

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**

Fiscal Year	Special Assessment Billings	Assessment Collections	Percent of Collections
2001-02	\$ 573,721	\$ 573,721	100.00%
2002-03	622,135	622,135	100.00%
2003-04	736,278	736,278	100.00%
2004-05	837,339	837,339	100.00%
2005-06	1,074,125	1,074,125	100.00%
2006-07	1,275,327	1,275,327	100.00%
2007-08	1,356,057	1,356,057	100.00%
2008-09	1,556,586	1,556,586	100.00%
2009-10	1,950,477	1,950,477	100.00%
2010-11	2,061,924	2,061,924	100.00%

Notes:

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

**CITY OF SUISUN CITY
MISCELLANEOUS STATISTICS
JUNE 30, 2011**

City Type	General Law
Date of Incorporation	1868
Date Founded	1848
Form of Government	Council/Manager
Population	28,212
Land Area	4.02 Square Miles
Municipal Water Plant	4 Steel Reservoirs with 6,500,000 Gallons Storage Capacity 2,854,483 Gallons Daily Average Distribution 90.26 Miles of Water Main Line
Police Protection	1 Station, 1 Sub-station 23 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	\$1,732,544,743
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