

CITY OF SAN DIMAS, CALIFORNIA
FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED
JUNE 30, 2012

Prepared By
FINANCE DEPARTMENT
BARBARA BISHOP, FINANCE MANAGER

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

City Manager
BLAINE M. MICHAELIS

**Assistant City Manager
Treasurer/City Clerk**
KENNETH J. DURAN



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

Director of Public Works
KRISHNA PATEL

**Director of Parks
and Recreation**
THERESA BRUNS

City Attorney
J. KENNETH BROWN

November 27, 2012

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

State law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the annual financial report of the City of San Dimas for the fiscal year ended June 30, 2012.

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

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

The City of San Dimas' financial statements have been audited by Lance, Soll & Lunghard, LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of San Dimas for the fiscal year ended June 30, 2012, are free of material misstatement.

The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles

used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City of San Dimas' financial statements for the fiscal year ended June 30, 2012, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of this report.

The independent audit of the financial statements of the City of San Dimas includes the determination as to whether the City will require a Single Audit which is designed to meet the special needs of federal grantor agencies. For 2011-12 a Single Audit will not be required since the amount of federal grants were under the threshold for reporting requirements.

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

Profile of the Government

The City of San Dimas is located midway (about 27 miles) between Los Angeles and San Bernardino, at the base of the San Gabriel Mountains. Superior access to freeways offers a centralized location from which to enjoy Southern California's many excellent cultural and recreational activities. San Dimas currently occupies a land area of 15 square miles and serves a population of 36,946. The City of San Dimas' citizens receive a full range of services through the combined efforts of the City's five departments (City Manager's Office, Administrative Services, Parks & Recreation, Public Works and Community Development) and the contract services of Los Angeles County. Services include police and fire protection, the construction and maintenance of highways, streets, and other infrastructure; and recreational activities and cultural events.

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

The annual budget serves as the foundation for the City of San Dimas' financial planning and control. All departments and agencies of the City of San Dimas are required to

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

Factors Affecting Financial Condition

The City of San Dimas, with a prudent spending plan, managed to present a fiscally responsible spending plan during the fiscal year, and that careful planning continues with the new fiscal year.

On December 29, 2011, the California Supreme Court issued its ruling in the lawsuit challenging AB1X 26 and AB1X 27 relating to Redevelopment Agencies in California. The court upheld AB1X 26, eliminating Redevelopment Agencies and found AB1X 27, the bill to allow for the continued existence of Redevelopment Agencies with a voluntary payment, to be unconstitutional. The result being that the provisions of AB1X 26 remain law and thus dissolve the San Dimas Redevelopment Agency as of January 31, 2012. The following Management Discussion and Analysis explains in further detail the effects of this ruling on the City of San Dimas' financial position.

With these factors in mind the City had to budget accordingly and dissolve the Redevelopment Agency and take on the role of Successor Agency for the former Redevelopment Agency and to plan for the repayment of obligated debt. As required the Successor Agency formed an Oversight Board to oversee that the procedures and financial obligations of the Successor Agency are in compliance with AB1X 26.

Over the past several years the City has worked to move forward on some very important community projects that improve the appearance of the City and further strengthen its economic base. This has enabled the City's financial position to remain stable despite the actions taken by the State. With that in mind, the City continues to provide quality essential services, invest in significant infrastructure improvements and build a comfortable reserve balance.

Local economy. The City of San Dimas continues to maintain a steady environment in this uncertain economic time. Considering the slow economic growth the City anticipates continued stability and anticipates some growth with the completion of a few specific housing and mixed use projects.

Construction continues at The Grove Station although, it has been delayed in the past due to the economy. The Bonita Canyon Gateway housing and multi-use project continues in the new fiscal year. These projects will contribute to the growth and cultural appeal of the City of San Dimas.

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

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

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

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

Pension and other post employment benefits. The City of San Dimas contracts with the Public Employees Retirement System (PERS) for the pension plan for miscellaneous employees. Each year, PERS prepares an actuarial report that calculates the amount of the annual contribution that the City of San Dimas must make to the pension plan to ensure that the plan will be able to fully meet its obligations to retired employees on a timely basis. For fiscal year 2011-12 the City had an employer rate of 13.967% and contributed 4.5% of the employee's rate. The employee's contribution will increase to 4% from their pay to the retirement plan in fiscal year 2012-13 as one of the measures to decrease expenditures due to the dissolution of RDA. For OPEB (Other Post Employee Benefits) the City pays a minimal amount for retiree health benefits and therefore, budgets and disburses payments on a "pay as you go" basis.

Additional information. The goal of the City of San Dimas' financial staff is to strive for excellence in the performance of the financial functions and reporting. The new requirements of GASB have increased the process of the normal financial reporting requirements. It is our goal to achieve the standards set by these professional organizations and preserve the qualities of excellence in financial reporting. As mentioned in the beginning of this letter the City of San Dimas' financial statements for the year ended June 30, 2012, were audited by Lance, Soll & Lunghard, LLP and we received an unqualified opinion.

Acknowledgments

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



Blaine Michaelis
City Manager



Ken Duran
Asst. City Manager/Treasurer



Barbara Bishop
Finance/IS Manager

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CERTIFIED PUBLIC ACCOUNTANTS

- Brandon W. Burrows, CPA
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- Shelly K. Jackley, CPA
- Bryan S. Gruber, CPA
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INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members of City Council
City of San Dimas, 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 San Dimas, California, as of and for the year ended June 30, 2012, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of City of San Dimas, California's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City of San Dimas, California, as of June 30, 2012, and the respective changes in financial position thereof and the respective budgetary comparison for the General Fund, Golf Course Maintenance and Operation Fund and Housing Authority Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

We would like to draw the reader's attention to Note 12 – "Successor Agency Trust for Assets of Former Redevelopment Agency". The note provides information on the dissolution of the Redevelopment Agency and the new formed Successor Agency.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 19, 2012, on our consideration of the City of San Dimas, California's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with



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

auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the City of San Dimas, California's financial statements as a whole. The introductory section and the combining and individual nonmajor fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Lance, Solt & Luyhard, LLP

Brea, California
November 19, 2012

CITY OF SAN DIMAS

Management's Discussion and Analysis

As management of the City of San Dimas, we offer readers of the City of San Dimas' financial statements this narrative overview and analysis of the financial activities of the City of San Dimas for the fiscal year ended June 30, 2012. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal and the City's financial statements.

Financial Highlights

- ◆ The assets of the City of San Dimas exceeded the liabilities at the close of the most recent fiscal year by \$102,871,162 (*net assets*). The net assets are comprised of (*capital assets*) in the amount of \$55,846,129 (*restricted and unrestricted net assets*) in the amount of \$47,025,033 for community development projects, public safety, public works, capital projects, debt service and the government's ongoing obligations.
- ◆ The City's net assets increased by \$25,706,472 as a result of the 2011-12 operations and due in part to the dissolution of the Redevelopment Agency. The reconciliation of this amount is described on Page 17.
- ◆ The program and general revenues were \$28,206,553.
- ◆ An Extraordinary gain on dissolution of Redevelopment Agency was \$25,350,216 as explained in (Note 12) page 46.
- ◆ The cost of governmental activities were \$27,927,255.
- ◆ The General Fund reported excess revenues over expenditures of \$455,131.
- ◆ For the General Fund, actual resources available for appropriation (revenue inflows and fund balance) were less than the final budget by \$245,818 while actual appropriations (outflows) were \$429,118 more than budget.
- ◆ The City of San Dimas' total debt decreased by \$12,072,246 during the current fiscal year. The key factor in this decrease was due to annual payments on bond issues and the transfer of debt to the Successor Agency.

Overview of the Financial Statements

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

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

The *statement of net assets* presents information on all of the City of San Dimas' 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 of San Dimas is improving or deteriorating.

The *statement of activities* presents information showing how the government'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 are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave.)

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

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

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

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

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

The City of San Dimas maintains thirty-four individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund — Golf Course Maintenance and Operations fund — the Housing Authority all of which are considered to be major funds. Data from the other governmental funds are combined into a

single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

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

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

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

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

Government-wide Financial Analysis

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

	Governmental Activities Net Assets	
	<u>2012</u>	<u>2011</u>
Current and other assets	\$51,316,609	\$38,332,082
Capital assets	<u>62,616,173</u>	<u>63,659,472</u>
Total assets	<u>113,932,782</u>	<u>101,991,554</u>
Long-term liabilities outstanding	9,132,245	21,204,371
Other liabilities	<u>1,929,375</u>	<u>3,622,493</u>
Total liabilities	<u>11,061,620</u>	<u>24,826,864</u>
Net Assets:		
Invested in capital assets, net of debt	55,846,129	55,503,314
Restricted/Unrestricted	<u>47,025,033</u>	<u>21,661,376</u>
Total net assets	<u>\$102,871,162</u>	<u>\$77,164,690</u>

The City's net assets from governmental activities increased from \$77,164,690 to \$102,871,162. This increase comes from the change in net assets of \$25,629,514 and a restatement of net assets in the amount of \$76,958 as recorded in the Statement of Activities and flows through the Statement of Net Assets.

Governmental activities. Governmental activities increased the City of San Dimas' net assets by a total of \$25,706,472.

Governmental Activities Changes in Net Assets		<u>2012</u>	<u>2011</u>
Revenues			
Program Revenues:			
Charges for Services		\$3,041,750	\$2,578,493
Operating contributions and grants		1,809,738	3,494,182
General Revenues:			
Taxes:			
Property Taxes		9,451,505	11,729,168
Sales Taxes		7,385,894	7,311,155
Franchise Taxes		2,058,588	2,016,079
Other Taxes		1,321,669	1,189,093
Motor Vehicle In Lieu Unrestricted		18,310	169,436
Use of Money & Property		3,093,779	3,602,236
Other		<u>25,320</u>	<u>28,369</u>
Sub-Total Revenues		<u>28,206,553</u>	<u>32,118,211</u>
Extraordinary gain/(loss) on dissolution of Redevelopment Agency (Note 12)		<u>25,350,216</u>	<u>-</u>
Total General Revenues and Extraordinary Items		53,556,769	32,118,211
Expenses			
General Government		6,383,650	7,389,371
Public Safety		5,417,596	5,989,623
Community Development		2,295,874	1,716,640
Parks and Recreation		5,894,515	6,579,071
Public Works		6,706,805	6,433,029
Interest on Long-term Debt		<u>1,228,815</u>	<u>2,456,697</u>
Total Expenses		<u>\$27,927,255</u>	<u>\$30,564,431</u>
Change in net assets		25,629,514	1,553,780
Net assets - beginning balance		77,164,690	76,406,477
Restatement of net assets		<u>76,958</u>	<u>(795,567)</u>
Net assets – ending balance		<u>\$102,871,162</u>	<u>\$77,164,690</u>

The City's total revenues are \$28,206,553, in addition to the Extraordinary Gain on dissolution of Redevelopment Agency in the amount of \$25,350,216; while the cost of all programs and services are \$27,927,255 for a change in net assets of \$25,629,514.

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

Governmental Activities

	Total Cost of Services <u>2012</u>	Net Cost of Services <u>2012</u>
General Government	\$ 6,383,650	\$ 5,520,149
Public Safety	5,417,596	4,765,718
Community Development	2,295,874	1,241,955
Parks and Recreation	5,894,515	4,832,703
Public Works	6,706,805	5,486,427
Interest on Long-Term Debt	<u>1,228,815</u>	<u>1,228,815</u>
Totals	<u>\$27,927,255</u>	<u>\$23,075,767</u>

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

Financial Analysis of the Government's Funds

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

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

As of the end of the current fiscal year, the City of San Dimas' governmental funds reported combined ending fund balances of \$40,208,108 an increase of \$14,153,212 in comparison with the prior year. The major factor in this increase was due to the dissolution of the Redevelopment Agency.

The General Fund is the chief operating fund of the City of San Dimas. At the end of the current fiscal year, excluding operating transfers, and Extraordinary gain/(loss) due to the dissolution of the Redevelopment Agency; the General Fund had excess revenues over expenditures of \$455,131. (see page 21)

General Fund Budgetary Highlights

The final budget for appropriations in the General Fund at year-end was \$18,871,451. The actual appropriations were \$19,300,569, over budget by \$429,118 for the fiscal year including transfers out. Actual revenues in the General Fund were less than the budget by \$245,818 for the fiscal year including transfer in.

Capital Asset and Debt Administration

Capital Assets. At the end of fiscal year 2011-12, the City of San Dimas had \$62,616,173 million invested in a broad range of capital assets, including land, buildings, infrastructure, and equipment. This amount represents a net decrease of \$1,043,299 over last year. The decrease was primarily due to depreciation, reclassification of City owned land and transfer of the former Redevelopment Agency land to the Successor Agency.

Capital Assets (Net of Depreciation)

	<u>Governmental Activities</u>	
	<u>2012</u>	<u>2011</u>
Land	\$16,132,249	\$13,769,781
Buildings and Structures	21,580,035	22,712,141
Improvements Other Than Buildings	2,055,666	2,292,282
Furniture and Equipment	854,204	1,261,230
Infrastructure	<u>21,994,019</u>	<u>23,624,038</u>
Totals	<u>\$62,616,173</u>	<u>\$63,659,472</u>

The City's Capital Improvement Plan includes expenditures for street improvements, street reconstructions, miscellaneous storm drain improvements, and recreation facilities. Funding will come from current fund balance, projected revenues and grants. More detailed information about the City's capital assets is presented in Note 1 and Note 4 and 12b to the financial statements.

Long-term Debt. At the end of the current fiscal year, the City of San Dimas had total bonded debt outstanding for the Successor Agency for the former San Dimas Redevelopment Agency, Civic Center Parking District, Civic Center Facilities, San Dimas Public Financing Authority and accrued employee's benefits for compensated absences of \$9,142,863.

City of San Dimas Outstanding Debt

	<u>Governmental Activities</u>	
	<u>2012</u>	<u>2011</u>
Bonds Payable	\$7,525,898	\$19,626,634
Accrued Employee Benefits	<u>1,616,965</u>	<u>1,588,475</u>
Sub-Total	9,142,863	21,215,109
For RDA Debt Transferred to Successor Agency	<u>10,552,469</u>	<u>-</u>
Total Outstanding Debt City and Successor Agency	<u>\$19,695,332</u>	<u>\$21,215,109</u>

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

The City of San Dimas' and Successor Agency's total debt decreased by \$1,519,777 during the current fiscal year. The key factor in this decrease was due to annual bond and interest payments. The City of San Dimas maintains an "AA-" rating from Standard & Poor's and Fitch for general obligation debt.

State statutes limit the amount of general obligation debt a governmental entity may issue to 10 percent of its total assessed valuation. The current debt limitation for the City of San Dimas is \$1,245,642,133 which is significantly in excess of the City of San Dimas' outstanding general obligation debt.

Economic Factors and Next Year's Budget and Rates

The revenue and expenditure projections provided for the 2012-13 budget are based upon economic forecasts and trends for the area in which the City is located. It is based on the information supplied by outside agencies, such as the State Department of Finance, State Board of Equalization, and the Los Angeles County Assessor's Office, to predict revenues for entitlements, grants, state subventions, sales tax and property tax.

This year, the assumption used for forecasting the revenues was very conservative considering the prior year fluctuations in revenue collections and with no significant increases in revenue due to the current economic climate. Property Tax, Sales Tax and Other Taxes have been estimated at the same level as last year. The City of San Dimas has been challenged the past several years with the difficult task of continuing to present a fiscally responsible spending plan each year due to the state of the overall general economy.

On December 29, 2011, the California Supreme Court issued its ruling in the lawsuit challenging AB1X 26 and AB1X 27 relating to Redevelopment Agencies in California. The court upheld AB1X 26, eliminating Redevelopment Agencies and found AB1X 27, the bill to allow for the continued existence of Redevelopment Agencies with a voluntary payment, to be unconstitutional. The result being that the provisions AB1X 26 remain law and thus dissolve the San Dimas Redevelopment Agency as of January 31, 2012.

The negative effect of AB1X 26 and the dissolution of the Redevelopment Agency cripples any future redevelopment with the loss of tax increment revenue to fund Redevelopment and Housing projects. The funds affected by the dissolution are: Fund 30 CRA, Fund 31 Tax Increment, Funds 35 and 36 Rancho San Dimas which have been combined and transferred to the new Fund 38 Successor Agency. Additionally, the City will serve as the Successor Agency to the former Housing Set-aside Fund 34 and 37 and Fund 34 is re-named the Housing Authority which is governed by the San Dimas City Council.

This financial statement will be the last report to include the former CRA Funds as they were transferred and closed out as of February 1, 2012. Financial statements will detail the transactions of Fund 38 Successor Agency and Fund 39 Redevelopment Retirement Obligation Fund as Fiduciary funds. Successor Agency expenditures are only for payment of current debt as outlined in our bi-annual Recognized Obligation Payment Schedules (ROPS).

The passage of AB1X 26 had a major effect on a General Fund revenue source since the State determined that the loans made in prior years from the City to the Redevelopment Agency would **not be honored and not allowable** as debt on the Recognized Obligation Payment Schedule (ROPS). This event affects the General Fund significantly and equates to \$1,257,580 per year **loss of revenue** due to the General Fund, representing \$23,727,776 worth of loans

including interest the ***City and CRA approved in good faith***, for redevelopment projects, that now the State of California with AB1X 26 has declared ***null and void***. The City will continue to monitor the various legal procedures that have been filed regarding the dissolution process in an effort at some point in the future to pursue the repayment of these loans.

With the loss of the revenue from the repayment of loans due from the Redevelopment Agency, drastic cuts were necessary for the upcoming fiscal year. General departmental expenditures were trimmed to the bare essentials; some major projects were put on hold, decreases in employee fringe benefits were made and unavoidable cuts to personnel became necessary.

In addition, wherever possible, any expenditures which are not “on-going”, such as expenditures identified for certain capital or fixed asset items, have not been carried forward as expenditures in the following years.

A priority of the City of San Dimas is to present a well balanced budget and maintain a high quality of services to the community within the City’s constraint and is consistent with the City Council’s goals and objectives.

Contacting the City’s Financial Management

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

CITY OF SAN DIMAS

STATEMENT OF NET ASSETS
 JUNE 30, 2012

	Governmental Activities
Assets:	
Cash and investments	\$ 26,673,094
Receivables:	
Accounts	1,275,740
Taxes	1,037,004
Notes and loans	442,302
Accrued interest	19,170
Deferred loans	378,263
Grants	103,861
Deferred charges	105,420
Land held for resale	1,591,000
Restricted assets:	
Cash with fiscal agent	3,809,120
Due from Successor Agency	15,881,635
Capital assets not being depreciated	16,132,249
Capital assets, net of depreciation	<u>46,483,924</u>
Total Assets	<u>113,932,782</u>
Liabilities:	
Accounts payable	1,903,481
Accrued liabilities	3,766
Accrued interest	22,128
Noncurrent liabilities:	
Due within one year	1,059,087
Due in more than one year	<u>8,073,158</u>
Total Liabilities	<u>11,061,620</u>
Net Assets:	
Invested in capital assets, net of related debt	55,846,129
Restricted for:	
Public safety	11,151
Parks and recreation	12,234
Public works	4,358,565
Debt service	749,325
Housing	11,350,286
Unrestricted	<u>30,543,472</u>
Total Net Assets	<u>\$ 102,871,162</u>

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CITY OF SAN DIMAS

STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2012

	Program Revenues			Net (Expenses) Revenues and Changes in Net Assets
	Expenses	Charges for Services	Operating Contributions and Grants	
Functions/Programs				
Primary Government:				
Governmental Activities:				
General government	\$ 6,383,650	\$ 494,531	\$ 368,970	\$ -
Public safety	5,417,596	501,945	149,933	-
Community development	2,295,874	1,005,497	48,422	-
Parks and recreation	5,894,515	779,528	282,284	-
Public works	6,706,805	260,249	960,129	-
Interest on long-term debt	1,228,815	-	-	-
Total Governmental Activities	27,927,255	3,041,750	1,809,738	-
Total Primary Government	\$ 27,927,255	\$ 3,041,750	\$ 1,809,738	\$ -
General Revenues:				
Taxes:				
Property taxes, levied for general purpose				9,451,505
Transient occupancy taxes				699,916
Sales taxes				7,385,894
Franchise taxes				2,058,588
Business licenses taxes				399,049
Other taxes				222,704
Motor vehicle in lieu - unrestricted				18,310
Use of money and property				3,093,779
Other				25,320
Extraordinary gain/(loss) on dissolution of redevelopment agency (Note 12)				25,350,216
Total General Revenues and Extraordinary Items				48,705,281
Change in Net Assets				25,629,514
Net Assets at Beginning of Year				77,164,690
Restatement of Net Assets				76,958
Net Assets at End of Year				\$ 102,871,162

CITY OF SAN DIMAS

**BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2012**

	<u>Special Revenue Funds</u>			
	<u>General</u>	<u>Golf Course Maintenance and Operation</u>	<u>Housing Authority</u>	<u>Other Governmental Funds</u>
Assets:				
Pooled cash and investments	\$ 13,828,622	\$ 191,192	\$ 5,447,198	\$ 7,206,082
Receivables:				
Accounts	1,115,877	20,656	3,700	135,507
Taxes	902,865	-	-	134,139
Notes and loans	442,302	-	-	-
Accrued interest	19,170	-	-	-
Deferred loans	-	-	-	378,263
Grants	7,134	-	-	96,727
Advances to other funds	9,390,694	-	-	-
Land held for resale	-	-	1,591,000	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	3,063,884	745,236
Due from Successor Agency	14,630,305	-	1,251,330	-
Total Assets	<u>\$ 40,336,969</u>	<u>\$ 211,848</u>	<u>\$ 11,357,112</u>	<u>\$ 8,695,954</u>
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ 1,018,843	\$ 77,694	\$ 6,826	\$ 800,118
Accrued liabilities	3,766	-	-	-
Deferred revenues	8,717,571	-	-	378,263
Advances from other funds	-	9,390,694	-	-
Total Liabilities	<u>9,740,180</u>	<u>9,468,388</u>	<u>6,826</u>	<u>1,178,381</u>
Fund Balances:				
Nonspendable:				
Advances to other funds	1,809,084	-	-	-
Due from Successor Agency	14,630,305	-	-	-
Restricted for:				
Public safety	-	-	-	11,151
Parks and recreation	-	-	-	12,234
Public works	-	-	-	4,358,565
Debt service	-	-	-	749,325
Housing	-	-	11,350,286	-
Committed to:				
Parks and recreation	-	-	-	288,547
Public works	-	-	-	2,097,751
Assigned to:				
Risk management	2,848,083	-	-	-
Emergency	522,733	-	-	-
Equipment replacement	560,262	-	-	-
General plan update	250,000	-	-	-
Unassigned	<u>9,976,322</u>	<u>(9,256,540)</u>	<u>-</u>	<u>-</u>
Total Fund Balances	<u>30,596,789</u>	<u>(9,256,540)</u>	<u>11,350,286</u>	<u>7,517,573</u>
Total Liabilities and Fund Balances	<u>\$ 40,336,969</u>	<u>\$ 211,848</u>	<u>\$ 11,357,112</u>	<u>\$ 8,695,954</u>

CITY OF SAN DIMAS

**BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2012**

	Total Governmental Funds
Assets:	
Pooled cash and investments	\$ 26,673,094
Receivables:	
Accounts	1,275,740
Taxes	1,037,004
Notes and loans	442,302
Accrued interest	19,170
Deferred loans	378,263
Grants	103,861
Advances to other funds	9,390,694
Land held for resale	1,591,000
Restricted assets:	
Cash and investments with fiscal agents	3,809,120
Due from Successor Agency	15,881,635
	<u> </u>
Total Assets	<u><u>\$ 60,601,883</u></u>
Liabilities and Fund Balances:	
Liabilities:	
Accounts payable	\$ 1,903,481
Accrued liabilities	3,766
Deferred revenues	9,095,834
Advances from other funds	9,390,694
	<u> </u>
Total Liabilities	<u>20,393,775</u>
Fund Balances:	
Nonspendable:	
Advances to other funds	1,809,084
Due from Successor Agency	14,630,305
Restricted for:	
Public safety	11,151
Parks and recreation	12,234
Public works	4,358,565
Debt service	749,325
Housing	11,350,286
Committed to:	
Parks and recreation	288,547
Public works	2,097,751
Assigned to:	
Risk management	2,848,083
Emergency	522,733
Equipment replacement	560,262
General plan update	250,000
Unassigned	<u>719,782</u>
	<u> </u>
Total Fund Balances	<u>40,208,108</u>
	<u> </u>
Total Liabilities and Fund Balances	<u><u>\$ 60,601,883</u></u>

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CITY OF SAN DIMAS

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET ASSETS
JUNE 30, 2012

Fund balances of governmental funds	\$ 40,208,108
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets net of depreciation have not been included as financial resources in governmental fund activity.	62,616,173
Bond issuance cost is an expenditure in the governmental funds, but it is a deferred charge in the statement of net assets.	105,420
Long-term debt and compensated absences that have not been included in the governmental fund activity:	
Long-term Liabilities	(7,515,280)
Compensated Absences	(1,616,965)
Accrued interest payable for the current portion of interest due on Bonds has not been reported in the governmental funds.	(22,128)
Revenues reported as deferred revenue in the governmental funds and recognized in the statement of activities. These are included in the intergovernmental revenues in the governmental fund activity.	<u>9,095,834</u>
Net assets of governmental activities	<u><u>\$ 102,871,162</u></u>

CITY OF SAN DIMAS

**STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2012**

	<u>Special Revenue Fund</u>			
	<u>General</u>	<u>Golf Course Maintenance and Operation</u>	<u>Housing Authority</u>	<u>Other Governmental Funds</u>
Revenues:				
Taxes	\$ 14,351,040	\$ -	\$ -	\$ 5,507,574
Licenses and permits	997,230	-	-	-
Intergovernmental	111,483	-	-	1,860,026
Charges for services	1,364,965	-	-	165,468
Use of money and property	631,736	636,029	561,058	872,057
Fines and forfeitures	490,884	-	-	-
Miscellaneous	283,356	-	-	84,475
Total Revenues	18,230,694	636,029	561,058	8,489,600
Expenditures:				
Current:				
General government	5,577,232	-	68,902	449,736
Public safety	5,259,779	-	-	157,817
Community development	1,300,415	-	471,198	519,686
Parks and recreation	3,155,663	217,647	-	983,706
Public works	2,378,583	-	-	2,401,349
Capital outlay	103,891	-	-	218,579
Debt service:				
Principal retirement	-	-	-	1,548,267
Interest and fiscal charges	-	719,824	-	744,132
Total Expenditures	17,775,563	937,471	540,100	7,023,272
Excess (Deficiency) of Revenues Over (Under) Expenditures	455,131	(301,442)	20,958	1,466,328
Other Financing Sources (Uses):				
Transfers in	780,175	-	-	2,583,250
Transfers out	(1,525,006)	-	-	(1,838,419)
Total Other Financing Sources (Uses)	(744,831)	-	-	744,831
Extraordinary gain/(loss) on dissolution of redevelopment agency (Note 12)	-	-	11,329,328	4,052,520
Net Change in Fund Balances	(289,700)	(301,442)	11,350,286	6,263,679
Fund Balances, Beginning of Year, as previously reported	30,900,448	(8,955,098)	-	4,109,546
Restatements	(13,959)	-	-	(2,855,652)
Fund Balances, Beginning of Year, as restated	30,886,489	(8,955,098)	-	1,253,894
Fund Balances, End of Year	\$ 30,596,789	\$ (9,256,540)	\$ 11,350,286	\$ 7,517,573

CITY OF SAN DIMAS

STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2012

	Total Governmental Funds
Revenues:	
Taxes	\$ 19,858,614
Licenses and permits	997,230
Intergovernmental	1,971,509
Charges for services	1,530,433
Use of money and property	2,700,880
Fines and forfeitures	490,884
Miscellaneous	367,831
	<hr/>
Total Revenues	27,917,381
	<hr/>
Expenditures:	
Current:	
General government	6,095,870
Public safety	5,417,596
Community development	2,291,299
Parks and recreation	4,357,016
Public works	4,779,932
Capital outlay	322,470
Debt service:	
Principal retirement	1,548,267
Interest and fiscal charges	1,463,956
	<hr/>
Total Expenditures	26,276,406
	<hr/>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,640,975
	<hr/>
Other Financing Sources (Uses):	
Transfers in	3,363,425
Transfers out	(3,363,425)
	<hr/>
Total Other Financing Sources (Uses)	-
	<hr/>
Extraordinary gain/(loss) on dissolution of redevelopment agency (Note 12)	15,381,848
	<hr/>
Net Change in Fund Balances	17,022,823
	<hr/>
Fund Balances, Beginning of Year, as previously reported	26,054,896
	<hr/>
Restatements	(2,869,611)
	<hr/>
Fund Balances, Beginning of Year, as restated	23,185,285
	<hr/>
Fund Balances, End of Year	\$ 40,208,108
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CITY OF SAN DIMAS

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2012**

Net change in fund balances - total governmental funds	\$ 17,022,823
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	(3,405,767)
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.	1,548,267
Debt issuance costs are expenditures in governmental funds, but these costs are capitalized on the statement of net assets.	(8,608)
Accrued interest for long-term liabilities. This is the net change in accrued interest for the current period.	243,749
Compensated absences expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	(28,490)
Revenues reported as deferred revenue in the governmental funds and recognized in the statement of activities. These are included in the intergovernmental revenues in the governmental fund activity.	289,172
Extraordinary gains and losses relating to capital assets and long term liabilities transferred to the Successor Agency are reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported in the governmental funds.	
Capital assets	(584,101)
Long-term liabilities	<u>10,552,469</u>
Change in net assets of governmental activities	<u>\$ 25,629,514</u>

CITY OF SAN DIMAS

**BUDGETARY COMPARISON STATEMENT
GENERAL FUND
YEAR ENDED JUNE 30, 2012**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1, as restated	\$ 30,886,489	\$ 30,886,489	\$ 30,886,489	\$ -
Resources (Inflows):				
Taxes	11,161,005	11,161,005	14,351,040	3,190,035
Licenses and permits	455,550	455,550	997,230	541,680
Intergovernmental	3,126,930	3,126,930	111,483	(3,015,447)
Charges for services	1,262,590	1,262,590	1,364,965	102,375
Use of money and property	1,379,353	1,379,353	631,736	(747,617)
Fines and forfeitures	608,800	608,800	490,884	(117,916)
Miscellaneous	209,261	209,261	283,356	74,095
Transfers in	1,053,198	1,053,198	780,175	(273,023)
Amounts Available for Appropriation	50,143,176	50,143,176	49,897,358	(245,818)
Charges to Appropriation (Outflow):				
General government				
City council	60,720	60,720	54,497	6,223
City manager/city clerk	579,581	579,581	585,634	(6,053)
Administrative services	954,609	954,609	949,866	4,743
City attorney	225,000	225,000	217,921	7,079
General services	3,761,863	3,761,863	3,769,314	(7,451)
Public safety				
Law enforcement	5,486,398	5,484,798	5,132,973	351,825
Risk management/law enforcement	2,000	2,000	395	1,605
Emergency services	51,500	51,500	126,411	(74,911)
Community development				
Community development	366,554	366,554	657,403	(290,849)
Department services	657,246	657,246	643,012	14,234
Parks and recreation				
Facilities	589,353	589,353	569,362	19,991
Civic center	196,100	196,100	177,663	18,437
Senior center/community building	77,000	77,000	66,366	10,634
Park maintenance	286,677	286,677	270,561	16,116
Parkways and trees	545,627	545,627	552,261	(6,634)
Recreation	1,082,300	1,082,300	1,091,640	(9,340)
Swim and racquet club	474,495	474,495	427,810	46,685
Public works				
Public works	670,003	670,003	635,008	34,995
Building and safety	438,724	438,724	475,643	(36,919)
Equipment replacement	29,000	69,727	30,926	38,801
Street maintenance	730,340	730,340	717,024	13,316
Vehicle/yard maintenance	311,195	311,195	311,594	(399)
Traffic control	234,559	234,559	208,388	26,171
Capital outlay	136,062	95,335	103,891	(8,556)
Transfers out	926,145	926,145	1,525,006	(598,861)
Total Charges to Appropriations	18,873,051	18,871,451	19,300,569	(429,118)
Budgetary Fund Balance, June 30	\$ 31,270,125	\$ 31,271,725	\$ 30,596,789	\$ (674,936)

CITY OF SAN DIMAS

**BUDGETARY COMPARISON STATEMENT
GOLF COURSE MAINTENANCE AND OPERATION
YEAR ENDED JUNE 30, 2012**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (8,955,098)	\$ (8,955,098)	\$ (8,955,098)	\$ -
Resources (Inflows):				
Use of money and property	650,000	650,000	636,029	(13,971)
Amounts Available for Appropriation	(8,305,098)	(8,305,098)	(8,319,069)	(13,971)
Charges to Appropriation (Outflow):				
Parks and recreation	302,500	302,500	217,647	84,853
Debt service:				
Interest	347,500	347,500	719,824	(372,324)
Total Charges to Appropriations	650,000	650,000	937,471	(287,471)
Budgetary Fund Balance, June 30	\$ (8,955,098)	\$ (8,955,098)	\$ (9,256,540)	\$ (301,442)

CITY OF SAN DIMAS

**BUDGETARY COMPARISON STATEMENT
HOUSING AUTHORITY
YEAR ENDED JUNE 30, 2012**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (Inflows):				
Use of money and property	112,936	112,936	561,058	448,122
Miscellaneous	7,762	7,762	-	(7,762)
Transfers in	1,363,800	1,363,800	-	(1,363,800)
Extraordinary gain on dissolution of redevelopment agency	-	-	11,329,328	11,329,328
Amounts Available for Appropriation	1,484,498	1,484,498	11,890,386	10,405,888
Charges to Appropriation (Outflow):				
General government	-	255,280	68,902	186,378
Community development	325,251	69,971	471,198	(401,227)
Transfers out	414,497	414,497	-	414,497
Total Charges to Appropriations	739,748	739,748	540,100	199,648
Budgetary Fund Balance, June 30	\$ 744,750	\$ 744,750	\$ 11,350,286	\$ 10,605,536

CITY OF SAN DIMAS

STATEMENT OF FIDUCIARY NET ASSETS
 FIDUCIARY FUNDS
 JUNE 30, 2012

	Trust and Agency Funds	Private- Purpose Trust Fund Successor Agency of the Former RDA
Assets:		
Pooled cash and investments	\$ 416,200	\$ 1,155,926
Land held for resale	-	777,451
Restricted assets:		
Cash and investments with fiscal agents	-	71,932
Capital assets:		
Capital assets, not being depreciated	-	584,101
Total Assets	\$ 416,200	2,589,410
Liabilities:		
Accounts payable	\$ 47,407	990,703
Accrued interest	-	223,749
Deposits payable	368,793	-
Due in one year	-	807,847
Due in more than one year	-	25,626,257
Total Liabilities	\$ 416,200	27,648,556
Net Assets:		
Held in trust for other purposes		(25,059,146)
Total Net Assets		\$ (25,059,146)

CITY OF SAN DIMAS

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
 FIDUCIARY FUNDS
 YEAR ENDED JUNE 30, 2012

	<u>Private- Purpose Trust Fund Successor Agency of the Former RDA</u>
Additions:	
Taxes	\$ 1,228,583
Contributions from City	<u>398,567</u>
Total Additions	<u>1,627,150</u>
Deductions:	
Administrative expenses	48,366
Interest expense	299,374
Reimbursement of prior taxes to County	<u>988,340</u>
Total Deductions	<u>1,336,080</u>
Extraordinary gain/(loss) on dissolution of redevelopment agency (Note 12)	<u>(25,350,216)</u>
Changes in Net Assets	(25,059,146)
Net Assets - Beginning of the Year	<u>-</u>
Net Assets - End of the Year	<u>\$ (25,059,146)</u>

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I. SIGNIFICANT ACCOUNTING POLICIES

Note 1: Organization and Summary of Significant Accounting Policies

a. Description of the Reporting Entity

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

Blended component units:

The San Dimas Redevelopment Agency ("Agency") was created on September 8, 1969, and as of the date of this report two project areas have been formed. The redevelopment agency was dissolved as of January 31, 2012 through the Supreme Court decision on Assembly Bill 1X 26. See Note 12 for more information on the dissolution.

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

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

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

b. Government-Wide and Fund Financial Statements

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

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

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

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

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

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

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

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

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

The City reports the following major governmental funds:

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

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2012

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

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

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

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

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

d. Assets, Liabilities and Net Assets or Equity

1. Deposits and Investments

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

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

2. Receivables and Payables

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

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

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

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

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2012

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

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

3. Inventories, Prepaid Items and Land Held for Resale

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

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

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

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

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

5. Capital Assets

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

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

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

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

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

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

6. Compensated Absences

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

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

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

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

7. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities statement of net assets. Bond premiums and discounts as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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

8. Fund Equity

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

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

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

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

Assigned includes amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. The City Manager,

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2012

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

Assistant City Manager and/or Finance/IS Manager are authorized to assign amounts to a specific purpose, which was established by the governing body in a minute action.

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

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

The City established an economic uncertainty contingency amount of \$900,000 in the City's General Fund and is reported as a component of unassigned fund balance.

e. Reconciliation of Government-Wide and Fund Financial Statements

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

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

The detail of the \$(7,515,280) long-term debt difference is as follows:

Long Term Debt:	
Limited obligation improvement bonds payable	\$ (40,898)
Lease Revenue Bonds	(7,485,000)
Bond Discount	<u>10,618</u>
Net adjustment to reduce fund balance of total governmental funds to arrive at net assets of government activities	<u>\$ (7,515,280)</u>

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

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

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2012

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

The details of this (\$3,405,767) difference are as follows:

Capital outlay	\$ 262,571
Depreciation expense	(3,663,138)
Loss on disposal of capital assets	<u>(5,200)</u>
Net adjustment to decrease net changes in fund balances of total government funds to arrive at changes in net assets of governmental activities	<u>\$ (3,405,767)</u>

II. STEWARDSHIP

Note 2: Stewardship, Compliance and Accountability

a. Budgetary Data

General Budget Policies

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

Budget Basis of Accounting

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

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

- Property Development Tax:
 - North and West
 - East
- Citizen's Option for Public Safety
- 1998 Certificates of Participation

CITY OF SAN DIMAS

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2012

Note 2: Stewardship, Compliance and Accountability (Continued)

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

Major Governmental Funds:			
General Fund:			
City manager/city clerk	\$ 585,634	\$ 579,581	\$ (6,053)
General services	3,769,314	3,761,863	(7,451)
Emergency services	126,411	51,500	(74,911)
Community development	657,403	366,554	(290,849)
Parkways and trees	552,261	545,627	(6,634)
Recreation	1,091,640	1,082,300	(9,340)
Building and safety	475,643	438,724	(36,919)
Vehicle/yard maintenance	311,594	311,195	(399)
Capital outlay	103,891	95,335	(8,556)
Transfers out	1,525,006	926,145	(598,861)
Golf Course Maintenance and Operation Fund:			
Debt service interest	719,824	347,500	(372,324)
Housing Authority Fund:			
Community development	471,198	69,971	(401,227)

III. DETAILED NOTES ON ALL FUNDS

Note 3: Cash and Investments

As of June 30, 2012, cash and investments were reported in the accompanying financial statements as follows:

Statement of Net Assets:	
Cash and investments	\$ 26,673,094
Cash with fiscal agent	3,809,120
Statement of Fiduciary Net Assets:	
Cash and investments	1,572,126
Cash with fiscal agent	<u>71,932</u>
Total cash and investments	<u><u>\$ 32,126,272</u></u>

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

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2012

Note 3: Cash and Investments (Continued)

Deposits

At June 30, 2012, the carrying amount of the City's deposits was \$861,500 and the bank balance was \$1,960,811. The \$1,099,311 difference represents outstanding checks and other reconciling items.

The California Government Code requires California banks and savings and loan associations to secure a City's deposits by pledging government securities with a value of 110% of a City's deposits. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of a City's total deposits. The City Treasurer may waive the collateral requirement for deposits which are fully insured up to \$250,000 by the FDIC. The collateral for deposits in federal and state chartered banks is held in safekeeping by an authorized Agent of Depository recognized by the State of California Department of Banking. The collateral for deposits with savings and loan associations is generally held in safekeeping by the Federal Home Loan Bank in San Francisco, California as an Agent of Depository. These securities are physically held in an undivided pool for all California public agency depositors. Under Government Code Section 53655, the placement of securities by a bank or savings and loan association with an "Agent of Depository" has the effect of perfecting the security interest in the name of the local governmental agency. Accordingly, all collateral held by California Agents of Depository are considered to be held for, and in the name of, the local governmental agency.

A provision of the Dodd-Frank Wall Street Reform and Consumer Protection Act provides temporary unlimited deposit insurance coverage for noninterest-bearing transaction account at all FDIC-insured institutions. This provision was effective from December 31, 2010 and will remain effective until December 31, 2012. Noninterest-bearing transaction accounts is defined as an account (1) with respect to which interest is neither accrued nor paid; (2) on which the depositor or account holder is permitted to make withdrawals by negotiable or transferable instrument, payment orders of withdrawal, telephone or other electronic media transfers, or other similar items for the purpose of making payments or transfers to third parties or others; and (3) on which the FDIC-insured depository institutions does not reserve the right to require advance notice of an intended withdrawal. As of June 30, 2012, the City maintains cash deposits that are temporarily covered by this provision.

Investments

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

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

Investments Authorized by Debt Agreements

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

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2012

Note 3: Cash and Investments (Continued)

Investments in State Investment Pool

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

GASB Statement No. 31

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

Credit Risk

As of June 30, 2012, the City's investments in certificates of deposit, external investment pools and money market mutual funds are unrated.

Custodial Credit Risk

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

As of June 30, 2012, none of the City's deposits or investments was exposed to custodial credit risk.

Concentration of Credit Risk

The City's investment policy imposes restrictions on the percentage that the City can invest in certain types of investments. As of June 30, 2012, in accordance with GASB 40 requirements, the City has not invested more than 5% of its total investments in any one issuer. Investments guaranteed by the U.S. government and investments in mutual funds and external investment pools are excluded from this requirement.

Interest Rate Risk

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

CITY OF SAN DIMAS

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2012

Note 3: Cash and Investments (Continued)

As of June 30, 2012, the City had the following investments and maturities:

	Remaining Investment Maturities			Fair Value
	1 year or less	1 to 3 years	3 to 5 years	
Certificate of Deposit	\$ -	\$ 5,600,000	\$ 150,000	\$ 5,750,000
Local Agency Investment Fund	13,540,575	-	-	13,540,575
Money Market Funds	8,093,143	-	-	8,093,143
Cash with Fiscal Agents				
Money Market Mutual Funds	3,881,054	-	-	3,881,054
Total	\$ 25,514,772	\$ 5,600,000	\$ 150,000	\$ 31,264,772

Note 4: Capital Assets

Capital asset activity for the year ended June 30, 2012, was as follows:

	Beginning Balance	Adjustments [^]	Adjusted Beginning Balance	Transfers	Additions	Deletions	Transferred to Successor Agency*	Ending Balance
Governmental Activities:								
Capital assets, not being depreciated:								
Land	\$ 13,769,781	\$ 2,946,569	\$ 16,716,350	\$ -	\$ -	\$ -	\$ (584,101)	\$ 16,132,249
Total Capital Assets, Not Being Depreciated	13,769,781	2,946,569	16,716,350	-	-	-	(584,101)	16,132,249
Capital assets, being depreciated:								
Buildings and structures	28,396,676	-	28,396,676	111,264	-	-	-	28,396,676
Equipment	4,405,796	-	4,405,796	-	22,078	-	-	4,427,874
Improvements other than buildings	12,376,944	-	12,376,944	(111,264)	149,978	-	-	12,526,922
Infrastructure	120,933,097	-	120,933,097	-	90,515	(8,200)	-	121,015,412
Total Capital Assets, Being Depreciated	166,112,513	-	166,112,513	-	262,571	(8,200)	-	166,366,884
Less accumulated depreciation:								
Buildings and structures	5,684,535	-	5,684,535	111,264	1,132,106	-	-	6,816,641
Equipment	3,144,566	-	3,144,566	-	429,104	-	-	3,573,670
Improvements other than buildings	10,084,662	-	10,084,662	(111,264)	386,594	-	-	10,471,256
Infrastructure	97,309,059	-	97,309,059	-	1,715,334	(3,000)	-	99,021,393
Total Accumulated Depreciation	116,222,822	-	116,222,822	-	3,663,138	(3,000)	-	119,882,960
Total Capital Assets, Being Depreciated, Net	49,889,691	-	49,889,691	-	(3,400,567)	(5,200)	-	46,483,924
Governmental Activities Capital Assets, Net	\$ 63,659,472	\$ 2,946,569	\$ 66,606,041	\$ -	\$ (3,400,567)	\$ (5,200)	\$ (584,101)	\$ 62,616,173

*As a result of the dissolution of the redevelopment agency, assets of the former redevelopment agency were transferred to the Successor Agency. See Note 12 for additional information.

[^]In January 2012, capital assets were adjusted to include land that was legally owned by the City but had previously been recorded as land held for resale by the former redevelopment agency.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2012

Note 4: Capital Assets (Continued)

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

Governmental Activities:	
General government	\$ 279,062
Public works	1,854,849
Parks and recreation	<u>1,529,227</u>
 Total Depreciation Expense - Governmental Activities	 <u>\$ 3,663,138</u>

Note 5: Pension Plan

Plan Description

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

Funding Policy

Participants are required to contribute 7% of their annual covered salary. The City makes 4.5% of the contribution and the employees contribute 2.5%. The City is required to contribute at an actuarially determined rate; the current rate is 13.967% of annual covered payroll for non-safety employees. The contribution requirements of plan members and the City are established and may be amended by PERS.

Required Contribution

For the year ended June 30, 2012, the City's contribution of \$1,024,579 was equal to the City's required and actual contributions. The required contribution was determined as part of the June 30, 2009, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions included (a) 7.75% investment rate of return (net of administrative expenses) and (b) projected annual salary increases that range from 3.55% to 14.45% depending on age, service, and type of employment. Both (a) and (b) include an inflation component of 3%. The actuarial value of PERS assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a three-year period. PERS unfunded actuarial accrued liability (or surplus) is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at June 30, 2009 was 18 years.

Three-Year Trend Information for PERS

Fiscal Year	Required Contribution	Percentage Contributed
6/30/2010	\$ 920,777	100%
6/30/2011	957,790	100%
6/30/2012	1,024,579	100%

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2012

Note 6: Long-Term Debt (Continued)

1996 Housing Set-Aside Creative Growth Tax Allocation Revenue Bonds

On May 15, 1996, the Agency issued \$2,415,000 of Housing Set-Aside Creative Growth Redevelopment Project, Tax Allocation Revenue Bonds, Series 1996. Interest on the bonds is payable semi-annually each September 1 and March 1 beginning September 1, 1996. The bonds bear interest rates varying from 3.45% to 5.00%. Principal maturities on serial bonds begin September 1, 1996, and continue on September 1 of each year through September 1, 2005; term bonds are due September 1, 2011. The bonds are special obligations of the Agency payable exclusively from the Housing Set-Aside Revenues.

The 1996 Housing Set-Aside Creative Growth Tax Allocation Revenue Bonds were paid in full as of January 31, 2012.

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

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

The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2012, including interest, are as follows:

Year Ending June 30,	AD 96-1 Improvement Bonds	
	Principal	Interest
2012-2013	\$ 8,267	\$ 2,206
2013-2014	8,267	1,710
2014-2015	8,267	1,214
2015-2016	8,267	718
2016-2017	7,830	235
Totals	<u>\$ 40,898</u>	<u>\$ 6,083</u>

1998 Certificates of Participation

These bonds were issued July 1, 1998, in the amount of \$1,925,000 and were used to advance refund \$1,830,000 of outstanding 1991 Certificates of Participation and to finance the construction of a Senior Citizens/Community Center. Interest on the bonds is payable semi-annually on June 1 and December 1 beginning December 1, 1998. Principal maturities began June 1, 1999, and continue on June 1 of each year through June 1, 2012. The 1998 Certificates of Participation were paid in full as of June 30, 2012.

CITY OF SAN DIMAS

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2012

Note 6: Long-Term Debt (Continued)

San Dimas Public Financing Authority Lease Revenue Bonds, Series 2010

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

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

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

The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2012, including interest, are as follows:

Fiscal Year Ending June 30	PFA Lease Revenue Bonds, Series 2010	
	Principal	Interest
2012-2013	\$ 470,000	\$ 269,120
2013-2014	485,000	255,020
2014-2015	500,000	240,470
2015-2016	515,000	225,470
2016-2017	530,000	210,020
2017-2022	2,940,000	765,268
2022-2027	2,045,000	171,760
Totals	<u>\$ 7,485,000</u>	<u>\$ 2,137,128</u>

Note 7: Interfund Receivables, Payables and Transfers

Advances To/From Other Funds

	Advances From Other Funds
<u>Advances To Other Funds</u>	Golf Course Maintenance and Operations
General Fund	<u>\$ 9,390,694</u>

CITY OF SAN DIMAS

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2012

Note 7: Interfund Receivables, Payables and Transfers (Continued)

The City of San Dimas has outstanding loans that were made in the 1980's to the Golf Course Maintenance and Operations Fund that bear interest at 8% per annum. The annual payments are based on the cash available, once excess revenue over expenditures is calculated at year-end. As of June 30, 2012, principal and accrued unpaid interest owed on those loans was \$9,390,694.

Interfund Transfers

Transfers In	Transfers Out		Total
	General Fund	Nonmajor Funds	
General Fund	\$ -	\$ 780,175	\$ 780,175
Nonmajor Funds	1,525,006	1,058,244	2,583,250
Total	\$ 1,525,006	\$ 1,838,419	\$ 3,363,425

The City uses the Equipment Replacement Fund, the Infrastructure Replacement Fund, Community Park Development Fund and the Civic Center Expansion Fund to account for some of its capital projects. The funding sources for those projects were reported as transfers from the General Fund for \$1,341,781. An additional transfer out of \$183,225 for annual bond payment is included in the total transfers for the year of \$1,525,006.

The nonmajor funds transferred \$1,838,419 for administrative costs, capital projects, and to temporary resolve deficit cash balances.

Note 8: Commitments and Contingencies

Construction Commitments

There were no material construction commitments outstanding at June 30, 2012.

Litigation

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

Reversal of Transfers of Assets

On April 20, 2012, pursuant to Health and Safety Code Section 34167.5, the California State Controller issued an order to cities, counties, and agencies, directly or indirectly receiving assets from a redevelopment agency after January 1, 2011, to reverse the transfer and return assets to the successor agency. The California State Controller will specifically review and audit cities, counties, and public agencies to ensure that all applicable asset transfers have been reversed. On February 1, 2012 the Redevelopment Agency transferred land held for resale totaling \$1,591,000 to the Housing Successor. This transaction has not been reviewed by the California State Controller as of the date of this report and the reversal of this transaction is not reflected in these financial statements. Upon the Controller's review, any assets, if applicable, would be transferred to the Successor Agency in accordance with the order.

IV. OTHER DISCLOSURES

Note 9: Self-Insurance Obligations

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

The City of San Dimas is a member of the CALIFORNIA JOINT POWERS INSURANCE AUTHORITY (Authority). The Authority is composed of 123 California public entities and is organized under a joint powers agreement pursuant to California Government Code §6500 et seq. The purpose of the Authority is to arrange and administer programs for the pooling of self-insured losses, to purchase excess insurance or reinsurance, and to arrange for group purchased insurance for property and other lines of coverage. The California JPIA began covering claims of its members in 1978. Each member government has an elected official as its representative on the Board of Directors. The Board operates through a nine-member Executive Committee.

b. Self-Insurance Programs of the Authority

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

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

General Liability

In the liability program claims are pooled separately between police and non-police exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to \$30,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from \$30,000 to \$750,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs in excess of \$750,000 up to the reinsurance attachment point of \$5 million are distributed based on the outcome of cost allocation within the first and second loss layers. (5) Costs of covered claims from \$5 million to \$10 million are paid under a reinsurance contract subject to a \$2.5 million annual aggregate deductible. Costs of covered claims from \$10 million to \$15 million are paid under two reinsurance contracts subject to a combined \$3 million annual aggregate deductible. On a cumulative basis for all 2011-12 reinsurance contracts the annual aggregate deductible is \$5.5 million. (6) Costs of covered claims from \$15 million up to \$50 million are covered through excess insurance policies.

Note 9: Self-Insurance Obligations (Continued)

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

Costs of covered claims for subsidence losses are paid by reinsurance and excess insurance with a pooled sub-limit of \$35 million per occurrence. This \$35 million subsidence sub-limit is composed of (a) \$5 million retained within the pool's SIR, (b) \$10 million in reinsurance and (c) \$20 million in excess insurance. The excess insurance layer has a \$20 million annual aggregate.

Workers' Compensation

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

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

c. Purchased Insurance

Pollution Legal Liability Insurance

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

Property Insurance

The City of San Dimas participates in the all-risk property protection program of the Authority. This insurance protection is underwritten by several insurance companies. City of San Dimas property is currently insured according to a schedule of covered property submitted by the City of San Dimas to the Authority. City of San Dimas property currently has all-risk property insurance protection in the amount of \$40,854,396. There is a \$5,000 deductible per occurrence except for non-emergency vehicle insurance which has a \$1,000 deductible. Premiums for the coverage are paid annually and are not subject to retrospective adjustments.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2012

Note 9: Self-Insurance Obligations (Continued)

Earthquake and Flood Insurance

The City of San Dimas purchases earthquake and flood insurance on a portion of its property. The earthquake insurance is part of the property protection insurance program of the Authority. City of San Dimas property currently has earthquake protection in the amount of \$32,919,468. There is a deductible of 5% per unit of value with a minimum deductible of \$100,000. Premiums for the coverage are paid annually and are not subject to retrospective adjustments.

Crime Insurance

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

Special Event Tenant User Liability Insurance

The City of San Dimas further protects against liability damages by requiring tenant users of certain property to purchase low-cost tenant user liability insurance for certain activities on agency property. The insurance premium is paid by the tenant user and is paid to the City of San Dimas according to a schedule. The City of San Dimas then pays for the insurance. The insurance is arranged by the Authority.

d. Adequacy of Protection

During the past three fiscal years, none of the above programs of protection experienced settlements or judgments that exceeded pooled or insured coverage. There were also no significant reductions in pooled or insured liability coverage in 2011-12.

Note 10: Fund Equity and Net Assets Restatements

Beginning fund has been restated as follows:

Major governmental funds:	
General Fund	
To correct prior years accounts receivable	\$ (13,959)
Non-Major governmental funds:	
Sewer Expansion	
To correct prior years accounts payable	70,603
City Wide Lighting District	
To correct prior years accounts receivable	(2,895)
Infrastructure Replacement	
To correct prior years accounts payable	22,244
Transportation Proposition C	
To correct prior years accounts payable	965
Redevelopment Agency - Capital Projects	
To correct prior year land held for resale	<u>(2,946,569)</u>
Total Governmental Funds:	<u>\$ (2,869,611)</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2012

Note 10: Fund Equity and Net Assets Restatements (Continued)

Beginning net assets has been restated as follows:

Fund equity restatements listed above	\$ (2,869,611)
To adjust capital assets for land that was incorrectly recorded with the RDA in prior years	<u>2,946,569</u>
Total Governmental Activities:	<u><u>\$ 76,958</u></u>

Note 11: California Redevelopment Agency Dissolution

On July 18, 2011, the California Redevelopment Association (“CRA”) and the League of California Cities (“League”) filed a petition for writ of mandate with the California Supreme Court, requesting the Court to declare unconstitutional two bills that were passed as part of the 2011-12 State Budget, AB X1 26 and 27 (*California Redevelopment Association v. Matosantos*). AB X1 26 dissolves redevelopment agencies effective October 1, 2011. AB X1 27 gave redevelopment agencies an option to avoid dissolution if it commits to making defined payments for the benefit of the State, school districts and certain special districts.

On August 17, 2011 the Supreme Court issued a stay of the implementation of AB X1 26 and 27 which allowed a redevelopment agency to continue if it adopted an AB X1 27 ordinance. However, because of the effect of the stay order, the authority for the Redevelopment Agency to engage in most activities was suspended.

The Supreme Court heard oral arguments on November 10, 2011 and on December 29, 2011 announced its decision in *California Redevelopment Association v. Matosantos*. The court upheld AB X1 26 which dissolves redevelopment agencies, but invalidated in its entirety AB X1 27 which allowed redevelopment agencies to continue as long as they made the required payments. AB X1 26 established deadlines for the process of Redevelopment Agency dissolution and the handling of existing obligations. The full text of AB X1 26 may be obtained from the California legislative information website maintained by the Legislative Counsel of the State of California at: <http://www.leginfo.ca.gov/bilinfo.html>.

On February 1, 2012, the Redevelopment Agency was dissolved and the City of San Dimas has elected to become the Successor Agency. The Successor Agency will be responsible for winding down the remaining activities of the dissolved Redevelopment Agency.

Note 12: Successor Agency Trust for Assets of Former Redevelopment Agency

On December 29, 2011, the California Supreme Court upheld Assembly Bill 1X 26 (“the Bill”) that provides for the dissolution of all redevelopment agencies in the State of California. This action impacted the reporting entity of the City of San Dimas that previously had reported a redevelopment agency within the reporting entity of the City as a blended component unit.

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

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2012

Note 12: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)

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

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

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

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

In accordance with the timeline set forth in the Bill (as modified by the California Supreme Court on December 29, 2011) all redevelopment agencies in the State of California were dissolved and ceased to operate as a legal entity as of February 1, 2012.

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

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

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

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2012

Note 12: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)

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

Total extraordinary gain reported in the governmental funds - decrease to net assets of the Successory Agency Trust Fund	\$ (15,381,848)
Capital assets recorded in the government-wide financial statements - increase to net assets of the Successor Agency Trust Fund	584,101
Long-term debt reported in the government-wide financial statements - decrease to net assets of the Successor Agency Trust Fund	<u>(10,552,469)</u>
Net decrease to net assets of the Successor Agency Trust Fund as a result of initial transfers (equal to amount of extraordinary gain reported in the government-wide financial statements of the City)	<u><u>\$ (25,350,216)</u></u>

a. Cash and investments

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

Cash and investments pooled with the City	\$ 1,155,926
Cash and investments with fiscal agent	<u>71,932</u>
	<u><u>\$ 1,227,858</u></u>

b. Capital Assets

An analysis of capital assets as of June 30, 2012, follows:

	Balance July 1, 2011	Transferred from former RDA	Additions	Deletions	Balance June 30, 2012
Capital assets, not being depreciated:					
Land	\$ -	\$ 584,101	\$ -	\$ -	\$ 584,101
Total capital assets not being depreciated	<u>-</u>	<u>584,101</u>	<u>-</u>	<u>-</u>	<u>584,101</u>
Total capital assets	<u><u>\$ -</u></u>	<u><u>\$ 584,101</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 584,101</u></u>

CITY OF SAN DIMAS

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2012

Note 12: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)

c. Long-Term Debt

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

A description of long-term debt outstanding (excluding defeased debt) of the Successor Agency as of June 30, 2012, follows:

	Balance July 1, 2011	Transferred from the Former RDA	Additions	Repayments	Balance June 30, 2012	Due Within One Year
Fiduciary Funds:						
City Loans	\$ -	\$ 14,630,305	\$ -	\$ -	\$ 14,630,305	\$ -
SERAF Loan	-	1,251,330	-	-	1,251,330	-
Walker House Loan	-	1,492,469	-	-	1,492,469	57,847
1991 Tax Allocation Refunding Bonds	-	300,000	-	-	300,000	50,000
1998 Tax Allocation Revenue Bonds	-	2,620,000	-	-	2,620,000	475,000
1998 Mobile Home Park Housing Rev Bonds	-	6,140,000	-	-	6,140,000	225,000
Total Fiduciary Funds	\$ -	\$ 26,434,104	\$ -	\$ -	\$ 26,434,104	\$ 807,847

City Loan

The City of San Dimas made loans with to the Redevelopment Agency that bear interest at rates up to 8% per annum depending upon when the loan was initiated. The City may demand payment of all or a portion of the principal balance at any time as funds become available; however, such demands are not anticipated within the next fiscal year. As of June 30, 2012, principal and accrued unpaid interest owed on those loans was \$14,630,305.

Supplemental Education Revenue Augmentation Fund (SERAF) Loan

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

Walker House Loan

The Walker House LLC loaned the Agency \$1,650,000 for Agency operations. The note bears interest of 5.5% with annual principal and interest payments due June 30 each year with the first payment date of June 30, 2009. The term of the note is 20 years. The balance outstanding at June 30, 2012, is \$1,492,469. This liability was transferred to the Successor Agency upon dissolution of the redevelopment agency.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2012

Note 12: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)

The following schedule illustrates the debt service requirements to maturity as of June 30, 2012:

Fiscal Year Ending June 30	Walker House Loan	
	Principal	Interest
2012-2013	\$ 57,847	\$ 74,623
2013-2014	60,739	71,731
2014-2015	63,776	68,694
2015-2016	66,965	65,505
2016-2017	70,313	62,157
2017-2022	407,951	254,400
2022-2027	520,661	141,691
2027-2032	244,217	18,409
Totals	<u>\$ 1,492,469</u>	<u>\$ 757,210</u>

1991 Tax Allocation Refunding Bonds, Creative Growth Redevelopment Project

On April 1, 1991, the Agency issued \$8,020,000 of Creative Growth Redevelopment Project 1991 Tax Allocation Refunding Bonds to advance refund \$4,750,000 of outstanding 1985 Tax Allocation Refunding Bonds and \$3,070,000 of outstanding 1987 Tax Allocation Subordinated Bonds. As a result, the 1985 and 1987 Series Bonds are considered to be defeased and the liability for those bonds has been removed from the City's Long-Term Debt. Interest on the bonds is payable semi-annually each September 1 and March 1 beginning September 1, 1991. The bonds bear interest rates varying from 5.75% to 6.75%. Principal maturities on serial bonds begin September 1, 1992, and continue on September 1 of each year through September 1, 2005; term bonds are due September 1, 2016. The bonds are not a debt of the City of San Dimas, the State of California or any of its political subdivisions, and neither said city, said state nor any of its political subdivisions is liable therefore. The interest on and principal of the bonds are payable solely from tax revenues allocated to the Agency from the project area as defined in the resolution. On July 1, 1998, \$2,965,000 of these bonds was defeased by the issuance of the 1998 Series A Creative Growth Tax Allocation Bonds. This liability was transferred to the Successor Agency upon dissolution of the redevelopment agency.

The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2012, including interest, are as follows:

Year Ending June 30,	1991 Creative Growth Tax Allocation Refunding Bonds	
	Principal	Interest
2012-2013	\$ 50,000	\$ 18,563
2013-2014	55,000	15,019
2014-2015	60,000	11,138
2015-2016	65,000	6,919
2016-2017	70,000	2,363
Totals	<u>\$ 300,000</u>	<u>\$ 54,002</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2012

Note 12: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)

1998 Creative Growth Tax Allocation Bonds

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

The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2012, including interest, are as follows:

Year Ending June 30,	1998 Tax Allocation Bonds	
	Principal	Interest
2012-2013	\$ 475,000	\$ 119,125
2013-2014	500,000	94,750
2014-2015	520,000	69,250
2015-2016	550,000	42,500
2016-2017	575,000	14,375
Totals	<u>\$ 2,620,000</u>	<u>\$ 340,000</u>

On June 14, 2012, Moody's Investors Service ("Moody's") downgraded all California tax allocation bonds rated 'Baa3' and above. As such, the Bonds' insured rating was downgraded from 'A3' to 'Ba1' and underlying rating was downgraded from 'A3' to 'Ba1'. According to Moody's, all California tax allocation bond ratings remain on review for possible withdrawal.

1998 Mobile Home Park Housing Revenue Bonds

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

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

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2012

Note 12: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)

The bonds are not a debt of the City of San Dimas, the State of California or any of its political subdivisions and neither said city, said state, nor any of its political subdivisions is liable thereon, except the Agency with respect to up to \$160,000 of debt service per fiscal year pursuant to the Housing Assistance Agreement. This liability was transferred to the Successor Agency upon dissolution of the redevelopment agency.

The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2012, including interest, are as follows:

Year Ending June 30,	1998 Mobile Home Park Revenue Bonds	
	Principal	Interest
2012-2013	\$ 225,000	\$ 343,568
2013-2014	235,000	330,458
2014-2015	250,000	316,635
2015-2016	265,000	301,958
2016-2017	280,000	286,425
2017-2022	1,650,000	1,167,360
2022-2027	2,180,000	625,005
2077-2032	1,055,000	60,848
Totals	<u>\$ 6,140,000</u>	<u>\$ 3,432,257</u>

Pledged Revenue

The City pledged, as security for bonds issued, either directly or through the Financing Authority, a portion of tax increment revenue (including Low and Moderate Income Housing set-aside and pass through allocations) that it receives. The bonds issued were to provide financing for various capital projects, accomplish Low and Moderate Income Housing projects and to defease previously issued bonds. Assembly Bill 1X 26 provided that upon dissolution of the Redevelopment Agency, property taxes allocated to redevelopment agencies no longer are deemed tax increment but rather property tax revenues and will be allocated first to successor agencies to make payments on the indebtedness incurred by the dissolved redevelopment agency. Total principal and interest remaining on the debt is \$3,314,002 with annual debt service requirements as indicated above. For the current year, the total property tax revenue recognized by the City and Successor Agency for the payment of indebtedness incurred by the dissolved redevelopment agency was \$3,521,738 and the debt service obligation on the bonds was \$864,697.

Non-Obligation Debt

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

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2012

Note 12: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)

<u>Title</u>	<u>Original Amount</u>
San Dimas Redevelopment Agency Floating Rate Monthly Demand Commercial Development Refunding Revenue Bonds mature on December 1, 2013.	\$ 5,000,000
Industrial Development Authority of the Redevelopment Agency of the City of San Dimas, 1985 Industrial Development Revenue Bonds mature on December 1, 2015.	8,500,000
Industrial Development Authority of the Redevelopment Agency of the City of San Dimas, Variable Rate Demand Industrial Development Revenue Bonds, Series 1989 mature on July 1, 2014.	<u>2,500,000</u>
Total	<u><u>\$ 16,000,000</u></u>

d. Insurance

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

e. Commitments and Contingencies

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

f. Subsequent Events

Assembly Bill 1484 established a requirement for the successor agency to remit to the County auditor-controller three payments as determined by the auditor-controller which consist of a payment to be made in July 2012 for taxing entities' share of December 2011 property tax distribution to redevelopment agency/successor agency, a payment to be made in November 2012 related to Low-Moderate Income Housing Fund Due Diligence Review for unencumbered cash, and a payment to be made in April 2013 related to the other Redevelopment Funds Due Diligence Review for unencumbered cash. As of the date of the report the payment in July 2012 was made in the amount of \$988,340. In addition, the Low-Moderate Income Housing Due Diligence Review resulted in an amount due of \$366,949 and the other Redevelopment Funds Due Diligence Review is currently in progress and has not been determined.

CITY OF SAN DIMAS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2012

	Special Revenue Funds			
	Gas Tax	Sewer Expansion	City Wide Lighting District	Landscape Parcel Tax
Assets:				
Pooled cash and investments	\$ 1,044,628	\$ 979,902	\$ 1,538,890	\$ 107,624
Receivables:				
Accounts	-	4,185	6,190	873
Taxes	-	250	88,034	43,647
Deferred loans	-	-	-	-
Grants	-	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	-
Total Assets	\$ 1,044,628	\$ 984,337	\$ 1,633,114	\$ 152,144
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ 171,343	\$ 2,548	\$ 66,700	\$ 56,441
Deferred revenues	-	-	-	-
Total Liabilities	171,343	2,548	66,700	56,441
Fund Balances:				
Restricted for:				
Public safety	-	-	-	-
Parks and recreation	-	-	-	-
Public works	873,285	-	1,566,414	95,703
Debt service	-	-	-	-
Committed to:				
Parks and recreation	-	-	-	-
Public works	-	981,789	-	-
Total Fund Balances	873,285	981,789	1,566,414	95,703
Total Liabilities and Fund Balances	\$ 1,044,628	\$ 984,337	\$ 1,633,114	\$ 152,144

CITY OF SAN DIMAS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2012

(Continued)

	Special Revenue Funds			
	Infrastructure Replacement	Property Development Tax		
		Community Wide	North & West	East
Assets:				
Pooled cash and investments	\$ 1,031,671	\$ 198,643	\$ 304,824	\$ 91,406
Receivables:				
Accounts	99,983	522	-	-
Taxes	-	-	-	-
Deferred loans	-	-	-	-
Grants	-	96,091	-	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	-
Total Assets	\$ 1,131,654	\$ 295,256	\$ 304,824	\$ 91,406
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ 411,922	\$ 6,709	\$ -	\$ -
Deferred revenues	-	-	-	-
Total Liabilities	411,922	6,709	-	-
Fund Balances:				
Restricted for:				
Public safety	-	-	-	-
Parks and recreation	-	-	-	-
Public works	-	-	-	-
Debt service	-	-	-	-
Committed to:				
Parks and recreation	-	288,547	-	-
Public works	719,732	-	304,824	91,406
Total Fund Balances	719,732	288,547	304,824	91,406
Total Liabilities and Fund Balances	\$ 1,131,654	\$ 295,256	\$ 304,824	\$ 91,406

CITY OF SAN DIMAS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2012

	Special Revenue Funds			
	Civic Center Parking District	Housing & Community Development	Citizen's Option For Public Safety	Department of Justice Law Enforcement Grant
Assets:				
Pooled cash and investments	\$ 84	\$ 2,364	\$ 11,151	\$ -
Receivables:				
Accounts	-	-	-	-
Taxes	-	-	-	-
Deferred loans	-	378,263	-	-
Grants	-	636	-	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	-
Total Assets	\$ 84	\$ 381,263	\$ 11,151	\$ -
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ 84	\$ 3,000	\$ -	\$ -
Deferred revenues	-	378,263	-	-
Total Liabilities	84	381,263	-	-
Fund Balances:				
Restricted for:				
Public safety	-	-	11,151	-
Parks and recreation	-	-	-	-
Public works	-	-	-	-
Debt service	-	-	-	-
Committed to:				
Parks and recreation	-	-	-	-
Public works	-	-	-	-
Total Fund Balances	-	-	11,151	-
Total Liabilities and Fund Balances	\$ 84	\$ 381,263	\$ 11,151	\$ -

CITY OF SAN DIMAS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2012

(Continued)

	Special Revenue Funds			
	Air Quality Management District	Proposition A Local Transit	Transportation Proposition C	Open Space Maintenance District
Assets:				
Pooled cash and investments	\$ 48,060	\$ 597,455	\$ 821,876	\$ 16,194
Receivables:				
Accounts	10,500	13,254	-	-
Taxes	-	-	-	2,208
Deferred loans	-	-	-	-
Grants	-	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	-
Total Assets	\$ 58,560	\$ 610,709	\$ 821,876	\$ 18,402
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ 26	\$ 13,339	\$ 21,125	\$ 6,168
Deferred revenues	-	-	-	-
Total Liabilities	26	13,339	21,125	6,168
Fund Balances:				
Restricted for:				
Public safety	-	-	-	-
Parks and recreation	-	-	-	12,234
Public works	58,534	597,370	800,751	-
Debt service	-	-	-	-
Committed to:				
Parks and recreation	-	-	-	-
Public works	-	-	-	-
Total Fund Balances	58,534	597,370	800,751	12,234
Total Liabilities and Fund Balances	\$ 58,560	\$ 610,709	\$ 821,876	\$ 18,402

CITY OF SAN DIMAS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2012

	Special Revenue Funds	Capital Projects Funds		Debt Service Funds
	Measure R Transit	Civic Center Expansion	Redevelopment Agency	1998 Certificates of Participation
Assets:				
Pooled cash and investments	\$ 407,221	\$ -	\$ -	\$ -
Receivables:				
Accounts	-	-	-	-
Taxes	-	-	-	-
Deferred loans	-	-	-	-
Grants	-	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	-	745,236	-	-
Total Assets	\$ 407,221	\$ 745,236	\$ -	\$ -
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ 40,713	\$ -	\$ -	\$ -
Deferred revenues	-	-	-	-
Total Liabilities	40,713	-	-	-
Fund Balances:				
Restricted for:				
Public safety	-	-	-	-
Parks and recreation	-	-	-	-
Public works	366,508	-	-	-
Debt service	-	745,236	-	-
Committed to:				
Parks and recreation	-	-	-	-
Public works	-	-	-	-
Total Fund Balances	366,508	745,236	-	-
Total Liabilities and Fund Balances	\$ 407,221	\$ 745,236	\$ -	\$ -

CITY OF SAN DIMAS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2012

	<u>Debt Service Funds</u>		Total Governmental Funds
	Assessment District 96-1	Redevelopment Agency	
Assets:			
Pooled cash and investments	\$ 4,089	\$ -	\$ 7,206,082
Receivables:			
Accounts	-	-	135,507
Taxes	-	-	134,139
Deferred loans	-	-	378,263
Grants	-	-	96,727
Restricted assets:			
Cash and investments with fiscal agents	-	-	745,236
Total Assets	<u>\$ 4,089</u>	<u>\$ -</u>	<u>\$ 8,695,954</u>
Liabilities and Fund Balances:			
Liabilities:			
Accounts payable	\$ -	\$ -	\$ 800,118
Deferred revenues	-	-	378,263
Total Liabilities	<u>-</u>	<u>-</u>	<u>1,178,381</u>
Fund Balances:			
Restricted for:			
Public safety	-	-	11,151
Parks and recreation	-	-	12,234
Public works	-	-	4,358,565
Debt service	4,089	-	749,325
Committed to:			
Parks and recreation	-	-	288,547
Public works	-	-	2,097,751
Total Fund Balances	<u>4,089</u>	<u>-</u>	<u>7,517,573</u>
Total Liabilities and Fund Balances	<u>\$ 4,089</u>	<u>\$ -</u>	<u>\$ 8,695,954</u>

CITY OF SAN DIMAS

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2012

	Special Revenue Funds			
	Gas Tax	Sewer Expansion	City Wide Lighting District	Landscape Parcel Tax
Revenues:				
Taxes	\$ -	\$ 7,985	\$ 961,117	\$ 766,848
Intergovernmental	1,033,612	-	7,951	17,564
Charges for services	-	164,063	1,405	-
Use of money and property	2,490	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	1,036,102	172,048	970,473	784,412
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Community development	-	-	-	-
Parks and recreation	-	-	-	803,309
Public works	371,416	38,721	696,723	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	371,416	38,721	696,723	803,309
Excess (Deficiency) of Revenues Over (Under) Expenditures	664,686	133,327	273,750	(18,897)
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	(225,000)	-	(95,000)	-
Total Other Financing Sources (Uses)	(225,000)	-	(95,000)	-
Extraordinary gain/(loss) on dissolution of redevelopment agency (Note 12)	-	-	-	-
Net Change in Fund Balances	439,686	133,327	178,750	(18,897)
Fund Balances, Beginning of Year	433,599	777,859	1,390,559	114,600
Restatements	-	70,603	(2,895)	-
Fund Balances, Beginning of Year, as Restated	433,599	848,462	1,387,664	114,600
Fund Balances, End of Year	\$ 873,285	\$ 981,789	\$ 1,566,414	\$ 95,703

CITY OF SAN DIMAS

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2012

(Continued)

	Special Revenue Funds			
	Infrastructure Replacement	Property Tax Development		
		Community Wide	North & West	East
Revenues:				
Taxes	\$ -	\$ 7,613	\$ 94,314	\$ -
Intergovernmental	263,762	141,091	-	-
Charges for services	-	-	-	-
Use of money and property	-	-	-	-
Miscellaneous	84,475	-	-	-
Total Revenues	348,237	148,704	94,314	-
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Community development	-	-	-	-
Parks and recreation	-	142,219	-	-
Public works	660,549	-	-	-
Capital outlay	124,277	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	784,826	142,219	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(436,589)	6,485	94,314	-
Other Financing Sources (Uses):				
Transfers in	624,431	125,569	-	-
Transfers out	(7,446)	-	-	-
Total Other Financing Sources (Uses)	616,985	125,569	-	-
Extraordinary gain/(loss) on dissolution of redevelopment agency (Note 12)	-	-	-	-
Net Change in Fund Balances	180,396	132,054	94,314	-
Fund Balances, Beginning of Year	517,092	156,493	210,510	91,406
Restatements	22,244	-	-	-
Fund Balances, Beginning of Year, as Restated	539,336	156,493	210,510	91,406
Fund Balances, End of Year	\$ 719,732	\$ 288,547	\$ 304,824	\$ 91,406

CITY OF SAN DIMAS

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2012

	Special Revenue Funds			
	Civic Center Parking District	Housing & Community Development	Citizen's Option For Public Safety	Department of Justice Law Enforcement Grant
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	15,826	209,783	100,000	30,245
Charges for services	-	-	-	-
Use of money and property	-	-	120	-
Miscellaneous	-	-	-	-
Total Revenues	15,826	209,783	100,120	30,245
Expenditures:				
Current:				
General government	-	139,134	-	-
Public safety	-	-	85,000	30,245
Community development	-	-	-	-
Parks and recreation	-	-	-	-
Public works	22,208	-	-	-
Capital outlay	-	-	3,969	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	22,208	139,134	88,969	30,245
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,382)	70,649	11,151	-
Other Financing Sources (Uses):				
Transfers in	8,273	-	-	-
Transfers out	-	(70,649)	-	-
Total Other Financing Sources (Uses)	8,273	(70,649)	-	-
Extraordinary gain/(loss) on dissolution of redevelopment agency (Note 12)	-	-	-	-
Net Change in Fund Balances	1,891	-	11,151	-
Fund Balances, Beginning of Year	(1,891)	-	-	-
Restatements	-	-	-	-
Fund Balances, Beginning of Year, as Restated	(1,891)	-	-	-
Fund Balances, End of Year	\$ -	\$ -	\$ 11,151	\$ -

CITY OF SAN DIMAS

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2012

(Continued)

	Special Revenue Funds			
	Air Quality Management District	Proposition A Local Transit	Transportation Proposition C	Open Space Maintenance District
Revenues:				
Taxes	\$ -	\$ 539,890	\$ 448,835	\$ 44,379
Intergovernmental	40,192	-	-	-
Charges for services	-	-	-	-
Use of money and property	208	2,017	2,479	-
Miscellaneous	-	-	-	-
Total Revenues	40,400	541,907	451,314	44,379
Expenditures:				
Current:				
General government	-	116,778	-	-
Public safety	42,572	-	-	-
Community development	-	-	-	-
Parks and recreation	-	-	-	38,178
Public works	-	458,451	66,819	-
Capital outlay	15,672	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	58,244	575,229	66,819	38,178
Excess (Deficiency) of Revenues Over (Under) Expenditures	(17,844)	(33,322)	384,495	6,201
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	(2,230)	-	-	-
Total Other Financing Sources (Uses)	(2,230)	-	-	-
Extraordinary gain/(loss) on dissolution of redevelopment agency (Note 12)	-	-	-	-
Net Change in Fund Balances	(20,074)	(33,322)	384,495	6,201
Fund Balances, Beginning of Year	78,608	630,692	415,291	6,033
Restatements	-	-	965	-
Fund Balances, Beginning of Year, as Restated	78,608	630,692	416,256	6,033
Fund Balances, End of Year	\$ 58,534	\$ 597,370	\$ 800,751	\$ 12,234

CITY OF SAN DIMAS

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2012

	<u>Special Revenue Funds</u>	<u>Capital Projects Funds</u>		<u>Debt Service Funds</u>
	<u>Measure R Transit</u>	<u>Civic Center Expansion</u>	<u>Redevelopment Agency</u>	<u>1998 Certificates of Participation</u>
Revenues:				
Taxes	\$ 333,696	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Use of money and property	1,179	357	863,178	-
Miscellaneous	-	-	-	-
Total Revenues	334,875	357	863,178	-
Expenditures:				
Current:				
General government	5,709	24,001	56,589	-
Public safety	-	-	-	-
Community development	-	-	519,686	-
Parks and recreation	-	-	-	-
Public works	86,462	-	-	-
Capital outlay	-	-	74,661	-
Debt service:				
Principal retirement	-	460,000	210,000	175,000
Interest and fiscal charges	-	282,920	355,965	8,225
Total Expenditures	92,171	766,921	1,216,901	183,225
Excess (Deficiency) of Revenues Over (Under) Expenditures	242,704	(766,564)	(353,723)	(183,225)
Other Financing Sources (Uses):				
Transfers in	-	591,781	467,086	183,225
Transfers out	-	-	(387,296)	-
Total Other Financing Sources (Uses)	-	591,781	79,790	183,225
Extraordinary gain/(loss) on dissolution of redevelopment agency (Note 12)	-	-	3,462,914	-
Net Change in Fund Balances	242,704	(174,783)	3,188,981	-
Fund Balances, Beginning of Year	123,804	920,019	(242,412)	-
Restatements	-	-	(2,946,569)	-
Fund Balances, Beginning of Year, as Restated	123,804	920,019	(3,188,981)	-
Fund Balances, End of Year	\$ 366,508	\$ 745,236	\$ -	\$ -

CITY OF SAN DIMAS

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2012

	<u>Debt Service Funds</u>		
	<u>Assessment District 96-1</u>	<u>Redevelopment Agency</u>	<u>Total Governmental Funds</u>
Revenues:			
Taxes	\$ 9,742	\$ 2,293,155	\$ 5,507,574
Intergovernmental	-	-	1,860,026
Charges for services	-	-	165,468
Use of money and property	-	29	872,057
Miscellaneous	-	-	84,475
Total Revenues	9,742	2,293,184	8,489,600
Expenditures:			
Current:			
General government	-	107,525	449,736
Public safety	-	-	157,817
Community development	-	-	519,686
Parks and recreation	-	-	983,706
Public works	-	-	2,401,349
Capital outlay	-	-	218,579
Debt service:			
Principal retirement	8,267	695,000	1,548,267
Interest and fiscal charges	2,950	94,072	744,132
Total Expenditures	11,217	896,597	7,023,272
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,475)	1,396,587	1,466,328
Other Financing Sources (Uses):			
Transfers in	-	582,885	2,583,250
Transfers out	(827)	(1,049,971)	(1,838,419)
Total Other Financing Sources (Uses)	(827)	(467,086)	744,831
Extraordinary gain/(loss) on dissolution of redevelopment agency (Note 12)	-	589,606	4,052,520
Net Change in Fund Balances	(2,302)	1,519,107	6,263,679
Fund Balances, Beginning of Year	6,391	(1,519,107)	4,109,546
Restatements	-	-	(2,855,652)
Fund Balances, Beginning of Year, as Restated	6,391	(1,519,107)	1,253,894
Fund Balances, End of Year	\$ 4,089	\$ -	\$ 7,517,573

CITY OF SAN DIMAS

**BUDGETARY COMPARISON SCHEDULE
GAS TAX
YEAR ENDED JUNE 30, 2012**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1	\$ 433,599	\$ 433,599	\$ 433,599	\$ -
Resources (Inflows):				
Intergovernmental	990,315	990,315	1,033,612	43,297
Use of money and property	500	500	2,490	1,990
Amounts Available for Appropriation	1,424,414	1,424,414	1,469,701	45,287
Charges to Appropriation (Outflow):				
Public works	1,213,000	787,000	371,416	415,584
Transfers out	230,000	225,000	225,000	-
Total Charges to Appropriations	1,443,000	1,012,000	596,416	415,584
Budgetary Fund Balance, June 30	\$ (18,586)	\$ 412,414	\$ 873,285	\$ 460,871

CITY OF SAN DIMAS

**BUDGETARY COMPARISON SCHEDULE
SEWER EXPANSION
YEAR ENDED JUNE 30, 2012**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1, as restated	\$ 848,462	\$ 848,462	\$ 848,462	\$ -
Resources (Inflows):				
Taxes	7,829	7,829	7,985	156
Charges for services	76,000	76,000	164,063	88,063
Amounts Available for Appropriation	932,291	932,291	1,020,510	88,219
Charges to Appropriation (Outflow):				
Public works	56,000	56,000	38,721	17,279
Total Charges to Appropriations	56,000	56,000	38,721	17,279
Budgetary Fund Balance, June 30	\$ 876,291	\$ 876,291	\$ 981,789	\$ 105,498

CITY OF SAN DIMAS

**BUDGETARY COMPARISON SCHEDULE
CITY WIDE LIGHTING DISTRICT
YEAR ENDED JUNE 30, 2012**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1, as restated	\$ 1,387,664	\$ 1,387,664	\$ 1,387,664	\$ -
Resources (Inflows):				
Taxes	931,157	931,157	961,117	29,960
Intergovernmental	8,200	8,200	7,951	(249)
Charges for services	-	-	1,405	1,405
Amounts Available for Appropriation	2,327,021	2,327,021	2,358,137	31,116
Charges to Appropriation (Outflow):				
Public works	748,507	748,507	696,723	51,784
Capital outlay	120,000	120,000	-	120,000
Transfers out	95,000	95,000	95,000	-
Total Charges to Appropriations	963,507	963,507	791,723	171,784
Budgetary Fund Balance, June 30	\$ 1,363,514	\$ 1,363,514	\$ 1,566,414	\$ 202,900

CITY OF SAN DIMAS

**BUDGETARY COMPARISON SCHEDULE
LANDSCAPE PARCEL TAX
YEAR ENDED JUNE 30, 2012**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 114,600	\$ 114,600	\$ 114,600	\$ -
Resources (Inflows):				
Taxes	-	776,000	766,848	(9,152)
Intergovernmental	793,300	17,300	17,564	264
Amounts Available for Appropriation	907,900	907,900	899,012	(8,888)
Charges to Appropriation (Outflow):				
Parks and recreation	841,300	841,300	803,309	37,991
Total Charges to Appropriations	841,300	841,300	803,309	37,991
Budgetary Fund Balance, June 30	\$ 66,600	\$ 66,600	\$ 95,703	\$ 29,103

CITY OF SAN DIMAS

**BUDGETARY COMPARISON SCHEDULE
INFRASTRUCTURE REPLACEMENT
YEAR ENDED JUNE 30, 2012**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1, as restated	\$ 539,336	\$ 539,336	\$ 539,336	\$ -
Resources (Inflows):				
Intergovernmental	498,381	498,381	263,762	(234,619)
Miscellaneous	800,000	800,000	84,475	(715,525)
Transfers in	-	-	624,431	624,431
Amounts Available for Appropriation	1,837,717	1,837,717	1,512,004	(325,713)
Charges to Appropriation (Outflow):				
Public works	698,700	1,104,700	660,549	444,151
Capital outlay	430,000	430,000	124,277	305,723
Transfers out	-	-	7,446	(7,446)
Total Charges to Appropriations	1,128,700	1,534,700	792,272	742,428
Budgetary Fund Balance, June 30	\$ 709,017	\$ 303,017	\$ 719,732	\$ 416,715

CITY OF SAN DIMAS

**BUDGETARY COMPARISON SCHEDULE
PROPERTY DEVELOPMENT TAX - COMMUNITY WIDE
YEAR ENDED JUNE 30, 2012**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 156,493	\$ 156,493	\$ 156,493	\$ -
Resources (Inflows):				
Taxes	-	-	7,613	7,613
Intergovernmental	163,000	163,000	141,091	(21,909)
Transfers in	-	-	125,569	125,569
Amounts Available for Appropriation	319,493	319,493	430,766	111,273
Charges to Appropriation (Outflow):				
Parks and recreation	223,200	223,200	142,219	80,981
Total Charges to Appropriations	223,200	223,200	142,219	80,981
Budgetary Fund Balance, June 30	\$ 96,293	\$ 96,293	\$ 288,547	\$ 192,254

CITY OF SAN DIMAS

**BUDGETARY COMPARISON SCHEDULE
CIVIC CENTER PARKING DISTRICT
YEAR ENDED JUNE 30, 2012**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (1,891)	\$ (1,891)	\$ (1,891)	\$ -
Resources (Inflows):				
Intergovernmental	14,650	14,650	15,826	1,176
Transfers in	6,500	6,500	8,273	1,773
Amounts Available for Appropriation	19,259	19,259	22,208	2,949
Charges to Appropriation (Outflow):				
Public works	21,150	21,150	22,208	(1,058)
Total Charges to Appropriations	21,150	21,150	22,208	(1,058)
Budgetary Fund Balance, June 30	\$ (1,891)	\$ (1,891)	\$ -	\$ 1,891

CITY OF SAN DIMAS

**BUDGETARY COMPARISON SCHEDULE
HOUSING & COMMUNITY DEVELOPMENT
YEAR ENDED JUNE 30, 2012**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (Inflows):				
Intergovernmental	180,893	180,893	209,783	28,890
Amounts Available for Appropriation	180,893	180,893	209,783	28,890
Charges to Appropriation (Outflow):				
General government	118,862	118,862	139,134	(20,272)
Transfers out	62,031	62,031	70,649	(8,618)
Total Charges to Appropriations	180,893	180,893	209,783	(28,890)
Budgetary Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -

CITY OF SAN DIMAS

BUDGETARY COMPARISON SCHEDULE
 DEPARTMENT OF JUSTICE LAW ENFORCEMENT GRANT
 YEAR ENDED JUNE 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (Inflows):				
Intergovernmental	23,659	23,659	30,245	6,586
Amounts Available for Appropriation	23,659	23,659	30,245	6,586
Charges to Appropriation (Outflow):				
Public safety	23,659	23,659	30,245	(6,586)
Total Charges to Appropriations	23,659	23,659	30,245	(6,586)
Budgetary Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -

CITY OF SAN DIMAS

**BUDGETARY COMPARISON SCHEDULE
AIR QUALITY MANAGEMENT DISTRICT
YEAR ENDED JUNE 30, 2012**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 78,608	\$ 78,608	\$ 78,608	\$ -
Resources (Inflows):				
Intergovernmental	44,600	44,600	40,192	(4,408)
Use of money and property	300	300	208	(92)
Amounts Available for Appropriation	123,508	123,508	119,008	(4,500)
Charges to Appropriation (Outflow):				
Public safety	30,200	30,200	42,572	(12,372)
Capital outlay	15,804	15,804	15,672	132
Transfers out	2,230	2,230	2,230	-
Total Charges to Appropriations	48,234	48,234	60,474	(12,240)
Budgetary Fund Balance, June 30	\$ 75,274	\$ 75,274	\$ 58,534	\$ (16,740)

CITY OF SAN DIMAS

**BUDGETARY COMPARISON SCHEDULE
PROPOSITION A LOCAL TRANSIT
YEAR ENDED JUNE 30, 2012**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 630,692	\$ 630,692	\$ 630,692	\$ -
Resources (Inflows):				
Taxes	508,526	508,526	539,890	31,364
Use of money and property	3,000	3,000	2,017	(983)
Miscellaneous	500	500	-	(500)
Amounts Available for Appropriation	1,142,718	1,142,718	1,172,599	29,881
Charges to Appropriation (Outflow):				
General government	125,831	125,831	116,778	9,053
Public works	512,290	512,290	458,451	53,839
Total Charges to Appropriations	638,121	638,121	575,229	62,892
Budgetary Fund Balance, June 30	\$ 504,597	\$ 504,597	\$ 597,370	\$ 92,773

CITY OF SAN DIMAS

**BUDGETARY COMPARISON SCHEDULE
TRANSPORTATION PROPOSITION C
YEAR ENDED JUNE 30, 2012**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1, as restated	\$ 416,256	\$ 416,256	\$ 416,256	\$ -
Resources (Inflows):				
Taxes	421,809	421,809	448,835	27,026
Use of money and property	2,000	2,000	2,479	479
Amounts Available for Appropriation	840,065	840,065	867,570	27,505
Charges to Appropriation (Outflow):				
Public works	340,000	340,000	66,819	273,181
Total Charges to Appropriations	340,000	340,000	66,819	273,181
Budgetary Fund Balance, June 30	\$ 500,065	\$ 500,065	\$ 800,751	\$ 300,686

CITY OF SAN DIMAS

BUDGETARY COMPARISON SCHEDULE
 OPEN SPACE MAINTENANCE DISTRICT
 YEAR ENDED JUNE 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 6,033	\$ 6,033	\$ 6,033	\$ -
Resources (Inflows):				
Taxes	44,129	44,129	44,379	250
Amounts Available for Appropriation	50,162	50,162	50,412	250
Charges to Appropriation (Outflow):				
Parks and recreation	42,075	42,075	38,178	3,897
Total Charges to Appropriations	42,075	42,075	38,178	3,897
Budgetary Fund Balance, June 30	\$ 8,087	\$ 8,087	\$ 12,234	\$ 4,147

CITY OF SAN DIMAS

**BUDGETARY COMPARISON SCHEDULE
MEASURE R TRANSIT
YEAR ENDED JUNE 30, 2012**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 123,804	\$ 123,804	\$ 123,804	\$ -
Resources (Inflows):				
Taxes	316,359	316,359	333,696	17,337
Use of money and property	500	500	1,179	679
Amounts Available for Appropriation	440,663	440,663	458,679	18,016
Charges to Appropriation (Outflow):				
General government	14,000	14,000	5,709	8,291
Public works	220,000	220,000	86,462	133,538
Total Charges to Appropriations	234,000	234,000	92,171	141,829
Budgetary Fund Balance, June 30	\$ 206,663	\$ 206,663	\$ 366,508	\$ 159,845

CITY OF SAN DIMAS

**BUDGETARY COMPARISON SCHEDULE
CIVIC CENTER EXPANSION
YEAR ENDED JUNE 30, 2012**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1	\$ 920,019	\$ 920,019	\$ 920,019	\$ -
Resources (Inflows):				
Use of money and property	-	-	357	357
Transfers in	742,920	742,920	591,781	(151,139)
Amounts Available for Appropriation	1,662,939	1,662,939	1,512,157	(150,782)
Charges to Appropriation (Outflow):				
General government	-	-	24,001	(24,001)
Capital outlay	-	20,000	-	20,000
Debt service:				
Principal retirement	460,000	460,000	460,000	-
Interest and fiscal charges	282,920	282,920	282,920	-
Total Charges to Appropriations	742,920	762,920	766,921	(4,001)
Budgetary Fund Balance, June 30	\$ 920,019	\$ 900,019	\$ 745,236	\$ (154,783)

CITY OF SAN DIMAS

**BUDGETARY COMPARISON SCHEDULE
REDEVELOPMENT AGENCY - CAPITAL PROJECTS
YEAR ENDED JUNE 30, 2012**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1, as restated	\$ (3,188,981)	\$ (3,188,981)	\$ (3,188,981)	\$ -
Resources (Inflows):				
Use of money and property	-	-	863,178	
Miscellaneous	564	564	-	(564)
Transfers in	2,661,602	2,661,602	467,086	(2,194,516)
Extraordinary gain on dissolution on redevelopment agency	-	-	3,462,914	3,462,914
Amounts Available for Appropriation	(526,815)	(526,815)	1,604,197	1,267,834
Charges to Appropriation (Outflow):				
General government	84,250	84,250	56,589	27,661
Community development	579,899	579,899	519,686	60,213
Public works	25,000	25,000	-	25,000
Capital outlay	-	-	74,661	(74,661)
Debt service:				
Principal retirement	525,224	525,224	210,000	315,224
Interest and fiscal charges	864,826	864,826	355,965	508,861
Transfers out	255,113	255,113	387,296	(132,183)
Total Charges to Appropriations	2,334,312	2,334,312	1,604,197	730,115
Budgetary Fund Balance, June 30	\$ (2,861,127)	\$ (2,861,127)	\$ -	\$ 1,997,949

CITY OF SAN DIMAS

**BUDGETARY COMPARISON SCHEDULE
ASSESSMENT DISTRICT 96-1
YEAR ENDED JUNE 30, 2012**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 6,391	\$ 6,391	\$ 6,391	\$ -
Resources (Inflows):				
Taxes	10,969	10,969	9,742	(1,227)
Amounts Available for Appropriation	17,360	17,360	16,133	(1,227)
Charges to Appropriation (Outflow):				
Debt service:				
Principal retirement	8,267	8,267	8,267	-
Interest and fiscal charges	2,702	2,702	2,950	(248)
Transfers out	827	827	827	-
Total Charges to Appropriations	11,796	11,796	12,044	(248)
Budgetary Fund Balance, June 30	\$ 5,564	\$ 5,564	\$ 4,089	\$ (1,475)

CITY OF SAN DIMAS

**BUDGETARY COMPARISON SCHEDULE
REDEVELOPMENT AGENCY - DEBT SERVICE
YEAR ENDED JUNE 30, 2012**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (1,519,107)	\$ (1,519,107)	\$ (1,519,107)	\$ -
Resources (Inflows):				
Taxes	5,225,000	5,225,000	2,293,155	(2,931,845)
Use of money and property	-	-	29	29
Transfers in	-	-	582,885	582,885
Extraordinary gain on dissolution of redevelopment agency	-	-	589,606	589,606
Amounts Available for Appropriation	3,705,893	3,705,893	1,946,568	(1,759,325)
Charges to Appropriation (Outflow):				
General government	118,300	118,300	107,525	10,775
Debt service:				
Principal retirement	-	-	695,000	(695,000)
Interest and fiscal charges	-	-	94,072	(94,072)
Transfers out	4,689,590	4,689,590	1,049,971	3,639,619
Total Charges to Appropriations	4,807,890	4,807,890	1,946,568	2,861,322
Budgetary Fund Balance, June 30	\$ (1,101,997)	\$ (1,101,997)	\$ -	\$ 1,101,997

CITY OF SAN DIMAS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 ALL AGENCY FUNDS
 YEAR ENDED JUNE 30, 2012

	<u>Balance 7/1/2011</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance 6/30/2012</u>
<u>Trust and Agency</u>				
Assets:				
Pooled cash and investments	\$ 404,652	\$ 311,257	\$ 299,709	\$ 416,200
Receivables:				
Accounts	66	-	66	-
Total Assets	<u>\$ 404,718</u>	<u>\$ 311,257</u>	<u>\$ 299,775</u>	<u>\$ 416,200</u>
Liabilities:				
Accounts payable	\$ 2,647	\$ 47,407	\$ 2,647	\$ 47,407
Deposits payable	402,071	277,666	310,944	368,793
Total Liabilities	<u>\$ 404,718</u>	<u>\$ 325,073</u>	<u>\$ 313,591</u>	<u>\$ 416,200</u>