



Regular Meeting Agenda

December 18, 2012

Placentia City Council
Placentia City Council as Successor to the
Placentia Redevelopment Agency
Placentia Industrial Commercial
Development Authority

Scott W. Nelson
Mayor

Joseph V. Aguirre
Mayor Pro Tem

Constance M. Underhill
Council Member

Chad P. Wanke
Council Member

Jeremy B. Yamaguchi
Council Member

Patrick J. Melia
City Clerk

Craig S. Green
City Treasurer

Troy L. Butzlaff, ICMA-CM
City Administrator

Andrew V. Arczynski
City Attorney

City of Placentia
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Placentia, CA 92870

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Mission Statement

The City Council is committed to keeping Placentia a pleasant place by providing a safe family atmosphere, superior public services and policies that promote the highest standards of community life.

Vision Statement

The City of Placentia will maintain an open, honest, responsive and innovative government that delivers quality services in a fair and equitable manner while optimizing available resources.

Copies of all agenda materials are available for public review in the Office of the City Clerk, online at www.placentia.org, and at Placentia Library Reference Desk. Persons who have questions concerning any agenda item may call the City Clerk's Office, (714) 993-8231, to make inquiry concerning the nature of the item described on the agenda.

Procedures for Addressing the Council/Board Members

Any person who wishes to speak regarding an item on the agenda or on a subject within the City's jurisdiction during the "Oral Communications" portion of the agenda should fill out a "Speaker Request Form" and give it to the City Clerk BEFORE that portion of the agenda is called. Testimony for Public Hearings will only be taken at the time of the hearing. Any person who wishes to speak on a Public Hearing item should fill out a "Speaker Request Form" and give it to the City Clerk BEFORE the item is called.

The Council and Board members encourage free expression of all points of view. To allow all persons the opportunity to speak, please keep your remarks brief. If others have already expressed your position, you may simply indicate that you agree with a previous speaker. If appropriate, a spokesperson may present the views of an entire group. To encourage all views, the Council and Board discourage clapping, booing or shouts of approval or disagreement from the audience.

PLEASE SILENCE ALL PAGERS, CELL PHONES, AND OTHER ELECTRONIC EQUIPMENT WHILE COUNCIL AND BOARD MEMBERS ARE IN SESSION.

Special Accommodations

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk's Office at (714) 993-8231. Notification 48 hours prior to the meeting will generally enable City Staff to make reasonable arrangements to ensure accessibility. (28 CFR 35.102.35.104 ADA Title II)

In compliance with California Government Code § 54957.5, any writings or documents provided to a majority of the City Council regarding any item on this agenda that are not exempt from disclosure under the Public Records Act will be made available for public inspection at the City Clerk's Office at City Hall, 401 East Chapman Avenue, Placentia, during normal business hours.

Study Sessions are open to the public and held in the City Council Chambers or City Hall Community Room. Executive Sessions are held in the Council Caucus Room. While the public may be in attendance during oral announcements preceding Executive Sessions, Executive Sessions are not open to the public.

**PLACENTIA CITY COUNCIL
PLACENTIA CITY COUNCIL AS SUCCESSOR TO THE
PLACENTIA REDEVELOPMENT AGENCY
PLACENTIA INDUSTRIAL COMMERCIAL DEVELOPMENT AUTHORITY
REGULAR MEETING AGENDA – EXECUTIVE SESSION
December 18, 2012
6:00 p.m. – City Council Chambers
401 E. Chapman Avenue, Placentia, CA**

CALL TO ORDER:

ROLL CALL: Councilmember/Board Member Underhill
Councilmember/Board Member Wanke
Councilmember/Board Member Yamaguchi
Mayor Pro Tem/Board Vice Chair Aguirre
Mayor/Board Chair Nelson

ORAL COMMUNICATIONS:

At this time the public may address the City Council and Boards of Directors concerning any items on the Executive Session Agenda only.

The City Council and Boards of Directors will recess to the City Council Caucus Room for the purpose of conducting their Executive Session proceedings.

CITY COUNCIL:

1. Pursuant to Government Code Section 54956.9(b) for Conference with Legal Counsel Regarding Anticipated Litigation – One (1) Item
2. Pursuant to Government Code Section 54956.9(c) for Conference with Legal Counsel Regarding the Initiation of Litigation – Two (2) Items
3. Pursuant to Government Code Section 54957 for Public Employee Performance Evaluations
 - a. City Administrator
 - b. City Attorney

SUCCESSOR AGENCY: None

ICDA: None

RECESS: The City Council and Boards of Directors will recess to their 7:00 p.m. Regular Meeting.

**PLACENTIA CITY COUNCIL
PLACENTIA CITY COUNCIL AS SUCCESSOR TO THE
PLACENTIA REDEVELOPMENT AGENCY
PLACENTIA INDUSTRIAL COMMERCIAL DEVELOPMENT AUTHORITY
REGULAR MEETING AGENDA
December 18, 2012
7:00 p.m. – City Council Chambers
401 E. Chapman Avenue, Placentia, CA**

CALL TO ORDER:

ROLL CALL: Councilmember/Board Member Underhill
Councilmember/Board Member Wanke
Councilmember/Board Member Yamaguchi
Mayor Pro Tem/Board Vice Chair Aguirre
Mayor/Board Chair Nelson

INVOCATION: Police Chaplain Kenneth Milhandler

PLEDGE OF ALLEGIANCE:

PRESENTATIONS: None

EXECUTIVE SESSION REPORT:

CITY ADMINISTRATOR REPORT:

ORAL COMMUNICATIONS:

At this time the public may address the City Council and Boards of Directors concerning any agenda item, which is not a public hearing item, or on matters within the jurisdiction of the City Council and Boards of Directors. There is a five (5) minute time limit for each individual addressing the City Council and Boards of Directors.

CITY COUNCIL/BOARD MEMBERS COMMENTS AND REPORTS:

The purpose of these reports is to provide information on projects and programs that are discussed at interagency board, committee, and commission meetings. No decisions are to be made on these issues. If a Council or Board Member would like formal action on any of the discussed items, it will be placed on a future Council or Board Agenda.

1. CONSENT CALENDAR (Items 1.a. through 1.e.):

All items on the Consent Calendar are considered routine and are enacted by one motion approving the recommended action listed on the Agenda. Any Member of the City Council and Boards of Directors or City Administrator may request an item be removed from the Consent Calendar for discussion. All items removed shall be considered immediately following action on the remaining items.

COUNCIL/SUCCESSOR AGENCY/ICDA CONSENT CALENDAR:

- a. **Consideration to Waive Reading in Full of all Ordinances and Resolutions**
Financial Impact: None
Recommended Action: Approve
- b. **Minutes**
City Council/Successor/ICDA Regular Meeting – November 20, 2012 and December 4, 2012
Recommended Action: Approve

- c. **City Fiscal Year 2012-13 Warrant Register for December 5, 2012 through December 18, 2012**
Financial Impact: \$993,831.76
Recommended Action: Approve

COUNCIL CONSENT CALENDAR:

- d. **June – October 2012 Treasurer’s Reports**
Financial Impact: None
Recommended Action: It is recommended that the City Council:
1) Receive and file the June – October 2012 Treasurer’s Reports
- e. **Acceptance of Construction Work by Micon Construction Inc. for the Neighborhood Park Facility and Accessibility Improvement Project**
Financial Impact: Expense: \$229,320.27 Construction
Offsetting Revenue: \$229,320.27 CDBG and Park Development
Budgeted: \$240,500.00 (Account No.: 333554-6185 J/L 6109440133-6185)
Recommended Action: It is recommended that the City Council:
1) Accept the contract work by Micon Construction Inc. for the Neighborhood Park Facility and Accessibility Improvement Project in the total amount of \$229,320.27
2) Authorize the City Administrator or designee to file a Notice of Completion with the office of the Orange County Clerk-Recorder for the project
3) Authorize the City Administrator or his designee to release the retention in accordance with the terms of the contract

SUCCESSOR AGENCY CONSENT CALENDAR: None

ICDA CONSENT CALENDAR: None

2. PUBLIC HEARINGS:

COUNCIL/SUCCESSOR AGENCY/ICDA: None

COUNCIL: None

SUCCESSOR AGENCY: None

ICDA: None

3. OLD BUSINESS:

COUNCIL/SUCCESSOR AGENCY/ICDA OLD BUSINESS: None

COUNCIL OLD BUSINESS: None

SUCCESSOR AGENCY OLD BUSINESS: None

ICDA OLD BUSINESS: None

4. NEW BUSINESS:

COUNCIL/SUCCESSOR AGENCY/ICDA NEW BUSINESS: None

COUNCIL NEW BUSINESS:

a. **Discussion and Direction Regarding Annual City Council Appointments to Various Intergovernmental Agencies, Associations, and City Subcommittees**

Financial Impact: None

Recommended Action: It is recommended that the City Council:

- 1) Review the attached list of current appointments to the various intergovernmental agencies, associations, and City Subcommittees and make appointments as desired
- 2) Adopt Resolution No. R-2012-76, A Resolution of the City Council of the City of Placentia, California designating and appointing its representative and alternate to the Orange County Fire Authority's Board of Directors
- 3) Direct Staff to notify the various intergovernmental agencies and associations of the Council's decision

b. **Appointment of Members to the Economic Development Committee**

Financial Impact: None

Recommended Action: It is recommended that the City Council:

- 1) Upon recommendation of the Mayor, appoint nine (9) individuals to a three (3) year term on the Economic Development Committee
- 2) Upon recommendation of the Mayor, appoint two (2) alternate members to a two (2) year term on the Economic Development Committee

c. **Presentation of the Comprehensive Annual Financial Report and Single Audit Report for the Period Ended June 30, 2012**

Financial Impact: None

Recommended Action: It is recommended that the City Council:

- 1) Receive and file the Comprehensive Annual Financial Report for the period ended June 30, 2012
- 2) Receive and file the Single Audit Report for the period ended June 30, 2012

SUCCESSOR AGENCY NEW BUSINESS: None

ICDA NEW BUSINESS: None

CITY COUNCIL/BOARD MEMBERS REQUESTS:

Council/Board Members may make requests or ask questions of Staff. If a Council/Board Member would like to have formal action taken on a requested matter, it will be placed on a future Council or Board Agenda.

ADJOURNMENT:

The City Council/Successor Agency/ICDA Agency Board of Directors will adjourn to January 1, 2012 at 4:00 p.m.

CERTIFICATION OF POSTING

I, Tania Moreno, Deputy City Clerk for the City of Placentia and Assistant Secretary of the Industrial Commercial Development Authority and Successor Agency, hereby certify that the Agenda for the December 18, 2012 meetings of the City Council, Successor Agency, and Industrial Commercial Development Authority was posted on December 13, 2012.

Tania Moreno, Deputy City Clerk

**PLACENTIA CITY COUNCIL
PLACENTIA CITY COUNCIL AS SUCCESSOR TO THE
PLACENTIA REDEVELOPMENT AGENCY
PLACENTIA INDUSTRIAL COMMERCIAL DEVELOPMENT AUTHORITY
REGULAR MEETING MINUTES – EXECUTIVE SESSION
November 20, 2012
5:30 p.m. – City Council Chambers
401 E. Chapman Avenue, Placentia, CA**

CALL TO ORDER: Mayor/Board Chair Yamaguchi called the meeting to order at 5:30 p.m.

ROLL CALL:

PRESENT: Council/Agency Members Aguirre, Nelson, Underhill, Yamaguchi
ABSENT: Wanke

ORAL COMMUNICATIONS: None

CITY COUNCIL:

1. Pursuant to Government Code Section 54956.9(a) for Conference with Legal Counsel Regarding Existing Litigation – One (1) Item
 - a. City of Placentia vs. Woodruff, Spradlin & Smart, Orange County Superior Court Case No. 30-2010-00367949
2. Pursuant to Government Code Section 54956.9(b) for Conference with Legal Counsel Regarding Anticipated Litigation – One (1) Item
3. Pursuant to Government Code Section 54956.9(c) for Conference with Legal Counsel Regarding the Initiation of Litigation – Two (2) Items
4. Pursuant to Government Code Section 54956.8 for Real Property Negotiations:
 - a. Property: Four (4) Unimproved Parcels at or near 1616 Atwood Avenue and 1617 Oak Street (APN: 346-181-05, 346-181-06, 346-181-07)
City Negotiator: Troy L. Butzlaff, City Administrator
Negotiating Party: Mark Korando, Habitat for Humanity of Orange County
Under Negotiations: Price and Terms of Payment
5. Pursuant to Government Code Section 54957.6 Conference with City Labor Negotiator (Troy L. Butzlaff, City Administrator) Concerning Labor Negotiations with the Following Employee Group:
 - a. Unrepresented Employees
6. Pursuant to Government Code Section 54957 for Public Employee Performance Evaluations
 - a. City Administrator
 - b. City Attorney

SUCCESSOR AGENCY: None

ICDA: None

RECESS: The City Council and Boards of Directors recessed to the Regular Meeting at 7:00 p.m.

CALL TO ORDER:

PRESENT: Council/Agency Members Aguirre, Nelson, Underhill, Yamaguchi
ABSENT: Wanke

STAFF PRESENT: City Administrator/Executive Director, Troy L. Butzlaff; City Attorney/Authority Counsel, Andrew V. Arczynski; Assistant City Administrator, Ken Domer; Director of Administrative and Community Services, Steve Pischel; Director of Finance, Karen Ogawa; Director of Public Works, Steve Drinovsky; Senior Management Analyst, Michael McConaha; Management Analyst, Antonia Castro-Graham; Management Analyst, Maggie Le; Police Chief, Rick Hicks; Deputy Chief of Police, Ward Smith; City Clerk, Patrick Melia; City Clerk Specialist, Candice Martinez

INVOCATION: Police Chaplain Gary Drabek

PLEDGE OF ALLEGIANCE: Assemblymember Chris Norby

1. Requests for Commendations and Proclamations

- a. Orange County Human Relations Commission
Presenter: Commissioner Ruben Barron

Recommended Action: It is recommended that the City Council:
Approve requests as submitted and make presentations to those present

A motion was made by Councilmember Nelson, seconded by Mayor Yamaguchi, to approve presentation item 1.a. as submitted.

Commissioner Ruben Barron provided a brief presentation of the Orange County Human Relations Commission's annual report. He provided a copy of the report to be filed in the City Clerk's Office.

EXECUTIVE SESSION REPORT:

City Attorney/Agency Counsel Arczynski reported on an item of litigation involving the Southern California Gas Company and their contractor. He noted that in February 13, 2011 there was a major sewer break at 550 W. Crowther. He noted that the City received full payment for the entire amount including attorney fees in litigating the case. He stated there is no other reportable action from Executive Session.

CITY ADMINISTRATOR REPORT:

City Administrator Butzlaff wished everyone a happy Thanksgiving holiday. He announced that City Hall would close on Wednesday and Thursday, November 21-22 in observance of the Thanksgiving holiday.

ORAL COMMUNICATIONS:

Assemblymember Chris Norby noted that it was an honor and privilege to represent City of Placentia.

City Councilmember's thanked Mr. Norby for his service.

Meredith Castillo, resident, noted that the Community Flu Shots event at the Placentia Sports Complex was a success. He wished everyone a happy Thanksgiving Day.

Ed Garcia, resident, announced the upcoming Annual Las Posadas and Tamale Festival event on December 5, 2012. He wished everyone a happy Thanksgiving Day.

Jim Gaffney, resident, expressed his concerns regarding the American Flag being flown at half-staff at City Hall and the process of adding names on the Veterans Memorial Wall at City Hall.

Carolyn Gaffney, resident, expressed her concerns regarding traffic light timing on Yorba Linda Boulevard and asserted the American Flag hung incorrectly inside the City Council Chambers.

CITY COUNCIL/BOARD MEMBERS COMMENTS AND REPORTS:

Councilmember Underhill thanked the people for electing the incumbents to City Council. She attended the Roundtable Club Prayer breakfast event and the Veterans Day Observance Ceremony on November 10th. She expressed her condolences to the family of Phil Bush. She wished everyone a happy Thanksgiving holiday.

Councilmember Nelson congratulated Councilmember's Underhill and Yamaguchi for their reelection. He thanked the residents for reelecting him to City Council. He expressed his condolences to the family of Phil Bush. He thanked Assemblymember Chris Norby for his years of service. He attended several meetings in Sacramento last week. He wished everyone a happy Thanksgiving holiday.

Councilmember Aguirre congratulated the incumbents on their reelection to City Council and City Treasurer seat. He thanked everyone who exercised his or her right to vote in the recent election. He attended the Veterans Day Observance Ceremony on November 10th and thanked everyone involved in the organization of the event. He expressed his condolences to the families of Phil Bush, Richard Jensen, and Michael Melia. He noted that Assemblymember Chris Norby served as his inspiration. He wished everyone a happy Thanksgiving holiday.

Mayor Yamaguchi congratulated the incumbents on their reelection to City Council and City Treasurer seat. He thanked Golden Elementary School for allowing him to visit the site. He congratulated Zhangs Chinese Bistro on their recent ribbon cutting. He inquired about a possible City policy regarding the American Flag flying at half-staff at City Hall. He congratulated the recent CERT graduates and thanked all the volunteers involved. He recognized the passing of Jim Disbennett, a former El Dorado High School teacher. He reported that the City Selection Committee met last week. He thanked the Round Table Club and Rotary Club for putting together the Roundtable Prayer Breakfast. He expressed his condolences to the families of Phil Bush, Richard Jensen, and Michael Melia. He wished everyone a safe Thanksgiving holiday.

City Attorney Arczynski noted that 22 years ago Council determined that it was appropriate under certain circumstances, such as the death of an elected official or member of the Police Department, to have the American Flag half-staff. He noted that there are no violations.

1. CONSENT CALENDAR (Items 1.a. through 1.t.):

A motion was made by Councilmember Aguirre, seconded by Mayor Yamaguchi, to approve Consent Calendar Item Nos. 1.a. through 1.t. Councilmember Nelson pulled items 1.f. and 1.i.

COUNCIL/SUCCESSOR AGENCY/ICDA CONSENT CALENDAR:

- a. **Consideration to Waive Reading in Full of all Ordinances and Resolutions**
Financial Impact: None
Recommended Action: Approve
(4 – 0, as recommended)

- b. **Minutes**
City Council/Successor/ICDA Regular Meeting – October 16, 2012
Recommended Action: Approve
(4 – 0, as recommended)
- c. **City Fiscal Year 2012-13 Warrant Register for October 17, 2012 through November 20, 2012**
Financial Impact: \$3,534,276.65
Recommended Action: Approve
(4 – 0, as recommended)
- d. **Successor Agency Fiscal Year 2012-13 Warrant Register for October 17, 2012 through November 20, 2012**
Financial Impact: \$198.00
Recommended Action: Approve
(4 – 0, as recommended)

COUNCIL CONSENT CALENDAR:

- e. **Interfund Reimbursement Agreement for Fiscal Year 2011-12**
Financial Impact: None
Recommended Action: It is recommended that the City Council:
 - 1) Approve the Interfund Reimbursement Agreement in the amount of \$2,198,415.23**(4 – 0, as recommended)**
- f. **Resolution Approving Investment Policy for 2013**
Financial Impact: None
Recommended Action: It is recommended that the City Council:
 - 1) Adopt Resolution No. R-2012-63, A Resolution of the City Council of the City of Placentia, California, acknowledging the receipt and filing of the Annual Statement of Investment Policy for the calendar year 2013
 - 2) Receive and file the Investment Policy for calendar year 2013**(4 – 0, as recommended)**

Councilmember Nelson directed Staff to look into the Caltrans Plan developed by the Action State League.

A motion was made by Councilmember Nelson, seconded by Councilmember Underhill, and carried (4 – 0) to adopt Resolution No. R-2012-63, A Resolution of the City Council of the City of Placentia, California, acknowledging the receipt and filing of the Annual Statement of Investment Policy for the calendar year 2013; and to receive and file the Investment Policy for calendar year 2013.

- g. **State Mandated Imposition of a "\$1.00 State Business License Fee" Pursuant to Senate Bill 1186**
Financial Impact: Revenues: \$1,900 (Estimate)
Recommended Action: It is recommended that the City Council:
 - 1) Adopt Resolution No. R-2012-64, A Resolution of the City Council of the City of Placentia, California, complying with Senate Bill 1186 to implement a new \$1.00 State fee on new and renewal business license applicants effective January 1, 2013**(4 – 0, as recommended)**

h. **Budget Amendment – Asset Forfeiture Funds and Authorization to Purchase Computer Equipment**

Financial Impact: \$45,000 Expenditure of Asset Forfeiture Funds to purchase equipment (Account No.: 213041-6840) Fiscal Year 2012-13 Budget

Recommended Action: It is recommended that the City Council:

- 1) Adopt Resolution R-2012-65, A Resolution of the City Council of the City of Placentia, California, authorizing a budget amendment in Fiscal Year 2012-13 in the aggregate amount of \$45,000 in compliance with City Charter §§ 1206 and 1209 pertaining to appropriations for actual expenditures
- 2) Authorize the purchase of the computers and related peripheral equipment and software with Asset Forfeiture funds in an amount not to exceed \$45,000
- 3) Authorize the City Administrator or his designee to execute all necessary documents to effectuate these actions

(4 – 0, as recommended)

i. **Request for Additional Appropriations for Patrol Overtime Budget to Participate in the Office of Traffic Safety Grant – “Sobriety Checkpoint Grant Program for 2012-2013”**

Financial Impact: Expense: \$62,225

Offsetting Revenue: \$62,225

Recommended Action: It is recommended that the City Council:

- 1) Approve the acceptance of the Office of Traffic Safety grant in the form presented and direct the Chief of Police to complete the final paperwork
- 2) Adopt Resolution R-2012-66, A Resolution of the City Council of the City of Placentia, California, authorizing a budget amendment in Fiscal Year 2012-13 in the aggregate amount of \$62,225 in compliance with City Charter §§ 1206 and 1209 pertaining to appropriations for actual expenditures

(4 – 0, as recommended)

Councilmember Nelson inquired about the allocations of the funds.

City Administrator Butzlaff noted that funds would be allocated to the Traffic Safety Division through the impound yard. He noted that it is difficult to track all the funds because they come in from different sources.

A motion was made by Councilmember Nelson, seconded by Councilmember Underhill, and carried (4 – 0) to approve the acceptance of the Office of Traffic Safety grant in the form presented and direct the Chief of Police to complete the final paperwork; and to adopt Resolution R-2012-66, A Resolution of the City Council of the City of Placentia, California, authorizing a budget amendment in Fiscal Year 2012-13 in the aggregate amount of \$62,225 in compliance with City Charter §§ 1206 and 1209 pertaining to appropriations for actual expenditures.

j. **Resolutions of Support for the Kraemer Boulevard/Glassell Street/Grand Avenue Corridor Traffic Signal Synchronization Project and Orangethorpe Avenue Widening and Rehabilitation Project**

Financial Impact: None

Recommended Action: It is recommended that the City Council:

- 1) Adopt Resolution R-2012-67, A Resolution of the City Council of the City of Placentia, California, approving the submittal of the Kraemer Boulevard/Glassell Street/Grand Avenue Traffic Signal Synchronization

Project to the Orange County Transportation Authority for funding under the Comprehensive Transportation Program

- 2) Adopt Resolution R-2012-68, A Resolution of the City Council of the City of Placentia, California, approving the submittal of the Orangethorpe Avenue Widening and Rehabilitation Project to the Orange County Transportation Authority for funding under the Comprehensive Transportation Program

(4 – 0, as recommended)

k. **Recommendation to Approve Award of Contract to Willdan Engineering for City Preparation of a Sewer GIS Layer**

Financial Impact: Expense: Not to Exceed \$71,700

Budgeted: (Account No.: 484376-6120)

Recommended Action: It is recommended that the City Council:

- 1) Award an agreement, in a form approved by the City Attorney, to Willdan Engineering for preparation of a sewer GIS layer
- 2) Authorize the City Administrator to sign the required documents in a form approved by the City Attorney

(4 – 0, as recommended)

l. **Approve Cooperative Agreement for Project No. C-2-1844 (Rose Drive and Yorba Linda Boulevard Intersection Improvement Project) between the City of Placentia and Orange County Transportation Authority**

Financial Impact: Expense: \$280,000

Offsetting Revenue: Proposition 1B SLPP, Measure M2 Fairshare, and Developer Funds

Budgeted: \$280,000 (CIP Account No.: 333552-6185 J/L 61105) - Rose Drive /Yorba Linda Boulevard

Recommended Action: It is recommended that the City Council:

- 1) Approve the attached Cooperative Agreement for Project No. C-2-1844 between the City of Placentia and OCTA for the implementation of the Rose Drive and Yorba Linda Boulevard Intersection Improvement Project funded as part of the State Proposition 1B State-Local Partnership Program (SLPP)
- 2) Authorize the Mayor to execute the Cooperative Agreement on behalf of the City

(4 – 0, as recommended)

m. **Approve Cooperative Agreement for Project No. C-2-1821 (Valencia Avenue Rehabilitation Project) Between the City of Placentia and Orange County Transportation Authority**

Financial Impact: Expense: \$636,000

Offsetting Revenue: \$318,000 PROP 1B SLPP, \$318,000 Measure M2 Fairshare

Budgeted: \$636,000 (CIP Account No.: 333552-6185 J/L 61034 Valencia Avenue Rehabilitation)

Recommended Action: It is recommended that the City Council:

- 1) Approve the attached Cooperative Agreement for Project No. C-2-1821 between the City of Placentia and OCTA for the implementation of the Valencia Avenue Rehabilitation Project funded as part of the State Proposition 1B State-Local Partnership Program (SLPP)

- 2) Authorize the Mayor to execute the Cooperative Agreement on behalf of the City

(4 – 0, as recommended)

n. **Orange County Transportation Authority - Amendment No. 15 to Cooperative Agreement No. C-95-987 to Update the Combined Transportation Funding Programs (CTFP) Active Project List**

Financial Impact: None

Recommended Action: It is recommended that the City Council:

- 1) Approve Amendment No. 15 to Cooperative Agreement No. C-95-987 with the Orange County Transportation Authority
- 2) Authorize the Mayor to execute Amendment No. 15 to Cooperative Agreement on behalf of the City

(4 – 0, as recommended)

o. **Adoption of Resolution No. R-2012-69, Authorizing the City Administrator or his Designee to Execute all Necessary Documents for Securing Grant Funds from the Department of Resources Recycling and Recovery (CalRecycle) for the Rubberized Pavement Grant Program Cycle TRP3 and Adoption of Resolution No. R-2012-70, Approving the Amendment of City Policy 523 (Recycled Products – Procurement)**

Financial Impact: None

Recommended Action: It is recommended that the City Council:

- 1) Adopt Resolution No. R-2012-69, A Resolution of the City Council of the City of Placentia, California, approving the submittal of applications(s) for all CalRecycle Grants for which the City of Placentia is eligible
- 2) Adopt Resolution No. R-2012-70, A Resolution of the City Council of the City of Placentia, California, approving and adopting amendments to the City of Placentia Policy and Procedure Manual regarding Recycled Products: Environmentally Preferable Procurement (Policy No. 523)

(4 – 0, as recommended)

p. **Approval of Plans and Specifications and Award of Construction to Bali Construction, Inc., for the City Yard Clarifier and Sewer Improvement Project**

Financial Impact: Expense: \$117,936 for Construction

Offsetting Revenue: \$117,936 Sewer Maintenance Fund

Budgeted: \$215,000 (Account No.: 333556-6185 J/L 61026)

Recommended Action: It is recommended that the City Council:

- 1) Approve plans and specifications prepared by Hunsaker & Associates dated October 15, 2012, for City Yard Clarifier and Sewer Improvement Project
- 2) Award construction contract to the lowest responsive and responsible bidder, Bali Construction, Inc., for an amount not to exceed \$117,936
- 3) Reject all other bids
- 4) Authorize the City Administrator, or his designee, to approve construction change orders pursuant to the requirements set forth in the construction contract and in an aggregate amount not to exceed 20% of the project construction
- 5) Authorize the City Administrator to execute contracts documents on behalf of the City, in a form approved by the City Attorney

(4 – 0, as recommended)

- q. **Declaration of Surplus Property**
Financial Impact: Revenue realized from the sale of surplus property will be deposited in the City's Equipment Replacement Fund
Recommended Action: It is recommended that the City Council:
 1) Declare the attached list of equipment as surplus property and authorize their disposal
(4 – 0, as recommended)
- r. **Authorization of Designated Staff to Sign Emergency Management Assistance Program Applications**
Financial Impact: None
Recommended Action: It is recommended that the City Council:
 1) Adopt Resolution No. R-2012-71, A Resolution of the City Council of the City of Placentia, California, authorizing certain individuals to sign Emergency Management Assistance Program applications
(4 – 0, as recommended)
- s. **Change in Title of City Employees Authorized to Accept and Consent to Deeds or Grants or Easements to the City**
Financial Impact: None
Recommended Action: It is recommended that the City Council:
 1) Adopt Resolution No. R-2012-72, A Resolution of the City Council of the City of Placentia, California, authorizing certain persons to accept and consent to deeds or grants conveying any interest in or easement to real estate to the City of Placentia
(4 – 0, as recommended)
- t. **Earthquake Insurance for Specified City Facilities**
Financial Impact: Expenses: \$36,344
 Budgeted: \$36,334 (Account No.: 404582-6201)
Recommended Action: It is recommended that the City Council:
 1) Adopt Resolution No. R-2012-73, A Resolution of the City Council of the City of Placentia, California, approving the purchase of earthquake insurance for specified City facilities from Alliant Insurance Services, acting as the City's insurance broker, in an amount not-to-exceed \$37,000 for policy year 2012-2013
 2) Authorize the City Administrator to execute all documents necessary to effectuate insurance coverage
(4 – 0, as recommended)

SUCCESSOR AGENCY CONSENT CALENDAR: None

ICDA CONSENT CALENDAR: None

2. PUBLIC HEARINGS:

COUNCIL/SUCCESSOR AGENCY/ICDA: None

COUNCIL: None

SUCCESSOR AGENCY: None

ICDA: None

3. OLD BUSINESS:

COUNCIL/SUCCESSOR AGENCY/ICDA OLD BUSINESS: None

COUNCIL OLD BUSINESS: None

SUCCESSOR AGENCY OLD BUSINESS: None

ICDA OLD BUSINESS: None

4. NEW BUSINESS:

COUNCIL/SUCCESSOR AGENCY/ICDA NEW BUSINESS: None

COUNCIL NEW BUSINESS: None

SUCCESSOR AGENCY NEW BUSINESS: None

ICDA NEW BUSINESS: None

CITY COUNCIL/BOARD MEMBERS REQUESTS:

Councilmember Nelson expressed his condolences to the families of Phil Bush, Richard Jensen, and Michael Melia.

ADJOURNMENT: The City Council/Successor Agency/ICDA Agency Board of Directors adjourned to December 4, 2012 in memory of Michael Melia, Phil Bush and Richard Jensen.

JEREMY B. YAMAGUCHI
MAYOR/AGENCY CHAIR

ATTEST:

PATRICK J. MELIA, CITY CLERK/AGENCY
SECRETARY

**PLACENTIA CITY COUNCIL
PLACENTIA CITY COUNCIL AS SUCCESSOR TO THE
PLACENTIA REDEVELOPMENT AGENCY
PLACENTIA INDUSTRIAL COMMERCIAL DEVELOPMENT AUTHORITY
REGULAR MEETING MINUTES – EXECUTIVE SESSION
December 4, 2012
6:00 p.m. – City Council Chambers
401 E. Chapman Avenue, Placentia, CA**

CALL TO ORDER: Mayor/Board Chair Yamaguchi called the meeting to order at 6:00 p.m.

ROLL CALL:

PRESENT: Council/Agency Members Nelson, Underhill, Yamaguchi
ABSENT: None

Councilmember Aguirre and Mayor Pro Tem Wanke arrived at 6:05 p.m.

ORAL COMMUNICATIONS: None

CITY COUNCIL:

1. Pursuant to Government Code Section 54956.9(b) for Conference with Legal Counsel Regarding Anticipated Litigation – One (1) Item
2. Pursuant to Government Code Section 54956.9(c) for Conference with Legal Counsel Regarding the Initiation of Litigation – Two (2) Items
3. Pursuant to Government Code Section 54957 for Public Employee Performance Evaluations
 - a. City Administrator
 - b. City Attorney

SUCCESSOR AGENCY: None

ICDA: None

RECESS: The City Council and Boards of Directors recessed to the Regular Meeting at 7:00 p.m.

CALL TO ORDER:

PRESENT: Council/Agency Members Aguirre, Nelson, Underhill, Wanke, Yamaguchi
ABSENT: None

STAFF PRESENT: City Administrator/Executive Director, Troy L. Butzlaff; City Attorney/Authority Counsel, Andrew V. Arczynski; Assistant City Administrator, Ken Domer; Director of Administrative and Community Services, Steve Pischel; Director of Finance, Karen Ogawa; Police Chief, Rick Hicks; City Clerk, Patrick Melia; Deputy City Clerk, Tania Moreno; City Clerk Specialist, Candice Martinez

INVOCATION: OCFA Chaplain Jeff Hetschel

PLEDGE OF ALLEGIANCE: Mayor Yamaguchi

ORAL COMMUNICATIONS:

Grace Chang, City of Diamond Bar Representative, presented a certificate of recognition to Mayor Yamaguchi on behalf of Mayor Ling Ling Chang of Diamond Bar.

Young Kim, Congressman Ed Royce Field Representative, presented a certificate of recognition to Mayor Yamaguchi on behalf of Congressman Ed Royce.

I. CERTIFICATION OF NOVEMBER 6, 2012 GENERAL MUNICIPAL ELECTION RESULTS

a. **Certification of the Canvass of the November 6, 2012 General Municipal Election Returns**

Financial Impact: None

Recommended Action: It is recommended that the City Council:

- 1) Receive and file the Certificate of Registrar of Voters to result of the Canvass of the General Election Returns
- 2) Waive reading in full of resolution
- 3) Approve Resolution No. R-2012-74, A Resolution of City Council of the City of Placentia, California, reciting the fact of the General Municipal Election held on Tuesday, November 6, 2012 declaring the result and such other matters as provided by law

A motion was made by Councilmember Nelson, seconded by Councilmember Underhill, and carried (5 – 0) to receive and file the Certificate of Registrar of Voters to result of the Canvass of the General Election Returns; waive reading in full of resolution; and approve Resolution No. R-2012-74, A Resolution of City Council of the City of Placentia, California, reciting the fact of the General Municipal Election held on Tuesday, November 6, 2012 declaring the result and such other matters as provided by law.

City Clerk Melia read the Certificate of Registrar of Voters to Result of the Canvass of the General Election Returns of the November 6, 2012 election.

II. OATHS OF OFFICE, PRESENTATION OF CERTIFICATES OF ELECTION AND SEATING OF OFFICIALS

- a. City Treasurer Craig S. Green – administered by Los Angeles Superior Court Judge Salvatore Sirna
- b. Councilmember Scott W. Nelson– administered by City Clerk Patrick J. Melia
- c. Councilmember Constance M. Underhill – administered by City Clerk Patrick J. Melia
- d. Councilmember Jeremy B. Yamaguchi – administered by City Clerk Patrick J. Melia

III. REORGANIZATION OF THE CITY COUNCIL

- a. City Clerk calls for the selection of Mayor of the City of Placentia

City Clerk Melia called for nominations for the Office of Mayor.

Mayor Pro Tem Wanke nominated, and Mayor Yamaguchi seconded the nomination of Councilmember Nelson to the position of Mayor for the term of December 4, 2012 through December 3, 2013.

Pursuant to a unanimous roll call vote, Councilmember Nelson was selected to serve as Mayor of the City of Placentia.

Mayor Nelson thanked Councilmember Yamaguchi for his work as Mayor.

- b. Mayor calls for the selection of Mayor Pro Tem of the City of Placentia

Mayor Nelson called for nominations for the selection of Mayor Pro Tem.

Councilmember Yamaguchi nominated Mayor Pro Tem Wanke to serve as Mayor Pro Tem.

No second to the nomination was made.

Councilmember Underhill nominated, and Mayor Nelson seconded the nomination of Councilmember Aguirre to the position of Mayor Pro Tem for the term of December 4, 2012 through December 3, 2013.

Pursuant to a unanimous roll call vote, Councilmember Aguirre was selected to serve as Mayor Pro Tem of the City of Placentia.

IV. COMMENTS – NEWLY ELECTED OFFICIALS

- a. City Treasurer Craig S. Green

City Treasurer Green thanked Judge Sirna for the honor of administering the Oath of Office. He thanked the residents, campaign volunteers, campaign contributors, his family and friends for all their support.

- b. Councilmember Constance M. Underhill

Councilmember Underhill thanked residents for reelecting her.

- c. Councilmember Jeremy B. Yamaguchi

Councilmember Yamaguchi thanked the residents, family and friends for all their support.

- d. Councilmember Scott W. Nelson

Mayor Nelson thanked the residents for reelecting him and Council for appointing him as Mayor.

V. RECOGNITION OF 2012 MAYOR JEREMY YAMAGUCHI

- a. Senator Bob Huff's Office
Presenter: David Monroy
- b. Supervisor Shawn Nelson's Office
Presenter: Supervisor Shawn Nelson

David Monroy, Senator Bob Huff's Office Representative, on behalf of Senator Huff he presented a certificate of recognition to outgoing Mayor Yamaguchi.

Mayor Nelson presented Councilmember Yamaguchi various certificates of recognition on behalf of Assemblymember Curt Hagman and Congressman Gary Miller for his work as Mayor.

Councilmember Yamaguchi thanked everyone.

RECESS FOR RECEPTION RECOGNIZING MAYOR AND CITY COUNCIL REORGANIZATION

EXECUTIVE SESSION REPORT: City Attorney/Agency Counsel Arczynski reported the Council/Agency met in Executive Session to discuss the items listed on the agenda. He stated there was no reportable action from Executive Session this evening.

CITY ADMINISTRATOR REPORT: None

ORAL COMMUNICATIONS:

Jeff Buchanan, resident, congratulated all the reelected Councilmember's and City Treasurer. He inquired about the Forestry Management Plan status. He noted that he visited the Vietnam Memorial in Sacramento and presented a book to Councilmember Wanke.

Rosalina Davis, Downtown Merchant, congratulated Mayor Nelson and all reelected City Councilmember's and City Treasurer. She invited everyone to the Las Posadas and Tamale Festival on December 5, 2012 in Downtown Placentia and thanked all the event sponsors.

Morgan Yager, resident, thanked Council and Staff for allocating funds for the paving of Blanquita Way.

Jackson Lang, resident, expressed his concerns regarding his unpaved street and the hazards.

CITY COUNCIL/BOARD MEMBERS COMMENTS AND REPORTS:

Councilmember Yamaguchi wished everyone happy holidays and raised awareness of fire safety.

Councilmember Underhill announced the Las Posadas and Tamale Festival on December 5, 2012.

Councilmember Wanke congratulated all the reelected City Councilmember's and City Treasurer.

Mayor Pro Tem Aguirre congratulated the newly appointed Mayor. He thanked City Council for his appointment as Mayor Pro Tem. He thanked Councilmember Yamaguchi for his service as Mayor. He announced the Las Posadas and Tamale Festival on December 5, 2012. He wished everyone happy holidays.

Mayor Nelson announced the Las Posadas and Tamale Festival on December 5, 2012.

1. CONSENT CALENDAR (Items 1.a. through 1.g.):

A motion was made by Councilmember Yamaguchi, seconded by Councilmember Wanke, to approve Consent Calendar Item Nos. 1.a. through 1.g. Mayor Pro Tem Aguirre pulled item 1.g. for separate discussion.

COUNCIL/SUCCESSOR AGENCY/ICDA CONSENT CALENDAR:

- a. **Consideration to Waive Reading in Full of all Ordinances and Resolutions**
Financial Impact: None
Recommended Action: Approve
(5 – 0, as recommended)
- b. **City Fiscal Year 2012-13 Warrant Register for November 21, 2012 through December 4, 2012**
Financial Impact: \$1,997,386.30
Recommended Action: Approve
(5 – 0, as recommended)

COUNCIL CONSENT CALENDAR:

- c. **Approve Two-Year Extension with Willdan Engineering for As-Needed Engineering and Traffic Engineering Services**
Financial Impact: Expense: \$6,720 per month for as-needed City Engineering services, \$4,480 per month for Traffic Engineering services
Offsetting Revenue: Engineering deposits
Budgeted: As-needed Engineering - 20% 103550-6015, 80% 484356-6015, Traffic Engineering - 100% 103550-6015
Recommended Action: It is recommended that the City Council:
1) Approve a two-year contract extension with Willdan Engineering for as-needed Civil Engineering and Traffic Engineering services
2) Authorize the City Administrator to execute a subject Amendment on behalf of the City in a form approved by the City Attorney
(5 – 0, as recommended)
- d. **Recommendation to Establish and Add Eight (8) Contractors to a Pre-Qualified List for On-call Concrete Repair and Replacement Services**
Financial Impact: None
Recommended Action: It is recommended that the City Council:
1) Approve addition of the following eight (8) contractors to the City of Placentia's qualified contractor list for specified on-call concrete repair and replacement services for a period of one (1) calendar year; CJ Concrete Construction, Inc., Golden State Constructions, Inc., Hardy & Harper, Inc., Horizons Construction Co. International, Inc., Mora's Equipment and Construction, Premier Developing Services, Unique Performance Construction, Inc., and Victor Concrete
(5 – 0, as recommended)
- e. **Release of Labor and Materials Bond – Tract No. 16445 North East Corner of Orchard Drive and Richfield Road (ETCO Homes)**
Financial Impact: None
Recommended Action: It is recommended that the City Council:
1) Authorize the City Engineer to release Bond No. 0570335 in the amount of \$452,000
(5 – 0, as recommended)
- f. **Renewed Measure M (M2) Expenditure Report for Fiscal Year 2011-12**
Financial Impact: None
Recommended Action: It is recommended that the City Council:
1) Adopt Resolution No. R-2012-75, A Resolution of the City Council of the City of Placentia, California, to receive and file the M2 Expenditure Report for the Fiscal Year 2011-12
(5 – 0, as recommended)
- g. **Approval of Contract Change Order for R.J. Noble Company and Contract Amendment with Onward Engineering Inc. for Construction Management of the 2012 City Residential Street Rehabilitation Project**
Financial Impact: Expense: \$1,303,787
Budgeted: \$1,303,787 (Account No.: 333552-6185 J/L 6110540033 Gas Tax Bond)
Recommended Action: It is recommended that the City Council:

- 1) Approve a contract change order with R.J. Noble Company for construction services in an amount of \$1,276,967
 - 2) Approve an amendment to Consulting Services Agreement with Onward Engineering Inc. for construction management services for the not to exceed amount of \$26,280
 - 3) Authorize the City Administrator to execute Contract Change Order documents on behalf of the City, in a form approved by the City Attorney
- (5 – 0, as recommended)**

City Administrator Butzlaff provided a brief report on item 1.g. He noted that due to savings, two areas have been added to the 2012 City Residential Street Rehabilitation Project.

Director of Public Works Drinovsky noted that in 2011, a complete analysis was done and it was determined that an aggressive action was necessary. He noted that this is a Capital Improvement Project. He noted that this year's project focus on 47% of the City's residential roadways. He noted that two neighborhoods have been added and that the project was extended 27 days.

Mayor Nelson thanked Staff for the proactive approach.

A motion was made by Councilmember Wanke, seconded by Mayor Pro Tem Wanke, and carried (5 – 0) to approve a contract change order with R.J. Noble Company for construction services in an amount of \$1,276,967; approve an amendment to Consulting Services Agreement with Onward Engineering Inc. for construction management services for the not to exceed amount of \$26,280; and authorize the City Administrator to execute Contract Change Order documents on behalf of the City, in a form approved by the City Attorney.

SUCCESSOR AGENCY CONSENT CALENDAR: None

ICDA CONSENT CALENDAR: None

2. PUBLIC HEARINGS:

COUNCIL/SUCCESSOR AGENCY/ICDA: None

COUNCIL: None

SUCCESSOR AGENCY: None

ICDA: None

3. OLD BUSINESS:

COUNCIL/SUCCESSOR AGENCY/ICDA OLD BUSINESS: None

COUNCIL OLD BUSINESS: None

SUCCESSOR AGENCY OLD BUSINESS: None

ICDA OLD BUSINESS: None

4. NEW BUSINESS:

COUNCIL/SUCCESSOR AGENCY/ICDA NEW BUSINESS: None

COUNCIL NEW BUSINESS:

a. **Consideration of Exclusive Negotiation Agreement with Habitat for Humanity of Orange County to Develop up to Four (4) Single Family Affordable Homes in the Atwood Community**

Financial Impact: None

Recommended Action: It is recommended that the City Council:

- 1) Authorize the City Administrator to enter into negotiations with Habitat for Humanity of Orange County for the purpose of reaching an agreement to develop up to four (4) single family residences on City-owned property in the Atwood community
- 2) Reject all other proposals
- 3) Accept the Planning Commission recommendation for the reduced lot sizes per Placentia Municipal Code § 22.16.035

(5 – 0, as recommended)

City Administrator Butzlaff introduced Assistant City Administrator Domer.

Assistant City Administrator Domer provided a staff report on item 4.a. He noted that the action requested is to allow the City Administrator to enter into negotiations with Habitat for Humanity of Orange County. He noted that this is the final stage of the project in which single-family housing will be constructed.

Mayor Pro Tem Aguirre inquired about the Habitat for Humanity Orange County process.

Mark Korando, Sr. Vice President from Habitat for Humanity, noted that the developments are a collaboration of community members and other volunteers. He noted that the potential buyers provide sweat equity as part of their down payment. He noted that they are proposing a community garden.

Councilmember Wanke inquired about the sweat equity requirement.

Mr. Korando responded that all partner families put in sweat equity working on their homes and/or on other areas.

A motion was made by Councilmember Underhill, seconded by Councilmember Yamaguchi, and carried (5 – 0) to authorize the City Administrator to enter into negotiations with Habitat for Humanity of Orange County for the purpose of reaching an agreement to develop up to four (4) single family residences on City-owned property in the Atwood community; reject all other proposals; and accept the Planning Commission recommendation for the reduced lot sizes per Placentia Municipal Code § 22.16.035.

SUCCESSOR AGENCY NEW BUSINESS: None

ICDA NEW BUSINESS: None

CITY COUNCIL/BOARD MEMBERS REQUESTS: None

ADJOURNMENT: The City Council/Successor Agency/ICDA Agency Board of Directors adjourned to December 18, 2012.

SCOTT W. NELSON
MAYOR/AGENCY CHAIR

ATTEST:

PATRICK J. MELIA, CITY CLERK/AGENCY
SECRETARY

**City of Placentia
Warrant Register
For 12/18/2012**

Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount Invoice#	PO #	Check #	Check Date
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Grand Total: 993,831.76

Warrant Totals by ID	
AP	993,831.76
EP	0.00
IP	0.00
OP	0.00

Fund Name	Warrant Totals by Fund
101-General Fund	198,575.33
208-Successor Agency Ret Oblg Fnd	1,068.75
260-Street Lighting District	30,385.56
265-Landscape Maintenance	26,160.29
275-Sewer Maintenance	16,918.50
280-Misc Grants Fund	280.00
401-City Capital Projects	116,262.92
501-Refuse Administration	206,076.14
601-Employee Health & Welfare	136,122.03
605-Risk Management	120,795.71
615-Information Technology	8,937.78
620-Citywide Services	120,547.93
701-Special Deposits	11,700.82

Void Total: 0.00
Warrant Total: 993,831.76

LEGEND	
EP	Electronic Payment
MW IP	Machine Written (Immediate Pay)
MW OH	Machine Written (Open Hold)
RV	Reversed Warrant

Warrant Total: 993,831.76

1c
December 18, 2012

**City of Placentia
Warrant Register
For 12/11/2012**

Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount	Invoice#	PO #	Check #	Check Date
MW OH	1ST JON V007920	PORTABLE RESTROOM RENTAL	103040-6301 Special Department Supplies	TK1211A	175.43	A-17917	P07938	00078818	12/18/2012
MW IP	ABBA TERMITES & PEST CONTROL V000087	OCT PEST CONTROL SRVS	433654-6130 Repair & Maint/Facilities	Vendor Total: ITK1205A	175.43 100.00	20085A		00078764	12/06/2012
MW OH	ABBA TERMITES & PEST CONTROL V000087	NOV BEE TRAP SERVICE	433654-6130 Repair & Maint/Facilities	TK1211A	100.00	20177	P07235	00078819	12/18/2012
MW IP	ADMINSURE V004980	OCT WORKER'S COMP CLAIM ADM	404580-6025 Third Party Administration	Vendor Total: ITK1205A	200.00 3,293.12	6138	P07963	00078765	12/06/2012
MW OH	AGUILAR, IRMA V008737	DEPOSIT REFUND-BACKS BLDG	100000-4385 / 79161-4385 Facility Rental	Vendor Total: TK1211A	3,293.12 150.00	84075		00078820	12/18/2012
MW OH	ALBERT GROVER & ASSOCIATES V007111	OCT TRAFFIC SIGNAL UPGRADE	333552-6185 / 6800140141-6185 Construction Services	Vendor Total: TK1211A	150.00 1,486.69	12310-IN	P07533	00078821	12/18/2012
MW OH	ALL CITY MANAGEMENT V000005	11/4-17 CROSSING GUARD SRVS	103041-6099 Other Professional Services	Vendor Total: TK1211D	1,486.69 7,086.24	29103	P07330	00078822	12/18/2012
MW IP	ALLIANT INSURANCE V007375	SERV EARTHQUAKE INSURANCE	PREMIUM 404582-6201 Liability Insurance Premiums	Vendor Total: ITK1210A	7,086.24 36,344.00	92378	P07981	00078815	12/10/2012
MW OH	AMERICAN PLANNING ASSOCIATES V000010	CA ORANGE SECTION DUES	102531-6255 Dues & Memberships	Vendor Total: TK1211A	36,344.00 85.00	214012-1285	P07949	00078823	12/18/2012
MW OH	AMERICAN PLANNING ASSOCIATES V000010	APA MEMBERSHIP DUES	102531-6255 Dues & Memberships	TK1211A	210.00	214012-1285	P07949	00078823	12/18/2012
MW IP	ANTHEM LIFE INSURANCE	DEC OPTIONAL LIFE INSURANCE	0010-2186	Vendor Total: ITK1205A	295.00 5.00	12312A		00078766	12/06/2012

**City of Placentia
Warrant Register
For 12/11/2012**

Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount	Invoice#	PO #	Check #	Check Date
	V000046		Optional Life Insurance						
MW OH	ARAMARK UNIFORM SERV PW UNIFORMS V004232		103650-6360 Uniforms	TK1211A	5.00	169.55 502-74078575	P07318	00078824	12/18/2012
MW OH	ARAMARK UNIFORM SERV PW UNIFORMS V004232		103650-6360 Uniforms	TK1211A		131.37 502-7407876	P07318	00078824	12/18/2012
MW OH	ARAMARK UNIFORM SERV PW UNIFORMS V004232		103650-6360 Uniforms	TK1211A		410.11 502-7425841	P07318	00078824	12/18/2012
MW OH	ARAMARK UNIFORM SERV PW UNIFORMS V004232		103650-6360 Uniforms	TK1211A		79.18 502-7425842	P07318	00078824	12/18/2012
MW OH	ARAMARK UNIFORM SERV PW UNIFORMS V004232		103650-6360 Uniforms	TK1211A		169.55 502-7443782	P07318	00078824	12/18/2012
MW OH	ARAMARK UNIFORM SERV PW UNIFORMS V004232		103650-6360 Uniforms	TK1211A		129.41 502-7443783	P07318	00078824	12/18/2012
				Vendor Total:	1,089.17				
MW OH	ARROYO, LAURIE V008001	REIMBURSEMENT-PARADE SUPPI	0044-2067 / 79392-2067 Heritage Committee	TK1211A	208.09	111312	P07914	00078825	12/18/2012
				Vendor Total:	208.09				
MW IP	AT & T V008736	NOV-DEC U-VERSE CHARGES	431010-6215 Telephone	ITK1205A	199.42	120412		00078768	12/06/2012
				Vendor Total:	199.42				
MW IP	AT & T MOBILITY V008709	OCT-NOV IPAD CHARGES	431010-6215 Telephone	ITK1205A	299.39	10152012		00078767	12/06/2012
				Vendor Total:	299.39				
MW IP	AT&T V004144	OCT PHONE CHARGES	431010-6215 Telephone	ITK1205A	998.56	110112		00078769	12/06/2012
MW IP	AT&T V004144	OCT PHONE CHARGES	296561-6215 Telephone	ITK1205A	158.99	110112		00078769	12/06/2012
MW IP	AT&T V004144	OCT-NOV PHONE CHARGES	431010-6215 Telephone	ITK1205A	1,009.09	112512		00078769	12/06/2012

**City of Placentia
Warrant Register
For 12/11/2012**

Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount	Invoice#	PO #	Check #	Check Date
MW IP	AT&T V004144	OCT-NOV PHONE CHARGES	296561-6215 Telephone	ITK1205A	46.98	112512		00078769	12/06/2012
				Vendor Total:	2,213.62				
MW IP	AUDISS, JAY S V003366	SLI #8 MEALS,RENTAL CAR	103041-6250 Staff Training	ITK1205A	284.38	31256	P07968	00078770	12/06/2012
				Vendor Total:	284.38				
MW OH	AVALOS, JUDY V005029	PLACENTIA CHORUS WEBSITE	0044-2040 / 80034-2040 Special Deposits	TK1211A	41.94	202001754222	P07907	00078826	12/18/2012
				Vendor Total:	41.94				
MW OH	AYSO V008744	DEPOSIT REFUND-AGUIRRE	100000-4385 / 79160-4385 Facility Rental	TK1211A	100.00	84188		00078827	12/18/2012
MW OH	AYSO V008744	DEPOSIT REFUND-AGUIRRE	100000-4385 / 79160-4385 Facility Rental	TK1211A	130.00	84189		00078827	12/18/2012
				Vendor Total:	230.00				
MW IP	BANK OF AMERICA V008741	MAYORS RECEPTION	101001-6301 Special Department Supplies	ITK1205A	108.95	OCTOBER 12		00078771	12/06/2012
MW IP	BANK OF AMERICA V008741	BUSINESS LUNCH-BUTZLAFF	101511-6245 Meetings & Conferences	ITK1205A	52.36	OCTOBER 12		00078771	12/06/2012
MW IP	BANK OF AMERICA V008741	GASOLINE	101511-5199 Other Employee Benefits	ITK1205A	73.78	OCTOBER 12		00078771	12/06/2012
MW IP	BANK OF AMERICA V008741	PW TONER	103650-6315 Office Supplies	ITK1205A	36.27	OCTOBER 12		00078771	12/06/2012
				Vendor Total:	271.36				
MW OH	BATTERY SYSTEMS V002360	BATTERIES/SUPPLIES	433658-6134 Vehicle Repair & Maintenance	TK1211A	8.08	11-271660	P07258	00078828	12/18/2012
MW OH	BATTERY SYSTEMS V002360	BATTERIES/SUPPLIES	433658-6134 Vehicle Repair & Maintenance	TK1211A	243.00	11-271778	P07258	00078828	12/18/2012
MW OH	BATTERY SYSTEMS V002360	BATTERIES/SUPPLIES	433658-6134 Vehicle Repair & Maintenance	TK1211A	87.45	11-272020	P07258	00078828	12/18/2012
MW OH	BATTERY SYSTEMS V002360	BATTERIES/SUPPLIES	433658-6134 Vehicle Repair & Maintenance	TK1211A	222.31	11-272072	P07258	00078828	12/18/2012

**City of Placentia
Warrant Register
For 12/11/2012**

Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount Invoice#	PO #	Check #	Check Date
	V002360		Vehicle Repair & Maintenance					
MW OH	BATTERY SYSTEMS V002360	BATTERIES/SUPPLIES	433658-6134 Vehicle Repair & Maintenance	TK1211A	131.95 11-272318	P07258	00078828	12/18/2012
MW OH	BATTERY SYSTEMS V002360	BATTERIES/SUPPLIES	433658-6134 Vehicle Repair & Maintenance	TK1211A	248.28 11/271326	P07258	00078828	12/18/2012
			Vendor Total:		941.07			
MW OH	BLAIS & ASSOCIATES V008128	OCTOBER GRANT RESEARCH	101511-6001 Management Consulting Services	TK1211A	250.00 10-2011-PL1	P07925	00078829	12/18/2012
			Vendor Total:		250.00			
MW OH	BONADCHUA, SHEILA V008745	DEPOSIT REFUND-AGUIRRE	100000-4385 / 79160-4385 Facility Rental	TK1211A	100.00 84183		00078830	12/18/2012
			Vendor Total:		100.00			
MW OH	BREA TROPHY AND ENGRA V004181	HERITAGE TROPHIES/RIBBONS	0044-2067 / 79392-2067 Heritage Committee	TK1211A	630.07 12768	P07912	00078831	12/18/2012
			Vendor Total:		630.07			
MW OH	CALIFORNIA FORENSIC PHI NOV BLOOD DRAWS V000232		103040-6055 Medical Services	TK1211A	2,225.25 11.28.12	P07329	00078832	12/18/2012
			Vendor Total:		2,225.25			
MW IP	CALIFORNIA PUBLIC EMPLOYEES DEC MEDICAL PREMIUMS V006234		395000-4715 ISF Health Ins Reimbursement	ITK1205A	116,213.93 1000000138761		00078772	12/06/2012
			Vendor Total:		11,681.70			
MW IP	CALIFORNIA PUBLIC EMPLOYEES DEC MEDICAL PREMIUMS V006234		395083-5161 Health Insurance Premiums	ITK1205A	11,681.70 1000000138761		00078772	12/06/2012
			Vendor Total:		127,895.63			
MW OH	CALIFORNIA STATE UNIVERSE SEPT IMPOUND FEES V006510		103041-6183 CSUF PD Reimburse Impound Fees	TK1211A	3,744.97 SEPT 12 CSUF	P07579	00078833	12/18/2012
			Vendor Total:		3,744.97			
MW OH	CARRERA, VENTURA V006751	DEPOSIT REFUND-MELROSE FIELD	100000-4385 / 79177-4385 Facility Rental	TK1211A	100.00 84190		00078834	12/18/2012
			Vendor Total:		100.00			

**City of Placentia
Warrant Register
For 12/11/2012**

Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount	Invoice#	PO #	Check #	Check Date
MW OH	CBE V008124	OCT WHITTEN COPIER MAINT	101572-6315 Office Supplies	TK1211A	29.91	IN1474068	P07916	00078835	12/18/2012
		Vendor Total:			29.91				
MW OH	CHRYSLER, TRACEY V008746	DEPOSIT REFUND-TRI CITY	100000-4385 / 79188-4385 Facility Rental	TK1211A	50.00	84182		00078836	12/18/2012
		Vendor Total:			50.00				
MW OH	CITY CLERK MANAGEMENT V008458	NOV CITY CLERK CONSULTING	101002-6290 Dept. Contract Services	TK1211A	1,325.00	12-16	P07210	00078837	12/18/2012
		Vendor Total:			1,325.00				
MW OH	CITY OF BREA V000125	ILJAOC MEMBER FEES-OPERATIN	103043-6099 Other Professional Services	TK1211D	10,366.00	6-1597	P07961	00078838	12/18/2012
MW OH	CITY OF BREA V000125	ILJAOC MEMBER FEES-CAPITAL R	103043-6099 Other Professional Services	TK1211D	3,271.00	6-1597	P07961	00078838	12/18/2012
		Vendor Total:			13,637.00				
MW OH	CITY OF CLAREMONT V006053	JULY/AUG WATER RATE INCREASES	101005-6006 Litigation	TK1211A	10,036.98	36549	P07946	00078839	12/18/2012
		Vendor Total:			10,036.98				
MW OH	CLEAN CITY V007411	CITYWIDE GRAFFITI REMO	103652-6290 Dept. Contract Services	TK1211A	19,464.52	P123	P07361	00078840	12/18/2012
		Vendor Total:			19,464.52				
MW OH	COUNTRY CARE PET RESOI BOARDING FOR POLICE K9 V004422		103041-6301 Special Department Supplies	TK1211A	182.00	4619	P07927	00078841	12/18/2012
		Vendor Total:			182.00				
MW OH	COUNTY OF ORANGE V007152	WATER QUALITY MONITORING	374386-6257 Licenses & Permits	TK1211A	1,345.84	PW102089	P07930	00078843	12/18/2012
MW IP	COUNTY OF ORANGE V007152	FY 12/13 SECURED PROPERTY TAX	484376-6120 R & M/Sewer & Storm Drain	ITK1205A	15,024.66	FY 12/13	P07979	00078773	12/06/2012
MW IP	COUNTY OF ORANGE V007152	FY 12/13 SECURED PROPERTY TAX	431010-6410 Property Taxes	ITK1205A	914.52	FY 12/13	P07979	00078773	12/06/2012

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MW OH	COUNTY OF ORANGE TREA V000715	NOV OCATS SERVICES	103043-6299 Other Purchased Services	Vendor Total: TK1211A	17,285.02 784.00	SH33171	P07311	00078842	12/18/2012
MW IP	CSMFO V001167	MEMBERSHIP DUES-K. OGAWA	102020-6255 Dues & Memberships	Vendor Total: ITK1205A	784.00 110.00	120512	P07948	00078774	12/06/2012
MW IP	DALEY & HEFT ATTORNEY; V005914	LEGAL SERVICES	404582-6006 / 10027-6006 Litigation	Vendor Total: ITK1205A	110.00 1,499.39	39399	P07923	00078775	12/06/2012
MW IP	DALEY & HEFT ATTORNEY; V005914	LEGAL SERVICES	404582-6006 / 10027-6006 Litigation	ITK1205A	6,342.82	39920	P07923	00078775	12/06/2012
MW IP	DALEY & HEFT ATTORNEY; V005914	LEGAL SERVICES	404582-6006 / 10027-6006 Litigation	ITK1205A	7,555.90	40614	P07923	00078775	12/06/2012
MW IP	DALEY & HEFT ATTORNEY; V005914	LEGAL SERVICES	404582-6006 / 10027-6006 Litigation	ITK1205A	2,414.12	40994	P07923	00078775	12/06/2012
MW IP	DALEY & HEFT ATTORNEY; V005914	LEGAL SERVICES	404582-6006 / 10020-6006 Litigation	ITK1205A	33,541.98	39943	P07977	00078775	12/06/2012
MW IP	DALEY & HEFT ATTORNEY; V005914	LEGAL SERVICES	404582-6006 / 10020-6006 Litigation	ITK1205A	13,990.70	40271	P07977	00078775	12/06/2012
MW IP	DALEY & HEFT ATTORNEY; V005914	LEGAL SERVICES	404582-6006 / 10020-6006 Litigation	ITK1205A	486.68	40608	P07977	00078775	12/06/2012
MW OH	DEPARTMENT OF JUSTICE V000213	OCT LIVESCAN PROCESSING	101512-6099 Other Professional Services	Vendor Total: TK1211B	65,831.59 194.00	939061	P07623	00078844	12/18/2012
MW OH	DEPARTMENT OF TRANSP V007722	SEPT SIGNALS & LIGHTING FEES	103652-6132 Repair & Maintenance/Streets	Vendor Total: TK1211C	194.00 17.22	SL130148	P07940	00078845	12/18/2012
MW OH	DRLJK, GARY V004475	REIMBURSEMENT-PSO INTERVIEW	101512-6301 Special Department Supplies	Vendor Total: TK1211B	17.22 32.11	111912	P07913	00078846	12/18/2012

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		Vendor Total:			32.11			
MW OH	DUNBAR, CINDY V008739	CLASS REFUND	100000-4340 / 79348-4340 Recreation Programs	TK1211B	75.00 84079	P07919	00078847	12/18/2012
		Vendor Total:			75.00			
MW IP	ECS IMAGING INC V001305	PD SCANNER REPLACEMENT	422023-6135 Repair/Maint Off Furn & Eq	ITK1205A	484.88 9213	P07919	00078776	12/06/2012
		Vendor Total:			484.88			
MW OH	ELECTRICARE INC V008732	REIMBURSEMENT-ELECTRICAL P	100000-4164 Electrical Permits	TK1211B	117.00 120412	P07954	00078848	12/18/2012
		Vendor Total:			117.00			
MW OH	ENVIRONMENTAL SIGNING COMMISSIONER NAMEPLATE V000343		102531-6301 Special Department Supplies	TK1211B	68.55 120512	P07973	00078849	12/18/2012
		Vendor Total:			68.55			
MW IP	FENSTERMAKER, DANIEL V005067	NOV MEDIA SERVICES	441573-6099 Other Professional Services	ITK1205A	2,677.50 PLA-12-011	P07401	00078777	12/06/2012
		Vendor Total:			2,677.50			
MW IP	FIDELITY SECURITY LIFE I V008132	DEC VISION PREMIUMS	395083-5164 Optical Insurance Premiums	ITK1205A	1,085.80 2032900		00078778	12/06/2012
		Vendor Total:			1,085.80			
MW IP	FIDELITY SECURITY LIFE I V008132	DEC VISION PREMIUMS	395000-4740 ISF Employee Optical Costs	ITK1205A	1,788.35 2032900		00078778	12/06/2012
		Vendor Total:			1,788.35			
MW OH	FORBES, JOSIE V007432	FALL INSTRUCTOR PAYMENT	104071-6060 / 79248-6060 Instructional Services	TK1211B	106.60 FALL 2012	P07922	00078850	12/18/2012
		Vendor Total:			106.60			
MW IP	G5 VENTURES V000743	GASOLINE	433658-6345 Gasoline & Diesel Fuel	ITK1205A	78.00 2008519	P07941	00078779	12/06/2012
		Vendor Total:			78.00			
MW IP	GAS CO, THE V000909	OCT-NOV GAS CHARGES	431010-6340 Natural Gas	ITK1205A	43.58 112812		00078780	12/06/2012
		Vendor Total:			43.58			

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MW IP	GAS CO, THE V000909	OCT-NOV GAS CHARGES	431010-6340 Natural Gas	ITK1205A	218.92	121112		00078780	12/06/2012
				Vendor Total:	262.50				
MW IP	GOLDEN STATE WATER CO. V000928	SEPT-NOV WATER CHARGES	296561-6335 Water	ITK1205A	2,551.17	112112		00078781	12/06/2012
MW IP	GOLDEN STATE WATER CO. V000928	SEPT-NOV WATER CHARGES	431010-6335 Water	ITK1205A	5,357.76	112112		00078781	12/06/2012
MW IP	GOLDEN STATE WATER CO. V000928	OCT WATER CHARGES	296561-6335 Water	ITK1205A	23,026.23	112612		00078781	12/06/2012
MW IP	GOLDEN STATE WATER CO. V000928	OCT WATER CHARGES	431010-6335 Water	ITK1205A	19,031.63	112612		00078781	12/06/2012
				Vendor Total:	49,966.79				
MW OH	GOVPARTNER V005751	NOV WEB HOSTING	422023-6136 Software Maintenance	TK1211B	550.00	5836	P07737	00078851	12/18/2012
				Vendor Total:	550.00				
MW OH	HALO CONFIDENTIAL SERV V008544	NOV PD TRAINING MGMT/BACKG	103040-6290 Dept. Contract Services	TK1211B	4,073.60	0005	P07905	00078852	12/18/2012
MW OH	HALO CONFIDENTIAL SERV V008544	DEC TRAINING MGMT/BACKGROU	103040-6290 Dept. Contract Services	TK1211D	1,372.50	0006	P07905	00078852	12/18/2012
				Vendor Total:	5,446.10				
MW IP	HARRELL & COMPANY ADA V005503	FINL SVCS SPECIAL TAX BONDS	102021-6099 Other Professional Services	ITK1205A	500.00	110812	P07910	00078782	12/06/2012
				Vendor Total:	500.00				
MW OH	HAZ PARTY RENTALS V000462	HERITAGE TABLE, CHAIR, TENT RE	0044-2067 Heritage Committee	TK1211B	2,414.00	22769		00078853	12/18/2012
MW OH	HAZ PARTY RENTALS V000462	HERITAGE RESTROOMS, SINK	0044-2067 Heritage Committee	TK1211B	412.00	23038		00078853	12/18/2012
MW OH	HAZ PARTY RENTALS V000462	CHAIR RENTAL-VETERANS DAY C	101572-6301 Special Department Supplies	TK1211B	340.00	23123	P07822	00078853	12/18/2012
				Vendor Total:	3,166.00				

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MW IP	HDL SOFTWARE V007926	OCT-DEC CONTRACT SVCS	102021-6099 Other Professional Services	ITK1205A	3,150.00	0018725-IN	P07908	00078783	12/06/2012
MW IP	HDL SOFTWARE V007926	4TH QTR AUDIT SVCS-SALES TAX	102021-6099 Other Professional Services	ITK1205A	2,704.96	0020149-IN	P07911	00078783	12/06/2012
			Vendor Total:		5,854.96				
MW OH	IMPERIAL SPRINKLER SUPP V006506	IRRIGATION SUPPLIES	103655-6301 Special Department Supplies	TK1211B	4.43	1566711-01	P07313	00078854	12/18/2012
MW OH	IMPERIAL SPRINKLER SUPP V006506	IRRIGATION SUPPLIES	103655-6301 Special Department Supplies	TK1211B	80.38	1590105	P07313	00078854	12/18/2012
MW OH	IMPERIAL SPRINKLER SUPP V006506	IRRIGATION SUPPLIES	103655-6301 Special Department Supplies	TK1211B	490.67	1599138	P07313	00078854	12/18/2012
			Vendor Total:		575.48				
MW OH	IMPRESSIONS PRINTING V000517	PD BUSINESS CARDS	103040-6315 Office Supplies	TK1211B	296.31	15602	P07356	00078855	12/18/2012
MW OH	IMPRESSIONS PRINTING V000517	BUSINESS CARDS-MAURER,CULTI	104070-6315 Office Supplies	TK1211B	59.26	15638	P07935	00078855	12/18/2012
			Vendor Total:		355.57				
MW OH	INTERNAL CONTROL V000504	OCT/NOV POLYGRAPH EXAMS	103040-6099 Other Professional Services	TK1211B	500.00	10454	P07934	00078856	12/18/2012
MW IP	KEY GOVERNMENT FINANC V007864	JAN PHONE SYSTEM LEASE	333523-6840 / 30016-6840 Machinery & Equipment	ITK1205A	3,000.92	153495001301	P07301	00078784	12/06/2012
MW OH	KLEIN & WILSON V008149	OCT LEGAL SRVS:WOODRUFF	101005-6006 / 10017-6006 Litigation	TK1211B	30,013.92	19747	P07955	00078857	12/18/2012
			Vendor Total:		30,013.92				
MW OH	KOSMONT COMPANIES V006131	OCT REAL ESTATE ADVISORY SRV	540000-6001 Management Consulting Services	TK1211B	1,068.75	0022	P07795	00078858	12/18/2012
MW OH	KOSMONT COMPANIES V006131	OCT REAL ESTATE ADVISORY SV	102534-6099 Other Professional Services	TK1211B	1,963.75	0022A	P07966	00078858	12/18/2012

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MW OH	LADD, TRISHA V008655	FALL INSTRUCTOR PAYMENT	104071-6060 / 79248-6060 Instructional Services	TK1211B	24.05 FALL 12	P07921	00078859	12/18/2012
				Vendor Total:	3,032.50			
MW OH	LAW OFFICE OF DIMITRI P V008162	OCT LEGAL SERVICES:BECKER	101005-6006 / 10017-6006 Litigation	TK1211B	15,847.15 1221	P07945	00078860	12/18/2012
				Vendor Total:	24.05			
MW IP	LEGAL SHIELD V008104	NOV LEGAL SERVICES	0037-2192 Police Legal Services	ITK1205A	13.24 11512A		00078785	12/06/2012
MW IP	LEGAL SHIELD V008104	NOV LEGAL SERVICES	0048-2192 Police Legal Services	ITK1205A	28.90 11512A		00078785	12/06/2012
MW IP	LEGAL SHIELD V008104	NOV LEGAL SERVICES	0010-2192 Police Legal Services	ITK1205A	466.65 11512A		00078785	12/06/2012
MW IP	LEGAL SHIELD V008104	NOV LEGAL SERVICES	0029-2192 Police Legal Services	ITK1205A	9.20 11512A		00078785	12/06/2012
MW IP	LEGAL SHIELD V008104	NOV LEGAL SERVICES	0043-2192 Police Legal Services	ITK1205A	14.96 11512A		00078785	12/06/2012
				Vendor Total:	532.95			
MW OH	LILLEY PLANNING GROUP V008540	11/19-30 CONTRACT SRVS-CHANG	102532-6045 Building Inspection Services	TK1211B	3,240.00 PLA109	P07900	00078861	12/18/2012
MW OH	LILLEY PLANNING GROUP V008540	11/19-30 CONTRACT SRVS-PASCU/	102531-6290 Dept. Contract Services	TK1211B	1,748.00 PLA109	P07900	00078861	12/18/2012
				Vendor Total:	4,988.00			
MW OH	LOPEZ, LUPE V008747	DEPOSIT REFUND-BACKS BLDG	100000-4385 / 79161-4385 Facility Rental	TK1211B	150.00 84185		00078862	12/18/2012
MW OH	MARSHALL, ELAINE V008399	DEPOSIT REFUND-BACKS BLDG	100000-4385 / 79161-4385 Facility Rental	TK1211B	100.00 84187		00078863	12/18/2012
				Vendor Total:	150.00			
MW OH	MEZA, IVONNE	DEPOSIT REFUND-TRI CITY	100000-4385 / 79188-4385	TK1211B	100.00 84076		00078864	12/18/2012
				Vendor Total:	100.00			

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	V008738		Facility Rental						
			Vendor Total:		100.00				
MW OH	MICON CONSTRUCTION INC V007849	3RD PROGRESS PAYMENT	333555-6185 / 6109940153-6185 Construction Services	TK1211B	76,678.32	7704-03	P07701	00078865	12/18/2012
			Vendor Total:		76,678.32				
MW IP	MILLSAP, SCOTT V003801	SLI #7-MEALS, RENTAL CAR	103041-6250 Staff Training	ITK1205A	337.09	3321	P07969	00078786	12/06/2012
MW IP	MILLSAP, SCOTT V003801	SLI #8-MEALS, RENTAL CAR	103041-6250 Staff Training	ITK1205A	321.75	31991	P07970	00078786	12/06/2012
			Vendor Total:		658.84				
MW IP	MINNESOTA LIFE INSURAN V000627	DEC LIFE INSURANCE PREMIUMS	101511-5163 Life Insurance Premiums	ITK1205A	644.40	DEC 2012		00078787	12/06/2012
			Vendor Total:		644.40				
MW IP	MONTELEONE & MCCORY V008743	CASE 302011-0047011 SETTLEMEN	333552-6185 / 61009-6185 Construction Services	ITK1210A	25,000.00	111312	P07982	00078816	12/10/2012
			Vendor Total:		25,000.00				
MW IP	NEXTEL COMMUNICATION V000670	OCT-NOV PD MOBILE DATA LINK	431010-6215 Telephone	ITK1205A	756.29	521311782-056		00078788	12/06/2012
			Vendor Total:		756.29				
MW IP	NICKEY PETROLEUM COMF V000696	FLEET GASOLINE	433658-6345 Gasoline & Diesel Fuel	ITK1205A	29,231.94	305073	P07322	00078789	12/06/2012
			Vendor Total:		29,231.94				
MW OH	NIXON, CAROLE V006528	REIMBURSEMENT-PARADE SUPPI	0044-2067 / 79392-2067 Heritage Committee	TK1211B	34.29	120312	P07947	00078866	12/18/2012
			Vendor Total:		34.29				
MW OH	NORCO DELIVERY SERVICE V007294	SHIPPING CHARGES	103550-6325 Postage	TK1211B	21.34	437454	P07783	00078867	12/18/2012
			Vendor Total:		21.34				
MW OH	OCCMA	OCCMA HOLIDAY LUNCHEON	101511-6245	TK1211B	390.00	111512	P07901	00078868	12/18/2012
			Vendor Total:		390.00				

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	V008072		Meetings & Conferences						
MW OH	OCCMA V008072	OCCMA HOLIDAY LUNCHEON	101511-6245 Meetings & Conferences	TK1211B	65.00	120312	P07967	00078868	12/18/2012
			Vendor Total:		455.00				
MW IP	OCE IMAGISTICS INC. V006549	NOV COPIER MAINT	431010-6175 Office Equipment Rental	ITK1205A	191.53	418092012		00078790	12/06/2012
MW IP	OCE IMAGISTICS INC. V006549	NOV COPIER MAINT	431010-6175 Office Equipment Rental	ITK1205A	82.39	418092142		00078790	12/06/2012
			Vendor Total:		273.92				
MW OH	OFFICE INDUSTRIES V007477	RECYCLED PAPER	374386-6315 Office Supplies	TK1211D	502.87	041590	P07111	00078869	12/18/2012
MW OH	OFFICE INDUSTRIES V007477	RECYCLED PAPER	374386-6315 Office Supplies	TK1211D	502.87	041764	P07111	00078869	12/18/2012
MW IP	OFFICE INDUSTRIES V007477	OFFICE SUPPLIES	102020-6315 Office Supplies	ITK1205A	206.03	0410171	P07402	00078791	12/06/2012
MW IP	OFFICE INDUSTRIES V007477	OFFICE SUPPLIES	102020-6315 Office Supplies	ITK1205A	30.49	0412221	P07402	00078791	12/06/2012
MW IP	OFFICE INDUSTRIES V007477	OFFICE SUPPLIES	102020-6315 Office Supplies	ITK1205A	17.86	0415951	P07402	00078791	12/06/2012
MW IP	OFFICE INDUSTRIES V007477	OFFICE SUPPLIES	102020-6315 Office Supplies	ITK1205A	325.32	0415991	P07402	00078791	12/06/2012
MW IP	OFFICE INDUSTRIES V007477	OFFICE SUPPLIES	102020-6315 Office Supplies	ITK1205A	40.04	0416041	P07402	00078791	12/06/2012
MW IP	OFFICE INDUSTRIES V007477	OFFICE SUPPLIES	101512-6315 Office Supplies	ITK1205A	37.59	0415261	P07933	00078791	12/06/2012
MW IP	OFFICE INDUSTRIES V007477	OFFICE SUPPLIES	101572-6315 Office Supplies	ITK1205A	47.16	0413441	P07939	00078791	12/06/2012
MW IP	OFFICE INDUSTRIES V007477	WATER CUPS	431010-6301 Special Department Supplies	ITK1205A	18.73	041409	P07951	00078791	12/06/2012
MW IP	OFFICE INDUSTRIES	WATER CUPS	431010-6301	ITK1205A	-15.71	041410	P07951	00078791	12/06/2012

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	V007477		Special Department Supplies						
MW IP	OFFICE INDUSTRIES V007477	NAME PLATE-C. MARTINEZ	101513-6315 Office Supplies	ITK1205A	19.59	041502	P07952	00078791	12/06/2012
MW IP	OFSI V000703	DEC COPIER SUPPLIES	431010-6175 Office Equipment Rental	Vendor Total: ITK1205A	1,732.84 31.10	1964091		00078792	12/06/2012
MW IP	OFSI V000703	DEC COPIER/FAX MAINT	431010-6175 Office Equipment Rental	ITK1205A	1,622.69	1964092		00078792	12/06/2012
MW OH	ORANGE COUNTY SANITAI V000698	SANITAI FY 11/12 4TH QTR FOG	484356-6099 Other Professional Services	Vendor Total: TK1211B	1,653.79 498.21	46434	P07931	00078870	12/18/2012
MW IP	ORANGE COUNTY SANITAI V000698	SANITAI FOG/BMP INSP 11/12 2ND QTR	484356-6099 Other Professional Services	ITK1205A	1,014.75	46262	P07932	00078793	12/06/2012
MW OH	PALUMBO, ZACHARY V000800	FTO UPDATE-MILEAGE,MEALS	103041-6250 Staff Training	Vendor Total: TK1211B	1,512.96 43.73	36211	P07926	00078871	12/18/2012
MW OH	PARKHOUSE TIRE INC. V004472	TIRES	433658-6134 Vehicle Repair & Maintenance	Vendor Total: TK1211B	43.73 3,585.89	1020106871	P07646	00078872	12/18/2012
MW IP	PARS V006999	NOV TRUST ADMIN SERVICES	395083-6025 Third Party Administration	Vendor Total: ITK1205A	3,585.89 400.00	24480		00078794	12/06/2012
MW OH	PEREZ, JULIA V008725	DEPOSIT REFUND-WHITTEN	100000-4385 / 79195-4385 Facility Rental	Vendor Total: TK1211B	400.00 150.00	83942		00078873	12/18/2012
MW IP	PERRY, BRIAN V002942	SLI #4-MEALS, RENTAL CAR	103041-6250 Staff Training	Vendor Total: ITK1205A	150.00 319.67	3213	P07971	00078795	12/06/2012
				Vendor Total:	319.67				

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MW IP	PLACENTIA CITY OF V000778	NOV DENTAL CLAIMS	395083-5130 Dental Claim	ITK1205A	4,952.25	1101-1128		00078796	12/06/2012
			Vendor Total:		4,952.25				
MW OH	PLACENTIA, CITY OF V000773	PATROL	103041-6301 Special Department Supplies	TK1211A	19.61	5264	P07959	00078874	12/18/2012
MW OH	PLACENTIA, CITY OF V000773	INVESTIGATION TRAINING	103042-6250 Staff Training	TK1211A	102.50	5264	P07959	00078874	12/18/2012
MW OH	PLACENTIA, CITY OF V000773	MOCK ORALS	101512-6301 Special Department Supplies	TK1211A	6.55	5264	P07959	00078874	12/18/2012
MW OH	PLACENTIA, CITY OF V000773	ADMIN TRAINING	103040-6250 Staff Training	TK1211A	26.00	5264	P07959	00078874	12/18/2012
MW OH	PLACENTIA, CITY OF V000773	CODE ENFORCE TRAINING	102533-6245 Meetings & Conferences	TK1211A	15.08	5264	P07959	00078874	12/18/2012
MW OH	PLACENTIA, CITY OF V000773	ADMIN COMMANDERS MTG	103040-6301 Special Department Supplies	TK1211A	180.00	5264	P07959	00078874	12/18/2012
MW OH	PLACENTIA, CITY OF V000773	OIS	103041-6301 Special Department Supplies	TK1211A	22.14	5264	P07959	00078874	12/18/2012
MW OH	PLACENTIA, CITY OF V000773	SUPPORT TRAINING	103043-6250 Staff Training	TK1211A	26.25	5264	P07959	00078874	12/18/2012
MW OH	PLACENTIA, CITY OF V000773	REIMBURSEMENT-PD UNIFORM	103041-6360 Uniforms	TK1211A	23.69	5264	P07959	00078874	12/18/2012
			Vendor Total:		421.82				
MW IP	PRINCIPAL LIFE INSURANC V000844	DEC LIFE INSURANCE PREMIUMS	103650-5163 Life Insurance Premiums	ITK1205A	240.97	DEC 2012		00078797	12/06/2012
MW IP	PRINCIPAL LIFE INSURANC V000844	DEC LIFE INSURANCE PREMIUMS	102020-5163 Life Insurance Premiums	ITK1205A	86.73	DEC 2012		00078797	12/06/2012
MW IP	PRINCIPAL LIFE INSURANC V000844	DEC LIFE INSURANCE PREMIUMS	101511-5163 Life Insurance Premiums	ITK1205A	445.05	DEC 2012		00078797	12/06/2012
MW IP	PRINCIPAL LIFE INSURANC V000844	DEC LIFE INSURANCE PREMIUMS	101512-5163 Life Insurance Premiums	ITK1205A	126.23	DEC 2012		00078797	12/06/2012
MW IP	PRINCIPAL LIFE INSURANC V000844	DEC LIFE INSURANCE PREMIUMS	103040-5163 Life Insurance Premiums	ITK1205A	244.32	DEC 2012		00078797	12/06/2012

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For 12/11/2012

Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount	Invoice#	PO #	Check #	Check Date
	V000844		Life Insurance Premiums						
		Vendor Total:			1,143.30				
MW OH	PSYCHOLOGICAL CONSULT1 V003436	PSYCH EVALUATION 11/5/12	101512-6099 Other Professional Services	TK1211B	350.00	110512KH	P07943	00078875	12/18/2012
		Vendor Total:			350.00				
MW IP	PUBLIC AGENCY RISK SHAJ V000241	ADDITIONAL LIABILITY PREMIUM	404582-6201 Liability Insurance Premiums	ITK1205A	15,327.00	13-153	P07976	00078798	12/06/2012
		Vendor Total:			15,327.00				
MW OH	QUARTERMASTER UNIFORM V005761	UNIFORMS	103041-6360 Uniforms	TK1211C	8.62	R538990700016		00078876	12/18/2012
MW OH	QUARTERMASTER UNIFORM V005761	UNIFORMS	103041-6360 Uniforms	TK1211C	247.76	R538990900012		00078876	12/18/2012
		Vendor Total:			256.38				
MW OH	REPUBLIC WASTE SERVICE V007205	OCT REFUSE SERVICES	374386-6101 Disposal	TK1211C	203,705.46	OCTOBER 12	P07321	00078877	12/18/2012
		Vendor Total:			203,705.46				
MW OH	REYES, ZORINA V002159	DEPOSIT REFUND-BACKS BLDG	100000-4385 / 79161-4385 Facility Rental	TK1211C	150.00	84184		00078878	12/18/2012
		Vendor Total:			150.00				
MW OH	RICHARD FISHER ASSOCIA V007459	NOV ARCHITECTURAL SRVS	333555-6185 / 6109940023-6185 Construction Services	TK1211C	754.99	3295	P06564	00078879	12/18/2012
		Vendor Total:			754.99				
MW OH	ROGERS, DOTIE V008748	DEPOSIT REFUND-BACKS BLDG	100000-4385 / 79161-4385 Facility Rental	TK1211C	150.00	84186		00078880	12/18/2012
		Vendor Total:			150.00				
MW OH	ROONEY, MIKE V008740	PARTIAL REFUND-BRADFORD PAJ	100000-4385 / 79175-4385 Facility Rental	TK1211C	315.00	12412		00078881	12/18/2012
		Vendor Total:			315.00				
MW OH	ROSA, STACY	FALL INSTRUCTOR PAYMENT	104071-6060 / 79248-6060	TK1211C	1,105.65	FALL 12		00078882	12/18/2012
		Vendor Total:			315.00				

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Warrant Register
For 12/11/2012**

Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount	Invoice#	PO #	Check #	Check Date
	V007433		Instructional Services						
MW OH	SCHWARTZ, MONIQUE V004447	REIMBURSEMENT APA MTG/MILE	102531-6245 Meetings & Conferences	TK1211C	1,105.65	120412	P07909	00078883	12/18/2012
				Vendor Total:	26.73				
MW OH	SECURITY DESIGN CONCEP V008347	VIDEO SURVEILLANCE	433654-6099 Other Professional Services	TK1211C	702.00	12071	P07929	00078884	12/18/2012
				Vendor Total:	702.00				
MW OH	SHUTTERLAB & CAMERA V007480	DR#10-0935 PHOTOS	103042-6301 / 50100-6301 Special Department Supplies	TK1211C	20.62	499195	P07837	00078885	12/18/2012
MW OH	SHUTTERLAB & CAMERA V007480	DR#11-5589 PHOTOS	103043-6301 / 50100-6301 Special Department Supplies	TK1211C	4.37	499183	P07964	00078885	12/18/2012
				Vendor Total:	24.99				
MW OH	SIGALOS, DENNIS A. V007072	JAN-MARCH LEASE PAYMENT	103040-6315 Office Supplies	TK1211C	15,450.00	122812	P07958	00078886	12/18/2012
				Vendor Total:	15,450.00				
MW IP	SIMPLEX GRINNELL V008625	ALARM MONITORING	433654-6127 Alarm Monitoring	ITK1205A	2,754.94	75680767A		00078799	12/06/2012
				Vendor Total:	2,754.94				
MW IP	SOUTHERN CALIFORNIA EI V000910	SEPT-NOV ELECTRIC CHARGES	296561-6330 Electricity	ITK1205A	367.72	110612		00078800	12/06/2012
MW IP	SOUTHERN CALIFORNIA EI V000910	SEPT-NOV ELECTRIC CHARGES	431010-6330 Electricity	ITK1205A	39,038.51	110612		00078800	12/06/2012
MW IP	SOUTHERN CALIFORNIA EI V000910	SEPT-NOV ELECTRIC CHARGES	0010-1228 AR/County of Orange	ITK1205A	12.27	110612		00078800	12/06/2012
MW IP	SOUTHERN CALIFORNIA EI V000910	SEPT-NOV ELECTRIC CHARGES	0010-1224 AR/City of Fullerton	ITK1205A	60.97	110612		00078800	12/06/2012
MW IP	SOUTHERN CALIFORNIA EI V000910	SEPT-NOV ELECTRIC CHARGES	103552-6330 Electricity	ITK1205A	58.40	110612		00078800	12/06/2012
MW IP	SOUTHERN CALIFORNIA EI V000910	SEPT-NOV ELECTRIC CHARGES	0010-1226	ITK1205A	157.75	110612		00078800	12/06/2012

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Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount	Invoice#	PO #	Check #	Check Date
	V000910		AR/City of Yorba Linda						
MW IP	SOUTHERN CALIFORNIA EL V000910	SEPT-NOV ELECTRIC CHARGES	286560-6330 Electricity	ITK1205A	30,385.56	110612		00078800	12/06/2012
MW IP	SOUTHERN CALIFORNIA EL V000910	SEPT-NOV ELECTRIC CHARGES	0010-1220 Accts Rec/Plac Library Dist	ITK1205A	3,209.17	110612		00078800	12/06/2012
				Vendor Total:	73,290.35				
MW OH	SPARKLETTIS V000967	NOV WATER DELIVERY	431010-6301 Special Department Supplies	TK1211C	91.54	4106122 111712	P07113	00078887	12/18/2012
MW IP	SPRINT V006126	OCT RELAY SERVICES	431010-6215 Telephone	Vendor Total: ITK1205A	91.54 574.62	9510112100046		00078802	12/06/2012
MW IP	SPRINT V006533	OCT-NOV RELAY SERVICES	431010-6215 Telephone	Vendor Total: ITK1205A	574.62 830.59	313574471-013		00078801	12/06/2012
MW IP	ST JUDE HERITAGE HEALTH V001216	SEPT EMPLOYEE PHYSICALS	101512-6099 Other Professional Services	Vendor Total: ITK1205A	830.59 140.00	13808	P07836	00078803	12/06/2012
MW IP	STAPLES ADVANTAGE V007323	HP LASERJET PRINTER	422023-6135 Repair/Maint Off Furn & Eqp	Vendor Total: ITK1205A	140.00 630.28	3184458458	P07960	00078804	12/06/2012
MW IP	STATE OF CALIFORNIA V000184	JULY-AUG STRONG MOTION FEES	0044-2030 Strong Motion Fees/Res.	Vendor Total: ITK1205A	630.28 186.26	0712-0912		00078805	12/06/2012
MW IP	STATE OF CALIFORNIA V000184	JULY-AUG STRONG MOTION FEES	0044-2035 Strong Motion Fees/Non-Res	ITK1205A	306.67	0712-0912		00078805	12/06/2012
				Vendor Total:	492.93				
MW IP	SUNGARD PUBLIC SECTOR V005987	DEC IT SERVICES	422023-6136 Software Maintenance	ITK1205A	5,480.72	57938	P07302	00078806	12/06/2012
MW IP	SUNGARD PUBLIC SECTOR	SEPT CALPERS SUPPORT	422023-6136	ITK1205A	427.20	58317	P07302	00078806	12/06/2012

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Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount	Invoice#	PO #	Check #	Check Date
	V005987		Software Maintenance						
MW IP	SUNGARD PUBLIC SECTOR V005987	OCT IT CODE SUPPORT	422023-6136 Software Maintenance	ITK1205A	427.20	58318	P07302	00078806	12/06/2012
			Vendor Total:		6,335.12				
MW IP	T-MOBILE V004339	OCE CELL PHONE CHARGES	431010-6215 Telephone	ITK1205A	946.10	110212		00078807	12/06/2012
MW IP	T-MOBILE V004339	OCT CELL PHONE CHARGES	431010-6215 Telephone	ITK1205A	1,215.73	110312		00078807	12/06/2012
			Vendor Total:		2,161.83				
MW IP	TARGET SPECIALTY PRODU V001009	WEED KILLER	103655-6301 Special Department Supplies	ITK1205A	1,024.32	1511043	P07241	00078808	12/06/2012
			Vendor Total:		1,024.32				
MW OH	TEX SHOEMAKER V008729	HONOR GUARD UNIFORMS	103041-6360 Uniforms	TK1211C	3,078.98	112	P07937	00078888	12/18/2012
			Vendor Total:		3,078.98				
MW OH	THE KARAGINES FAMILY T V007073	JAN-MARCH LEASE PAYMENT	103041-6160 Facility Rental	TK1211B	15,450.00	112812	P07953	00078889	12/18/2012
			Vendor Total:		15,450.00				
MW IP	THE ROYAL V008742	2012 EMPLOYEE HOLIDAY LUNCH	431010-6301 Special Department Supplies	ITK1210A	1,400.00	122012	P07980	00078817	12/10/2012
			Vendor Total:		1,400.00				
MW OH	TERRA WEST ADVISORS IN V005538	PLANNING SRVC-HQT/SCHANER F	102531-6290 / 45036-6290 Dept. Contract Services	TK1211C	1,782.50	PL-HQT-1012	P07936	00078890	12/18/2012
MW OH	TERRA WEST ADVISORS IN V005538	PLANNING SRVS-OLSON CO.	100000-4305 Planning Division Fees	TK1211C	1,380.00	PL-OLS-1012	P07950	00078890	12/18/2012
			Vendor Total:		3,162.50				
MW IP	TIME WARNER CABLE V004450	DEC CABLE CHARGES	431010-6215 Telephone	ITK1205A	136.47	112212		00078809	12/06/2012
MW IP	TIME WARNER CABLE	DEC 10MB CHARGES-YARD/WHIT	431010-6215	ITK1205A	1,166.42	112512		00078809	12/06/2012

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Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount	Invoice#	PO #	Check #	Check Date
	V004450		Telephone						
MW IP	TIME WARNER CABLE V004450	DEC 10MB CHARGES-CITY HALL	431010-6215 Telephone	ITK1205A	1,788.53	120112		00078809	12/06/2012
				Vendor Total:	3,091.42				
MW OH	TRACKER PRODUCTS V005956	BARCODE SYSTEM ANNUAL RENEWAL	103043-6099 Other Professional Services	TK1211D	5,200.00	14595	P07928	00078891	12/18/2012
				Vendor Total:	5,200.00				
MW OH	TRAFFIC MANAGEMENT INC V008463	HERITAGE PARADE, BARRICADES	0044-2067 / 79392-2067 Heritage Committee	TK1211C	2,950.00	142433	P07698	00078892	12/18/2012
				Vendor Total:	2,950.00				
MW OH	TRIFLYTT SPORTS V004975	FALL INSTRUCTOR PAYMENT	104071-6060 / 79248-6060 Instructional Services	TK1211C	598.00	FALL 2012	P07920	00078893	12/18/2012
				Vendor Total:	598.00				
MW OH	TRIPLE SMITH & ASSOCIATES V007848	NOV IT SECURITY POLICY SRVS	422023-6290 Dept. Contract Services	TK1211C	937.50	587	P07834	00078894	12/18/2012
				Vendor Total:	937.50				
MW IP	Union Bank PARS #674602240 V006596	PARS/ARS P/E 11/10 PD 11/16	0043-2131 Employer PARS/ARS Payable	ITK1205A	53.94	111412L		00078810	12/06/2012
MW IP	Union Bank PARS #674602240 V006596	PARS/ARS P/E 11/10 PD 11/16	0043-2126 Employee PARS/ARS W/H	ITK1205A	53.94	111412L		00078810	12/06/2012
MW IP	Union Bank PARS #674602240 V006596	PARS/ARS P/E 11/10 PD 11/16	0010-2126 Employee PARS/ARS W/H	ITK1205A	904.26	111412L		00078810	12/06/2012
MW IP	Union Bank PARS #674602240 V006596	PARS/ARS P/E 11/10 PD 11/16	0010-2131 Employer PARS/ARS Payable	ITK1205A	904.26	111412L		00078810	12/06/2012
MW IP	Union Bank PARS #674602240 V006596	PARS/ARS P/E 11/10 PD 11/16	0048-2131 Employer PARS/ARS Payable	ITK1205A	22.66	111412L		00078810	12/06/2012
MW IP	Union Bank PARS #674602240 V006596	PARS/ARS P/E 11/10 PD 11/16	0048-2126 Employee PARS/ARS W/H	ITK1205A	22.66	111412L		00078810	12/06/2012
MW IP	Union Bank PARS #674602240 V006596	PARS/ARS P/E 10/13 PD 10/19	0048-2126 Employee PARS/ARS W/H	ITK1205A	11.33	112012L		00078810	12/06/2012

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Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount	Invoice#	PO #	Check #	Check Date
MW IP	Union Bank PARS #674602240 V006596	PARS/ARS P/E 10/13 PD 10/19	0010-2131 Employer PARS/ARS Payable	ITK1205A	1,218.39	112012L		00078810	12/06/2012
MW IP	Union Bank PARS #674602240 V006596	PARS/ARS P/E 10/13 PD 10/19	0048-2131 Employer PARS/ARS Payable	ITK1205A	11.33	112012L		00078810	12/06/2012
MW IP	Union Bank PARS #674602240 V006596	PARS/ARS P/E 10/13 PD 10/19	0037-2126 Employee PARS/ARS W/H	ITK1205A	1.21	112012L		00078810	12/06/2012
MW IP	Union Bank PARS #674602240 V006596	PARS/ARS P/E 10/13 PD 10/19	0037-2131 Employer PARS/ARS Payable	ITK1205A	1.21	112012L		00078810	12/06/2012
MW IP	Union Bank PARS #674602240 V006596	PARS/ARS P/E 10/13 PD 10/19	0043-2126 Employee PARS/ARS W/H	ITK1205A	78.23	112012L		00078810	12/06/2012
MW IP	Union Bank PARS #674602240 V006596	PARS/ARS P/E 10/13 PD 10/19	0043-2131 Employer PARS/ARS Payable	ITK1205A	78.23	112012L		00078810	12/06/2012
MW IP	Union Bank PARS #674602240 V006596	PARS/ARS P/E 10/13 PD 10/19	0010-2126 Employee PARS/ARS W/H	ITK1205A	1,218.39	112012L		00078810	12/06/2012
MW IP	Union Bank PARS #674602240 V006596	PARS/ARS P/E 11/24 PD 11/30	0048-2131 Employer PARS/ARS Payable	ITK1205A	17.00	112812L		00078810	12/06/2012
MW IP	Union Bank PARS #674602240 V006596	PARS/ARS P/E 11/24 PD 11/30	0043-2126 Employee PARS/ARS W/H	ITK1205A	64.54	112812L		00078810	12/06/2012
MW IP	Union Bank PARS #674602240 V006596	PARS/ARS P/E 11/24 PD 11/30	0037-2131 Employer PARS/ARS Payable	ITK1205A	1.72	112812L		00078810	12/06/2012
MW IP	Union Bank PARS #674602240 V006596	PARS/ARS P/E 11/24 PD 11/30	0043-2131 Employer PARS/ARS Payable	ITK1205A	64.54	112812L		00078810	12/06/2012
MW IP	Union Bank PARS #674602240 V006596	PARS/ARS P/E 11/24 PD 11/30	0010-2126 Employee PARS/ARS W/H	ITK1205A	689.66	112812L		00078810	12/06/2012
MW IP	Union Bank PARS #674602240 V006596	PARS/ARS P/E 11/24 PD 11/30	0048-2126 Employee PARS/ARS W/H	ITK1205A	17.00	112812L		00078810	12/06/2012
MW IP	Union Bank PARS #674602240 V006596	PARS/ARS P/E 11/24 PD 11/30	0037-2126 Employee PARS/ARS W/H	ITK1205A	1.72	112812L		00078810	12/06/2012
MW IP	Union Bank PARS #674602240 V006596	PARS/ARS P/E 11/24 PD 11/30	0010-2131 Employer PARS/ARS Payable	ITK1205A	689.66	112812L		00078810	12/06/2012

Vendor Total: 6,125.88

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Warrant Register
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Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount	Invoice#	PO #	Check #	Check Date
MW IP	VANTAGEPOINT TRANSFER LOAN PAYMENT-A. PEREZ V007191		0010-2170 Deferred Comp Payable - ICMA	ITK1205A	45.10	12512A		00078811	12/06/2012
MW IP	VERIZON WIRELESS V008735	NOV PD CELL PHONE CHARGES	431010-6215 Telephone	Vendor Total: ITK1205A	45.10 1,546.00	1139358273		00078812	12/06/2012
MW OH	WEST COAST ARBORISTS II V001124	OCT TREE TRIMMING SRVCS	103655-6115 Landscaping	Vendor Total: TK1211C	1,546.00 4,050.00	83980	P07362	00078895	12/18/2012
MW OH	WEST COAST ARBORISTS II V001124	OCT RIGHT OF WAY TREE REMOV	0044-2039 Tree Trimming Deposits	TK1211C	1,800.00	83981	P07635	00078895	12/18/2012
MW OH	WEST COAST ARBORISTS II V001124	OCT STREET REHAB TREE TRIMM	333552-6185 Construction Services	TK1211C	2,664.00	83982	P07785	00078895	12/18/2012
MW OH	WILLDAN ASSOCIATES V001127	SEPT GP CIRCULATION ELEMENT	333523-6017 / 6108670159-6017 Special Studies	Vendor Total: TK1211C	8,514.00 1,260.00	00611644	P07917	00078896	12/18/2012
MW OH	WILLDAN ASSOCIATES V001127	OCT MPAH TRAFFIC STUDY	103550-6015 Engineering Services	TK1211C	350.00	00611702	P07942	00078896	12/18/2012
MW OH	WILLDAN ASSOCIATES V001127	OCT GENERAL PLAN CIRCULATIO	333523-6017 / 6108670019-6017 Special Studies	TK1211C	3,290.00	00611702	P07942	00078896	12/18/2012
MW OH	WILLDAN ENGINEERING V007112	OCT TRAFFIC ENGINEERING	103550-6015 Engineering Services	Vendor Total: TK1211C	4,900.00 4,480.00	00611701	P07337	00078897	12/18/2012
MW OH	WILLDAN ENGINEERING V007112	OCT TRAFFIC ENGINEERING	333552-6185 / 6109740019-6185 Construction Services	TK1211C	490.00	00611704	P07773	00078897	12/18/2012
MW OH	WILLDAN ENGINEERING V007112	OCT TRAFFIC ENGINEERING	333552-6185 / 6109640019-6185 Construction Services	TK1211C	1,260.00	00611705	P07773	00078897	12/18/2012
MW OH	WILLDAN ENGINEERING V007112	SEPT TRAFFIC ENGINEERING	333552-6015 / 61117-6015 Engineering Services	TK1211C	378.00	00611645	P07906	00078897	12/18/2012
MW OH	WM CURBSIDE INC	OCT USED OIL COLLECTION	504315-6301 / 20040-6301	Vendor Total: TK1211D	6,608.00 280.00	4112	P07863	00078898	12/18/2012

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Warrant Register
For 12/11/2012**

Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount	Invoice#	PO #	Check #	Check Date
	V000230		Special Department Supplies						
MW OH	YAMAGUCHI, PEGGIE V006915	REIMBURSEMENT-PARADE SUPPI	0044-2067 / 79392-2067 Heritage Committee	TK1211C	280.00	120412	P07924	00078899	12/18/2012
				Vendor Total:	40.00				
MW IP	YORBA LINDA WATER DISI V001148	OCT-NOV WATER CHARGES	431010-6335 Water	ITK1205A	2,359.73	112612		00078813	12/06/2012
				Vendor Total:	40.00				
MW IP	YORBA LINDA WATER DISI V001148	OCT WATER CHARGES	431010-6335 Water	ITK1205A	791.58	121612		00078813	12/06/2012
				Vendor Total:	3,151.31				
MW IP	YORBA LINDA WATER DISI V006633	OCT SEWER CHARGES	484356-6297 Billing Services	ITK1205A	250.00	7724		00078814	12/06/2012
				Vendor Total:	250.00				
				Type Total:	993,831.76				
				Warrant Total:	993,831.76				



Placentia City Council

AGENDA REPORT

TO: CITY COUNCIL
VIA: CITY ADMINISTRATOR
FROM: DIRECTOR OF FINANCE
DATE: DECEMBER 18, 2012
SUBJECT: **JUNE – OCTOBER 2012 TREASURER'S REPORTS**

FISCAL
IMPACT: EXPENSE: NONE

SUMMARY:

The Finance Department has prepared Treasurer's Reports, which present the City's investment portfolio for the period June through October 2012. It includes all investments managed by the City and investments held by trustees.

RECOMMENDATION:

It is recommended that the City Council take the following action:

1. Receive and File the June – October 2012 Treasurer's Reports

DISCUSSION:

Government Code Section 53646 states that the Treasurer or Chief Financial Officer of the City may render a report on investments at least quarterly to the legislative body. The attached Treasurer's Reports present the City's investment portfolio for the period of June through October 2012. The City Treasurer has reviewed and signed the attached reports.

Reviewed and approved:

Karen Ogawa
Director of Finance

Reviewed and approved:

Troy L. Butzlaff, ICMA-CM
City Administrator

Attachments: June – October 2012 Treasurer's Reports

1d

December 18, 2012

City of Placentia



TREASURER'S REPORT

JUNE 30, 2012



Prepared by
Finance Department

**CITY OF PLACENTIA TREASURER'S REPORT
SUMMARY OF CASH & INVESTMENTS
AS OF JUNE 30, 2012**

CASH & INVESTMENTS HELD BY CITY				
	Percent of Portfolio	Current Yield	Cost	Market Value
<u>Invested</u>				
Local Agency Investment Fund	64.68%	0.37%	\$ 10,429,479.37	\$ 10,429,479.37
<u>Non-Invested</u>				
Checking Accounts	35.32%		\$ 5,694,695.19	\$ 5,694,695.19
Total Cash & Investments Held by City	100.00%		\$ 16,124,174.56	\$ 16,124,174.56

CASH & INVESTMENTS HELD BY FISCAL AGENT				
	Percent of Portfolio	Current Yield	Cost	Market Value
Money Market Mutual Funds	76.37%	0.20%	\$ 1,753,390.63	\$ 1,753,390.63
Federal Agency Securities	23.63%	5.25%	\$ 542,488.43	\$ 556,977.72
Total Cash & Investments Held by FA	100.00%		\$ 2,295,879.06	\$ 2,310,368.35

TOTAL CASH AND INVESTMENTS	
Cash & Investments Held by City and Fiscal Agent - Market Value	\$ 18,434,542.91

**CITY OF PLACENTIA TREASURER'S REPORT
CASH AND INVESTMENT DETAIL - CITY
AS OF JUNE 30, 2012**

HELD BY CITY							
Agency	Investment Description	Coupon Rate	Current Yield	Purchase Date	Maturity Date	Purchase Price	Market Value
CASH:							
Bank of America - General Checking	Account No. 143128-0221	N/A	N/A	Varies	On Demand	\$ 5,448,743.54	\$ 5,448,743.54
Wells Fargo - HCD Rehabilitation	Account No. 7001183	N/A	N/A	Varies	On Demand	\$ 154,559.15	\$ 154,559.15
Wells Fargo - HCD Rehabilitation	Account No. 7601008	N/A	N/A	Varies	On Demand	\$ 147.85	\$ 147.85
Bank of America - Workers' Comp	Account No. 143188-0525	N/A	N/A	Varies	On Demand	\$ 53,630.68	\$ 53,630.68
Bank of America - Healthcare	Account No. 143138-0513	N/A	N/A	Varies	On Demand	\$ 37,613.97	\$ 37,613.97
Total Cash						\$ 5,694,695.19	\$ 5,694,695.19
INVESTMENTS:							
Local Agency Investment Fund	City Account No. 98-30-678	N/A	0.38%	Varies	On Demand	\$ 10,429,479.37	\$ 10,429,479.37
TOTAL CASH & INVESTMENTS HELD BY CITY						\$ 16,124,174.56	\$ 16,124,174.56

CITY OF PLACENTIA TREASURER'S REPORT
INVESTMENT DETAIL - HELD BY TRUSTEE
AS OF JUNE 30, 2012

HELD BY TRUSTEE							
Agency	Investment Description	Coupon Rate	Current Yield	Purchase Date	Maturity Date	Purchase Price	Market Value
2011 Gas Tax Certificates of Participation							
Wells Fargo	Wells Fargo Money Market	N/A	N/A	Varies	Varies	\$ 483,484.89	\$ 483,484.89
2003 Certificate of Participation							
US Bank	US Bank Money Market	N/A	0.20%	Varies	Varies	\$ 829,600.40	\$ 829,600.40
2002 Tax Allocation Bond Series A							
US Bank	First American Treasury Fund	N/A	N/A	Varies	Varies	\$ 888.87	\$ 888.87
US Bank	United States Treasury Bonds	2.58%	5.23%	Varies	8/1/2012	\$ 218,164.11	\$ 223,991.04
2002 Tax Allocation Bond Series B							
US Bank	First American Treasury Fund	N/A	N/A	Varies	Varies	\$ 383.34	\$ 383.34
US Bank	United States Treasury Bonds	2.58%	5.23%	Varies	8/1/2012	\$ 324,324.32	\$ 332,986.68
2009 Subordinate Tax Allocation Notes							
US Bank	First American Treasury Fund	N/A	N/A	Varies	Varies	\$ -	\$ -
2009 Lease Revenue Bond							
US Bank	US Bank Money Market	N/A	0.20%	Varies	Varies	\$ 439,033.13	\$ 439,033.13
TOTAL INVESTMENTS HELD BY TRUSTEE						\$ 2,295,879.06	\$ 2,310,368.35

CITY OF PLACENTIA TREASURER'S REPORT



CASH BALANCES AS OF JUNE 30, 2012

CITY		
101	General Fund	\$ 816,728.87
114	Cash Basis Fund	-
115	Economic Uncertainty	500,000.00
201	Utility User Tax	-
205	State Gas Tax	9,850.21
206	Gas Tax Bond Fund	4,654,182.03
210	Measure M	296,681.25
215	Air Quality Management	164,059.03
225	Asset Seizure	186,852.25
226	Traffic Offender Fund	17,617.43
230	Supplemental Law Enforcement	126.94
235	Park Development	66,354.15
240	Sewer Construction	25.44
245	Storm Drain Construction	42,701.15
250	Thoroughfare Construction	37,760.59
255	Underground Utilities	39.68
260	Street Lighting District	-
265	Landscape Maintenance	575,347.51
270	Housing and Community Development	-
275	Sewer Maintenance	1,745,879.76
280	Miscellaneous Grants	588,759.45
401	City Capital Projects	-
425	Orangethorpe Corridor	587.70
501	Refuse Administration	237,819.06
505	CNG Fueling Station	432.70
601	Employee Health & Welfare	-
605	Risk Management	1,769,193.19
610	Equipment Replacement	-
615	Information Technology	-
620	Citywide Services	106,238.02
701	Special Deposits	1,131,719.68
705	H.C.D. Rehabilitation Loans	10,262.72
710	Alta Vista District 85-1	-
715	Community Facilities District	2,571,413.88
	Sub-Total	15,530,632.69
SUCCESSOR AGENCY TO THE RDA		
207	Housing Authority	775.50
208	Successor Agency Retirement Obligation Fund	59,230.60
305	RDA Debt Service	-
405	Low & Moderate Housing	-
410	RDA Capital Projects	-
	Sub-Total	60,006.10
105	Pooled Cash (Investments)	(10,442,337.61)
	TOTAL CASH	\$ 5,148,301.18

CITY OF PLACENTIA TREASURER'S REPORT
CERTIFICATION
AS OF JUNE 30, 2012

TREASURER'S REPORT

3 Month Projected Cash Requirements (July - Sept 2012): \$8,814,000

3 Month Projected Cash Revenues (July - Sept 2012): \$7,317,000

In compliance with the California Government Code Section 53646 et seq., I hereby certify that sufficient investment liquidity and anticipated revenues are available to meet the City's expenditure requirements for the next six months and that all investments are in compliance with the City's Investment Policy.

Submitted By:



Karen Ogawa, Director of Finance

Approved By:



Craig Green, City Treasurer



CITY OF PLACENTIA TREASURER'S REPORT
DEFICIT CASH TRANSFERS
AS OF JUNE 30, 2012

DEFICIT CASH BALANCES		FUNDING SOURCE								Total Funding Source
Fund	Deficit Amount	General Fund	Economic Uncertainty	Landscape Maintenance	Sewer Maintenance	Misc Grants	Risk Management	RDA Capital Projects		
Street Lighting District	-									\$ -
HCD Fund										\$ -
City Capital Projects										\$ -
Employee Health & Welfare										\$ -
Equipment Replacement										\$ -
Information Technology										\$ -
Citywide Services										\$ -
RDA Debt Service										\$ -
Low & Mod Housing										\$ -
Total Transfers	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cash Balance Before Transfer		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cash Available After Transfer		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

City of Placentia



TREASURER'S REPORT

JULY 31, 2012



Prepared by
Finance Department

**CITY OF PLACENTIA TREASURER'S REPORT
SUMMARY OF CASH & INVESTMENTS
AS OF JULY 31, 2012**

CASH & INVESTMENTS HELD BY CITY				
	Percent of Portfolio	Current Yield	Cost	Market Value
<u>Invested</u>				
Local Agency Investment Fund	72.97%	0.37%	\$ 10,442,188.22	\$ 10,442,188.22
<u>Non-Invested</u>				
Checking Accounts	27.03%		\$ 3,867,971.61	\$ 3,867,971.61
Total Cash & Investments Held by City	100.00%		\$ 14,310,159.83	\$ 14,310,159.83

CASH & INVESTMENTS HELD BY FISCAL AGENT				
	Percent of Portfolio	Current Yield	Cost	Market Value
Money Market Mutual Funds	80.43%	0.20%	\$ 2,228,917.67	\$ 2,228,917.67
Federal Agency Securities	19.57%	5.25%	\$ 542,488.43	\$ 557,000.00
Total Cash & Investments Held by FA	100.00%		\$ 2,771,406.10	\$ 2,785,917.67

TOTAL CASH AND INVESTMENTS	
Cash & Investments Held by City and Fiscal Agent - Market Value	\$ 17,096,077.50

**CITY OF PLACENTIA TREASURER'S REPORT
CASH AND INVESTMENT DETAIL - CITY
AS OF JULY 31, 2012**

HELD BY CITY							
Agency	Investment Description	Coupon Rate	Current Yield	Purchase Date	Maturity Date	Purchase Price	Market Value
CASH:							
Bank of America - General Checking	Account No. 143128-0221	N/A	N/A	Varies	On Demand	\$ 3,641,348.04	\$ 3,641,348.04
Wells Fargo - HCD Rehabilitation	Account No. 7001183	N/A	N/A	Varies	On Demand	\$ 154,559.15	\$ 154,559.15
Wells Fargo - HCD Rehabilitation	Account No. 7601008	N/A	N/A	Varies	On Demand	\$ 147.85	\$ 147.85
Bank of America - Workers' Comp	Account No. 143188-0525	N/A	N/A	Varies	On Demand	\$ 43,816.80	\$ 43,816.80
Bank of America - Healthcare	Account No. 143138-0513	N/A	N/A	Varies	On Demand	\$ 28,099.77	\$ 28,099.77
Total Cash						\$ 3,867,971.61	\$ 3,867,971.61
INVESTMENTS:							
Local Agency Investment Fund	City Account No. 98-30-678	N/A	0.38%	Varies	On Demand	\$ 10,442,188.22	\$ 10,442,188.22
TOTAL CASH & INVESTMENTS HELD BY CITY						\$ 14,310,159.83	\$ 14,310,159.83

CITY OF PLACENTIA TREASURER'S REPORT

INVESTMENT DETAIL - HELD BY TRUSTEE

AS OF JULY 31, 2012

HELD BY TRUSTEE						
Agency	Investment Description	Coupon Rate	Current Yield	Purchase Date	Maturity Date	Market Value
2011 Gas Tax Certificates of Participation						
Wells Fargo	Wells Fargo Money Market	N/A	N/A	Varies	Varies	\$ 483,484.90
2003 Certificate of Participation						
US Bank	US Bank Money Market	N/A	0.20%	Varies	Varies	\$ 688,333.79
2002 Tax Allocation Bond Series A						
US Bank	First American Treasury Fund	N/A	N/A	Varies	Varies	\$ 141,125.37
US Bank	United States Treasury Bonds	2.58%	5.23%	Varies	8/1/2012	\$ 224,000.00
2002 Tax Allocation Bond Series B						
US Bank	First American Treasury Fund	N/A	N/A	Varies	Varies	\$ 211,488.59
US Bank	United States Treasury Bonds	2.58%	5.23%	Varies	8/1/2012	\$ 333,000.00
2009 Subordinate Tax Allocation Notes						
US Bank	First American Treasury Fund	N/A	N/A	Varies	Varies	\$ 265,437.50
2009 Lease Revenue Bond						
US Bank	US Bank Money Market	N/A	0.20%	Varies	Varies	\$ 439,047.52
TOTAL INVESTMENTS HELD BY TRUSTEE						\$ 2,771,406.10
						\$ 2,785,917.67

CITY OF PLACENTIA TREASURER'S REPORT



CASH BALANCES AS OF JULY 31, 2012

CITY		
101	General Fund	\$ 308,705.44
114	Cash Basis Fund	-
115	Economic Uncertainty	500,000.00
201	Utility User Tax	216,579.09
205	State Gas Tax	158,500.28
206	Gas Tax Bond Fund	4,654,182.03
210	Measure M	373,934.55
215	Air Quality Management	160,801.30
225	Asset Seizure	187,771.96
226	Traffic Offender Fund	19,619.43
230	Supplemental Law Enforcement	126.94
235	Park Development	66,354.15
240	Sewer Construction	25.44
245	Storm Drain Construction	42,701.15
250	Thoroughfare Construction	37,760.59
255	Underground Utilities	39.68
260	Street Lighting District	(28,978.62)
265	Landscape Maintenance	564,481.08
270	Housing and Community Development	-
275	Sewer Maintenance	1,774,884.14
280	Miscellaneous Grants	588,102.02
401	City Capital Projects	(363,840.85)
425	Orangethorpe Corridor	587.70
501	Refuse Administration	86,365.06
505	CNG Fueling Station	(4,856.57)
601	Employee Health & Welfare	(194,488.87)
605	Risk Management	1,334,536.08
610	Equipment Replacement	90.00
615	Information Technology	(23,815.26)
620	Citywide Services	(22,949.49)
701	Special Deposits	1,148,800.17
705	H.C.D. Rehabilitation Loans	10,262.72
710	Alta Vista District 85-1	-
715	Community Facilities District	2,605,727.35
	Sub-Total	14,202,008.69
SUCCESSOR AGENCY TO THE RDA		
207	Housing Authority	(139,162.00)
208	Successor Agency Retirement Oblg Fund	(445,079.68)
	Sub-Total	(584,241.68)
105	Pooled Cash (Investments)	(10,442,325.19)
	TOTAL CASH	\$ 3,175,441.82

CITY OF PLACENTIA TREASURER'S REPORT
CERTIFICATION
AS OF JULY 31, 2012

TREASURER'S REPORT

3 Month Projected Cash Requirements (Aug - Oct 2012): \$8,435,106

3 Month Projected Cash Revenues (Aug - Oct 2012): \$6,073,000

In compliance with the California Government Code Section 53646 et seq., I hereby certify that sufficient investment liquidity and anticipated revenues are available to meet the City's expenditure requirements for the next six months and that all investments are in compliance with the City's Investment Policy.

Submitted By:


Karen Ogawa, Director of Finance

Approved By:


Craig Green, City Treasurer



CITY OF PLACENTIA TREASURER'S REPORT

DEFICIT CASH TRANSFERS

AS OF JULY 31, 2012

DEFICIT CASH BALANCES		FUNDING SOURCE						
Fund	Deficit Amount	General Fund	Economic Uncertainty	Landscape Maintenance	Sewer Maintenance	Misc Grants	Risk Management	Total Funding Source
Street Lighting District	(28,978.62)						\$ 28,979	\$ 28,979
CNG Fund	(4,856.57)						\$ 4,857	\$ 4,857
City Capital Projects	(363,840.85)					\$ 363,841		\$ 363,841
Employee Health & Welfare	(194,488.87)						\$ 194,489	\$ 194,489
Equipment Replacement	-							\$ -
Information Technology	(23,815.26)						\$ 23,815	\$ 23,815
Citywide Services	(22,949.49)						\$ 22,949	\$ 22,949
Housing Authority	(139,162.00)							\$ -
Successor Agency	(445,079.68)							\$ -
Total Transfers	(1,223,171.34)	\$ -	\$ -	\$ -	\$ -	\$ 363,841	\$ 275,089	\$ 638,930
Cash Balance <i>Before</i> Transfer		\$ 308,705	\$ 500,000	\$ 564,481	\$ 1,774,884	\$ 588,102	\$ 1,334,536	\$ 5,070,709
Cash Available <i>After</i> Transfer		\$ 308,705.44	\$ 500,000	\$ 564,481	\$ 1,774,884	\$ 224,261	\$ 1,059,447	\$ 4,431,779

City of Placentia



TREASURER'S REPORT

AUGUST 31, 2012



Prepared by
Finance Department

**CITY OF PLACENTIA TREASURER'S REPORT
SUMMARY OF CASH & INVESTMENTS
AS OF AUGUST 31, 2012**

CASH & INVESTMENTS HELD BY CITY				
	Percent of Portfolio	Current Yield	Cost	Market Value
<u>Invested</u>				
Local Agency Investment Fund	94.26%	0.37%	\$ 10,442,188.22	\$ 10,442,188.22
<u>Non-Invested</u>				
Checking Accounts	5.74%		\$ 636,186.71	\$ 636,186.71
Total Cash & Investments Held by City	100.00%		\$ 11,078,374.93	\$ 11,078,374.93

CASH & INVESTMENTS HELD BY FISCAL AGENT				
	Percent of Portfolio	Current Yield	Cost	Market Value
Money Market Mutual Funds	77.72%	0.20%	\$ 1,892,124.55	\$ 1,892,124.55
Federal Agency Securities	22.28%	5.25%	\$ 542,488.43	\$ 556,699.22
Total Cash & Investments Held by FA	100.00%		\$ 2,434,612.98	\$ 2,448,823.77

TOTAL CASH AND INVESTMENTS	
Cash & Investments Held by City and Fiscal Agent - Market Value	\$ 13,527,198.70

CITY OF PLACENTIA TREASURER'S REPORT

CASH AND INVESTMENT DETAIL - CITY

AS OF AUGUST 31, 2012

HELD BY CITY							
Agency	Investment Description	Coupon Rate	Current Yield	Purchase Date	Maturity Date	Purchase Price	Market Value
CASH:							
Bank of America - General Checking	Account No. 143128-0221	N/A	N/A	Varies	On Demand	\$ 435,177.30	\$ 435,177.30
Wells Fargo - HCD Rehabilitation	Account No. 7001183	N/A	N/A	Varies	On Demand	\$ 154,559.15	\$ 154,559.15
Wells Fargo - HCD Rehabilitation	Account No. 7601008	N/A	N/A	Varies	On Demand	\$ 147.85	\$ 147.85
Bank of America - Workers' Comp	Account No. 143188-0525	N/A	N/A	Varies	On Demand	\$ 30,912.24	\$ 30,912.24
Bank of America - Healthcare	Account No. 143138-0513	N/A	N/A	Varies	On Demand	\$ 15,390.17	\$ 15,390.17
Total Cash						\$ 636,186.71	\$ 636,186.71
INVESTMENTS:							
Local Agency Investment Fund	City Account No. 98-30-678	N/A	0.38%	Varies	On Demand	\$ 10,442,188.22	\$ 10,442,188.22
TOTAL CASH & INVESTMENTS HELD BY CITY						\$ 11,078,374.93	\$ 11,078,374.93

CITY OF PLACENTIA TREASURER'S REPORT
INVESTMENT DETAIL - HELD BY TRUSTEE
AS OF AUGUST 31, 2012

HELD BY TRUSTEE							
Agency	Investment Description	Coupon Rate	Current Yield	Purchase Date	Maturity Date	Purchase Price	Market Value
2011 Gas Tax Certificates of Participation							
Wells Fargo	Wells Fargo Money Market	N/A	N/A	Varies	Varies	\$ 483,484.91	\$ 483,484.91
2003 Certificate of Participation							
US Bank	US Bank Money Market	N/A	0.20%	Varies	Varies	\$ 688,357.27	\$ 688,357.27
2002 Tax Allocation Bond Series A							
US Bank	First American Treasury Fund	N/A	N/A	Varies	Varies	\$ 6,723.76	\$ 6,723.76
US Bank	United States Treasury Bonds	2.58%	5.23%	Varies	8/1/2012	\$ 218,164.11	\$ 223,879.04
2002 Tax Allocation Bond Series B							
US Bank	First American Treasury Fund	N/A	N/A	Varies	Varies	\$ 9,058.02	\$ 9,058.02
US Bank	United States Treasury Bonds	2.58%	5.23%	Varies	8/1/2012	\$ 324,324.32	\$ 332,820.18
2009 Subordinate Tax Allocation Notes							
US Bank	First American Treasury Fund	N/A	N/A	Varies	Varies	\$ 265,438.20	\$ 265,438.20
2009 Lease Revenue Bond							
US Bank	US Bank Money Market	N/A	0.20%	Varies	Varies	\$ 439,062.39	\$ 439,062.39
TOTAL INVESTMENTS HELD BY TRUSTEE						\$ 2,434,612.98	\$ 2,448,823.77

CITY OF PLACENTIA TREASURER'S REPORT



CASH BALANCES AS OF AUGUST 31, 2012

CITY		
101	General Fund	\$ (322,967.96)
114	Cash Basis Fund	-
115	Economic Uncertainty	500,000.00
201	Utility User Tax	449,010.06
205	State Gas Tax	294,774.93
206	Gas Tax Bond Fund	4,654,182.03
210	Measure M	373,934.55
215	Air Quality Management	176,488.89
225	Asset Seizure	237,193.41
226	Traffic Offender Fund	21,192.43
230	Supplemental Law Enforcement	126.94
235	Park Development	66,354.15
240	Sewer Construction	25.44
245	Storm Drain Construction	42,701.15
250	Thoroughfare Construction	37,760.59
255	Underground Utilities	39.68
260	Street Lighting District	(57,466.91)
265	Landscape Maintenance	521,338.05
270	Housing and Community Development	-
275	Sewer Maintenance	1,820,429.05
280	Miscellaneous Grants	764,884.23
401	City Capital Projects	(426,310.92)
425	Orangethorpe Corridor	365,803.61
501	Refuse Administration	67,554.82
505	CNG Fueling Station	29,888.69
601	Employee Health & Welfare	(138,256.50)
605	Risk Management	1,199,009.78
610	Equipment Replacement	90.00
615	Information Technology	(66,068.06)
620	Citywide Services	(242,268.77)
701	Special Deposits	842,524.24
705	H.C.D. Rehabilitation Loans	10,376.21
710	Alta Vista District 85-1	-
715	Community Facilities District	(28,298.13)
	Sub-Total	11,194,045.68
SUCCESSOR AGENCY TO THE RDA		
207	Housing Authority	(129,391.99)
208	Successor Agency Retirement Fund	(453,370.69)
	Sub-Total	(582,762.68)
105	Pooled Cash (Investments)	(10,442,324.21)
	TOTAL CASH	\$ 168,958.79

CITY OF PLACENTIA TREASURER'S REPORT
CERTIFICATION
AS OF AUGUST 31, 2012

TREASURER'S REPORT

3 Month Projected Cash Requirements (Sept - Nov 2012): \$11,243,000

3 Month Projected Cash Revenues (Sept - Nov 2012): \$6,335,887

In compliance with the California Government Code Section 53646 et seq., I hereby certify that sufficient investment liquidity and anticipated revenues are available to meet the City's expenditure requirements for the next six months and that all investments are in compliance with the City's Investment Policy.

Submitted By:



Karen Ogawa, Director of Finance

Approved By:



Craig Green, City Treasurer



CITY OF PLACENTIA TREASURER'S REPORT

DEFICIT CASH TRANSFERS

AS OF AUGUST 31, 2012

DEFICIT CASH BALANCES

Fund	Deficit Amount	Economic Uncertainty	Landscape Maintenance	Sewer Maintenance	Misc Grants	Risk Management	Total Funding Source
Street Lighting District	(57,466.91)				\$ 426,310.92	\$ 57,466.91	\$ 57,467
City Capital Projects	(426,310.92)						\$ 426,311
Employee Health & Welfare	(138,256.50)					\$ 138,256.50	\$ 138,257
General Fund	(322,967.96)					\$ 322,967.96	\$ 322,968
Information Technology	(66,068.06)					\$ 66,068.06	\$ 66,068
Citywide Services	(242,268.77)					\$ 242,268.77	\$ 242,269
Community Facility District	(28,298.13)					\$ 28,298.13	\$ 28,298
Housing Authority	(129,391.99)						\$ -
Successor Agency	(453,370.69)						\$ -
Total Transfers	(1,864,399.93)				NO FUNDING SOURCE AVAILABLE	NO FUNDING SOURCE AVAILABLE	\$ -
		\$ -	\$ -	\$ -	\$ 426,311	\$ 855,326	\$ 1,281,637
Cash Balance Before Transfer		\$ 500,000	\$ 521,338	\$ 1,820,429	\$ 764,884	\$ 1,199,010	\$ 4,805,661
Cash Available After Transfer		\$ 500,000	\$ 521,338	\$ 1,820,429	\$ 338,573	\$ 343,683	\$ 3,524,024

City of Placentia



TREASURER'S REPORT

SEPTEMBER 30, 2012



Prepared by
Finance Department

**CITY OF PLACENTIA TREASURER'S REPORT
SUMMARY OF CASH & INVESTMENTS
AS OF SEPTEMBER 30, 2012**

CASH & INVESTMENTS HELD BY CITY				
	Percent of Portfolio	Current Yield	Cost	Market Value
<u>Invested</u>				
Local Agency Investment Fund	77.81%	0.37%	\$ 7,442,188.22	\$ 7,442,188.22
<u>Non-Invested</u>				
Checking Accounts	22.19%		\$ 2,122,563.13	\$ 2,122,563.13
Total Cash & Investments Held by City	100.00%		\$ 9,564,751.35	\$ 9,564,751.35

CASH & INVESTMENTS HELD BY FISCAL AGENT				
	Percent of Portfolio	Current Yield	Cost	Market Value
Money Market Mutual Funds	74.99%	0.20%	\$ 1,626,725.25	\$ 1,626,725.25
Federal Agency Securities	25.01%	5.25%	\$ 542,488.43	\$ 556,866.32
Total Cash & Investments Held by FA	100.00%		\$ 2,169,213.68	\$ 2,183,591.57

TOTAL CASH AND INVESTMENTS	
Cash & Investments Held by City and Fiscal Agent - Market Value	\$ 11,748,342.92

**CITY OF PLACENTIA TREASURER'S REPORT
CASH AND INVESTMENT DETAIL - CITY
AS OF SEPTEMBER 30, 2012**

HELD BY CITY							
Agency	Investment Description	Coupon Rate	Current Yield	Purchase Date	Maturity Date	Purchase Price	Market Value
CASH:							
Bank of America - General Checking	Account No. 143128-0221	N/A	N/A	Varies	On Demand	\$ 1,876,446.31	\$ 1,876,446.31
Wells Fargo - HCD Rehabilitation	Account No. 7001183	N/A	N/A	Varies	On Demand	\$ 154,563.04	\$ 154,563.04
Wells Fargo - HCD Rehabilitation	Account No. 7601008	N/A	N/A	Varies	On Demand	\$ 147.85	\$ 147.85
Bank of America - Workers' Comp	Account No. 143188-0525	N/A	N/A	Varies	On Demand	\$ 58,533.56	\$ 58,533.56
Bank of America - Healthcare	Account No. 143138-0513	N/A	N/A	Varies	On Demand	\$ 32,872.37	\$ 32,872.37
Total Cash						\$ 2,122,563.13	\$ 2,122,563.13
INVESTMENTS:							
Local Agency Investment Fund	City Account No. 98-30-678	N/A	0.38%	Varies	On Demand	\$ 7,442,188.22	\$ 7,442,188.22
TOTAL CASH & INVESTMENTS HELD BY CITY						\$ 9,564,751.35	\$ 9,564,751.35

CITY OF PLACENTIA TREASURER'S REPORT
INVESTMENT DETAIL - HELD BY TRUSTEE
AS OF SEPTEMBER 30, 2012

HELD BY TRUSTEE									
Agency	Investment Description	Coupon Rate	Current Yield	Purchase Date	Maturity Date	Purchase Price	Market Value		
2011 Gas Tax Certificates of Participation									
Wells Fargo	Wells Fargo Money Market	N/A	N/A	Varies	Varies	\$ 483,484.92	\$ 483,484.92		
2003 Certificate of Participation									
US Bank	US Bank Money Market	N/A	0.20%	Varies	Varies	\$ 688,380.59	\$ 688,380.59		
2002 Tax Allocation Bond Series A									
US Bank	First American Treasury Fund	N/A	N/A	Varies	Varies	\$ 6,723.76	\$ 6,723.76		
US Bank	United States Treasury Bonds	2.58%	5.23%	Varies	8/1/2012	\$ 218,164.11	\$ 223,946.24		
2002 Tax Allocation Bond Series B									
US Bank	First American Treasury Fund	N/A	N/A	Varies	Varies	\$ 9,058.02	\$ 9,058.02		
US Bank	United States Treasury Bonds	2.58%	5.23%	Varies	8/1/2012	\$ 324,324.32	\$ 332,920.08		
2009 Subordinate Tax Allocation Notes									
US Bank	First American Treasury Fund	N/A	N/A	Varies	Varies	\$ 0.70	\$ 0.70		
2009 Lease Revenue Bond									
US Bank	US Bank Money Market	N/A	0.20%	Varies	Varies	\$ 439,077.26	\$ 439,077.26		
TOTAL INVESTMENTS HELD BY TRUSTEE						\$ 2,169,213.68	\$ 2,183,591.57		

CITY OF PLACENTIA TREASURER'S REPORT



CASH BALANCES AS OF SEPTEMBER 30, 2012

CITY		
101	General Fund	\$ (2,137,699.72)
114	Cash Basis Fund	-
115	Economic Uncertainty	500,000.00
201	Utility User Tax	706,750.10
205	State Gas Tax	294,774.93
206	Gas Tax Bond Fund	4,654,182.03
210	Measure M	445,933.10
215	Air Quality Management	176,488.89
225	Asset Seizure	236,594.44
226	Traffic Offender Fund	22,765.43
230	Supplemental Law Enforcement	126.94
235	Park Development	66,354.15
240	Sewer Construction	25.44
245	Storm Drain Construction	42,701.15
250	Thoroughfare Construction	37,760.59
255	Underground Utilities	39.68
260	Street Lighting District	(90,676.31)
265	Landscape Maintenance	490,441.19
270	Housing and Community Development	-
275	Sewer Maintenance	1,887,273.47
280	Miscellaneous Grants	899,226.58
401	City Capital Projects	(487,662.04)
425	Orangethorpe Corridor	365,803.61
501	Refuse Administration	70,548.28
505	CNG Fueling Station	29,888.69
601	Employee Health & Welfare	(239,364.97)
605	Risk Management	1,156,888.57
610	Equipment Replacement	90.00
615	Information Technology	(87,047.73)
620	Citywide Services	(410,381.62)
701	Special Deposits	946,036.29
705	H.C.D. Rehabilitation Loans	10,376.21
710	Alta Vista District 85-1	-
715	Community Facilities District	63,132.16
	Sub-Total	9,651,369.53
SUCCESSOR AGENCY TO THE RDA		
207	Housing Authority	(125,615.01)
208	Successor Agency Retirement Fund	(453,920.69)
	Sub-Total	(579,535.70)
105	Pooled Cash (Investments)	(7,442,323.22)
	TOTAL CASH	\$ 1,629,510.61

CITY OF PLACENTIA TREASURER'S REPORT
CERTIFICATION
AS OF SEPTEMBER 30, 2012

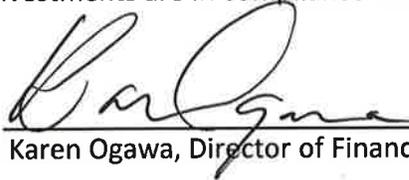
TREASURER'S REPORT

3 Month Projected Cash Requirements (Oct - Dec 2012): \$9,752,434

3 Month Projected Cash Revenues (Oct - Dec 2012): \$12,908,000

In compliance with the California Government Code Section 53646 et seq., I hereby certify that sufficient investment liquidity and anticipated revenues are available to meet the City's expenditure requirements for the next six months and that all investments are in compliance with the City's Investment Policy.

Submitted By:


Karen Ogawa, Director of Finance

Approved By:


Craig Green, City Treasurer



CITY OF PLACENTIA TREASURER'S REPORT

DEFICIT CASH TRANSFERS

AS OF SEPTEMBER 30, 2012

DEFICIT CASH BALANCES

Fund	Deficit Amount	Economic Uncertainty	Landscape Maintenance	Sewer Maintenance	Misc Grants	Risk Management	Total Funding Source
Street Lighting District	(90,676.31)					\$ 90,676.31	\$ 90,676
City Capital Projects	(487,662.04)				\$ 487,662.04		\$ 487,662
Employee Health & Welfare	(239,364.97)					\$239,364.97	\$ 239,365
General Fund	(2,137,699.72)			\$ 1,637,699.72			\$ 2,137,700
Information Technology	(87,047.73)					\$ 87,047.73	\$ 87,048
Citywide Services	(410,381.62)					\$410,381.62	\$ 410,382
Housing Authority	(125,615.01)						\$ -
Successor Agency	(453,920.69)						\$ -
Total Transfers	(4,032,368.09)	\$ 500,000	\$ -	\$ 1,637,700	\$ 487,662	\$ 827,471	\$ 3,452,832
<i>Cash Balance Before Transfer</i>		\$ 500,000	\$ 490,441	\$ 1,887,273	\$ 899,227	\$ 1,156,889	\$ 4,933,830
<i>Cash Available After Transfer</i>		\$ -	\$ 490,441	\$ 249,574	\$ 411,565	\$ 329,418	\$ 1,480,997

City of Placentia



TREASURER'S REPORT OCTOBER 31, 2012



Prepared by
Finance Department

**CITY OF PLACENTIA TREASURER'S REPORT
SUMMARY OF CASH & INVESTMENTS
AS OF OCTOBER 31, 2012**

CASH & INVESTMENTS HELD BY CITY				
	Percent of Portfolio	Current Yield	Cost	Market Value
<u>Invested</u>				
Local Agency Investment Fund	64.49%	0.37%	\$ 5,450,889.60	\$ 5,450,889.60
<u>Non-Invested</u>				
Checking Accounts	35.51%		\$ 3,001,680.90	\$ 3,001,680.90
Total Cash & Investments Held by City	100.00%		\$ 8,452,570.50	\$ 8,452,570.50

CASH & INVESTMENTS HELD BY FISCAL AGENT				
	Percent of Portfolio	Current Yield	Cost	Market Value
Money Market Mutual Funds	74.99%	0.20%	\$ 1,626,762.22	\$ 1,626,762.22
Federal Agency Securities	25.01%	5.25%	\$ 542,488.43	\$ 556,827.33
Total Cash & Investments Held by FA	100.00%		\$ 2,169,250.65	\$ 2,183,589.55

TOTAL CASH AND INVESTMENTS	
Cash & Investments Held by City and Fiscal Agent - Market Value	\$ 10,636,160.05

CITY OF PLACENTIA TREASURER'S REPORT

CASH AND INVESTMENT DETAIL - CITY AS OF OCTOBER 31, 2012

HELD BY CITY							
Agency	Investment Description	Coupon Rate	Current Yield	Purchase Date	Maturity Date	Purchase Price	Market Value
CASH:							
Bank of America - General Checking	Account No. 143128-0221	N/A	N/A	Varies	On Demand	\$ 2,768,382.69	\$ 2,768,382.69
Wells Fargo - HCD Rehabilitation	Account No. 7001183	N/A	N/A	Varies	On Demand	\$ 154,563.04	\$ 154,563.04
Wells Fargo - HCD Rehabilitation	Account No. 7601008	N/A	N/A	Varies	On Demand	\$ 147.85	\$ 147.85
Bank of America - Workers' Comp	Account No. 143188-0525	N/A	N/A	Varies	On Demand	\$ 56,329.95	\$ 56,329.95
Bank of America - Healthcare	Account No. 143138-0513	N/A	N/A	Varies	On Demand	\$ 22,257.37	\$ 22,257.37
Total Cash						\$ 3,001,680.90	\$ 3,001,680.90
INVESTMENTS:							
Local Agency Investment Fund	City Account No. 98-30-678	N/A	0.38%	Varies	On Demand	\$ 5,450,889.60	\$ 5,450,889.60
TOTAL CASH & INVESTMENTS HELD BY CITY						\$ 8,452,570.50	\$ 8,452,570.50

CITY OF PLACENTIA TREASURER'S REPORT
INVESTMENT DETAIL - HELD BY TRUSTEE
AS OF OCTOBER 31, 2012

HELD BY TRUSTEE							
Agency	Investment Description	Coupon Rate	Current Yield	Purchase Date	Maturity Date	Purchase Price	Market Value
2011 Gas Tax Certificates of Participation							
Wells Fargo	Wells Fargo Money Market	N/A	N/A	Varies	Varies	\$ 483,484.93	\$ 483,484.93
2003 Certificate of Participation							
US Bank	US Bank Money Market	N/A	0.20%	Varies	Varies	\$ 688,403.16	\$ 688,403.16
2002 Tax Allocation Bond Series A							
US Bank	First American Treasury Fund	N/A	N/A	Varies	Varies	\$ 6,723.76	\$ 6,723.76
US Bank	United States Treasury Bonds	2.58%	5.23%	Varies	8/1/2012	\$ 218,164.11	\$ 223,930.56
2002 Tax Allocation Bond Series B							
US Bank	First American Treasury Fund	N/A	N/A	Varies	Varies	\$ 9,058.02	\$ 9,058.02
US Bank	United States Treasury Bonds	2.58%	5.23%	Varies	8/1/2012	\$ 324,324.32	\$ 332,896.77
2009 Subordinate Tax Allocation Notes							
US Bank	First American Treasury Fund	N/A	N/A	Varies	Varies	\$ 0.70	\$ 0.70
2009 Lease Revenue Bond							
US Bank	US Bank Money Market	N/A	0.20%	Varies	Varies	\$ 439,091.65	\$ 439,091.65
TOTAL INVESTMENTS HELD BY TRUSTEE						\$ 2,169,250.65	\$ 2,183,589.55

CITY OF PLACENTIA TREASURER'S REPORT



CASH BALANCES AS OF OCTOBER 31, 2012

CITY		
101	General Fund	\$ (2,646,428.50)
114	Cash Basis Fund	-
115	Economic Uncertainty	500,000.00
201	Utility User Tax	981,321.75
205	State Gas Tax	456,832.49
206	Gas Tax Bond Fund	4,654,182.03
210	Measure M	445,933.10
215	Air Quality Management	175,574.29
225	Asset Seizure	228,592.36
226	Traffic Offender Fund	25,482.43
230	Supplemental Law Enforcement	126.94
235	Park Development	66,354.15
240	Sewer Construction	25.44
245	Storm Drain Construction	42,701.15
250	Thoroughfare Construction	37,760.59
255	Underground Utilities	39.68
260	Street Lighting District	(120,034.33)
265	Landscape Maintenance	445,604.60
270	Housing and Community Development	-
275	Sewer Maintenance	1,931,973.47
280	Miscellaneous Grants	1,136,398.02
401	City Capital Projects	(1,044,798.41)
425	Orangethorpe Corridor	365,803.61
501	Refuse Administration	(165,503.56)
505	CNG Fueling Station	29,888.69
601	Employee Health & Welfare	(437,643.99)
605	Risk Management	1,135,266.70
610	Equipment Replacement	90.00
615	Information Technology	(106,329.33)
620	Citywide Services	(608,053.68)
701	Special Deposits	943,004.85
705	H.C.D. Rehabilitation Loans	10,489.70
710	Alta Vista District 85-1	-
715	Community Facilities District	65,212.55
	Sub-Total	8,549,866.79
SUCCESSOR AGENCY TO THE RDA		
207	Housing Authority	(120,597.23)
208	Successor Agency Retirement Fund	(495,262.19)
	Sub-Total	(615,859.42)
105	Pooled Cash (Investments)	(5,442,322.22)
	TOTAL CASH	\$ 2,491,685.15

CITY OF PLACENTIA TREASURER'S REPORT
CERTIFICATION
AS OF OCTOBER 31, 2012

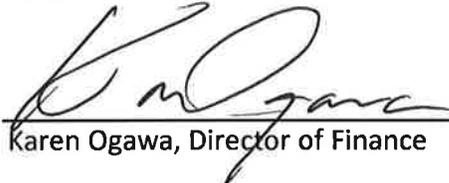
TREASURER'S REPORT

3 Month Projected Cash Requirements (Nov - Jan): \$13,600,000

3 Month Projected Cash Revenues (Nov - Jan): \$19,616,000

In compliance with the California Government Code Section 53646 et seq., I hereby certify that sufficient investment liquidity and anticipated revenues are available to meet the City's expenditure requirements for the next six months and that all investments are in compliance with the City's Investment Policy.

Submitted By:



Karen Ogawa, Director of Finance

Approved By:



Craig Green, City Treasurer



CITY OF PLACENTIA TREASURER'S REPORT

DEFICIT CASH TRANSFERS

AS OF OCTOBER 31, 2012

DEFICIT CASH BALANCES

Fund	Deficit Amount	Economic Uncertainty	UUT	Landscape Maintenance	Sewer Maintenance	Misc Grants	Risk Management	Total Funding Source
Street Lighting District	(120,034.33)						\$120,034.33	\$ 120,034
City Capital Projects	(1,044,798.41)					\$1,044,798.41		\$ 1,044,798
Employee Health & Welfare	(437,643.99)						\$437,643.99	\$ 437,644
General Fund	(2,646,428.50)	\$228,167.11	\$981,321.75	\$113,019.85	\$1,323,919.79			\$ 2,646,429
Refuse Admin	(165,503.56)	\$165,503.56						\$ 165,504
Information Technology	(106,329.33)	\$106,329.33						\$ 106,329
Citywide Services	(608,053.68)				\$ 608,053.68			\$ 608,054
Housing Authority	(120,597.23)							\$ -
Successor Agency	(495,262.19)							\$ -
Total Transfers	(5,744,651.22)	\$ 500,000	\$ 981,322	\$ 113,020	\$ 1,931,973	\$ 1,044,798	\$ 557,678	\$ 5,128,792
				NO FUNDING SOURCE AVAILABLE				
				NO FUNDING SOURCE AVAILABLE				
Cash Balance Before Transfer		\$ 500,000	\$ 981,322	\$ 445,605	\$ 1,931,973	\$ 1,136,398	\$ 1,135,267	\$ 6,130,565
Cash Available After Transfer		\$ -	\$ -	\$ 332,585	\$ -	\$ 91,600	\$ 577,588	\$ 1,001,773



Placentia City Council

AGENDA REPORT

TO: CITY COUNCIL

VIA: CITY ADMINISTRATOR

FROM: DEPUTY DIRECTOR OF COMMUNITY SERVICES

DATE: DECEMBER 18, 2012

SUBJECT: **ACCEPTANCE OF CONSTRUCTION WORK BY MICON CONSTRUCTION INC. FOR THE NEIGHBORHOOD PARK FACILITY AND ACCESSIBILITY IMPROVEMENT PROJECT**

FISCAL
IMPACT: EXPENSE: \$229,320.27 CONSTRUCTION
OFFSETTING REVENUE: \$229,320.27 CDBG and PARK DEVELOPMENT
BUDGETED: \$240,500.00 (ACCOUNT NO.: 333554-6185 J/L
6109440133-6185)

SUMMARY:

The Neighborhood Park Facility and Accessibility Improvement project involved upgrading light fixtures, resurfacing athletic courts, construction of a new pedestrian bridge, and installing new park benches, picnic tables, and drinking fountains at Parque De Los Ninos, McFadden Park, Santa Fe Park, and La Placita Parkette. This action authorizes filing of a "Notice of Completion" with the Office of the Orange County Clerk-Recorder in the amount of \$229,320.27 and approves final payments to Micon Construction Inc.

RECOMMENDATION:

It is recommended that the City Council take the following actions:

1. Accept the contract work by Micon Construction Inc. for the Neighborhood Park Facility and Accessibility Improvement Project in the total amount of \$229,320.27, and
2. Authorize the City Administrator or designee to file a Notice of Completion with the Office of the Orange County Clerk-Recorder for the Project, and
3. Authorize the City Administrator or his designee to release the retention in accordance with the terms of the contract.

DISCUSSION:

On August 21, 2012, the City Council awarded a contract to Micon Construction Inc. for the Neighborhood Park Facility and Accessibility Improvement Project. The project was completed on December 13, 2012 and included installation of new light fixtures and a new pedestrian bridge along with resurfacing athletic courts at Parque De Los Ninos; resurfacing athletic courts and installation of new benches at McFadden Park; installation of new picnic tables and light fixtures along with a drinking fountain at Santa Fe Park; and installation of a new picnic area at La Placita Parkette. The project has improved accessibility and added additional amenities at each park site for the community to enjoy. The

City is prepared to accept the contractor's work and file a Notice of Completion with the Office of the Orange County Clerk-Recorder for this project. In addition, staff is prepared to release all amounts held in retention, totaling \$11,466.01.

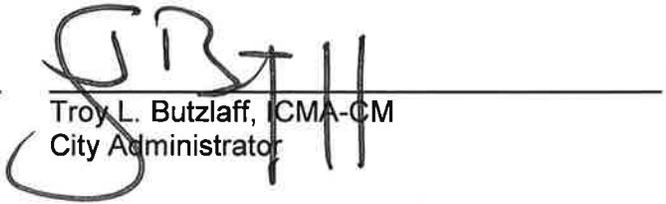
FISCAL IMPACT:

The City utilized \$228,993 in Community Development Block Grant funds and \$327.27 of Park Development funds for the total project cost of \$229,320.27. No City General Funds were used or allocated towards this project.

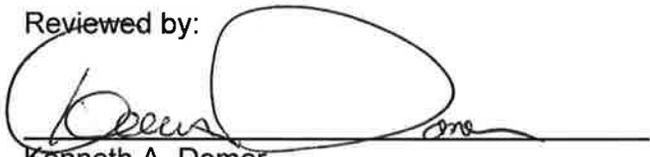
Prepared by:

Reviewed and approved:


Jonathan Nicks
Deputy Director of Community Services


Troy L. Butzlaff, ICMA-CM
City Administrator

Reviewed by:


Kenneth A. Domer
Assistant City Administrator

Attachment: Notice of Completion

<p>RECORDING REQUESTED BY</p> <p>AND WHEN RECORDED MAIL TO</p> <div style="border: 1px solid black; padding: 5px; margin: 10px auto; width: 80%;"> <p>Name City Clerk</p> <p>Street City of Placentia</p> <p>Address 401 E. Chapman Ave.</p> <p>City & State Placentia, CA 92870</p> </div>	
---	--

City Council Approval: _____

SPACE ABOVE THIS LINE FOR RECORDER'S USE
Free Recording Per Government Code Section 6103.

Deputy City Clerk

NOTICE OF COMPLETION

Notice pursuant to Civil Code Section 3093, must be filed within 10 days after completion. (See reverse side for Complete requirements.)

Notice is hereby given that:

1. The undersigned is owner or corporate officer of the owner of the interest or estate stated below in the property hereinafter described:
2. The full name of the owner is City of Placentia
3. The full address of the owner is 900 S. Melrose St., 900 Gonzales St., 1701 Atwood Ave., & 500 W. Santa Fe Ave., in Placentia, CA 92870
4. The nature of the interest or estate of the owner is: In fee.
N/A
(If other than fee, strike "In fee" and insert, for example, "purchaser under contract of purchase," or "lessee")
5. The full names and full addresses of all persons, if any, who hold title with the undersigned as joint tenants or as tenants in common are:

NAMES	ADDRESSES
<u>N/A</u>	
6. A work of improvement on the property hereinafter described was completed on December 13, 2012. The work done was:
The project involved upgrading light fixtures, resurfacing athletic courts, installing a new pedestrian bridge, and installing new park benches and picnic tables, and drinking fountains at Parque De Los Ninos, McFadden Park, Santa Fe Park, and La Placita Parkette.
7. The name of the contractor, if any, for such work of improvement was Micon Construction Company
8. 1616 Sierra Madre Circle, Placentia, CA 92870 August 21, 2012
(If no contractor for work of improvement as a whole, insert "none".) (Date of Contract)
9. The property on which said work of improvement was completed is in the city of Placentia
County of Orange, State of California, and is described as follows: Neighborhood Park Facility and Accesibility Improvement Project.
10. The street address of said property is 900 S. Melrose St., 900 Gonzales St., 1701 Atwood Ave., & 500 W. Santa Fe Ave., in Placentia, CA 92870
(If no street address has been officially assigned, insert "none".)

CITY OF PLACENTIA

Dated: 12-18-2012
Verification for Individual Owner

Signature of owner or corporate officer of owner
named in paragraph 2 or his agent

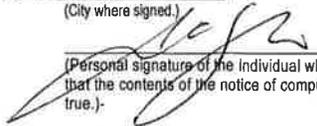
VERIFICATION

I, the undersigned, say: I am the Deputy Director of Community Services the declarant of the foregoing
("President of", "Manager of", "Owner of", etc.)

Notice of completion; I have read said notice of completion and know the contents thereof; the same is true of my own knowledge.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on December 18, 2012, at Placentia, California.
(Date of Signature.) (City where signed.)



(Personal signature of the individual who is swearing that the contents of the notice of completion are true.)

DO NOT RECORD

REQUIREMENTS AS TO NOTICE OF COMPLETION

A notice of completion must be filed for record WITHIN 10 DAYS after completion of the work of improvement (to be computed exclusive of the day of completion), as provided in Civil code Section 3093.

The "owner" who must file for record a notice of completion of a building or other work of improvement means the owner (or his successor in-interest at the date the notice is filed) on whose behalf the work was done, though his ownership is less than the fee title. For example, if A is the owner in fee, and B, lessee under a lease, causes a building to be constructed, then B, or whoever has succeeded to his interest at the date the notice is filed, must file the notice.

If the ownership is in two or more persons as joint tenants or tenants in common, the notice may be signed by any one of the co-owners (in fact, the foregoing form is designed for giving of the notice by only one cotenant), but the names and addresses of the other co-owners must be stated in paragraph 5 of the form.

Note that any Notice of Completion signed by a successor in interest shall recite the names and addresses of his transferor or transferors.

In paragraphs 3 and 5, the full address called for should include street number, city, county and state.

As to paragraphs 6 and 7, this form should be used only where the notice of completion covers the work of improvement as a whole. If the notice is to be given only of completion of a particular contract, where the work of improvement is made pursuant to two or more original contracts, then this form must be modified as follows (1) Strike the words "A work of improvement" from paragraph 6 and insert a general statement of the kind of work done or materials furnished pursuant to such contract (e.g., "The foundations for the improvements"); (2) Insert the name of the contractor under the particular contract in paragraph 7.

In paragraph 7 of the notice, insert the name of the contractor for the work of improvement as a whole. No contractor's name need be given if there is no general contractor, e.g., on so-called "owner-builder jobs."

In paragraph 8, insert the full, legal description, not merely a street address or tax description. Refer to deed or policy of title insurance. If the space provided for description is not sufficient, a rider may be attached.

In paragraph 9, show the street address, if any, assigned to the property by any competent public or governmental authority.

This standard form covers most usual problems in the field indicated. Before you sign, read it, fill in all blanks, and make changes proper to your transaction. Consult a lawyer if you doubt the form's fitness for your purpose.





Placentia City Council

AGENDA REPORT

TO: CITY COUNCIL

VIA: CITY ADMINISTRATOR

FROM: DEPUTY CITY CLERK

DATE: DECEMBER 18, 2012

SUBJECT: **DISCUSSION AND DIRECTION REGARDING ANNUAL CITY COUNCIL APPOINTMENTS TO VARIOUS INTERGOVERNMENTAL AGENCIES, ASSOCIATIONS, AND CITY SUBCOMMITTEES**

FISCAL
IMPACT: NONE

SUMMARY:

The City Council Members represent the City on various intergovernmental agencies, associations, and City Subcommittees that consider policy and legislation that directly affects the City. In addition, the City Council has established a number of Subcommittees to work with City Staff on various policy issues. These appointments are generally reviewed and modified annually following the reorganization of the City Council and/or swearing in of new Council Members.

RECOMMENDATION:

It is recommended that the City Council take the following actions:

1. Review the attached list of current appointments to the various intergovernmental agencies, associations, and City Subcommittees and make appointments as desired, and
2. Adopt Resolution No. R-2012-___, A Resolution of the City Council of the City of Placentia, California designating and appointing its representative and alternate to the Orange County Fire Authority's Board of Directors, and
3. Direct Staff to notify the various intergovernmental agencies and associations of the Council's decision.

DISCUSSION:

Each year after City Council reorganization and/or swearing in of new Council Members, the Mayor and City Council must consider appointments to numerous intergovernmental agencies, associations, and City Subcommittees.

In addition to the existing list of standing committees of the City Council, City Staff has been contacted by representatives of the Yorba Linda Water District regarding the possible creation of a new standing subcommittee on water issues. Although there is no such subcommittee in existence now, previously the Mayor and City Administrator would meet periodically with

4a

December 18, 2012

members of the District Board and General Manager to discuss water issues and other matters of mutual interest. Staff believes that there are sufficient issues of mutual interest to form a City Council Subcommittee on Water Issues. Topics for discussion by the Subcommittee include, but are not limited to: water conservation, water rates, service consolidation, water quality, and other issues of mutual interest. If the City Council concurs with the formation of this Subcommittee, Staff recommends that two (2) members of the City Council be appointed along with the City Administrator to represent the City on this Subcommittee.

The Fair Political Practices Commission ("FPPC") has recently modified its interpretation of the Political Reform Act ("Act") regarding financial interests to include income from governmental agencies. Attached is a list of current members that represent the City on outside boards for which compensation is provided. Staff recommends that the individual Council Member being considered for an appointment as either a delegate or alternate abstain from such item and for the Council to vote on the matter separately and not by unanimous consent. In addition, per the Orange County Fire Authority Board of Directors Joint Powers Agreement, the City must designate and appoint by resolution one (1) representative to act as its Director and one (1) alternate representative to act in the absence of the Director. It should be noted that the vast majority of these appointments require that a sitting City Council Member be appointed.

FISCAL IMPACT:

None

Prepared by:



Tania Moreno
Deputy City Clerk

Reviewed and approved:



Troy L. Butzlaff, ICMA-CM
City Administrator

Reviewed and approved:



Stephen D. Pischel
Director of Administrative Services/
Community Services

Attachments:

Appointments to Intergovernmental Agencies, Associations, and City Subcommittees
Resolution No. R-2012-__

MAYORAL APPOINTMENTS
Intergovernmental Agencies, Boards, Commissions, and Committee
January – December 2012

BOARD NAME	MEETING INFORMATION	DELEGATE	ALTERNATE	STAFF LIAISON
Orange County Fire Authority Board of Directors www.ocfa.org 714-573-6041 Stipend: \$100/meeting (caps at \$300/month)	4 th Thurs. of each month (bi-monthly) 6:30 p.m. <u>Meeting Location:</u> Regional Fire Operations and Training Center Board Room 1 Fire Authority Road Irvine, CA 92602 <u>FORM 700:</u> Appointees file an original directly with OCFA	Wanke	Aguirre	
League of California Cities Orange County Division General Monthly Meetings www.occities.org 714-972-0077	2 nd Thursday of each month, 5:30 p.m. <u>Meeting Location:</u> Various locations in Orange County Mailing Address: 600 W. Santa Ana Blvd., Suite 214 Santa Ana, California 92701-	Nelson	Aguirre	
City Selection Committee www.occities.org 714-972-0077	2 nd Thursday of each month (as called) 5:30 pm <u>Meeting Location:</u> Various locations in Orange County <u>Mailing address:</u> 600 S. Main Street, Suite 940 Orange, CA 92868 Attn. Kenneth Piguee	Nelson	Aguirre	
Association of California Cities – OC C/O City of Dana Point	Schedule and location to be announced Mailing Address: 32565 B Golden Lantern, #315 Dana Point, CA 92629	Nelson	Yamaguchi	
Orange County Sanitation District www.ocsd.com 714-593-7130 Stipend: \$212.50/meeting, max. 6 meetings/month	4 th Wednesday of each month 6:30 p.m. <u>Meeting Location:</u> OCSD Administrative Offices 10844 Ellis Avenue Fountain Valley, CA 92708	Nelson	Underhill	
Orange County Vector Control District Board of Trustees www.ocvcd.org 714-971-2421 Stipend: \$100/month in lieu of travel (no meeting, no pay)	3 rd Thursday of each month 3:00 p.m. <u>Meeting Location:</u> OCVCD Office 13001 Garden Grove Blvd. Garden Grove, CA 92843 <u>FORM 700:</u> Appointees file an original directly with OCVCD	Wanke (two year appointment expires 12/31/12)	None (Not needed)	
Santa Ana River Flood Protection Agency 714-834-5142	4 th Thursday (odd numbered months) 4:00 p.m. <u>Meeting Location:</u> Orange County Water District, 18700 Ward Street, Fountain Valley, CA 92708	Yamaguchi	Wanke	
Southern California Association of Governments www.scag.ca.gov 213-236-1800 Stipend: \$120/reimbursement for mileage	1 st Thursday of each month 8:00 a.m. – 2:00 p.m. (depending on the particular committee) <u>Meeting Location:</u> 818 W. Seventh Street, 12 th floor Los Angeles, CA 90017 <u>FORM 700:</u> Appointees file an original directly with SCAG	Yamaguchi	Nelson	
Placentia Community Foundation	Called meetings <u>Meeting Location:</u> City Hall	Mayor - Yamaguchi Treasurer – Green City Council Member –Aguirre		Administration
Downtown Parking Structure and Retail Development Subcommittee (INTERNAL COMMITTEE)		Nelson	Yamaguchi	
Finance and Investment Committee (INTERNAL COMMITTEE)	Meetings are held quarterly <u>Meeting Location:</u> City Hall	Mayor	Mayor Pro Tem	
Financial Audit Oversight Subcommittee (INTERNAL COMMITTEE)		Underhill	Nelson	
Heritage Festival Committee (INTERNAL COMMITTEE)	2 nd Wed. of each month (except December) 7:00 p.m. City Hall Community Meeting Room	Aguirre	Yamaguchi	Community Services Department

Recycling Committee (INTERNAL COMMITTEE)	Called meetings <u>Meeting Location:</u> City Hall	Wanke	Underhill	Administration
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**DESCRIPTION OF
INTERGOVERNMENTAL AGENCIES, BOARDS, COMMISSIONS AND COMMITTEES**

Orange County Fire Authority

The Orange County Fire Authority Board of Directors has twenty-four members. Twenty-two of the members represent partner cities, and two members represent the county unincorporated area. The Board established an Executive Committee, which meets monthly - usually on the fourth Thursday of the month at 6:00 p.m. The Board also established a standing Budget and Finance Committee to address finance and budget policy issues, which also meets monthly - usually on the second Wednesday of the month. The Chair of the Board, on an annual or as needed basis, makes appointments to the Committee.

League of California Cities, Orange County Division, General Monthly Meetings

A core function of the Division is to hold periodic meetings of city officials for the purpose of promoting governmental efficiency and information sharing on current issues. The Division aims to foster and disseminate knowledge relating to municipal government and to generate greater interest and more active civic consciousness among members. As a regional division of the League of California Cities (League), it seeks to assist the latter in the formulation of policy protecting local control. It actively advocates the policies and positions of its members where there is broad consensus, and advises legislative representatives and related agencies of those positions.

League of California Cities, Orange County Division, City Selection Committee

The City Selection Committee of Orange County is not a subset of the Division, but is a state mandated committee with its own set of County appointments that are different from Division appointments. The City Selection Committee is a subset of the County of Orange, and is a committee comprised of city Mayors only. Appointees of the committee may, however, be mayors or council members, depending on specifications.

Orange County Sanitation District

The Orange County Sanitation District (OCSD) is a special district established by the California State legislature and governed by a 25-member board of directors. The directors are comprised of elected representatives for each of the sewer agencies or cities within OCSD's 471 square mile service area.

Orange County Vector Control District

The Orange County Vector Control District (OCVCD) is a special district and is one of over 100 agencies statewide specifically dedicated to protecting public health by controlling rats, flies, mosquitoes, fire ants and other vector related problems. Operation of the District is overseen by a Board of Trustees comprised of 35 members, each appointed by their city of residence (34) with one member representing the County. The Trustees are appointed for terms of two or four years.

Santa Ana River Flood Protection Agency

The Santa Ana River Flood Protection Agency (SARFPA) was formed on November 25, 1974 to support the Santa Ana River Mainstream Project. As a joint powers agency, SARFPA's primary function is to seek congressional authorization and appropriations for the Santa Ana River Mainstem Project. The agency provides Orange County citizens with information on the Santa Ana River flood threat and supports, on their behalf, the need for flood control improvements. The Santa Ana River Mainstem Project involves the construction of flood Control improvements for the communities of Orange, Riverside and San Bernardino Counties. Its main features include the construction of the Seven Oaks Dam in San Bernardino County, Prado Dam Improvements in Riverside County and the Lower Santa Ana River Channel Improvements in Orange County.

Southern California Association of Governments

Over the past four decades, the Southern California Association of Governments has evolved as the largest of nearly 700 councils of government in the United States, functioning as the Metropolitan Planning Organization for six counties: Los Angeles, Orange, San Bernardino, Riverside, Ventura and Imperial. The region encompasses a population exceeding 18 million persons in an area of more than 38,000 square miles. As the designated Metropolitan Planning Organization, the Association of Governments is mandated by the federal government to research and draw up plans for transportation, growth management, hazardous waste management, and air quality. Additional mandates exist at the state level.

RESOLUTION NO. R-2012-xx

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
PLACENTIA, CALIFORNIA, DESIGNATING AND APPOINTING
ITS REPRESENTATIVE AND ALTERNATE TO THE ORANGE
COUNTY FIRE AUTHORITY BOARD OF DIRECTORS.**

A. Recitals.

(i). The City of Placentia, as a "member" of the Orange County Fire Authority Joint Powers Authority ("JPA") is entitled to appoint a representative Director ("Director") and alternate to the Orange County Fire Authority Board of Directors.

(ii). Each member agency, by resolution of its governing body, shall designate and appoint one (1) representative to act as its Director on the Authority Board of Directors, except the County whose Board of Supervisors shall appoint two (2) representatives to act as its Directors.

(iii). Each Director shall be a current elected member of the governing body.

(iv). Each Director shall hold office until the selection of a successor by the appointing body.

(v). Each member agency shall also appoint an alternate representative to act in each Director's absence.

(vi). Each alternate shall be a current elected member of the member agency's governing body.

(vii). Each Director and alternate is to serve at the pleasure of his or her appointing body and may be removed at any time, with or without cause, at the sole discretion of that appointing body.

(viii). Any vacancy shall be filled in the same manner as the original appointment of a Director and/or alternate.

B. Resolution.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF PLACENTIA DOES HEREBY FIND, DETERMINE AND RESOLVE AS FOLLOWS:

1. In all respects as set forth in the Recitals, Part A., of this Resolution.

The City Council of the City of Placentia, California, hereby designates and appoints _____ as Director and _____ as alternate to the Orange County Fire Authority Board of Directors.

PASSED, ADOPTED AND APPROVED this 18th day of December, 2012.

SCOTT W. NELSON, MAYOR

ATTEST:

PATRICK J. MELIA, CITY CLERK

I, Patrick J. Melia, City Clerk of the City of Placentia, do hereby certify that the foregoing Resolution was adopted at a regular meeting of the City Council of the City of Placentia, held on the 18TH day of December, 2012, by the following vote:

AYES: None

NOES: None

ABSENT: None

ABSTAIN: None

PATRICK J. MELIA,
CITY CLERK

APPROVED AS TO FORM:

ANDREW V. ARCZYNSKI,
CITY ATTORNEY



Placentia City Council

AGENDA REPORT

TO: CITY COUNCIL
VIA: CITY ADMINISTRATOR
FROM: ASSISTANT CITY ADMINISTRATOR
DATE: DECEMBER 18, 2012
SUBJECT: **APPOINTMENT OF MEMBERS TO THE ECONOMIC DEVELOPMENT COMMITTEE**
FISCAL
IMPACT: NONE

SUMMARY:

On April 3, 2012 the City Council approved the creation of a committee to deal with economic development issues within the City. The Economic Development Committee is composed of nine (9) regular members and two (2) alternate members appointed by the Mayor and approved by the City Council. The City advertised in the local newspaper and directly solicited individuals to apply for this committee. This action recommends the initial appointments to the Economic Development Committee.

RECOMMENDATION:

It is recommended that the City Council take the following actions:

- 1.) Upon recommendation of the Mayor, appoint nine (9) individuals to a three (3) year term on the Economic Development Committee, and
- 2.) Upon recommendation of the Mayor, appoint two (2) alternate members to a two (2) year term on the Economic Development Committee.

DISCUSSION:

On February 7, 2012, the City Council directed the City Administrator to research and bring back a proposal to establish an economic development committee.

On April 3, 2012 the City Council received a report from the City Administrator and subsequently formed the Economic Development Committee of nine (9) regular members and two (2) alternate members appointed by the Mayor and approved by the City Council. The purpose of the Economic Development Committee is to advise the City Council on business issues and to design, develop, and implement a comprehensive economic development program for the City of Placentia. To assure representation from various business sectors, the Chamber and education community, the committee is comprised of the following organizations and/or groups:

- Placentia Chamber of Commerce
- Placentia Yorba Linda Unified School District
- Real Estate Industry

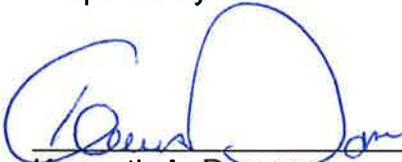
4b

December 18, 2012

- Hotels/Accommodations
- Restaurants
- Retail Business
- Manufacturing Business
- Service Industry

The City advertised for the Economic Development Committee during its regular solicitation of Committee/Commission appointments and held open the recruitment to ensure a larger field of applicants could be accumulated. In addition, Staff sent out letter to businesses representing various business sectors encouraging the owner to consider participating on the Committee. Per the bylaws, the Placentia Chamber of Commerce may appoint two (2) members to the Committee and the Placentia Yorba Linda Unified School District may appoint one (1) member. On or around November 14, 2012 an update was provided to the City Council with the names of those submitting applications, appointed by the two external organizations, or those otherwise interested in the Committee. The Mayor may utilize the list of names provided or make appointments to the Committee with City Council approval. The Committee is subject to the Ralph A. Brown Act and all meetings will be duly noticed and open to the public.

Prepared by:



Kenneth A. Domer
Assistant City Administrator,
Development Services

Reviewed and approved by:



Troy L. Butzlaff, ICMA-CM
City Administrator

Attachments:

Economic Development Committee Approved Bylaws

CITY OF PLACENTIA ECONOMIC DEVELOPMENT COMMITTEE

The Placentia Economic Development Committee was established by the Placentia City Council on April 3, 2012.

Section 1. Purpose

The purpose of the Economic Development Committee is to advise the City Council on business issues and to design, develop, and implement a comprehensive economic development program for the City of Placentia.

Section 2. Membership

The Economic Development Committee is composed of nine (9) regular members and two (2) alternate members appointed by the Mayor and approved by the City Council. Committee members and alternates need not be Placentia residents, but must represent a business located in Placentia. The Committee shall be comprised of one representative from each of the following organizations and/or groups:

- Placentia Chamber of Commerce (Two Members)
- Placentia Yorba Linda Unified School District
- Real Estate Industry
- Hotels/Accommodations
- Restaurants

And one representative from each of the following business categories:

- Retail Business
- Manufacturing Business
- Service Industry

In addition, the City Council may appoint a Council liaison to serve on the Economic Development Committee in a non-voting capacity.

Section 3. Term of Office and Removal

The term of office for the Economic Development Committee members will be three years, or until reappointed or a successor is appointed. The term of office for alternates is two years or until reappointed or a successor is appointed. Members and alternates are expected to attend all meetings. When any member or alternate has three or more unexcused absences in a 12-month period, the Committee shall forward this information to the City Council for review and possible removal of the member or alternate from the Committee. Any member or alternate of the Economic Development Committee may be removed from office by a majority vote of the City Council at a regularly scheduled Council meeting.

Members and alternates may apply for reappointment by submitting a letter or email of interest to the City Clerk with a copy to the Committee Chair one month prior to the expiration of his/her term of office. Any member or alternate of the Committee who wishes to resign should submit a letter of resignation or email to the City Clerk with a copy to the Committee Chair.

Section 4. Vacancies

Vacancies will be filled for the unexpired portion of the term in the same manner as the original appointment.

Section 5. Officers

A Chair and Vice Chair will be selected annually at the first meeting of the calendar year from the appointed members for a term of one year. The Chair will call for meetings and preside over all sessions. In the absence of the Chair, the Vice Chair will preside. In the absence of both the Chair and Vice Chair, the member with the longest continuous service on the Committee will preside.

Section 6. Meetings

The Economic Development Committee shall hold regular meetings on the 4th Tuesday of each month, at 6:00 p.m. The Committee shall not meet during the months of July and December. All meetings are subject to the Brown Act and shall be open to the public. Should a scheduled meeting occur on a holiday, said meeting will be deferred to the same day of the following week or to a date agreed upon by a majority of the Committee. Special meetings of the Economic Development Committee may be called by a majority of the members, Chair, or City Council. Notice of any special meeting shall be given as required by law. Except as otherwise provided by these Bylaws, the Committee will follow the latest edition of Robert's Rules of Order for the orderly conduct of meetings.

Section 7. Quorum

Any five (5) members of the Committee shall constitute a quorum for the transaction of business.

Section 8. Voting and Seating of Alternates

Voting authority is extended to nine regular members. An alternate member shall vote only if seated in the absence of a regular member. In the event that a regular member is absent, alternate members shall be seated in order of their alternate position. If a member arrives after an alternate has been seated, the alternate shall remain as the voting member until the end of the meeting.

Section 9. Duties of Committee to be Advisory Only

The Committee is empowered to advise and make recommendations to the Mayor and City Council, and as appropriate to the Industrial Commercial Development Authority (ICDA), Planning Commission other Commissions or Committees of the City on such matters as may be specifically referred to the Committee by the Mayor or City Council including but not limited to:

- Determining new strategies for economic development within the City;
- Identifying constraints and incentives to economic development;
- Identifying new sources of revenue for the consideration of the City Council and/or the ICDA; and
- Serve as a focal point for the community and the City on economic development projects and issues.

The Committee shall deliver an annual report to the City Council in written and oral form on or about the first meeting in February of every year, and when appropriate, during other times as directed by the Mayor or Council.

The Economic Development Committee may from time to time provide its reports and recommendations regarding strategies for economic development and other matters that will improve the overall business climate within the community and enhance the attractiveness of the City to future business prospects.

Nothing herein contained shall be construed as a limitation on the power of the City Council or the administrative staff of the City in their supervision or authority over property or personnel under their jurisdictions.

Section 10. Assistance of Staff

The City Administrator of the City of Placentia shall provide the Economic Development Committee with such information and staff assistance as the Economic Development Committee may from time to time request subject to the limitations imposed by the City Council. The staff member designated by the City Administrator shall attend meetings of the Economic Development Committee and submit such reports as said Economic Development Committee may request and as deemed necessary or desirable, subject to limitations imposed by the City Council.



Placentia City Council

AGENDA REPORT

TO: CITY COUNCIL
VIA: CITY ADMINISTRATOR
FROM: DIRECTOR OF FINANCE
DATE: DECEMBER 18, 2012
SUBJECT: **PRESENTATION OF THE COMPREHENSIVE ANNUAL FINANCIAL REPORT AND SINGLE AUDIT REPORT FOR THE PERIOD ENDED JUNE 30, 2012**

FISCAL
IMPACT: EXPENSE: NONE
BUDGETED: NONE

SUMMARY:

The City of Placentia retained Haskell and White, an independent audit firm, to audit the financial statements and supporting documentation of the City's financial activities for the fiscal year ended June 30, 2012. The financial statements have been reviewed by Staff. This action request that the City Council receive and file the Comprehensive Annual Financial Report and the Single Audit Report for the period ended June 30, 2012.

RECOMMENDATION:

It is recommended that the City Council take the following actions:

1. Receive and file the Comprehensive Annual Financial Report for the period ended June 30, 2012; and
2. Receive and file the Single Audit Report for the period ended June 30, 2012.

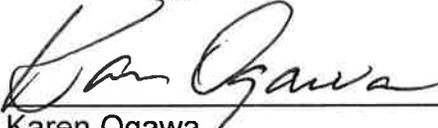
DISCUSSION:

Following the close of each fiscal year, the City's external auditors conduct an audit of the City's financial records and assist in the compilation of the Comprehensive Annual Financial Report (CAFR). The paramount objective of general purpose external financial reporting is accountability. The goal of a financial statement audit is to provide users of these reports reasonable assurance from an independent source that the information presented in the statements is reliable.

The City's external auditor, Haskell and White, have completed their audit of the City's financial records in accordance with generally accepted auditing standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller

General of the United States. Those standards require that the auditors plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Submitted by:



Karen Ogawa
Director of Finance

Reviewed and approved:



Troy L. Butzlaff, CMA-CM
City Administrator

Attachment: Comprehensive Annual Financial Report
Single Audit Report

**CITY OF PLACENTIA, CALIFORNIA
COMPREHENSIVE ANNUAL
FINANCIAL REPORT
For the Fiscal Year Ended June 30, 2012**

Prepared by the Finance Department of the
City of Placentia

CITY OF PLACENTIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
JUNE 30, 2012

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CITY OF PLACENTIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
JUNE 30, 2012

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CITY OF PLACENTIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
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The People are the City

Mayor
Jeremy B. Yamaguchi

Mayor Pro Tem
Chad P. Wanke

Councilmembers
Joseph V. Aguirre
Scott W. Nelson
Constance M. Underhill



City Clerk
Patrick J. Melia

City Treasurer
Craig S. Green

City Administrator
Troy L. Butzlaff, ICMA-CM

401 East Chapman Avenue – Placentia, California 92870

December 10, 2012

To the Honorable Mayor, Members of the City Council, and Citizens of Placentia:

It is our pleasure to present the Comprehensive Annual Financial Report (CAFR) of the City of Placentia for the fiscal year ended June 30, 2012. Responsibility for the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. It is our opinion that the data is accurate in all material aspects, is presented in a manner designed to fairly set forth the financial position and results of the operations of the City, and contains all disclosures necessary to enable the reader to gain an understanding of the City's financial affairs.

The financial statements have been prepared in accordance with generally accepted accounting principles (GAAP) as promulgated by the Government Accounting Standards Board (GASB). This report consists of management's representations concerning the finances of the City of Placentia, California. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed both to protect the City's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls have been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. 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's financial statements have been audited by Haskell and White LLP, a public accounting firm fully licensed and qualified to perform audits of local governments within the State of California. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Placentia, California 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 auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City of Placentia, California's 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 the financial section of this report.

The independent audit of the financial statements of the City was part of a broader, federally mandated “Single Audit” designed to meet the special needs of Federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government’s internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of Federal awards. These reports are available in the City’s separately issued Single Audit Report.

GAAP require 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 the MD&A and should be read in conjunction with it. The City of Placentia’s MD&A can be found immediately following the report of the independent auditors in the financial section of the CAFR.

Profile of the City of Placentia

The City of Placentia is located in north Orange County, in the heart of Southern California, with Los Angeles County to the north and San Diego County to the south. There are currently 34 cities within the County offering one of the finest climates in the United States. Orange County is now the second largest county in California trailing only Los Angeles and surpassing San Diego and is the sixth largest county in the nation. The City consists of approximately 6.7 square miles of land area and serves a population of over 50,000.

The City was incorporated in 1926. Under the City Charter adopted in 1965, the City government is organized in the Council-Administrator form. The City Council includes five (5) members, each of whom is elected at-large to overlapping four-year terms. The City Council annually selects a Mayor and Mayor Pro Tem for a one-year term. The City Council serves as the legislative and policy-making body of the City government. The City Council appoints a City Administrator and a City Attorney. The City Administrator is the City’s chief executive officer and appoints all other City staff. The City Administrator is responsible for the daily administration of the City government and provides overall direction to all City departments.

The City provides a full range of municipal services including police, construction and maintenance of streets and parks, engineering, community development (e.g., building, planning, code compliance), recreational and cultural activities, economic development, and administrative services (e.g., personnel, finance, information services). Fire services are contracted with the Orange County Fire Authority (OCFA) and refuse collection is franchised to a private refuse company, Republic Services.

Budget: The annual budget serves as the foundation for the City of Placentia’s financial planning and control. The Finance Department, with City Administrator direction, develops budget guidelines and appropriation limits for each department every year in January. The departments then submit revenue and expenditure appropriation requests which are summarized by the Finance Department and presented to the City Administrator for review. The City Administrator then meets with each department and prepares a proposed budget document for the City Council.

The City’s Charter requires that the City Administrator submit a proposed budget to the City Council at least 35 days prior to the start of each fiscal year. After the budget has been presented, it must be adopted by the City Council following a noticed public hearing.

Budgetary control is maintained at the department level, by fund. Budgetary control for capital improvement projects is maintained at the individual project level, by fund.

During the fiscal year, budget amendments between departments within a fund are approved by the City Administrator and new appropriations and transfers between funds are approved by City Council.

For fiscal year 2011-12, general fund revenues approximated \$31.5 million. The top three individual revenue sources, property taxes, sales taxes and sales tax in lieu, and the City's utility users tax, represent 62% of all general fund revenues. Tax revenues in total, including business licenses, franchise fees and other taxes represent nearly 62% of all general fund revenues while only 28% is generated by other revenue sources.

General fund expenditures in fiscal year 2011-12 were budgeted at \$30.2 million. Personnel costs, which include salaries and benefits, represent 55% of the total expenditures. Operational costs, which include materials, services and supplies, account for 40% of the budget. Capital outlay and debt service costs account for 5%.

Factors Affecting Financial Condition

Local Economy: The general fund revenue outlook for the long-term future of the City is difficult to predict. The slow recovery of the housing market is expected to restrain property tax growth. The City experienced a 2% decline in property tax revenues in fiscal year 2009-10 and a 3% decline in fiscal year 2010-11. According to the County Assessor, property assessed values have been leveling off and a slight increase is expected for fiscal year 2011-12. However, as the City's single largest revenue source, this has resulted in a loss of revenue of about \$0.3 million between fiscal years 2008-09 and 2010-11. Sales tax revenue declined by 26% from 2007-08 to 2009-10, largely due to lagging automobile sales, along with business-to-business, construction, and other retail sectors. On a positive note, the City did see its sales tax revenues rebound in fiscal year 2010-11, experiencing a 3% increase over fiscal year 2009-10. In fiscal year 2011-12, the City has achieved the level of sales tax revenues experienced in 2007-08. Staff anticipates moderate growth in sales tax revenue for the foreseeable future.

Long-term Perspective: As stated previously, both prolonged recessionary pressures and the sustained impact of State takeaways influence the City in both the near and long term. The City has been prudent with its financial resources and has contained costs by implementing both structural and one-time budget savings. Nonetheless, the economy is tenuous and the future is difficult to predict. This perspective is reinforced by recent volatility in the stock market and challenges to the developed and developing economies.

As with past economic downturns, the City is proactively taking steps to align expenses and revenues through service and program cuts, revenue enhancements, and employee compensation savings. The City Council adopted a general fund budget for fiscal year 2012-13 that eliminated a projected deficit of \$1.9 million, through a combination of budget reductions and structural changes. In addition, the City's non-safety employees have accepted a number of cost-sharing concessions, along with a reduced retirement benefit for new employees. The City is in continued negotiations with public safety employees to seek comparable concessions. Overall the City projects revenues to exceed expenditures by \$10,000 for the fiscal year end 2013.

While Placentia's underlying economy is viewed as positive in the long-term, today's economic challenges, notably to the City's general fund, must be dealt with now to ensure long-term economic stability. This includes making adjustments to its general expenditures in order to address an ongoing structural deficit over the next few fiscal years. In addition, the other enormous challenge the City faces is maintaining an acceptable level of service to the community while meeting increased service demands with shrinking resources. To this end, the City has been exploring new ways of delivering programs and services through outsourcing with private companies and by exploring service consolidation opportunities with other public agencies.

Organizational Health and Fiscal Stability: In addition to controlling costs and finding new ways to deliver public services, the City has prepared several master planning documents to identify long-term needs and how to pay for them. The City retained a consultant to assess the pavement condition of the City's pavement network and to prepare an on-going maintenance plan for the City's 82.18 centerline miles of paved surfaces throughout the community. Based on the Pavement Master Plan, in June 2012 the City award a contract for approximately 47% of residential roadways for partial pavement reconstruction and road improvements. Majority of the funding sources is from the bond proceeds of the \$5.96 million 2011 Gas Tax Certificate of Participation issued in May 2011.

The City also prepared an assessment of its public facilities. Based on this assessment, the City has 201 deferred projects totaling \$3.09 million. Although the City's current annual funding of \$210,000 falls well below the required level of maintenance, which is estimated at \$300,000 to \$700,000 annually, the City plans to use this assessment to establish a strategic capital replacement plan to identify future funding opportunities.

Finally, the City has prepared a Seven Year Capital Improvement Program which serves as a guide for the efficient and effective planning of public improvements and facilities. The 2011-2018 Capital Improvement, which is updated annually, consists of 132 projects with a total estimated cost of \$256 million. A total of 51 projects totaling just over \$8.1 million are scheduled to be completed or started in fiscal year 2011-12.

All of these plans reflect the City Council's commitment to maintain or improve the City's infrastructure and to provide the citizens with the highest possible service

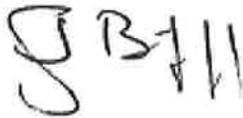
Budgetary Controls: The City maintains budgetary controls at the individual fund level. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Council. The budget includes estimated revenues and appropriations for the City's funds categorized into six fund types including one general fund, special revenue funds, debt service funds, capital projects funds, enterprise funds and all internal service funds are included in the annual appropriated budgets of the City. Using the City's automated accounting system, each City department's expenditures are restricted to the amount of that department's budgeted appropriations for the year at the object level. No department is allowed to spend more than its available appropriations. Changes in appropriations in excess of a department's total appropriation or fund balance or unrealized revenues must be approved by the City Council as a transfer from contingency reserve, transfer from another department, or as an appropriation of unanticipated or over realized revenue identified to a specific source. There is no "floor" in the level amount requiring approval.

Awards and Acknowledgments

Awards: The Government Finance Officers Association of the United States and Canada (GFOA) awards a Certificate of Achievement for Excellence in Financial Reporting to government units that publish an easily readable and efficiently organized comprehensive annual financial report. A Certificate of Achievement is valid for a period of one year only. We believe our current comprehensive annual financial report meets the required criteria and we are submitting it to GFOA to determine its eligibility for a Certificate of Achievement and Excellence in Financial Reporting.

Acknowledgments: The preparation of this report would not have been possible without the dedicated efforts of the entire Finance Department staff, as well as the audit firm of Haskell and White. All those who contributed to the preparation of this report deserve commendation for their dedication and hard work. We also wish to recognize the commitment of the City Council to the high standards embodied in this Report and express appreciation to them and each City department for their cooperation and support in conducting the fiscal operations of the City.

Respectfully submitted,



Troy Butzlaff, ICMA-CM
City Administrator

Respectfully submitted,



Karen Ogawa
Director of Finance

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**CITY OF PLACENTIA
PRINCIPAL OFFICIALS**

June 30, 2012

CITY COUNCIL

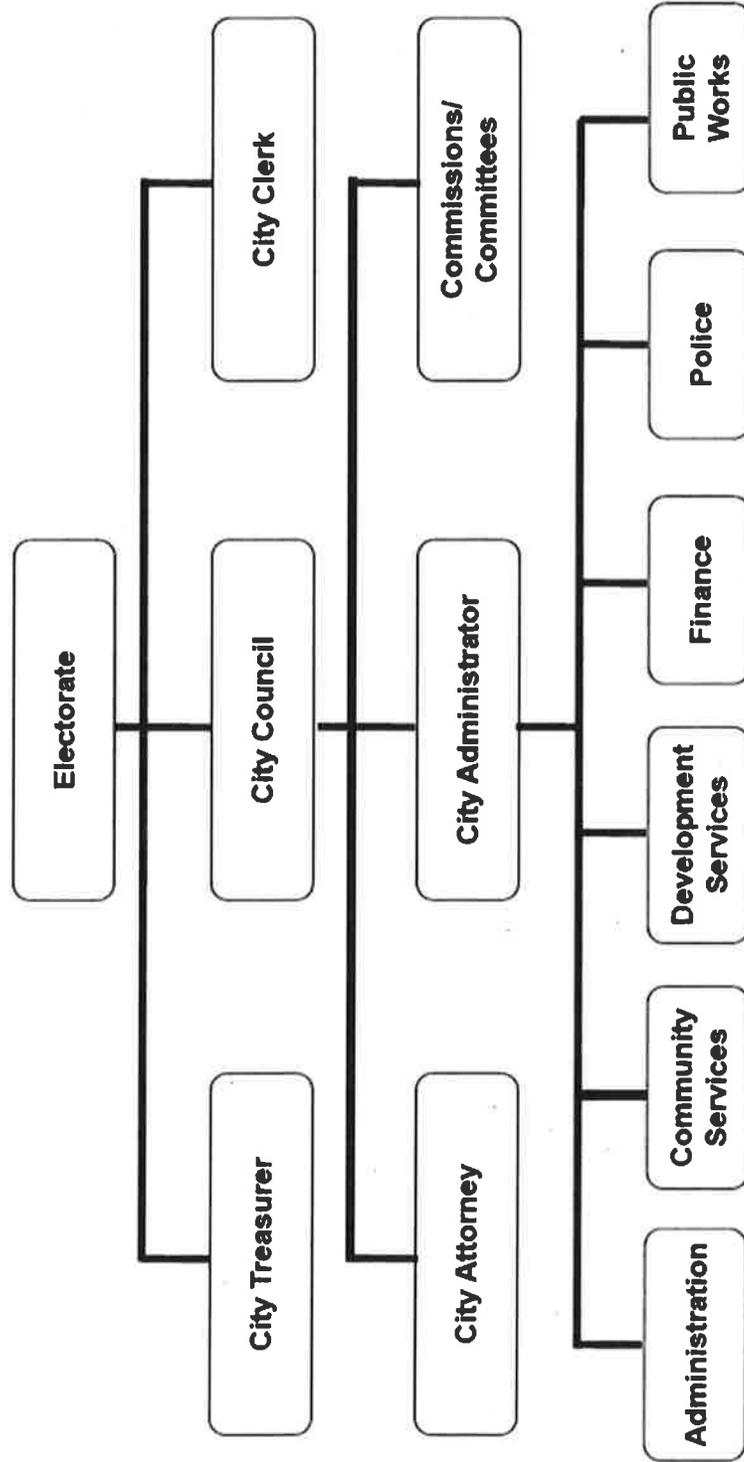
Jeremy B. Yamaguchi	Mayor
Chad P. Wanke	Mayor Pro Tem
Joseph V. Aguirre	Councilmember
Scott W. Nelson	Councilmember
Constance Underhill	Councilmember

CITY OFFICIALS

Craig S. Green	City Treasurer
Patrick J. Melia	City Clerk
Troy Butzlaff, ICMA-CM	City Administrator
Ken Domer	Assistant City Administrator
Andrew V. Arczynski	City Attorney
Stephen D. Pischel	Director of Administrative/ Community Services
Karen Ogawa	Director of Finance
Stephen F. Drinovsky	Director of Public Works
Rick Hicks	Police Chief



PLACENTIA MUNICIPAL ORGANIZATION



INDEPENDENT AUDITORS' REPORT

To the Honorable City Council of the City of Placentia
Placentia, California

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Placentia (the "City"), as of and for the year ended June 30, 2012, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City'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.

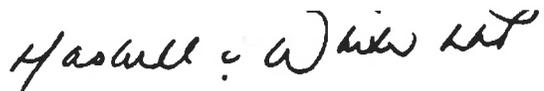
As discussed in Note 24 to the basic financial statements, on December 29, 2011, the Supreme Court of the State of California upheld the enforceability of legislation for the dissolution of the California Redevelopment Agencies. The Placentia Redevelopment Agency ("Agency") was dissolved on February 1, 2012. On January 17, 2012, the City Council adopted a resolution and continue to assume the housing functions from the former Agency, all housing assets and liabilities were transferred to the City and reported in the Low and Moderate Income Housing Asset Special Revenue Fund, and non-housing assets, liabilities and all remaining assets and liabilities of the of the Agency under the Redevelopment Debt Service Fund and Redevelopment Capital Projects Fund were transferred to the Successor Agency of the Placentia Redevelopment Agency on February 1, 2012.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of June 30, 2012, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 10, 2012, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 and budgetary comparison information on pages 3 through 13 and 78 through 79 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements that collectively comprise the City's financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the 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 and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.



HASKELL & WHITE, LLP

Irvine, California
December 10, 2012

CITY OF PLACENTIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2012

This discussion and analysis section of the City of Placentia's ("City") comprehensive annual financial report provides a narrative overview of the City's financial activities for the fiscal year ended June 30, 2012. This information should be read in conjunction with the basic financial statements and the notes, which accompany the basic financial statements.

FINANCIAL HIGHLIGHTS

- Net assets, the amount by which total assets exceed total liabilities, equal \$77.6 million. The governmental activities had net assets of \$65.8 million and business-type activities had net assets of \$11.8 million.
- The City's total net assets increased by \$8.7 million over prior year totals. Of this amount, governmental activities contributed \$9.2 million less a small decline of \$0.5 million in business-type activities.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$12.6 million, a decrease of \$3.2 million in comparison with the prior year.
- At the end of the current fiscal year, general fund balance was \$6.8 million, or 27 percent of general fund expenditures, not including transfers, for the fiscal year.
- The general fund revenues exceeded expenditures, not including transfers, by \$0.3 million.

OVERVIEW OF THE FINANCIAL STATEMENTS

The City's basic financial statements are presented in three parts:

1. Government-wide Financial Statements
2. Fund Financial Statements
3. Notes to the Financial Statements

This section of the management's discussion and analysis is intended to introduce and explain the basic financial statements.

Government-wide Financial Statements

The government-wide financial statements are designed to give the reader a picture of the City from the economic resources measurement focus using the accrual basis of accounting. This broad overview is similar to the financial reporting used in private-sector business. The government-wide financial statements have separate columns for governmental activities and business-type activities. Governmental activities of the City include general government (i.e., administration, City Council, personnel), public safety (i.e., police, fire protection through contract with Orange County Fire Authority), public works, community services, and community development. The City's business-type activities include refuse, compressed natural gas, and sewer maintenance. Governmental activities are

CITY OF PLACENTIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2012

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

primarily supported by taxes, charges for services and grants, while business-type activities are self-supporting through user fees and charges.

The Statement of Net Assets presents information on all of the City's assets and liabilities; the difference between these two categories is reported as net assets.

These assets include the City's infrastructure and all assets previously included in the general fixed asset account group. Over time, increases or decreases in net assets may be one indicator of improvement or deterioration in the City's overall financial health.

The Statement of Activities presents information designed to show how the City's net assets changed during the year. This statement distinguishes revenue generated by specific functions from revenue provided by taxes and other sources not related to a specific function. The revenue generated by specific functions (i.e., charges for services, grants and contributions) is compared to the expenses for those functions to show how much each function either supports itself or relies on taxes and other general funding sources for support. All activity on this statement is reported on the accrual basis of accounting, which requires that revenues are reported when earned and expenses are reported when incurred, regardless of when cash is received or disbursed.

Fund Financial Statements

A fund is a fiscal and accounting entity with a self-balancing set of accounts used to account for specific activities or meet certain objectives. Funds are often set up in accordance with special regulations, restrictions or limitations. The City, like other state and local governments, uses fund accounting to ensure and show compliance with finance-related legal requirements. The City's funds are divided into three categories: governmental funds, proprietary funds and fiduciary funds.

- **Governmental Funds**

Governmental Funds are used to account for the governmental activities reported in the government-wide financial statements. Most of the City's basic services are included in governmental funds. The basis of accounting is different between the governmental fund statements and the government-wide financial statements.

The governmental funds focus on near term revenues/financial resources and expenditures, while the government-wide financial statements include both near term and long-term revenues/financial resources and expenses. The information in the governmental fund statements can be used to evaluate the City's near term financing requirements and immediate fiscal health. Comparing the governmental fund statements with the government-wide financial statements can help the reader better understand the long-term impact of the City's current year financing decisions. To assist in this comparison, reconciliations between the governmental fund statements and the government-wide financial statements are included with the governmental fund balance sheet and the governmental fund statements of revenues, expenditures, and changes in fund balances.

CITY OF PLACENTIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2012

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

- **Proprietary Funds**

The City maintains two different types of Proprietary Funds. Enterprise Funds are used to report the same functions presented as business type activities in the government-wide financial statements. The City uses enterprise funds to account for refuse services, compressed natural gas station and sewer system activities. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The internal service funds primarily benefits the governmental activities and, therefore, the internal service fund information has been included with the governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the refuse fund, compressed natural gas fund and sewer maintenance fund. Conversely, the internal service fund is shown as a separate reporting category on the proprietary funds report and in the supplementary information section of this report.

- **Fiduciary Funds**

Fiduciary funds account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governments or other funds.

Fiduciary funds are not included in the government-wide financial statements because their assets are not available to support the City's activities.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is important to a full understanding of the data in the government-wide and fund financial statements. The notes are located immediately following the basic financial statements.

Other Information

In addition to the basic financial statement and accompanying notes, this report also presents certain required supplementary information. Required supplementary information may be found immediately following the notes to the financial statements. The combining statements for other governmental funds, the individual fund schedules, the internal service fund statements and agency-type fiduciary fund schedules are presented immediately following the required supplementary information.

CITY OF PLACENTIA

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Assets

The statement of net assets can serve as a useful indicator of the City's financial position. The City's net assets at June 30, 2012 total \$77.6 million. Following is a condensed version of the government-wide statement of net assets.

NET ASSETS						
(in millions)						
	Governmental Activities		Business-type Activities		Total	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
ASSETS						
Cash and investments	\$ 11.0	\$ 12.3	\$ 2.0	\$ 2.6	\$ 13.0	\$ 14.9
Other Assets	6.8	8.7	(2.4)	0.1	4.4	8.9
Capital Assets	79.8	80.0	12.7	13.3	92.5	93.3
Total Assets	<u>\$ 97.6</u>	<u>\$ 101.0</u>	<u>\$ 12.3</u>	<u>\$ 16.0</u>	<u>\$ 109.9</u>	<u>\$ 117.0</u>
LIABILITIES						
Current Liabilities	\$ 4.6	\$ 14.5	\$ 0.4	\$ 3.8	\$ 5.0	\$ 18.3
Long-term liabilities	27.2	29.8	0.1	-	27.3	29.8
Total Liabilities	<u>\$ 31.9</u>	<u>\$ 44.3</u>	<u>\$ 0.5</u>	<u>\$ 3.8</u>	<u>\$ 32.3</u>	<u>\$ 48.1</u>
NET ASSETS						
Invested in capital assets, net of related debt	\$ 70.7	\$ 60.2	\$ 12.7	\$ 13.3	\$ 83.4	\$ 73.5
Restricted	3.0	8.7	-	-	3.0	8.7
Unrestricted	(7.9)	(12.3)	(0.9)	(1.0)	(8.8)	(13.3)
Total Net Assets	<u>\$ 65.8</u>	<u>\$ 56.6</u>	<u>\$ 11.8</u>	<u>\$ 12.2</u>	<u>\$ 77.6</u>	<u>\$ 68.9</u>

The largest portion of the City's net assets is attributable to the investment in capital assets. The majority of the liabilities are certificates of participation.

Changes in Net Assets

The changes in net assets table illustrates the increases or decreases in net assets of the City resulting from its operating activities. The City's net assets increased approximately \$8.7 million in the fiscal year ended June 30, 2012. The increase was split between the governmental activities increase of \$9.2 million and business-type activities decrease by \$0.5 million.

Following is a condensed version of the City's changes in net assets. The tables show the revenues, expenses, and related changes in net assets in tabular form for the governmental activities separate from the business-type activities.

CITY OF PLACENTIA

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

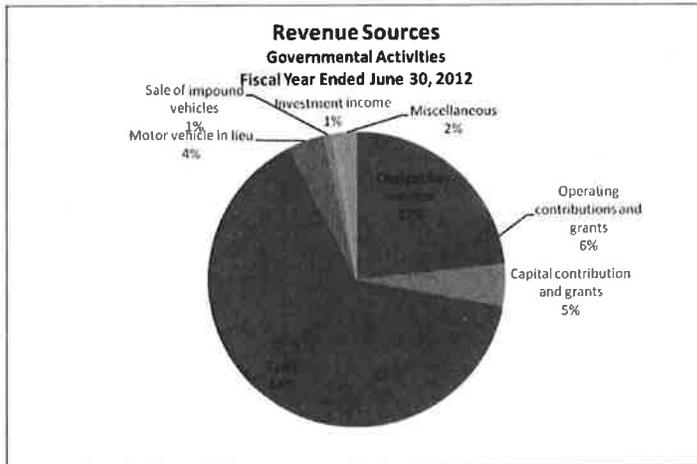
GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

	Change in Net Assets					
	(in millions)					
	Governmental Activities		Business-type Activities		Total	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
REVENUES						
Program Revenues:						
Charges for services	\$ 6.0	\$ 6.4	\$ 3.7	\$ 3.8	\$ 9.6	\$ 10.1
Operating contributions and grants	2.1	2.6	-	-	2.1	2.6
Capital contribution and grants	1.6	2.1	-	-	1.6	2.1
General Revenues:						
Taxes	22.4	24.6	-	-	22.4	24.6
Motor vehicle in lieu	1.4	0.2	-	-	1.4	0.2
Sale of impound vehicles	0.3	0.4	-	-	0.3	0.4
Investment income	0.2	0.6	0.0	0.0	0.2	0.6
Miscellaneous	0.7	1.7	0.1	-	0.8	1.7
Total revenues	<u>\$ 34.7</u>	<u>\$ 38.6</u>	<u>\$ 3.7</u>	<u>\$ 3.8</u>	<u>\$ 38.5</u>	<u>\$ 42.4</u>
EXPENSES						
General government	\$ 10.8	\$ 5.0	\$ -	\$ -	\$ 10.8	\$ 5.0
Public safety	16.1	18.3	-	-	16.1	18.3
Public works	6.5	6.5	-	-	6.5	6.5
Community services	1.0	1.1	-	-	1.0	1.1
Redevelopment	0.7	2.1	-	-	0.7	2.1
SERAF	-	0.2	-	-	-	0.2
Interest on long-term debt	1.4	1.9	-	-	1.4	1.9
Refuse	-	-	2.9	2.8	2.9	2.8
Compressed natural gas	-	-	0.1	0.5	0.1	0.5
Sewer maintenance	-	-	1.1	1.4	1.1	1.4
Total expenses	<u>\$ 36.6</u>	<u>\$ 35.1</u>	<u>\$ 4.1</u>	<u>\$ 4.6</u>	<u>\$ 40.7</u>	<u>\$ 39.7</u>
Increase in net assets before transfers	\$ (1.8)	\$ 3.6	\$ (0.3)	\$ (0.9)	\$ (2.2)	\$ 2.7
Transfers	\$ -	\$ 0.8	\$ -	\$ (0.8)	\$ -	-
Extraordinary gain	10.9	-	-	-	10.9	-
Change in net assets	<u>\$ 9.0</u>	<u>\$ 4.4</u>	<u>\$ (0.3)</u>	<u>\$ (1.7)</u>	<u>\$ 8.7</u>	<u>\$ 2.7</u>
Net assets, beginning of year	<u>\$ 56.6</u>	<u>\$ 52.2</u>	<u>\$ 12.2</u>	<u>\$ 14.0</u>	<u>\$ 68.9</u>	<u>\$ 66.2</u>
Net assets, end of year	<u>\$ 65.7</u>	<u>\$ 56.6</u>	<u>\$ 11.9</u>	<u>\$ 12.3</u>	<u>\$ 77.6</u>	<u>\$ 68.9</u>

CITY OF PLACENTIA

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

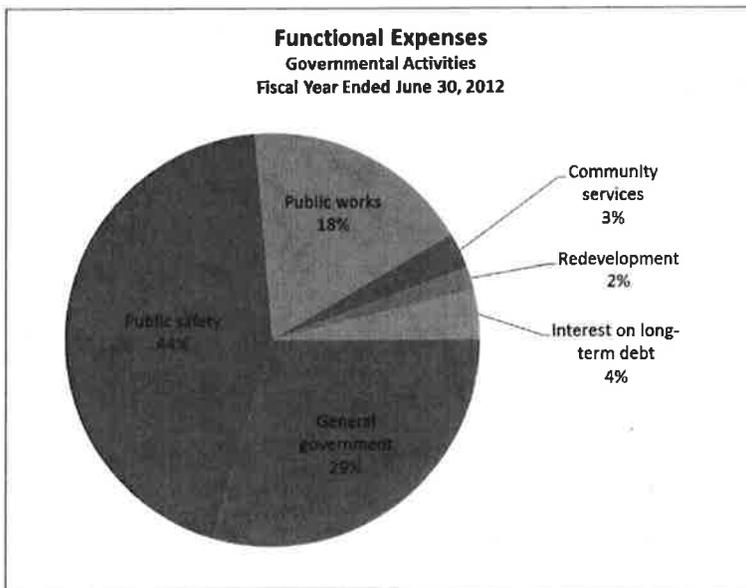


The total cost of all City programs and services during fiscal year ended June 30, 2012 was \$40.7 million. Public safety was the largest portion, accounting for 40% of the total expenditures. General government accounted for 27% and public works accounted for 15% of total expenditures. Business-type activities accounted for 10% of total expenditures.

The difference between the City's total revenues and expenditures, \$8.7 million, represented the increase in total net assets for 2012. Majority of the increase was due

to the extraordinary gain as a result of the dissolution of the former redevelopment agency. See Note 24, Recent Changes in Legislation Affecting California Redevelopment Agencies.

Governmental activities contributed to \$9.2 of the increase in net assets. The revenues associated with governmental activities decreased by \$3.9 million compared to Fiscal Year 2010-11. The largest decreases in revenues as compared to the prior year were attributable to taxes and charges for services. The decrease in taxes was primarily from the property taxes, sales and use taxes and franchise taxes.



The expenses associated with the governmental activities increased by \$1.4 million compared to one year earlier. With the economic downturn and uncertainty of the City's core revenue sources, all City departments were charged with reducing operating expenses. The major area which show increases is general government and public safety and redevelopment represents majority of the decreases in expenditures.

Business-type activities had a \$0.5 million decrease in net assets compared to prior year decrease of \$0.9 million. The City is continuing to reduce operating expenses and investigating other revenue opportunities.

CITY OF PLACENTIA

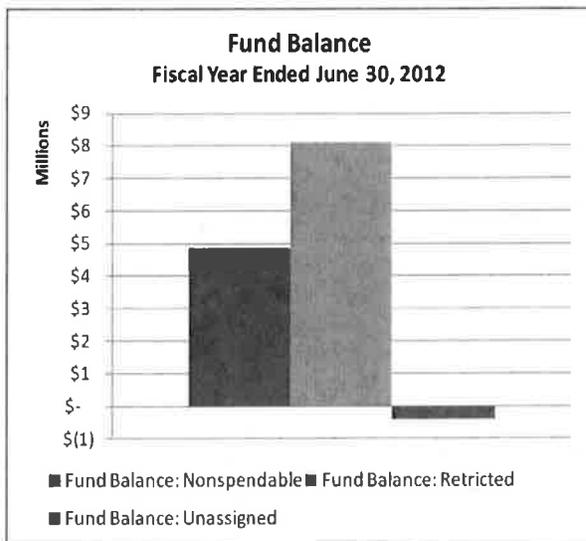
MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2012

FINANCIAL ANALYSIS OF THE CITY'S MAJOR FUNDS

Governmental Funds

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

As the end of the current fiscal year, the City's governmental funds reported a combined ending fund balance of \$12.6 million, a decrease of \$3.2 million from the prior year.



Approximately \$4.9 million constitutes nonspendable fund balance, which is not available for spending because they are either (1) in a nonspendable form, such as prepaid items, inventories of supplies, loans receivable; or (2) legally contractually required to be maintained. This category was traditionally reported as a "reserved" fund balance under the old standard.

The restricted fund balance of \$8.1 million also reflects constraints on the use of resources that are either (1) externally imposed creditors, such as stated in the debt covenants, grantors contributors, laws or regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation. This category was traditionally reported as a "reserved" fund balance under the old standard.

The City Council, as the City's highest level of decision-making authority, may commit fund balance for specific purposes pursuant to constraints imposed by formal actions taken, such as an ordinance or resolution. These committed amounts are classified as committed fund balance. Currently, the City has not taken such action and therefore there are no funds classified as committed fund balance as of June 30, 2012.

As of June 30, 2012, the City had no assigned fund balance.

The unassigned fund balance of \$(0.4 million) represents the portion of fund balance that does not fall into one of the other four fund balance categories. General fund represents \$2.0 million, which is offset against the non-major government funds of (\$2.4 million).

The general fund is the main operating fund of the City. As of June 30, 2012, fund balance of the general fund was \$6.8 million, which is an increase of \$0.7 million from prior year. The increase in fund balance was due to a higher than anticipated sales and use tax revenues in addition to lower operating expenditures in police services, public works, and community development activities.

CITY OF PLACENTIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2012

FINANCIAL ANALYSIS OF THE CITY'S MAJOR FUNDS (CONTINUED)

Proprietary Funds

The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The City's major proprietary funds are the refuse fund, compressed natural gas fund and sewer maintenance fund. Net assets of the refuse fund, compressed natural gas fund and sewer maintenance fund at the end of the fiscal year amounted to \$11.8 million. The total change in net assets decreased \$(0.4 million) from the previous year.

Operating expenses exceeded operating revenues in all proprietary funds. The net decrease in net assets was primarily due to an increase in refuse operating expenditures.

GENERAL FUND BUDGETARY HIGHLIGHTS

The general fund receives the most public attention since it is where local tax revenues are accounted for and where the most popular municipal services such as police and public works are funded.

Year-to-date revenues, including transfers in, totaled \$31.5 million. Total general fund revenues and transfers in were higher than their adjusted budget amounts by \$2.4 million. Sales and use taxes and reimbursement for capital projects were the main contributors to the variance in revenues.

Expenditures for the current fiscal year totaled \$30.7 million. Included in the total expenditures, presented as an extraordinary loss, is the recission of the interfund loans between the City and the former redevelopment agency of \$1.2 million. For further details on the dissolution of the former redevelopment agency see Note 21, Agency Legal Matter and Note 24, Recent Changes in Legislation Affecting California Redevelopment Agencies.

Although the projections were a decrease to fund balance, the City ended the fiscal year with an increase of \$0.7 million to fund balance.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The City's investment in capital assets for its governmental and business-type activities as of June 30, 2012, totaled \$93 million, net of depreciation. These assets include buildings, infrastructure, land, machinery and equipment, park facilities, vehicles, and construction in process.

The City has an aggressive capital improvement program totaling over \$261,648,034 million over the next seven years (the City budgets its capital program in rolling 7-year increments). The City budgets these projects in six major categories: general government buildings, infrastructure and properties; streets, alleys and sidewalks; parks and recreation facilities; enterprise buildings, infrastructure and properties; and major development and infrastructure projects. Among these categories, the major and pavement rehabilitation projects of residential streets and some arterials; \$650,000 for the

CITY OF PLACENTIA

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

CAPITAL ASSETS AND DEBT ADMINISTRATION (CONTINUED)

rehabilitation of Valencia Avenue utilizing State-Local Partnership Program Funds; \$100,000 for ADA improvements to facilities in the City Hall complex and other City Facilities; \$270,500 for neighborhood park facility and accessibility improvements at Parque De Los Ninos, McFadden Park, Santa Fe Park and La Placita Parkette; \$100,000 to purchase up to five (5) front-line patrol cars; and \$92,180 in traffic signalization coordination and traffic control master unit improvements. A total of \$9,022,519 is recommended to be appropriated in fiscal year 2012-13 to commence and/or complete 46 projects. All projects are City projects performed by the City and funded through City resources such as grants, bonds, or cooperative agreements with other agencies. For further detailed information see Note 6, Capital Assets.

CAPITAL ASSETS						
(in millions)						
	Governmental Activities		Business-type Activities		Total	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
ASSETS						
Land	\$ 25.4	\$ 25.9	\$ -	\$ -	\$ 25.4	\$ 25.9
Land - Right of way	0.3	0.3	-	-	0.3	0.3
Infrastructure - trees	3.1	3.1	-	-	3.1	3.1
Construction in progress	1.1	5.8	-	-	1.1	5.8
Structures and improvements	8.1	6.6	12.6	13.1	20.7	19.8
Equipment	1.4	1.1	0.1	0.2	1.5	1.3
Land improvements	-	(0.0)	-	-	-	(0.0)
Infrastructure - streets network	24.6	20.4	-	-	24.6	20.4
Infrastructure - streets appurtenances	12.8	13.5	-	-	12.8	13.5
Infrastructure - storm drain	3.0	3.2	-	-	3.0	3.2
Total Net Assets	<u>\$ 79.8</u>	<u>\$ 80.0</u>	<u>\$ 12.7</u>	<u>\$ 13.3</u>	<u>\$ 92.5</u>	<u>\$ 93.3</u>

Debt Administration

At the end of the current fiscal year, the City had total debt outstanding of \$18.4 million. For further detailed information see Note 8, Long-term Debt. The primary change in total debt outstanding was a result of the dissolution of the former redevelopment agency, which accounted for \$19.8 million of the outstanding debt in prior year. For further details on the dissolution of the former redevelopment agency see Note 21, Agency Legal Matter and Note 24, Recent Changes in Legislation Affecting California Redevelopment Agencies.

CITY OF PLACENTIA

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

CAPITAL ASSETS AND DEBT ADMINISTRATION (CONTINUED)

Under requirements of the state of California, the City's legal debt limit is 3.75% of its total assessed value. This limit is generally not applicable to bonds paid from enterprise funds, other lease revenue bonds, capital leases, compensated absences and outstanding claims. Accordingly, the debt limit at June 30, 2012 is \$188 million and is available for future general obligation debt issues.

LONG-TERM DEBT		
(in millions)		
	<u>2012</u>	<u>2011</u>
Certificates of participation	\$ 11.3	\$ 12.3
Tax allocation bonds	2.6	6.6
Tax allocation notes	-	6.8
Lease revenue bonds	4.2	4.2
Capital Leases	0.3	-
	<u>18.4</u>	<u>30.0</u>
Compensated absences	3.5	3.4
OCTA Advance	4.1	4.2
Net OPEB obligations	1.9	1.5
Claims payable - General liability	1.8	1.7
	<u>1.8</u>	<u>1.7</u>
Total	<u>\$ 29.7</u>	<u>\$ 40.8</u>

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

The annual budget for fiscal year ended June 30, 2013 presents a number of opportunities and challenges to improve overall service to the community while dealing with a severe economic downturn. By any standard this is a very aggressive program of work that will challenge the capacity of staff and the City Council to accomplish under the reduced revenue assumptions. The proposed general fund budget for fiscal year 2012-13 includes the following assumptions:

- Realization of reduced revenues as a result of current economic conditions.
- Decreases in operating expenditures consistent with the revenue forecasts.
- Maintenance of service levels and program to the extent possible and minimal reductions in service levels where appropriate.

Key budget assumptions for forecasting general fund revenues include the following:

- Key sectors of the local economy are showing signs of sustained growth.
- Annual average job growth turns positive in 2012, rising by 0.9 percent. The county labor market expansion is expected to accelerate between 2012 and 2016, averaging 3.0 percent growth per year.

CITY OF PLACENTIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2012

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS (CONTINUED)

- Employment in construction, wholesale trade, information, and professional services are expected to grow more than 20 percent between 2012 and 2016.
- Commercial real estate continues to show signs of recovery.
- Sales tax revenue will continue to grow by an estimated 4%; and
- Property tax revenues will grow by an estimated 1%.

In addition, the City anticipates the following key cost reduction measures to be fully implemented by the beginning of 2013:

- Reduced retirement costs as a result of negotiated changes in the amount certain employee groups pay towards their pension costs;
- Two-tier retirement system for new employees; and
- Transfer of responsibility for graffiti removal on private property to private property owners.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. If you have questions concerning any of the information provided in this report or need additional financial information, contact the City's Finance Department at the City of Placentia, 401 East Chapman Avenue, Placentia, California 92870, or call (714) 993-8237 or visit our website at www.placentia.org.

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BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

CITY OF PLACENTIA

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

	Governmental Activities	Business-type Activities	Total
ASSETS			
Current assets:			
Cash and investments	\$ 9,851,669	\$ 1,984,132	\$ 11,835,801
Cash and investments with fiscal agent	1,147,398	-	1,147,398
Receivables:			
Accounts (net of allowance for uncollectibles)	1,557,773	107,603	1,665,376
Taxes	1,907,946	69,660	1,977,606
Interest	12,710	-	12,710
Due from other governments	131,216	-	131,216
Internal balances	2,567,389	(2,567,389)	-
Loans receivable	104,059	-	104,059
Deposits	88,395	-	88,395
Inventory of supplies	49,510	-	49,510
Total Current Assets	17,418,065	(405,994)	17,012,071
Noncurrent assets:			
Deferred costs of issuance	390,194	-	390,194
Capital Assets:			
Non-depreciable capital assets	29,875,469	-	29,875,469
Depreciable capital assets, net of accumulated depreciation	49,946,036	12,686,032	62,632,068
Total Capital Assets	79,821,505	12,686,032	92,507,537
Total Assets	97,629,764	12,280,038	109,909,802
LIABILITIES			
Current liabilities:			
Accounts payable	1,070,488	249,135	1,319,623
Payroll payable	397,375	13,990	411,365
Other accrued liabilities	229,140	-	229,140
Interest payable	253,563	-	253,563
Unearned revenue	134	75,000	75,134
Insurance claims payable, current	210,352	-	210,352
Compensated absences, current	1,262,842	46,905	1,309,747
Long-term debt, current	1,185,838	-	1,185,838
Total Current Liabilities	4,609,732	385,030	4,994,762
Noncurrent liabilities:			
Insurance claims payable	1,769,009	-	1,769,009
Compensated absences	2,231,352	82,877	2,314,229
Net OPEB Obligation	1,876,107	-	1,876,107
OCTA advance	4,137,055	-	4,137,055
Long-term debt	17,236,420	-	17,236,420
Total Noncurrent Liabilities	27,249,943	82,877	27,332,820
Total Liabilities	31,859,675	467,907	32,327,582
NET ASSETS			
Invested in capital assets, net of related debt	70,725,880	12,686,032	83,411,912
Restricted:			
Special revenue	424,157	-	424,157
Capital projects	2,556,351	-	2,556,351
Total restricted	2,980,508	-	2,980,508
Unrestricted	(7,936,299)	(873,901)	(8,810,200)
Total Net Assets	\$ 65,770,089	\$ 11,812,131	\$ 77,582,220

See accompanying notes to basic financial statements

CITY OF PLACENTIA

**STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2012**

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Contributions	Capital Contributions
Governmental Activities				
General government	\$ 10,832,429	\$ 1,904,756	\$ 226	\$ 365,216
Public safety	16,104,305	1,555,540	154,624	-
Public works	6,525,362	1,548,427	1,981,694	1,240,046
Community services	1,033,432	775,601	-	-
Redevelopment	658,630	186,487	-	-
Interest on long-term debt	1,414,181	-	-	-
Total Governmental Activities	<u>36,568,339</u>	<u>5,970,811</u>	<u>2,136,544</u>	<u>1,605,262</u>
Business-type Activities				
Refuse	2,880,244	2,729,699	-	-
Compressed natural gas	100,361	75,578	-	-
Sewer maintenance	1,114,014	858,771	-	-
Total Business-Type Activities	<u>4,094,619</u>	<u>3,664,048</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 40,662,958</u>	<u>\$ 9,634,859</u>	<u>\$ 2,136,544</u>	<u>\$ 1,605,262</u>

General Revenues

Taxes:

- Property taxes
- Sales and use taxes
- Utility users tax
- Real property transfer tax
- Transient occupancy tax
- Franchise taxes
- Other taxes

- Motor vehicle in lieu
- Sale of impound vehicles
- Investment income
- Other

Transfers in and out

Total General Revenues and Transfers

Extraordinary gain - RDA (Note 24)

Change in Net Assets

Net Assets at beginning of year, Beginning of Year

Net Assets at End of Year

See accompanying notes to basic financial statements

(Net Expense) Revenue and Changes in Net Assets

<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>	<u>Total</u>
\$ (8,562,231)	\$ -	\$ (8,562,231)
(14,394,141)	-	(14,394,141)
(1,755,195)	-	(1,755,195)
(257,831)	-	(257,831)
(472,143)	-	(472,143)
(1,414,181)	-	(1,414,181)
<u>(26,855,722)</u>	<u>-</u>	<u>(26,855,722)</u>
-	(150,545)	(150,545)
-	(24,783)	(24,783)
-	<u>(255,243)</u>	<u>(255,243)</u>
-	<u>(430,571)</u>	<u>(430,571)</u>
<u>(26,855,722)</u>	<u>(430,571)</u>	<u>(27,286,293)</u>
12,451,804	-	12,451,804
4,224,949	-	4,224,949
2,851,341	-	2,851,341
137,564	-	137,564
620,460	-	620,460
2,056,035	-	2,056,035
46,644	-	46,644
1,386,156	-	1,386,156
300,950	-	300,950
199,292	7,566	206,858
746,269	75,000	821,269
75,545	<u>(75,545)</u>	<u>-</u>
<u>25,097,009</u>	<u>7,021</u>	<u>25,104,030</u>
10,880,303	-	10,880,303
9,121,590	(423,550)	8,698,040
56,648,499	12,235,681	68,884,180
<u>\$ 65,770,089</u>	<u>\$ 11,812,131</u>	<u>\$ 77,582,220</u>

See accompanying notes to basic financial statements

FUND FINANCIAL STATEMENTS

CITY OF PLACENTIA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2012

GENERAL FUND

The General Fund is required to be classified as a major fund and is used to account for all of the general revenues of the City of Placentia (the "City") not specifically levied or collected for other City funds and for expenditures related to the rendering of general services by the City. The General Fund is generally used to account for all resources not required to be accounted for in another fund.

SPECIAL REVENUE FUNDS

The Special Revenue Funds are used to account for revenues derived from specific taxes or other earmarked revenue sources (other than special assessments, expendable trusts, or major capital projects) that are restricted by law or administrative action for specified purposes. The following Special Revenue Fund has been classified as major in the accompanying financial statements:

Miscellaneous Grants Fund – Used to account for grant revenues received for reimbursable (qualified) projects which are not accounted for in other special revenue funds.

DEBT SERVICE FUNDS

The Debt Service Fund is used to account for the accumulation of resources for the payment of interest and principal on the general debt of the City and related entities. The following Debt Service fund has been classified as major in the accompanying fund financial statements:

2011 Gas Tax COP – To accumulate monies for the payments of interest and principal on the 2011 Gas Tax Certificates of Participation. Debt service is financed via gas tax revenues.

See accompanying notes to basic financial statements

CITY OF PLACENTIA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2012

	General Fund	Special Revenue	Debt Service
		Miscellaneous Grants	2011 Gas Tax COP
ASSETS			
Cash and investments	\$ 1,334,519	\$ 588,759	\$ 4,654,182
Cash and investments with fiscal agent	439,033	-	483,485
Accounts receivable	197,597	994,683	-
Taxes receivable	1,530,735	-	-
Interest receivable	12,710	-	-
Due from other governments	30,677	7,598	-
Due from other funds	4,765,805	-	-
Loans receivable	8,000	-	-
Total Assets	\$ 8,319,076	\$ 1,591,040	\$ 5,137,667
LIABILITIES			
Accounts payable	\$ 378,505	\$ 3,972	\$ -
Payroll payable	388,472	-	-
Other accrued liabilities	229,140	-	-
Due to other funds	-	-	-
Deferred revenue	552,177	807,101	-
Total Liabilities	1,548,294	811,073	-
FUND BALANCE			
Nonspendable	4,773,805	-	-
Restricted	-	779,967	5,137,667
Unassigned	1,996,977	-	-
Total Fund Balances	6,770,782	779,967	5,137,667
Total Liabilities and Fund Balances	\$ 8,319,076	\$ 1,591,040	\$ 5,137,667

See accompanying notes to basic financial statements.

Non-Major Governmental Funds	Total Governmental Funds
\$ 1,398,778	\$ 7,976,238
224,880	1,147,398
365,216	1,557,496
377,211	1,907,946
-	12,710
92,941	131,216
-	4,765,805
96,059	104,059
<u>\$ 2,555,085</u>	<u>\$ 17,602,868</u>

\$ 468,522	\$ 850,999
2,929	391,401
-	229,140
2,198,416	2,198,416
-	1,359,278
<u>2,669,867</u>	<u>5,029,234</u>

96,059	4,869,864
2,200,541	8,118,175
(2,411,382)	(414,405)
<u>(114,782)</u>	<u>12,573,634</u>
<u>\$ 2,555,085</u>	<u>\$ 17,602,868</u>

See accompanying notes to basic financial statements.

CITY OF PLACENTIA

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

Fund Balances of Governmental Funds	\$ 12,573,634
Amounts reported for governmental activities in the Statement of Net Assets are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, were not reported in the funds:	
Governmental activities	79,343,525
Internal service funds capital assets allocated to governmental activities	477,980
Long-term liabilities, including insurance claims payable, applicable to governmental activities are not due and payable in the current period and, accordingly, are not reported as governmental fund liabilities. All liabilities (both current and long-term) are reported in the Statement of Net Assets.	
Governmental activities	(18,422,258)
Compensated absences	(3,494,194)
OCTA advance	(4,137,055)
Internal service funds	(1,979,361)
Post employment benefits are paid on a pay-as-you-go basis which differs from the actuarially determined Annual Required Contribution ("ARC").	(1,876,107)
Issuance costs relating to long-term debt are recorded as expenditures in the governmental funds but are capitalized and amortized over the life of the debt in the Statement of Net Assets	
Unamortized issuance costs on certificates of participation	390,194
Accrued interest payable for the current portion of interest due on long-term liabilities has not been reported in the governmental funds.	(253,563)
Deferred revenue balances relating to certain loans receivable and accounts receivable are not reported as liabilities in the Statement of Net Assets since revenue recognition is not based upon measurable and available criteria.	1,359,278
The Internal Service Funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the Internal Service Funds must be added to the Statement of Net Assets.	<u>1,788,016</u>
Net Assets of Governmental Activities	<u>\$ 65,770,089</u>

See accompanying notes to basic financial statements.

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CITY OF PLACENTIA

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

	<u>Special Revenue</u>		<u>Debt Service</u>
	<u>General Fund</u>	<u>Miscellaneous Grants</u>	<u>2011 Gas Tax COP</u>
REVENUES:			
Taxes:			
Property taxes	\$ 11,160,051	\$ -	\$ -
Sales and use taxes	5,611,105	-	-
Other taxes	2,860,703	-	-
Intergovernmental	54,850	1,240,044	-
Licenses and permits	1,730,070	-	-
Fines and forfeitures	595,239	-	-
Investment income	391,869	-	9,822
Charges for services	1,350,666	-	-
Lease revenue	912,921	-	-
Miscellaneous	326,478	250,000	-
Total Revenues	<u>24,993,952</u>	<u>1,490,044</u>	<u>9,822</u>
EXPENDITURES:			
Current:			
General government	4,390,030	-	10,991
Public safety	15,732,504	113,572	-
Public works	3,182,919	64,197	-
Community development	883,132	-	-
Redevelopment	-	-	-
Capital outlay	-	-	-
Debt Service:			
Principal	151,098	-	185,000
Interest	323,625	-	293,403
Total Expenditures	<u>24,663,308</u>	<u>177,769</u>	<u>489,394</u>
Excess (Deficiency) or Revenues Over (Under) Expenditures	330,644	1,312,275	(479,572)
OTHER FINANCING SOURCES (USES):			
Other financing sources - capital lease	399,870	-	-
Extraordinary gain/(loss) (Note 24)	(1,153,547)	-	-
Transfers in	6,078,742	-	482,216
Transfers out	(4,914,425)	(1,379,402)	(429,708)
Total Other Financing Sources (Uses)	<u>410,640</u>	<u>(1,379,402)</u>	<u>52,508</u>
Net Change in Fund Balances	741,284	(67,127)	(427,064)
Fund Balances, Beginning of Year	6,029,498	847,094	5,564,731
Fund Balances, End of Year	<u>\$ 6,770,782</u>	<u>\$ 779,967</u>	<u>\$ 5,137,667</u>

See accompanying notes to basic financial statements.

Non-Major Governmental Funds	Total Governmental Funds
\$ 1,291,753	\$ 12,451,804
-	5,611,105
2,851,340	5,712,043
2,446,911	3,741,805
-	1,730,070
157,525	752,764
21,389	423,080
1,019,371	2,370,037
186,486	1,099,407
110,338	686,816
<u>8,085,113</u>	<u>34,578,931</u>
289,394	4,690,415
132,249	15,978,325
3,369,459	6,616,575
150,300	1,033,432
658,630	658,630
440,844	440,844
850,000	1,186,098
<u>1,000,225</u>	<u>1,617,253</u>
<u>6,891,101</u>	<u>32,221,572</u>
1,194,012	2,357,359
-	399,870
1,346,810	193,263
4,307,939	10,868,897
<u>(10,296,627)</u>	<u>(17,020,162)</u>
<u>(4,641,878)</u>	<u>(5,558,132)</u>
(3,447,866)	(3,200,773)
3,333,084	15,774,407
<u>\$ (114,782)</u>	<u>\$ 12,573,634</u>

See accompanying notes to basic financial statements.

CITY OF PLACENTIA

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

Net Change in Fund Balances - Total Governmental Funds \$ (3,200,773)

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 cost of those assets is allocated over their estimated useful lives as depreciation expense. As a result, fund balances decrease by the amount of financial resources expended, whereas net assets decrease by the amount of depreciation expense charged for the year.

Capital outlay	2,812,593
Depreciation expense, net of disposals	(2,283,281)
Loss on disposal of capital asset	(498,060)

Post employment benefits are paid on a pay-as-you-go basis which differs from the actuarially determined Annual Required Contribution (ARC). (379,150)

Proceeds of long-term debt is an other financing source in the governmental funds and has the effect of increasing the fund balance because current financial resources have been provided. However, the proceeds increase the liabilities in the Statement of Net Assets and do not result in income in the Statement of Activities (399,870)

Repayment of long-term debt principal is an expenditure in the governmental funds and, thus, has the effect of reducing the fund balances because current financial resources have been used. For the City as a whole, however, the principal payments reduce the liabilities in the Statement of Net Assets and do not result in an expense in the Statement of Activities. 11,963,668

Accrued interest expense related to long-term liabilities. This amount is the difference between the amount of interest paid and the amount of interest incurred on long-term liabilities. 334,092

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. (246,367)

The resulting discounts on issuance and issuance costs on debt are capitalized and amortized at the Statement of Net Assets.

Amortization of debt discounts	(32,889)
Amortization of debt issuance costs	(47,773)
Amortization of deferred refunding charge	(50,358)

Certain loans and grants receivable that have been accrued but not collected are reflected as deferred revenue in the governmental funds. However, earned revenue is recognized in the Statement of Activities, regardless of when the receivables were collected. 25,625

Internal Service Funds are used by management to charge the costs of certain activities to individual funds. The net revenues (expenses) of the Internal Service Funds are reported with governmental activities. 1,124,133

Change in Net Assets of Governmental Activities \$ 9,121,590

See accompanying notes to basic financial statements.

CITY OF PLACENTIA
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2012

MAJOR ENTERPRISE FUNDS

The Enterprise Funds are used to account for operations that are financed and operated in a manner similar to a private business enterprise.

The following Enterprise Funds have been classified as major funds:

Refuse Fund – To account for the provision of refuse services to the residents of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operation, acquisition of equipment, and related debt service.

Compressed Natural Gas (CNG) Fund – To account for the activity of a compressed natural gas station located within the City.

Sewer Maintenance Fund – To account for the operations and maintenance of the sewer lines located in the City's sewer system, including administration and capital improvements. Fees are computed from water consumption amounts provided by local water companies. All residents and businesses connected to the City's sewer system are placed in categories based on a percentage of water consumption that is returned to the City sewer system.

INTERNAL SERVICE FUNDS

The Internal Service Funds are used to account for the financing of goods and services provided by one City department to others, or to other governmental units, on a cost-reimbursement basis (including depreciation).

CITY OF PLACENTIA
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2012

	Business-type Activities		
	Refuse	CNG	Sewer Maintenance
ASSETS			
Current assets:			
Cash and investments	\$ 237,819	\$ 433	\$ 1,745,880
Accounts receivable	-	17,482	90,121
Taxes receivable	69,660	-	-
Due from other funds	-	-	496,483
Deposits	-	-	-
Inventory of supplies	-	-	-
Total Current Assets	307,479	17,915	2,332,484
Noncurrent assets:			
Capital assets, net of accumulated depreciation	-	78,813	12,607,219
Total Assets	307,479	96,728	14,939,703
LIABILITIES			
Current liabilities:			
Accounts payable	216,738	5,289	27,108
Payroll payable	5,578	-	8,412
Due to other funds	3,063,872	-	-
Unearned revenue	-	75,000	-
Compensated absences, current	22,757	-	24,148
Insurance claims payable, current	-	-	-
Total Current Liabilities	3,308,945	80,289	59,668
Noncurrent Liabilities:			
Compensated absences	40,211	-	42,666
Insurance claims payable	-	-	-
Total Noncurrent Liabilities	40,211	-	42,666
Total Liabilities	3,349,156	80,289	102,334
NET ASSETS			
Invested in capital assets	-	78,813	12,607,219
Unrestricted	(3,041,677)	(62,374)	2,230,150
Total Net Assets	\$ (3,041,677)	\$ 16,439	\$ 14,837,369

See accompanying notes to basic financial statements.

<u>Business-type Activities</u>	<u>Governmental Activities</u>
<u>Total</u>	<u>Internal Service Funds</u>
\$ 1,984,132	\$ 1,875,431
107,603	277
69,660	-
496,483	-
-	88,395
-	49,510
<u>2,657,878</u>	<u>2,013,613</u>
<u>12,686,032</u>	<u>477,980</u>
<u>15,343,910</u>	<u>2,491,593</u>
249,135	219,489
13,990	5,974
3,063,872	-
75,000	134
46,905	-
-	210,352
<u>3,448,902</u>	<u>435,949</u>
82,877	-
-	1,769,009
<u>82,877</u>	<u>1,769,009</u>
<u>3,531,779</u>	<u>2,204,958</u>
12,686,032	477,980
<u>(873,901)</u>	<u>(191,345)</u>
<u>\$ 11,812,131</u>	<u>\$ 286,635</u>

See accompanying notes to basic financial statements.

CITY OF PLACENTIA

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

	Business-type Activities		
	Refuse	CNG	Sewer Maintenance
OPERATING REVENUES			
Reimbursements	\$ -	\$ 35,255	\$ -
Charges for services:			
Landfill	346,799	-	-
Contractor	2,382,838	-	-
Natural gas sales	-	40,323	-
Service charges	-	-	857,247
Miscellaneous	62	-	1,524
Total Operating Revenues	2,729,699	75,578	858,771
OPERATING EXPENSES			
Administration	161,101	15,706	19,934
Reinsurance premiums	-	-	-
Claims	-	-	-
Medical and dental premiums	-	-	-
Liability insurance premiums	-	-	-
Maintenance	260,054	5,622	582,267
Depreciation expense	-	79,033	511,813
Landfill and contractor charges	2,459,089	-	-
Total Operating Expenses	2,880,244	100,361	1,114,014
Operating Loss	(150,545)	(24,783)	(255,243)
NON-OPERATING REVENUES (EXPENSES)			
Lease revenue	-	75,000	-
Investment income	2,034	433	5,099
Total Non-Operating Revenues	2,034	75,433	5,099
Income (loss) before transfers	(148,511)	50,650	(250,144)
Transfers in	-	-	496,483
Transfers out	(200,345)	(296,483)	(75,200)
Total transfers	(200,345)	(296,483)	421,283
Change in Net Assets	(348,856)	(245,833)	171,139
Fund Net Assets at Beginning of Year	(2,692,821)	262,272	14,666,230
Fund Net Assets at End of Year	\$ (3,041,677)	\$ 16,439	\$ 14,837,369

See accompanying notes to basic financial statements.

Business-type Activities	Governmental Activities
Total	Internal Service Funds
\$ 35,255	\$ 109,727
346,799	-
2,382,838	-
40,323	-
857,247	-
1,586	19,798
<u>3,664,048</u>	<u>129,525</u>
196,741	2,613,756
-	109,574
-	757,248
-	956,017
-	589,635
847,943	-
590,846	205,972
2,459,089	-
<u>4,094,619</u>	<u>5,232,202</u>
<u>(430,571)</u>	<u>(5,102,677)</u>
75,000	-
7,566	-
<u>82,566</u>	<u>-</u>
<u>(348,005)</u>	<u>(5,102,677)</u>
496,483	6,512,963
(572,028)	(286,153)
<u>(75,545)</u>	<u>6,226,810</u>
(423,550)	1,124,133
12,235,681	(837,498)
<u>\$ 11,812,131</u>	<u>\$ 286,635</u>

See accompanying notes to basic financial statements.

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

	Business-type Activities		
	Refuse	CNG	Sewer Maintenance
Cash Flows from Operating Activities:			
Cash received from customers	\$ 2,687,077	\$ 221,667	\$ 854,430
Cash payments to suppliers for goods and services	(2,671,024)	(46,927)	(274,223)
Cash payments to employees	(203,710)	(1,872)	(313,902)
Net Cash Provided By (used for) Operating Activities	<u>(187,657)</u>	<u>172,868</u>	<u>266,305</u>
Cash Flows from Non-Capital Financing Activities:			
Cash received from other funds	-	-	-
Cash paid to other funds	(500,345)	(296,483)	(75,200)
Net Cash Provided By (used for) Non-Capital Financing Activities	<u>(500,345)</u>	<u>(296,483)</u>	<u>(75,200)</u>
Cash Flows used for Capital Financing Activities:			
Acquisition of equipment	-	-	-
Cash Flows from Investing Activities:			
Interest received on investments	2,034	433	5,099
Net Increase (Decrease) in Cash and Cash Equivalents	(685,968)	(123,182)	196,204
Cash and Cash Equivalents at Beginning of Year	923,787	123,615	1,549,676
Cash and Cash Equivalents at End of Year	<u>\$ 237,819</u>	<u>\$ 433</u>	<u>\$ 1,745,880</u>
Reconciliation of Operating Loss to Net Cash			
Provided by (Used for) Operating Activities:			
Operating loss	\$ (150,545)	\$ (24,783)	\$ (255,243)
Adjustments to reconcile operating income to net cash provided by (used for) operating activities:			
Depreciation	-	79,033	511,813
Nonoperating revenue	-	75,000	-
(Increase) decrease in accounts receivable	(42,622)	6,426	(4,341)
(Increase) decrease in due from other governments	-	7,653	-
(Increase) decrease in deposits	-	-	-
(Increase) decrease in inventory of supplies	-	-	-
Increase (decrease) in accounts payable	7,826	(25,599)	25,284
Increase (decrease) in payroll payable	(6,942)	(1,872)	(14,721)
Increase (decrease) in deferred revenue	-	57,010	-
Increase (decrease) in compensated absences payable	4,626	-	3,513
Increase (decrease) in insurance claims payable	-	-	-
Total Adjustments	<u>(37,112)</u>	<u>197,651</u>	<u>521,548</u>
Net Cash Provided By (Used for) Operating Activities	<u>\$ (187,657)</u>	<u>\$ 172,868</u>	<u>\$ 266,305</u>

See accompanying notes to basic financial statements.

<u>Business-type Activities</u>	<u>Governmental Activities</u>
<u>Total</u>	<u>Internal Service Funds</u>
\$ 3,763,174	\$ 182,776
(2,992,174)	(4,192,794)
(519,484)	(550,226)
<u>251,516</u>	<u>(4,560,244)</u>
-	6,512,963
<u>(872,028)</u>	<u>(286,153)</u>
<u>(872,028)</u>	<u>6,226,810</u>
-	<u>(13,952)</u>
<u>7,566</u>	-
(612,946)	1,652,614
<u>2,597,078</u>	<u>222,817</u>
<u>\$ 1,984,132</u>	<u>\$ 1,875,431</u>
<u>\$ (430,571)</u>	<u>\$ (5,102,677)</u>
590,846	205,972
75,000	-
(40,537)	1,203
7,653	-
-	52,048
-	54,999
7,511	(35,208)
(23,535)	(9,377)
57,010	(5)
8,139	-
-	272,801
<u>682,087</u>	<u>542,433</u>
<u>\$ 251,516</u>	<u>\$ (4,560,244)</u>

See accompanying notes to basic financial statements.

CITY OF PLACENTIA

FIDUCIARY FUNDS

The Agency Funds are used to account for funds when the City is acting as an agent for other governmental units, private organizations or individuals.

RDA Successor Agency Private Purpose Trust Fund is used to account for monies received from the Orange County Auditor Controller for the repayment of the enforceable obligations of the former Placentia Redevelopment Agency. These funds are restricted for the sole purpose of payment of items on an approved Recognized Obligation Payment Schedule (ROPS). See Note 24 for more details.

CITY OF PLACENTIA

**STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
JUNE 30, 2012**

	<u>Agency Funds</u>	<u>RDA Successor Agency Private Purpose Trust Fund</u>
ASSETS		
Cash and investments	\$3,868,104	\$ 59,231
Cash and investments with fiscal agent	2,174,851	1,162,970
Accounts receivable	36,114	-
Taxes receivable	47,614	-
Notes receivables pledged as collateral for H.C.D. rehabilitation loans	4,680	-
Cost of issuance of bonds, net	-	91,413
Total Assets	<u>6,131,363</u>	<u>1,313,614</u>
LIABILITIES		
Accounts payable	-	27,767
Payroll payable	-	750
Interest payable	-	313,786
Due to other governemnts	169,650	991,314
Deposits payable	5,961,713	-
Long-term liabilities:		
Due within one year	-	100,000
Due in more than one year	-	10,587,040
Total Liabilities	<u>6,131,363</u>	<u>12,020,657</u>
Net assets		
Held in trust for the retirement of obligations of the former Placentia Redevelopment Agency (Note 24)	<u>\$ -</u>	<u>\$ (10,707,043)</u>

See accompanying notes to basic financial statements.

CITY OF PLACENTIA

**STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
CITY OF PLACENTIA AS SUCCESSOR REDEVELOPMENT
AGENCY PRIVATE PURPOSE TRUST FUND
JUNE 30, 2012**

	RDA Successor Agency Private Purpose Trust Fund
Additions	
Property taxes	\$ 740,261
Investment income	17,469
Lease revenue	1,006,201
Total Additions	1,763,931
 Deductions	
Program expenses of the former redevelopment agency	991,754
Interest and fiscal agency expenses of former redevelopment agency	690,330
Amortization of tax allocation note issuance costs	14,744
Total Deductions	1,696,828
Extraordinary loss (Note 24)	(10,774,146)
Change in net assets	(10,707,043)
Net assets - beginning	-
Net assets - ending	\$ (10,707,043)

See accompanying notes to basic financial statements.

CITY OF PLACENTIA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the City of Placentia, California (the “City”) have been prepared in conformity with generally accepted accounting principles (“GAAP”), as applied to government units. The Governmental Accounting Standards Board (“GASB”) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant City accounting policies are described below.

A. Reporting Entity

The City of Placentia was incorporated December 2, 1926. The City operates under an elected Council/City Manager form of government and under provisions of a City Charter adopted on June 29, 1965.

As required by generally accepted accounting principles, these financial statements present the City of Placentia and its component units, entities for which the City is considered to be financially accountable. The City is considered to be financially accountable for an organization if the City appoints a voting majority of that organization’s governing body, and the City is able to impose its will on that organization or there is a potential for that organization to provide specific financial benefits to or impose specific financial burdens on the City. The City is also considered to be financially accountable for an organization if that organization is fiscally dependent (i.e., it is unable to adopt its budget, levy taxes, set rates or charges, or issue bonded debt without approval from the City). In certain cases, other organizations are included as component units if the nature and significance of their relationship with the City are such that their exclusion would cause the City’s financial statements to be misleading or incomplete.

The two methods of reporting component unit data in the combined financial statements are blended and discrete presentation. Blending is limited exclusively to when the board of the component unit is substantively the same as that of the City or if the component unit serves the City exclusively, or almost exclusively.

Blended component units, although legally separate entities, are in substance, part of the government’s operations. Data from these units are combined with data of the City. Component units that do not meet one of the two criteria for blending presented component units are reported in a separate column in the government-wide financial statements to emphasize they are legally separate from the government. Similar to the City, each blended component unit has a June 30 year-end. The City does not report any discretely presented component units.

Brief descriptions of the City’s blended component units are as follows:

The Placentia Redevelopment Agency (the “Agency”) was established on December 7, 1982, pursuant to the State of California Health and Safety Code Section 33000 entitled, “Community Redevelopment Law.” Although it was a legally separate entity from the City, the Agency was reported as if it were part of the City because of its purpose was to encourage private redevelopment of property and to rehabilitate areas suffering from economic blight within the territorial limits of the City. This Agency was dissolved on February 1, 2012. See Note 24 for further discussion.

CITY OF PLACENTIA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. Reporting Entity (Continued)

The Civic Center Authority (the “Authority”) was organized on May 22, 1972, under a joint exercise of powers agreement between the City and the Placentia Library District (the “Library District”), for the purpose of financing and constructing a new civic center building for lease to the City and a new library building for lease to the Library District. The joint exercise of powers agreement establishing the Authority was effective for forty years from May 22, 1972, and provided that at the end of the term all real and personal property shall vest in the respective parties which lease the property from the Authority, and that any surplus money shall be returned to the City and the Library District in proportion to the contributions made by each. The joint exercise of powers agreements was ended in May 22, 2012 and there was no surplus money that was returned to the City and the Library District.

The Placentia Public Financing Authority (the “PFA”) was formed in 1996 to issue Special Tax Revenue Bonds. The proceeds of the debt refunded the existing Mello-Roos Community Facilities District 89-1 bonds originally issued in September 1996.

Since the City Council serves as the governing board for these component units, they are considered to be blended component units.

The Civic Center Authority and the Public Financing Authority did not have any financial activity during the 2011-2012 fiscal year, and therefore, are not presented in the financial statements.

B. Fund Types

The following is a summary of the fund types utilized by the City:

Governmental Fund Types

The General Fund is the general operating fund of the City. All general tax revenues and other receipts that are not allocated by law or contractual agreement to some other fund are accounted for in this fund. Expenditures of this fund include the general operating expenditures and capital improvement costs which are not paid through other funds.

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are usually required by law or administrative regulation to be accounted for in separate funds.

Debt Service Funds are used to account for the accumulation of resources for and the payment of general long-term debt principal and interest.

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities other than those financed by Proprietary Fund Types.

CITY OF PLACENTIA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Fund Types (Continued)

Proprietary Fund Types

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

Internal Service Funds are used to account for the financing of goods or services provided by one department of the City to other departments on a cost-reimbursement basis.

Fiduciary Fund Types

Fiduciary Fund Financial Statements include a Statement of Fiduciary Net Assets and a Statement of Changes in Fiduciary Net Assets. The City's Fiduciary Funds represent Agency Funds and the Private Purpose Trust Fund. The Agency Funds are used to account for assets held by the City as an agent for individuals or private organizations, other governmental units and/or other funds. Agency Funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations. The Private Purpose Trust Fund is used to account for non-housing activities of Successor Agency to the Placentia Redevelopment Agency.

C. Measurement Focus and Basis of Accounting

The Basic Financial Statements of the City are composed of the following:

- Government-wide financial statements
- Fund financial statements
- Notes to the basic financial statements

Financial reporting is based upon all GASB pronouncements, as well as the Financial Accounting Standards Board "FASB" Statements and Interpretations, Accounting Principles Board "APB" Opinions, and Accounting Research Bulletins that were issued on or before November 30, 1989, that does not conflict with or contradict GASB pronouncements. FASB pronouncements issued after November 30, 1989 are not followed in the preparation of the accompanying financial statements.

Government-Wide Financial Statements

Government-wide financial statements display information about the reporting government as a whole, except for its fiduciary activities. These statements include separate columns for the governmental and business-type activities of the primary government (including its blended component units). Eliminations have been made in the Statement of Activities so that certain allocated expenses are recorded only once (by the function to which they were allocated). However, general government expenses have not been allocated as indirect expenses to the various functions of the City.

CITY OF PLACENTIA

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

C. Measurement Focus and Basis of Accounting (Continued)

Government – Wide Financial Statements (Continued)

Government-wide financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Under the economic resources measurement focus, all (both current and long-term) economic resources and obligations of the reporting government are reported in the government-wide financial statements. Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. Under the accrual basis of accounting, revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets and liabilities resulting from non-exchange transactions were recognized in accordance with the requirements of GASB Statement No. 33.

Program revenues include charges for services, special assessments, and payments made by parties outside the reporting government's citizenry if that money is restricted to a particular program. Program revenues are netted with program expenses in the Statement of Activities to present the net cost of each program.

Amounts paid to acquire capital assets are capitalized as assets in the government-wide financial statements, rather than reported as an expenditure. Proceeds of long-term debt are recorded as a liability in the government-wide financial statements, rather than as an other financing source. Amounts paid to reduce long-term indebtedness of the reporting government are reported as a reduction of the related liability, rather than as an expenditure.

Fund Financial Statements

The underlying accounting system of the City is organized and operated on the basis of separate funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Fund financial statements for the primary government's governmental funds, proprietary funds, and fiduciary funds are presented after the government-wide financial statements. These statements display information about major funds individually and non-major funds in the aggregate for governmental and enterprise funds. Fiduciary statements include financial information for fiduciary funds and similar component units. Fiduciary funds of the City primarily represent assets held by the City in a custodial capacity for other individuals or organizations.

CITY OF PLACENTIA

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus and Basis of Accounting (Continued)

Governmental Funds

In the fund financial statements, governmental funds are presented using the modified-accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Measurable means that the amounts can be estimated, or otherwise determined. Available means that the amounts were collected during the reporting period or soon enough thereafter to be available to finance the expenditures accrued for the reporting period. The City generally considers revenues available if they are collected within sixty days after the fiscal year-end. Significant revenues subject to accrual under the measurable and available criteria include property taxes and sales taxes.

Revenue recognition is subject to the measurable and availability criteria for the governmental funds in the fund financial statements. Exchange transactions are recognized as revenues in the period in which they are earned (i.e., the related goods or services are provided). Locally imposed, derived tax revenues are recognized as revenues in the period in which the underlying exchange transaction upon which they are based takes place. Imposed non-exchange transactions are recognized as revenues in the period for which they were imposed. If the period of use is not specified, they are recognized as revenues when an enforceable legal claim to the revenues arises or when they are received, whichever occurs first. Government-mandated and voluntary non-exchange transactions are recognized as revenues when all applicable eligibility requirements have been met.

In the fund financial statements, governmental funds are presented using the current financial resources measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. The reported fund balance (net current assets) is considered to be a measure of “available spendable resources”. Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of “available spendable resources” during a period.

Noncurrent portions of long-term receivables due to governmental funds are reported on their balance sheets in spite of their spending measurement focus. Special reporting treatments are used to indicate that they should not be considered “available spendable resources” since they do not represent net current assets. Recognition of governmental fund type revenue represented by noncurrent receivables are deferred until they become current receivables. Noncurrent portions of long-term receivables are either deferred or are offset by fund balance reserve accounts.

Because of their spending measurement focus, expenditure recognition for governmental fund types excludes amounts represented by non-current liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities.

Amounts expended to acquire capital assets are recorded as expenditures in the year that resources were expended, rather than as fund assets. The proceeds of long-term debt are recorded as an other financing source rather than as a fund liability. Amounts paid to reduce long-term indebtedness are reported as fund expenditures.

CITY OF PLACENTIA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus and Basis of Accounting (Continued)

Governmental Funds (Continued)

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

Proprietary Funds

The City's Enterprise and Internal Service Funds are proprietary funds. In the fund financial statements, proprietary funds and fiduciary funds are presented using the accrual basis of accounting. Revenues are recognized when they are earned and expenses are recognized when the related goods or services are delivered. In the fund financial statements, proprietary funds are presented using the economic resources measurement focus. This means that all assets and all liabilities (whether current or noncurrent) associated with their activity are included on their balance sheets. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in total net assets.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses result from providing goods and services related to the fund's ongoing operations. The principal operating revenue of the City's proprietary funds are charges for services, departmental charges and reimbursements. Operating expenses include the cost of services provided, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Amounts paid to acquire capital assets are capitalized as assets in the proprietary funds financial statements, rather than reported as expenditures. Proceeds of long-term debt are recorded as a liability in the proprietary funds financial statements, rather than as an other financing source. Amounts paid to reduce long-term indebtedness of the proprietary funds are reported as a reduction of the related liability, rather than as an expenditure.

D. Major Funds The City reports the following major governmental funds:

General Fund – Used to account for all of the general revenues of the City not specifically levied or collected for other City funds and for expenditures related to the rendering of general services by the City. The General Fund is generally used to account for all resources not required to be accounted for in another fund.

Miscellaneous Grants Funds – Used to account for grant revenues received for reimbursable (qualified) projects which are not accounted for in other special revenue funds.

2011 Gas Tax COP – Used to accumulate monies for payment of interest and principal on the 2011 Gas Tax COP. Debt service is financed via gas tax revenues.

CITY OF PLACENTIA

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Major Funds (Continued)

The City reports the following major enterprise funds:

Refuse Fund – Used to account for the provision of refuse services to the residents of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operation, acquisition of equipment, and related debt service.

Compressed Natural Gas (“CNG”) Fund – To account for the activity of a compressed natural gas station located within the City.

Sewer Maintenance Fund – To account for the operations and maintenance of the sewer lines located in the City’s sewer system, including administration and capital improvements. Fees are computed from water consumption amounts provided by local water companies. All residents and businesses connected to the City’s sewer system are placed in categories based on a percentage of water consumption that is returned to the City sewer system.

E. Cash and Investments

Investments are reported in the accompanying balance sheet at fair value, except for certain investment agreements that are reported at cost because they are not transferable and they have terms that are not affected by changes in market interest rates. The fair value of the investments is generally based on published market prices and quotations.

Changes in fair value that occur during a fiscal year are recognized as investment income reported for that fiscal year. Investment income includes interest earnings, changes in fair value, and any gains or losses realized upon the liquidation, maturity, or sale of investments.

The City pools cash and investments of all funds, except for assets held by fiscal agents. Each fund’s share in this pool is displayed in the accompanying financial statements as cash and investments or as negative cash and investments. Investment income earned by the pooled investments is allocated to the various funds based on each fund’s average cash and investment balance.

F. Cash Equivalents

For purposes of the statement of cash flows, cash equivalents are defined as short-term, highly liquid investments that are both readily convertible to known amounts of cash or so near their maturity that they present insignificant risk of changes in value because of changes in interest rates, and have an original maturity date of three months or less.

G. Inventories

Inventories consist primarily of fuel. The inventories are stated at cost using the first-in, first-out method. Inventories are accounted for under the consumption method, whereby the costs are capitalized and subsequently recorded as expenditure at the time individual inventory items are consumed. Reported inventories are equally offset by a fund balance reserve, which indicates that they do not constitute available spendable resources.

CITY OF PLACENTIA

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. Deferred Costs of Issuance and Amortization of Discounts

Deferred costs of issuance represent bond issue cost and underwriter’s discounts incurred with the issuance of long term debt obligations. Costs of \$390,194, net of accumulated amortization, are reflected on the Statement of Net Assets. Deferred financing costs are being amortized on a straight-line basis over the life of the related debt. Amortization expense of \$47,773 for the fiscal year ended June 30, 2012 has been included in the General Government activity within the Statement of Activities.

Original issue discounts on the issuance of long term debt is amortized on a straight-line basis over the life of the debt. Discounts of \$304,643 net of accumulated amortization, are reflected on the Statement of Net Assets. Amortization for the year ended June 30, 2012 was \$83,247 and has been included in Interest on Long Term Debt within the Statement of Activities.

I. Capital Assets

Capital assets are recorded at historical cost at the time of purchase. Assets acquired from gifts or contributions are recorded at fair value on the date received. Generally, capital asset purchases in excess of \$2,500 are capitalized if they have an expected useful life of 1 year or more. Capital assets include public domain (infrastructure) capital assets consisting of certain street improvements. Capital assets used in operations are depreciated in the government-wide financial statements and in the fund financial statements of the proprietary funds. Depreciation of such assets is computed using the straight-line method over the estimated useful lives noted below and is charged to operations:

Asset Type	Years
Structures and improvements	5 to 50
Civic Center structures and improvements	50
Automotive equipment	2 to 10
Computer equipment	3
Other equipment	5
Infrastructure	
Roadways	35
Street appurtenances	10 to 50
Wastewater	50 to 60
Storm drain	50

J. Compensated Absences

In accordance with GASB Statement No. 16, a liability is recorded for compensated absences (unpaid vacation, sick leave and compensatory time) since the employees’ entitlement to these balances are attributable to services already rendered and it is probable that virtually all of these balances will be liquidated by either paid time off or payments upon termination or retirement.

Under GASB Statement No. 16, a liability is recorded for unused sick leave balances only to the extent that it is probable that the unused balances will result in termination payments. This is estimated by including in the liability the unused balances of employees currently entitled to receive termination payment, as well as those who are expected to become eligible to receive termination benefits as a

CITY OF PLACENTIA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Compensated Absences (Continued)

result of continuing their employment with the City. Other amounts of unused sick leave are excluded from the liability since their payment is contingent solely upon the occurrence of a future event (illness) which is outside the control of the City and the employee.

The City has compensated absences of regular vacation (for all departments) and sick leave (for selected Departments based on contractual agreements) which are accounted for in accordance with U.S. GAAP. The City's liability for vested and unpaid compensated absences that exceed expendable available financial resources for governmental fund types is reported in the Government-Wide Financial Statements.

Compensated absences liabilities of governmental activities are generally liquidated by the General Fund, while the amounts recorded in the business-type activities are liquidated by the fund that originally incurred the expense.

K. Interest Payable

In the Government-Wide Financial Statements, interest payable of long-term debt is recognized as the liability is incurred for Governmental Fund types and Proprietary Fund types.

In the Fund Financial Statements, Proprietary Fund types recognize the interest payable when the liability is incurred.

L. Deferred Revenue

Deferred revenue represents receivables at year-end that will not be collected soon enough to finance current year expenditures, and grant reimbursement revenue received in advance of the recognition of a related fund expenditure. The General Fund and Miscellaneous Grants Funds reported \$552,177, and \$807,101 of deferred revenue, respectively.

M. Long-Term Obligations

In the Government-Wide Financial Statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities Statement of Net Assets. Bond premiums and discounts 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 using the effective interest method.

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.

CITY OF PLACENTIA

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. Property Taxes

Under California law, property taxes are assessed and collected by the counties up to 1 percent of assessed value and can increase the property tax rate no more than 2 percent per year. The property taxes go into a pool and are then allocated to the cities based on complex formulas. The City of Placentia accrues only those taxes which are received from the county within 60 days of the year end.

Lien date	January 1
Levy date	July 1
Collection dates	December 11 and April 11

O. Interfund Transfers, Administrative and Overhead Charges

Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions are reported as transfers.

Pursuant to the California Community Redevelopment Law, Chapter 6, Article 2, Section 33610, a city may elect to allocate administrative and overhead expenses to a redevelopment agency. Payroll and administrative costs were allocated as overhead costs through transfers. As a result of the dissolution of the Agency (See Note 24), the City did not allocate administrative and overhead expenses to Agency during FY 2012.

P. Net Assets

In the Government-Wide Financial Statements and the Proprietary Fund Financial Statements, net assets are classified in the following categories:

Invested in Capital Assets, net of Related Debt – This amount consists of capital assets net of accumulated depreciation and reduced by outstanding debt that attributed to the acquisition, construction, or improvement of the assets.

Restricted Net Assets– This amount is restricted by external creditors, grantors, contributors, laws or regulations of other governments.

Unrestricted Net Assets – This amount is all net assets that do not meet the definition of “invested in capital assets, net of related debt” or “restricted net assets”.

Q. Fund Balances

In the Governmental Fund Financial Statements, fund balances are classified in the following categories:

Nonspendable – Items that cannot be spent because they are not in spendable form, such as prepaid items and inventories, items that are legally or contractually required to be maintained intact, such as principal of an endowment or revolving loan funds.

CITY OF PLACENTIA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

R. Fund Balances (continued)

Restricted – Restricted fund balances encompass the portion of net fund resources subject to externally enforceable legal restrictions. This includes externally imposed restrictions by creditors, such as through debt covenants, grantors, contributors, laws or regulations of other governments, as well as restrictions imposed by law through constitutional provisions or enabling legislation.

Committed – Committed fund balances encompass the portion of net fund resources, the use of which is constrained by limitations that the government imposes upon itself at its highest level of decision making, normally the governing body, and that remain binding unless removed in the same manner. The City Council is considered the highest authority for the City.

Assigned – Assigned fund balances encompass the portion of net fund resources reflecting the government's intended use of resources. Assignment of resources can be done by the highest level of decision making or by a committee or official designated for that purpose. The City Council has authorized the City Administrator and the Director of Finance for that purpose.

Unassigned – This category is for any balances that have no restrictions placed upon them.

In circumstances when an expenditure is made for a purpose for which amounts are available in multiple fund balance classifications, fund balance is depleted in the order of restricted, committed, assigned, and unassigned.

S. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses, during the reporting period. Actual results could differ from those estimates.

T. Lease Receivable – Reimbursement Agreement with the City of Placentia

Debt service for the outstanding 2003 Certificates of Participation (“COP”) is funded from rents paid by the City of Placentia to the Agency based upon an agreement dated May 1, 2003. This agreement specifies that based upon a previous resolution, construction of the 1994 Project was of benefit to the amended project area. Accordingly it was subsequently determined that 87.52 percent of the additional capital improvements and facilities and related costs funded as part of the May 2003 Project and the November 2003 Project are of substantial benefit to the project area. The City has covenanted to make rental payments for the full amount of the debt service payment; and the Agency has covenanted to reimburse the City of the 87.52 percent of the debt service payment. As more fully described at Note 24, the RDA was dissolved as of February 1, 12, the assets and liabilities of the former Agency were transferred to the RDA Successor Agency. The full amount of the 2003 COP debt is included in the Government-Wide Statement of Net Assets (Note 8). The City will continue to be reimbursed annually by the RDA Successor Agency for its 87.52 percent of the debt service payment.

CITY OF PLACENTIA

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

U. Rental Properties

The Agency owns several properties which it rents on a temporary basis until the original projects begin construction. Additionally, the Agency collects rental income on properties owned by the City as the intent of

Management was that the Agency receives the rental benefits of those properties until such time construction projects begin. Before the dissolution of the former redevelopment agency at February 1, 2012, rental income was presented as lease revenue in the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance. After the dissolution of the former redevelopment agency, rental income for the Low and Moderate Income Housing fund is presented in the Low and Moderate Income Housing Asset fund and rental income for other redevelopment funds are presented in the RDA Successor Agency Private Trust fund. See Note 24 for more details.

V. GASB Pronouncements

During 2012, the City implemented the following pronouncement:

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

NOTE 2 – CASH AND INVESTMENTS

Cash and investments as of June 30, 2012, are classified as follows:

Statement of Net Assets:

Governmental Activities:	
Cash and investments	\$ 9,851,669
Cash and investments held with fiscal agent	1,147,398
Business-Type Activities:	
Cash and investments	1,984,132
Fiduciary Funds Statement of Assets and Liabilities:	
Cash and investments	3,927,335
Cash and investments held with fiscal agent	3,337,821
Total Cash and Investments	\$ 20,248,355

Cash and investments as of June 30, 2012 consisted of the following:

Petty cash	\$ 17,790
Demand deposits	5,303,147
Total Cash	5,320,937
Investments	10,442,199
Investments held with fiscal agent	4,485,219
Total Investments	14,927,418
Total Cash and Investments	\$ 20,248,355

CITY OF PLACENTIA

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012**

NOTE 2 – CASH AND INVESTMENTS (Continued)

A summary of the cash and investment in the Statement of Net Assets is as follows:

Statement of Net Assets:	
Cash and investments	\$ 11,835,801
Cash and investments with fiscal agent	1,147,398
Fiduciary Funds Statement of Assets and Liabilities:	
Cash and investments	3,927,335
Cash and investments with fiscal agent	3,337,821
Total Cash and Investments	<u>\$ 20,248,355</u>

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

The table below identifies the investment types that are authorized for the City by the California Government Code and the City's investment policy. The table also identifies certain provisions of the California Government Code (or the City's investment policy, if more restrictive) that address interest rate risk, credit risk, and concentration of credit risk. A separate table addresses investments of debt proceeds that are held by fiscal agents. Those investments are governed by the provisions of debt agreements rather than the general provisions of the California Government Code or the City's investment policy.

Investment Types Authorized by State Law	Authorized by City Investment Policy	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local Agency Bonds	No	5 years	None	None
U.S. Treasury Obligations	Yes	5 years	None	None
U.S. Agency Securities	Yes	5 years	30%	15%
Banker's Acceptances	Yes	180 days	30%	30%
Commercial Paper	No	270 days	25%	10%
Negotiable Certificates of Deposit	Yes	180 days	30%	None
Repurchase Agreements	Yes	30 days	30%	None
Reverse Repurchase Agreements	No	92 days	20% of base value	None
Medium-Term Notes	No	5 years	30%	None
Mutual Funds	Yes	N/A	20%	10%
Money Market Mutual Funds	No	N/A	20%	10%
Mortgage Pass-Through Securities	No	5 years	20%	None
County Pooled Investment Funds	No	N/A	None	None
Local Agency Investment Fund (LAIF)	Yes	N/A	None	None
JPA Pools (Other Investment Pools)	No	N/A	None	None

CITY OF PLACENTIA

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012**

NOTE 2 – CASH AND INVESTMENTS (Continued)

Investment Authorized by Debt Agreements

Investments of debt proceeds held by fiscal agent are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the City’s investment policy. The table below identifies the investment types that are generally authorized for investments held by fiscal agents. The table also identifies certain provisions of these debt agreements that address interest rate risk, credit risk and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment In One Issuer
U.S. Treasury Obligations	None	None	None
U.S. Agency Securities	None	None	None
Banker's Acceptances	360 days	None	None
Commercial paper	270 days	None	None
Money Market Mutual Funds	N/A	None	None
Certificates of Deposit	None	None	None
Municipal Obligations	None	None	None
Investment Agreements	None	None	None
Repurchase Agreements	30 days	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None
Other State-Administered Investment Pools	N/A	None	None

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. Information about the sensitivity of the fair values of the City’s investments (including investments held by fiscal agent) to market interest rate fluctuations is provided by the following table that shows the distribution of the City’s investments by maturity:

Investment Type	Fair Value	Maturity	
		12 Months or Less	Greater Than 12 Months
<i>Cash and investments:</i>			
Local Agency Investment Fund	\$ 10,442,199	\$ 10,442,199	\$ -
<i>Cash and investments with fiscal agents:</i>			
Money market mutual funds	3,356,761	3,356,761	-
FNMA discount notes	556,958	556,958	-
Investment agreement	571,500	-	571,500
	<u>\$ 14,927,418</u>	<u>\$ 14,355,918</u>	<u>\$ 571,500</u>

CITY OF PLACENTIA

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012**

NOTE 2 – CASH AND INVESTMENTS (Continued)

Disclosure Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligations to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code, the City’s investment policy or debt agreements and the actual rating as of year-end for each investment type.

Investment Type	Fair Value	Minimum Legal Rating	Ratings	
			AAA	Unrated
<i>Cash and investments:</i>				
Local Agency Investment Fund	\$ 10,442,199	N/A	\$ -	\$10,442,199
<i>Cash and investments with fiscal agents:</i>				
Money market mutual funds	3,356,761	AAA	3,356,761	-
FNMA discount notes	556,958	N/A	-	556,958
Investment agreement	571,500	N/A	-	571,500
	<u>\$ 14,927,418</u>		<u>\$ 3,356,761</u>	<u>\$11,570,657</u>

Concentration of Credit Risk

There are no investments in any one issuer (other than U.S. Treasury Securities, Mutual Funds, and external investment pools) that represent 5 percent or more of total City investments.

Custodial Credit Risk

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 its 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 (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the City’s investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits.

The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110 percent of the total amount deposited by the public agencies. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150 percent of the secured public deposits. At June 30, 2012, the balances held in bank accounts collateralized by the pledging financial institution, but not in the City’s name, were in excess of federal depository insurance limits.

CITY OF PLACENTIA

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012**

NOTE 2 – CASH AND INVESTMENTS (Continued)

Investment in State Investment Pool

The City is a voluntary participant in the Local Agency Investment Fund (“LAIF”) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. LAIF is not registered with the Securities and Exchange Commission. The fair value of the City’s investment in this pool is reported in the accompanying financial statements at amounts based upon the City’s pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

The total amount invested by all public agencies in LAIF as of June 30, 2012 was \$21.8 billion. LAIF is part of the California Pooled Money Investment Account (PMIA), which at June 30, 2012 had a balance of \$60.5 billion, of that amount, 3.47% was invested in medium-term and short-term structured notes and asset-backed securities. The weighted average maturity of PMIA investments was 270 days as of June 30, 2012. The LAIF rate of return for FY 11/12 was 0.38 percent.

NOTE 3 – INTERFUND TRANSACTIONS

Due To/From Other Funds

<u>Due to Other Funds</u>	<u>Due From Other Funds</u>		<u>Total</u>
	<u>Governmental Funds:</u> General Fund	<u>Proprietary Funds:</u> Sewer Maintenance	
Governmental Funds:			
Non Major Funds	\$ 1,701,933	\$ 496,483	\$ 2,198,416
Proprietary Funds:			
Refuse	3,063,872	-	3,063,872
Total	<u>\$ 4,765,805</u>	<u>\$ 496,483</u>	<u>\$ 5,262,288</u>

These balances, except for the amount due from the refuse fund to the general fund, represent short-term borrowings resulting from expenditures incurred prior to receipt of the related revenue source.

The amount due from the refuse fund to the general fund represents franchise fees collected by the refuse fund, but not remitted to the general fund in prior periods. Terms of a reimbursement agreement require the repayment of the franchise fees over a 10 year period at \$300,000 annually.

Interfund Loans Receivable/Payable

The Agency advanced the City a total of \$1,241,953 for the purchase of two properties with costs of \$1,046,453 and \$195,500, respectively. On March 15, 2011, reimbursement agreements for each property were entered into between the Agency and the City.

The City advanced the Agency a total of \$2,270,000 for the purchase of two properties with costs of \$985,000 and \$1,285,000, respectively. Terms of the loans include interest at 7%, and monthly interest only payments of \$5,746 and \$7,496, for a total of \$158,900 per year. The loans mature in 2014.

Upon the dissolution of the former redevelopment agency at February 1, 2012, the outstanding balance of these loans were rescinded.

CITY OF PLACENTIA

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012**

NOTE 3 – INTERFUND TRANSACTIONS (Continued)

Interfund Transfers

Transfers-Out	Transfers-In					
	Governmental Funds:			Proprietary Funds:		
	General Fund	2011 Gas Tax COP	Non-Major Governmental Funds	Sewer Maintenance	Internal Service Funds	Total
Governmental Funds:						
General Fund	\$ -	\$ -	\$ 25,000	\$ -	\$ 4,889,425	\$ 4,914,425
Miscellaneous Grants	-	-	1,379,402	-	-	1,379,402
2011 Gas Tax COP	-	-	429,708	-	-	429,708
Non-Major Governmental Funds	5,307,059	482,216	2,473,484	496,483	1,537,385	10,296,627
Proprietary Funds:						
Refuse	200,000	-	345	-	-	200,345
CNG	296,483	-	-	-	-	296,483
Sewer Maintenance	75,200	-	-	-	-	75,200
Internal Service Funds	200,000	-	-	-	86,153	286,153
Total	\$ 6,078,742	\$ 482,216	\$ 4,307,939	\$ 496,483	\$ 6,512,963	\$ 17,878,343

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use restricted revenues collected in the General fund to support internal service costs in accordance with budgetary authorizations.

CITY OF PLACENTIA

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012

NOTE 4 – LOANS RECEIVABLE

Loans receivable consisted of the following:

The Agency provides loans to persons or families of low or moderate income under its First-Time Home Buyer and New Construction Programs for the purpose of increasing, improving or preserving the Agency's supply of low and moderate income housing. The First-Time Buyer Program is designed for low and moderate income home buyers who are residents of the City and who will use the house as their principal place of residence. Assistance is provided through a mortgage interest subsidy, a deferred second trust deed or down payment assistance. The New Construction Program provides funds for the construction of either rental units or owner-occupied units. The occupants of the units must meet required income guidelines. Loans under these programs were recorded in the Low and Moderate Housing Fund. In July 2011, the Agency received \$51,448 in principal payments bringing the loans receivable balance to \$217,178. At February 1, 2012, the Redevelopment Agency was dissolved and the loans receivable balance was transferred to the Low and Moderate Housing Asset Special Revenue Fund. Management was not able to find the loan agreements or detail that made up the remaining loans receivable balance at June 30, 2012. As such, the City set up an allowance for the full amount of the loan receivable balance at June 30, 2012.

\$ 217,178
(217,178)
\$ -

The Agency entered into an owner participation agreement dated January 5, 2001. Pursuant to that agreement, the Agency loaned \$150,000 to a businessman in Placentia. The term of the loan is 30 years and does not bear interest, except upon default. The loan was recorded in the Low and Moderate Housing Fund. Upon the dissolution of the Redevelopment Agency at February 1, 2012, the outstanding loan receivable balance was transferred to the Low and Moderate Housing Asset Special Revenue Fund. During 2012, the City received \$7,917 in principal payments.

\$ 96,059

During 2006, the City provided three down-payment assistance loans in the amount of \$18,000, for a total of \$54,000, to employees as part of an incentive program. The loans do not accrue any interest and 1/10th of the loan is forgiven annually. During 2012, \$12,000 was forgiven by the City.

8,000
\$ 104,059

CITY OF PLACENTIA

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012**

NOTE 5 – HOUSING AND URBAN DEVELOPMENT LOAN PROGRAM

The City has Housing and Urban Development (HUD) funds available with the County of Orange to provide housing rehabilitation loans to eligible applicants. As loan applications are received, cash advances are requested from the County and deposited in an interest bearing savings account. Under one loan arrangement, the City approves the loan, disburses separate bank funds to the loan participant, and transfers the HUD funds from the interest-bearing account to a non-interest bearing account which is collateral for the loans. Under a second arrangement, the City disburses the HUD funds directly for participant loans. The only collateral for these loans is the note receivable on each property, secured by a trust deed.

All cash advances from HUD are reflected in the H.C.D. Rehabilitation Loans Agency Fund. During 2012, a payment of \$5,936 was received. The notes receivable balance of \$4,680 is recorded at the Fiduciary Funds Statement of Net Assets. This balance is shown net of an allowance set up by the City in the amount of \$287,178. At June 30, 2012, the fund reflected the following balances.

Cash in interest bearing account	\$ 164,970
Secured notes receivable	<u>4,680</u>
	<u>\$ 169,650</u>

CITY OF PLACENTIA

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012**

NOTE 6 – CAPITAL ASSETS

A summary of capital asset activity for the year ended June 30, 2012, is as follows:

Governmental Activities:	Balance at July 1, 2011	Additions	Deletions	Balance at June 30, 2012
Capital Assets Not Being Depreciated:				
Land	\$ 25,922,951	\$ -	\$ (502,116)	\$ 25,420,835
Land-Right of Way	258,822	-	-	258,822
Infrastructure-Trees	3,114,540	-	-	3,114,540
Construction in Progress:				
Streets network	5,824,375	2,146,536	(6,889,639)	1,081,272
Total Capital Assets Not Being Depreciated	<u>35,120,688</u>	<u>2,146,536</u>	<u>(7,391,755)</u>	<u>29,875,469</u>
Capital Assets, Being Depreciated:				
Structures and improvements	10,196,934	1,688,959	-	11,885,893
Equipment	4,772,898	680,008	(275,134)	5,177,772
Land improvements	890,338	-	-	890,338
Infrastructure-streets network	32,500,911	5,200,680	-	37,701,591
Infrastructure-street appurtenances	22,360,733	-	-	22,360,733
Infrastructure-storm drain	8,175,890	-	-	8,175,890
Total Capital Assets Being Depreciated	<u>78,897,704</u>	<u>7,569,647</u>	<u>(275,134)</u>	<u>86,192,217</u>
Less Accumulated Depreciation for:				
Structures and improvements	(3,557,429)	(221,206)	-	(3,778,635)
Equipment	(3,657,182)	(368,830)	275,134	(3,750,878)
Land improvements	(894,164)	(230)	4,056	(890,338)
Infrastructure-streets network	(12,051,243)	(1,087,372)	-	(13,138,615)
Infrastructure-street appurtenances	(8,888,806)	(648,098)	-	(9,536,904)
Infrastructure-storm drain	(4,987,294)	(163,517)	-	(5,150,811)
Total Accumulated Depreciation	<u>(34,036,118)</u>	<u>(2,489,253)</u>	<u>279,190</u>	<u>(36,246,181)</u>
Total Capital Assets, Being Depreciated, Net	<u>44,861,586</u>	<u>5,080,394</u>	<u>4,056</u>	<u>49,946,036</u>
Governmental Activities Capital Assets, Net	<u>\$ 79,982,274</u>	<u>\$ 7,226,930</u>	<u>\$ (7,387,699)</u>	<u>\$ 79,821,505</u>

CITY OF PLACENTIA

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012**

NOTE 6 – CAPITAL ASSETS (Continued)

Business Type Activities:	Balance at July 1, 2011	Additions	Deletions	Balance at June 30, 2012
Sewer				
Capital Assets Being Depreciated:				
Structures and improvements	\$ 27,975,189	\$ -	\$ -	\$ 27,975,189
Less Accumulated Depreciation for:				
Structures and improvements	<u>(14,856,157)</u>	<u>(511,813)</u>	<u>-</u>	<u>(15,367,970)</u>
Sewer Capital Assets, Net	<u>\$ 13,119,032</u>	<u>\$ (511,813)</u>	<u>\$ -</u>	<u>\$ 12,607,219</u>
Compressed Natural Gas (CNG):				
Capital Assets Being Depreciated:				
Equipment	\$ 790,326	\$ -	\$ -	\$ 790,326
Less Accumulated Depreciation for:				
Equipment	<u>(632,480)</u>	<u>(79,033)</u>	<u>-</u>	<u>(711,513)</u>
CNG Capital Assets, Net	<u>\$ 157,846</u>	<u>\$ (79,033)</u>	<u>\$ -</u>	<u>\$ 78,813</u>
Business-type Activities Total Capital Assets, Net	<u>\$ 13,276,878</u>	<u>\$ (590,846)</u>	<u>\$ -</u>	<u>\$ 12,686,032</u>

Depreciation expense was charged to functions for the year ended June 30, 2012, as follows:

Governmental Activities:	
General government	\$ 374,825
Public safety	125,980
Public works	1,782,476
Internal service funds	<u>205,972</u>
Total Depreciation Expense	<u>\$ 2,489,253</u>
Business-type Activities:	
Compressed natural gas	\$ 79,033
Sewer	<u>511,813</u>
Total Depreciation Expense	<u>\$ 590,846</u>

NOTE 7 – OCTA ADVANCE

On February 16, 2010, the City entered into a cooperative agreement with the Orange County Transportation Authority (OCTA). Terms of the cooperative agreement required OCTA to repay CalTrans \$1.5 million for previously disallowed costs in exchange for the City's support of OCTA's direction to CalTrans for any eligible project in Orange County. In addition, OCTA advanced the City \$4.1 million of future Measure M (M2) funds. Principal and accrued but unpaid interest payments are due bi-monthly beginning July 1, 2011, and will be made from future M2 funds over approximately 19 years. Interest is equal to the yield on OCTA's short-term investment portfolio, and resets annually on June 30. The advance is a long-term liability of a governmental fund. Therefore, the liability is recognized on the Statement of Net Assets. The outstanding principal and accrued interest was \$4,137,055 as of June 30, 2012.

CITY OF PLACENTIA

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012**

NOTE 8 – LONG-TERM DEBT

A summary of changes in long-term debt is as follows:

	Balance at July 1, 2011	Additions	Retirements	Transferred To RDA Successor Agency	Balance at June 30, 2012	Portion Due Within One Year	Portion Due Beyond One Year
Certificates of Participation:							
2003 Certificates of Participation	\$ 7,070,000	\$ -	\$ (690,000)	\$ -	\$ 6,380,000	\$ 715,000	\$ 5,665,000
2003 Refunding and Improvement Project Certificates of Participation	(689,493)	-	41,788	-	(647,705)	(41,788)	(605,917)
2011 Gas Tax Certificates of Participation	5,955,000	-	(185,000)	-	5,770,000	205,000	5,565,000
2011 Gas Tax Certificate of Participation - Deferred Refunding Charge	(169,979)	-	8,570	-	(161,409)	(8,570)	(152,839)
Total Certificates of Participation	12,165,528	-	(824,642)	-	11,340,886	869,642	10,471,244
Bonds & Notes:							
2002 Series A and B Tax Allocation Bonds	6,615,000	-	(160,000)	(3,875,000)	2,580,000	65,000	2,515,000
2009 Subordinate Tax Allocation Notes	6,850,000	-	-	(6,850,000)	-	-	-
2009 Subordinate TAN - Discount	(61,935)	-	23,975	37,960	-	-	-
2009 Lease Revenue Bond	4,315,000	-	(50,000)	-	4,265,000	150,000	4,115,000
2009 Lease Rev Bond - Discount	(71,314)	-	8,914	-	(62,400)	(8,914)	(53,486)
Total Bonds & Notes	17,646,751	-	(177,111)	(10,687,040)	6,782,600	206,086	6,576,514
Capital Leases:							
Capital Lease - Phone System Upgrade	-	157,870	(18,063)	-	139,807	31,789	108,018
Capital Lease - Mobile Command Unit	-	242,000	(83,035)	-	158,965	78,321	80,644
Total Capital Leases	-	399,870	(101,098)	-	298,772	110,110	188,662
Total Long Term Debt	\$ 29,812,279	\$ 399,870	\$ (1,102,851)	\$ (10,687,040)	\$ 18,422,258	\$ 1,185,838	\$ 17,236,420

2003 Refunding and Improvement Project Certificates of Participation

On November 13, 2003, the City issued certificates of participation in the amount of \$11,145,000 to (a) refinance certain obligations relating to the Agency’s 2003 Refunding Certificates of Participation (“2003 Financing Project”), which were originally issued at \$3,800,000, of which \$7,070,000 remains outstanding, (b) refinance certain obligations relating to the City’s 2001 Certificates of Participation (“Traffic Circulation Project”) and (c) finance and refinance certain capital improvements in the City. The certificates are in denominations of \$5,000 each and bear interest ranging from 2 to 4.4 percent.

Certificates maturing on or after January 1, 2014 are subject to call for prepayment at the option of the City at a price equal to principal plus accrued interest without premium. Certificates maturing on January 1, 2028 are subject to mandatory prepayment on January 1 each year commencing January 2, 2021 from lease payments made by the City at a price equal to the principal payment.

Principal is payable annually on January 1. Interest is payable semiannually on January 1 and July 1 commencing July 1, 2004. The required reserve for the certificates was fully funded as of June 30, 2012. The amount of certificates outstanding as of June 30, 2012, was \$796,224.

Each certificate represents a direct, undivided fractional interest of the owner thereof in lease payments to be made by the City as rent for an existing corporate yard and an existing public park (the Project) pursuant to a First Amended and Restated Lease Agreement (“1994 Lease”) with the Agency. The City is legally required under the 1994 Lease to make payments to the Redevelopment Agency from any source of available funds in each year the City has use and occupancy of the Project. The annual lease payments are equal to the annual principal and interest due with respect of the certificates. The City has covenanted that it will provide the necessary appropriations in each annual budget.

CITY OF PLACENTIA

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012**

NOTE 8 – LONG-TERM DEBT (Continued)

2003 Refunding and Improvement Project Certificates of Participation, (Continued)

The certificates are reported in the Statement of Net Assets net of the deferred refunding charge in the amount of \$647,705 as of June 30, 2012. The deferred refunding charge is amortized over the life of the debt. Amortization expense for the year ended June 30, 2012 was \$41,788.

On April 17, 2007, the City Council of the City of Placentia and the Board of Directors of the Placentia Redevelopment Agency approved a reimbursement agreement between the City and the Agency. This agreement provides that the Agency will reimburse the City for a portion of the lease payment paid by the City to the Agency, with respect to the 2003 Certificates of Participation. The portion reimbursed (87.52 percent) is based upon the portion of the capital improvements and improved facilities benefiting from the original proceeds of the related debt issue that were within the confines of the redevelopment project area.

Upon the dissolution of the former redevelopment agency at February 1, 2012, the outstanding balance of the 2003 COP is recorded in the Government-Wide Statement of Net Assets and the City will continue to be reimbursed annually by the RDA Successor Agency for its 87.52 percent of the debt service payment. See Note 11 for more details.

The annual debt service requirements are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 715,000	\$ 282,586	\$ 997,586
2014	740,000	253,986	993,986
2015	260,000	224,386	484,386
2016	275,000	213,986	488,986
2017	285,000	202,986	487,986
2018-2022	1,610,000	821,240	2,431,240
2023-2027	2,030,000	408,738	2,438,738
2028-2032	465,000	22,088	487,088
Total	<u>\$ 6,380,000</u>	<u>\$ 2,429,996</u>	<u>\$ 8,809,996</u>

2011 Gas Tax Certificates of Participation

On May 1, 2011, the City issued Gas Tax Revenue Certificates of Participation in the amount of \$5,955,000. Proceeds from the debt will be used to (i) finance the design, acquisition, and construction of certain local roadway improvements and street resurfacing projects within the City, (ii) fund a reserve fund for the certificates, and (iii) pay the costs incurred in connection with the certificates.

The certificates are in denominations of \$5,000 each and bear interest ranging from 2.0% to 5.5%. Interest is payable semi-annually on June 1 and December 1. Principal payments of \$185,000 to \$275,000 are due each June 1 through 2021. Term Certificates of \$1,590,000 are due June 1, 2026. Term Certificates of \$2,050,000 are due June 1, 2031.

All gas tax revenues and any other amounts (including proceeds of the sale of the Certificates) held by the trustee will be irrevocably pledged to the payment of the principal, interest, and prepayment premium, if any, will not be used for any other purpose while any of the Certificates remain outstanding.

CITY OF PLACENTIA

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012

NOTE 8 – LONG-TERM DEBT (Continued)

2011 Gas Tax Certificates of Participation (Continued)

Each Certificate evidences proportionate and undivided interests of the registered owners thereof in installment sale payments to be made by the City of Placentia to the California Statewide Communities Development Authority, as the purchase price for certain local roadway improvements and street resurfacing projects pursuant to a 2011 Installment Sale Agreement, dated as of May 1, 2011.

The Certificates are subject to optional, mandatory, and mandatory sinking fund prepayments under certain conditions.

Optional Prepayment

The Certificates maturing on or before June 1, 2021, are not subject to optional prepayment prior to the respective stated maturities. The Certificates maturing on or after June 1, 2022, will be subject to optional prepayment prior to maturity, at the option of the California Statewide Communities Development Authority upon direction of the City, on or after June 1, 2021, in whole or in part (by lot within any maturity), on any date, at a prepayment price equal to the principal amount to be prepaid, plus accrued interest to the date fixed for prepayment, without premium. The City is required to provide written notice at least 45 days prior to the prepayment date specifying the principal amount to be prepaid.

Mandatory Prepayment of Certificates Upon Acceleration

The Certificates are subject to mandatory prepayment prior to maturity, in whole or in part (by lot within any maturity), on any date, from amounts received upon the acceleration of payments upon the occurrence of an event of default, at a prepayment price equal to the principal amount to be prepaid, plus accrued interest to the date fixed for prepayment, without premium.

Mandatory Sinking Fund Prepayment

The Certificates maturing on June 1, 2026, are subject to mandatory prepayment on June 1 of each year commencing June 1, 2022, in part, from mandatory sinking fund payments, on each June 1 specified below, at a prepayment price equal to the principal evidenced thereby, plus accrued interest evidenced thereby to the date fixed or prepayment, without premium. The principal evidenced by such Certificates to be so prepaid and the dates therefore shall be as follows:

<u>Mandatory Prepayment Date (June 1)</u>	<u>Amount</u>
2022	\$290,000
2023	300,000
2024	315,000
2025	335,000
2026	350,000

CITY OF PLACENTIA

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012**

NOTE 8 – LONG-TERM DEBT (Continued)

2011 Gas Tax Certificates of Participation (continued)

Mandatory Sinking Fund Prepayment (Continued)

The amount of each such prepayment shall be reduced in the event and to the extent that installment sale payments payable on the corresponding certificate payment date are optionally prepaid by the local agency pursuant to the 2011 installment sale agreement and applied to the prepayment of certificates maturing on June 1, 2026.

The certificates maturing on June 1, 2031, are subject to mandatory prepayment on June 1 of each year commencing June 1, 2027, in part, from mandatory sinking fund payments, on each June 1 specified below, at a prepayment price equal to the principal evidenced thereby, plus accrued interest evidenced thereby to the date fixed for prepayment, without premium. The principal evidenced by such certificates to be prepaid and the dates are as follows:

Mandatory Prepayment Date <u>(June 1)</u>	<u>Amount</u>
2027	\$365,000
2028	390,000
2029	410,000
2030	430,000
2031	455,000

The annual debt service requirements are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 205,000	\$ 274,994	\$ 479,994
2014	210,000	268,844	478,844
2015	215,000	262,544	477,544
2016	225,000	253,944	478,944
2017	235,000	244,944	479,944
2018-2022	1,330,000	1,073,363	2,403,363
2023-2027	1,665,000	730,500	2,395,500
2028-2031	1,685,000	237,600	1,922,600
Total	<u>\$ 5,770,000</u>	<u>\$ 3,346,733</u>	<u>\$ 9,116,733</u>

CITY OF PLACENTIA

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012**

NOTE 8 – LONG-TERM DEBT (Continued)

2002 Tax Allocation Bonds

On January 8, 2002, the Agency issued housing set-aside tax allocation bonds in the amount of \$3,100,000 (the “Series A”) and tax allocation bonds in the amount of \$4,655,000 (the “Series B”). Proceeds of the Series A and B bonds will be used to finance the Agency’s low and moderate income housing program and its redevelopment program, respectively. The bonds are in denominations of \$5,000 each and bear interest at rates ranging from 3.75 to 5.85 percent for Series A and 3.75 to 5.75 percent for Series B. Principal is payable annually on August 1 each year. Interest is payable semiannually on February 1 and August 1.

Bonds maturing on or before August 1, 2012 are not subject to call or redemption prior to maturity. The required reserves for the Series A and B bonds were fully funded as of June 30, 2012. The amount of bonds outstanding as of June 30, 2012 was \$2,580,000.

Upon the dissolution of the former redevelopment agency at February 1, 2012, the outstanding balance of the Series B bonds was transferred to the RDA Successor Agency. See Note 24 for more details.

The annual debt service requirements are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 65,000	\$ 148,801	\$ 213,801
2014	70,000	145,080	215,080
2015	75,000	140,839	215,839
2016	80,000	136,305	216,305
2017	80,000	131,625	211,625
2018-2022	490,000	578,565	1,068,565
2023-2027	650,000	412,133	1,062,133
2028-2032	865,000	192,026	1,057,026
2033-2037	205,000	5,996	210,996
Total	<u>\$ 2,580,000</u>	<u>\$ 1,891,370</u>	<u>\$ 4,471,370</u>

2009 Subordinate Tax Allocation Notes

On January 30, 2009, the Agency issued the 2009 Subordinate Tax Allocation Notes in the amount of \$6,850,000. Proceeds of the Notes will be used to finance redevelopment activities of the Agency within or of benefit to the Agency’s project area. The Notes bear interest of 7.75 percent and is payable semiannually on February 1 and August 1. The entire principal amount of \$6,850,000 is due and payable on February 1, 2014. The amount of bonds outstanding as of June 30, 2012 was \$6,850,000.

As noted above, the 2009 Subordinate Tax Allocation Notes are due and payable on February 1, 2014 and management does not anticipate that sufficient taxes will have been collected to retire the debt at that point and anticipates refunding the debt at that time.

Upon the dissolution of the former redevelopment agency at February 1, 2012, the outstanding balance of the notes was transferred to the RDA Successor Agency. See Note 24 for more details.

CITY OF PLACENTIA

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012**

NOTE 8 – LONG-TERM DEBT (Continued)

2009 Subordinate Tax Allocation Notes (Continued)

Debt Related Pledge of Revenue

The Agency has pledged a portion of future tax increment revenues to repay the 2002 Tax Allocations Bonds and the 2009 Subordinate Tax Allocation Notes, as the source of repayment of this debt. Tax increment revenues were projected to produce a certain percentage of the debt service requirements over the life of the debt. During 2012, pledged tax increment revenue collected was \$2,030,038. Upon the dissolution of the former redevelopment agency at February 1, 2012, the outstanding balance of the 2002 Tax Allocations Bonds Series B and the 2009 Subordinate Tax Allocation Notes were transferred to the RDA Successor Agency. See Note 24 for more details.

The following table discloses the total principal and interest remaining on the debt, the current year principal and interest paid, and the percent of debt service tax increment was expected to produce.

	Remaining Debt Service	Debt Service in 2012	
		Principal	Interest
Governmental Activities:			
2002 Tax Allocation Bonds Series A	\$ 2,580,000	\$ 160,000	\$265,701
2009 Subordinated Tax Allocation Bonds	-	-	265,438
	\$ 2,580,000	\$ 160,000	\$531,139
RDA Successor Agency Private Purpose Trust Fund:			
2002 Tax Allocation Bonds Series B	\$ 3,875,000	\$ -	\$111,106
2009 Subordinated Tax Allocation Bonds	6,850,000	-	265,438
	\$ 10,725,000	\$ -	\$376,544

CITY OF PLACENTIA

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012**

NOTE 8 – LONG-TERM DEBT (Continued)

2009 Lease Revenue Bonds

On June 24, 2009, the Public Financing Authority issued \$4,390,000 of Lease Revenue Bonds (Working Capital Financing) to finance the City’s accumulated working capital deficit, fund a reserve fund for the bonds and pay the costs incurred in connection with the issuance of the bonds. The bonds are payable from lease payments to be made by the City of Placentia to the Placentia Public Financing Authority as rent for certain real property and the improvements thereon. Interest on the bonds is payable semiannually on December 1st and June 1st of each year, commencing on December 1, 2009, until maturity and yield and interest rate of 7.5 percent.

The annual debt service requirements are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 150,000	\$ 319,875	\$ 469,875
2014	200,000	308,625	508,625
2015	300,000	293,625	593,625
2016	525,000	271,125	796,125
2017	830,000	231,750	1,061,750
2018-2019	2,260,000	262,125	2,522,125
Total	<u>\$ 4,265,000</u>	<u>\$ 1,687,125</u>	<u>\$ 5,952,125</u>

Source of payment for the Bonds/Pledge of Revenue

The bonds will be secured by a first pledge of security interest in and lien on all of the lease payments received with respect to the Leased Property. The Authority has, pursuant to the Assignment Agreement, assigned all of its rights under the Lease Agreement including its rights to receive Lease Payments from the City and its remedies to the Trustee for the benefit of the Owners of the Bonds. The lease payments are calculated to be sufficient to pay, when due, the annual principal and interest on the bonds.

Capital Leases:

Phone System

On August 23, 2011, the City entered into a Tax-Exempt California Abatement Lease/Purchase Agreement (“Agreement”) with Key Government Finance, Inc. (“Key Government”) for financing the acquisition of phone systems in the City Hall.

The assets acquired through the Capital Lease were included in the Machinery and Equipment (Governmental Funds) in the amount of \$157,870. The lease is for a period of five years with total interest payments of \$14,515. Rental payments are payable monthly in arrears of the period in which they relate to. Title to the purchased equipment is in the name of the City.

CITY OF PLACENTIA

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012**

NOTE 8 – LONG-TERM DEBT (Continued)

Phone System (continued)

The future minimum lease obligations for the capital lease payable as of June 30, 2012, are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 31,789	\$ 4,222	\$ 36,011
2014	32,876	3,135	36,011
2015	34,001	2,010	36,011
2016	35,165	846	36,011
2017	5,976	25	6,001
Total	\$ 139,807	\$ 10,238	\$ 150,045

Mobile Command Vehicle

On January 13, 2012 the City entered into a Tax-Exempt California Abatement Lease/Purchase Agreement (“Agreement”) with Key Government Finance, Inc. (“Key Government”) for financing the acquisition of mobile command vehicles.

The assets acquired through the Capital Lease were included in the Machinery and Equipment (Governmental Funds) in the amount of \$242,000. The lease is for a period of three years with total interest payments of \$7,105. Rental payments are payable annually in arrears of the period in which they relate to. Title to the purchased equipment is in the name of the City.

The future minimum lease obligations for the capital lease payable as of June 30, 2012, are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 78,321	\$ 4,714	\$ 83,035
2014	80,644	2,391	83,035
Total	\$ 158,965	\$ 7,105	\$ 166,070

NOTE 9 – DEBT WITHOUT GOVERNMENT COMMITMENT

Special Assessment Bonds Payable:

1996 and 2001 Special Tax Revenue Bond

On August 27, 1996, \$27,765,000 of Special Tax Revenue Bonds, Series A and B were issued to refund the existing Mello-Roos Community Facilities District bonds originally issued on September 1990. On June 15, 2001, \$5,715,000 of Special Tax Revenue Bonds, Series A, was issued to refund the 1996 Special Tax Revenue Bonds, Series B. The bonds were issued to provide financing for the design, construction and installation of certain public improvements within Community Facilities District No. 89-1. The bonds are secured by the assessments levied against the private property within the assessment district. The bonds are not general obligations of the City, and neither the faith and credit nor taxing power of the City is pledged to the payment of the bonds. The City is acting only in an agent capacity for the property owners. As noted below, the 2009 Special Tax Revenue Refunding Bonds defeased the 1996 Special Tax Revenue Bonds Series A.

CITY OF PLACENTIA

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012**

NOTE 9 – DEBT WITHOUT GOVERNMENT COMMITMENT (Continued)

2009 Special Tax Revenue Refunding Bonds

On May 27, 2009, \$9,715,000 of Special Tax Revenue Refunding Bonds were issued to provide for defeasance and refunding of the Authority's Special Tax Revenue Bond, 1996 Series A, to fund a reserve fund and to pay costs of issue the bonds. On June 16, 2009, \$12,400,144 was deposited into an irrevocable trust to defease the 1996 Series A bonds. As such, the 1996 Series A Special Tax Revenue Bonds have been considered defeased. The 2009 bonds are not general obligations of the City, and neither the faith and credit nor taxing power of the City is pledged to the payment of the bonds. The City is acting only in an agency capacity for the property owners.

NOTE 10 – COMPENSATED ABSENCES

A summary of changes in compensated absences is as follows:

	Balance at July 1, 2011	Additions	Retirements	Balance at June 30, 2012	Portion Due Within One Year	Portion Due Beyond One Year
Governmental Activities	\$ 3,247,827	\$ 899,940	\$ (653,573)	\$ 3,494,194	\$ 1,262,842	\$ 2,231,352
Business-type Activities	121,643	43,566	(35,427)	129,782	46,905	82,877
Total	<u>\$ 3,369,470</u>	<u>\$ 943,506</u>	<u>\$ (689,000)</u>	<u>\$ 3,623,976</u>	<u>\$ 1,309,747</u>	<u>\$ 2,314,229</u>

NOTE 11 – LEASE RECEIVABLE AND PAYABLE

As more fully described at Note 1.T and Note 8, the City has covenanted to make payments for the full amount of the 2003 Certificates of Participation (COP) debt service payment; and the Agency has covenanted to reimburse the City for the 87.52 percent of the debt service payment. The full amount of the 2003 COP debt is included in the Government-Wide Statement of Net Assets. The following table shows the amounts expected to be reimbursed by the RDA Successor Agency as of June 30, 2012.

Year Ending June 30,	Lease
2013	\$ 873,087
2014	869,937
2015	423,935
2016	427,961
2017	427,086
2018-2022	2,127,821
2023-2027	2,134,383
2028-2030	426,298
Total future minimum lease payments to be received	7,710,508
Less: unearned interest income	(2,126,732)
Total	<u>\$ 5,583,776</u>

CITY OF PLACENTIA

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012**

NOTE 12 – FUND BALANCES

The City has adopted the provisions of GASB Statement No. 54, *Fund Balance and Governmental Fund Type Definitions*. GASB 54 establishes Fund Balance classifications based largely upon the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The Governmental Fund statements conform to this new classification.

	General Fund	Miscellaneous Grants	2011 Gas Tax Bond	Non-Major Governmental Funds	Total Governmental Funds
Nonspendable:					
Due from other funds	\$ 4,765,805	\$ -	\$ -	\$ -	\$ 4,765,805
Loans receivable	8,000	-	-	96,059	104,059
Total nonspendable	<u>4,773,805</u>	<u>-</u>	<u>-</u>	<u>96,059</u>	<u>4,869,864</u>
Restricted:					
Grants	-	779,967	-	-	779,967
Debt service	-	-	5,137,667	-	5,137,667
Measure M	-	-	-	373,934	373,934
Asset seizure	-	-	-	182,700	182,700
Traffic offender	-	-	-	17,617	17,617
Supplemental law enforcement	-	-	-	127	127
Air quality	-	-	-	176,489	176,489
Utility users tax	-	-	-	223,713	223,713
Gas tax	-	-	-	158,500	158,500
Capital projects	-	-	-	1,067,461	1,067,461
Total restricted	<u>-</u>	<u>779,967</u>	<u>5,137,667</u>	<u>2,200,541</u>	<u>8,118,175</u>
Unassigned	<u>1,996,977</u>	<u>-</u>	<u>-</u>	<u>(2,411,382)</u>	<u>(414,405)</u>
	<u>\$ 6,770,782</u>	<u>\$ 779,967</u>	<u>\$ 5,137,667</u>	<u>\$ (114,782)</u>	<u>\$ 12,573,634</u>

CITY OF PLACENTIA

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012**

NOTE 13 – OTHER REQUIRED INDIVIDUAL FUND DISCLOSURE

Expenditures in excess of appropriations: Expenditures for the year ended June 30, 2012 exceeded the appropriations of the following funds:

Fund	Budget	Actual	Excess of Expenditures Over Appropriations
<i>Governmental Funds:</i>			
Major funds:			
Miscellaneous grants	\$ 95,000	\$ 177,769	\$ (82,769)
2011 gas tax cop	-	489,394	(489,394)
Nonmajor special revenue fund:			
Low and moderate income housing asset	-	364,632	(364,632)

Accumulated fund deficits/net assets: The following funds had deficit fund balances or deficit net assets at June 30, 2012:

Fund	Deficit Fund Balance/ Net Assets
<i>Governmental Funds:</i>	
Nonmajor special revenue funds:	
Street lighting	\$ 393,083
Sewer construction	20,716
Housing and community development	228,939
Low and Moderate Housing Asset	88,424
Nonmajor capital project fund:	
City Capital Projects	1,584,161
<i>Proprietary Funds:</i>	
Refuse	3,041,677
<i>Internal Service Funds:</i>	
Risk managment	200,000
Citywide services	242

NOTE 14 – POSTEMPLOYMENT BENEFITS

Post-Employment Health Care Benefits

During the year ended June 30, 2009, the City implemented GASB Statement No. 45, *Accounting and Financial Reporting for Post-employment Benefits Other than Pensions by State and Local Governmental Employers*.

CITY OF PLACENTIA

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012**

NOTE 14 – POSTEMPLOYMENT BENEFITS (Continued)

Plan description

The City provides post-employment benefits to retired employees in the form of a contribution towards their medical premiums under the CalPERS health plan which provides medical insurance benefits to eligible retirees in accordance with various labor agreements. The minimum required retiree contributions are established by CalPERS. Survivor benefits are not provided. Copies of the CalPERS’ annual financial report may be obtained from the CalPERS Executive Office, 400 P Street, Sacramento, California 95814.

Eligibility

All employees hired prior to November 21, 1995 are in Tier I and become eligible for these benefits as long as they are 50 years of age or older and have worked for the City a minimum of five years and elect a service retirement from the City. The health benefits for Tier I retirees include medical, dental, optical and life. Vision benefits are also provided to employees who retired after September 30, 1990. The life insurance is available to all retirees until they reach age 70.

All employees hired on or after November 21, 1995 are Tier II, and upon retirement they have the option of participating in a post-retirement medical insurance benefit program at their own cost.

Membership of the plan consisted of the following at June 30, 2012:

	<u>Placentia City City Employee Association</u>	<u>Placentia Police Officers Association</u>	<u>Police Management</u>	<u>Management and Mid-Management</u>	<u>Total</u>
Retirees Receiving Benefits	43	11	15	23	92
Eligible Active Employees	51	12	34	13	110

The above table does not reflect current retirees not enrolled in the CalPERS health plan that may be eligible to enroll in the plan at a later date.

Funding Policy

The City’s current contribution is paid on a pay-as-you-go basis. Benefits provided to retirees vary based on employment date and unit. Tier II retirees choosing to participate in the post-retirement medical benefit program are responsible for the premium costs in excess of the City’s monthly contribution of \$108. For the year-ended June 30, 2012, the City paid \$939,728 towards their post-employment health care benefits. Current active employees are not required to contribute any portion towards these benefits.

Annual OPEB Cost and Net OPEB Obligation

The City’s annual other post-employment benefit (“OPEB”) cost (expense) is calculated based on the annual required contribution of the employer (“ARC”), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) not to exceed 30 years. The amortization periods used are closed.

CITY OF PLACENTIA

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012**

NOTE 14 – POSTEMPLOYMENT BENEFITS (Continued)

Annual OPEB Cost and Net OPEB Obligation (continued)

The following table shows the components of the City’s annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City’s net OPEB obligation:

	Placentia City Employee Association	Placentia Police Officers Association	Police Management	Management and Mid-Management	Total
Balance at July 1, 2011	\$ 508,711	\$ 291,587	\$ 608,254	\$ 88,405	\$ 1,496,957
Annual required contribution	532,509	225,781	349,014	214,946	1,322,250
Interest on net OPEB obligation	20,348	11,663	24,330	3,536	59,877
Annual required contribution adjustment	(21,494)	(12,320)	(25,700)	(3,735)	(63,249)
Contributions made	(416,277)	(175,480)	(118,980)	(228,991)	(939,728)
Balance at June 30, 2012	<u>\$ 623,797</u>	<u>\$ 341,231</u>	<u>\$ 836,918</u>	<u>\$ 74,161</u>	<u>\$ 1,876,107</u>

The City’s annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2012 and the preceding years were as follows:

Year Ended June 30,	Annual OPEB Cost	Percentage of Annual OPEB Costs Contributed	Net OPEB Obligation
2010	\$ 1,371,350	26.3%	\$ 1,013,341
2011	1,440,401	66.5%	1,496,957
2012	1,318,878	71.1%	1,876,107

Funding Status and Progress

As of July 1, 2011, the most recent valuation date, the actuarial accrued liability for benefits was \$23.7 million, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (“UAAL”) of \$23.7 million and a funded ratio (actuarial value of assets as a percentage of the actuarial accrued liability) of 0 percent. The covered payroll (annual payroll of active employees) was \$8.5 million and the ratio of the UAAL to the covered payroll was 279.5 percent. The actuarial accrued liability at June 30, 2012 was \$23,732,646. The City is evaluating its options in developing a funding policy for its OPEB obligations.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for the benefits.

CITY OF PLACENTIA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012

NOTE 14 – POSTEMPLOYMENT BENEFITS (Continued)

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial assets, consistent with the long-term perspective of the calculations.

The actuarial cost method used for determining the benefit obligations is the Entry Age Normal Cost Method. The actuarial assumptions included a 4 percent investment rate of return, which is based on assumed long-term investment returns on the City's assets, as appropriate, and an annual healthcare cost trend rate of 9 percent in 2012, 8.5 percent in 2013, and decreasing by 1/2 percent until 2019 (4.5 percent) thereafter. All rates included a 4.5 percent inflation assumption. The UAAL is being amortized as a level percentage of projected payroll over 27 years. It is assumed the City's payroll will increase 3.25 percent per year.

NOTE 15 – INSURANCE

Description of self-insurance pool pursuant to Joint Powers Agreement

Self-insurance program of the PARSAC

The City is a member of the Public Agency Risk Sharing Authority of California ("PARSAC"). The PARSAC is composed of 36 California public entities and is organized under a joint powers agreement pursuant to California Government Code Section 6500, et seq. The purpose of the PARSAC 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 coverages. Each member government has an elected official as its representative on the Board of Directors. Officers are elected annually by the Board members.

General liability

Annual deposits are paid by member cities, and are adjusted retrospectively to cover cost. Each member city is self-insured for an amount of \$5,000 to \$750,000, based on the option chosen. The City is self-insured for the first \$100,000. Participating cities then share in the losses, up to \$1,000,000 per loss occurrence. The Employment Risk Management Authority ("ERMA") provides excess coverage to \$1,000,000. Coverage in excess of \$1,000,000 and to \$5,000,000 is provided by CSAC Excess Insurance Authority. Losses exceeding \$5,000,000 to \$15,000,000 are covered by Ironshore Indemnity, Inc. Losses exceeding \$15,000,000 to \$25,000,000 is covered by Star Indemnity and Liability Company, and losses in excess of \$25,000,000 to \$35,000,000 coverage provided by Lexington Insurance Company. Specific coverage includes comprehensive and general liability, personal injury, contractual liability, errors and omissions, and certain other coverage. In addition, \$1,000,000,000 of shared loss limits all risk insurance for real and personal property, as well as boiler and machinery insurance coverage through the Public Entity Property Insurance program.

Other Insurance Coverage

Due to the high cost of earthquake insurance, the City remained self-insured for this coverage. The City is also self-insured up to a total of \$250,000 workers' compensation and has obtained from independent

CITY OF PLACENTIA

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012**

NOTE 15 – INSURANCE (Continued)

Other Insurance Coverage (Continued)

provider coverage for a total of \$5,000,000 in workers’ compensation insurance. The City has Public Employee Dishonesty Bond insurance which includes all employees (including elected officials) for coverage of \$1,000,000.

Adequacy of Protection

During the past three fiscal (claims) years none of the above programs of protection have had settlements or judgments that exceeded pooled or insured coverage. There have been no significant reductions in pooled or insured liability coverage from coverage in the prior year.

At June 30, 2012, \$1,979,361 has been accrued for self-insurance losses. The amount represents an estimate of the amounts to be paid for claims reported through June 30, 2012 and claims which have been incurred but not reported as of June 30, 2012. While the ultimate amount of losses incurred through June 30, 2012 is dependent on future developments, based upon information from the City Attorney, the City’s claims administrators and others involved in the administration of the programs, City management believes the accrual is adequate to cover such losses. A reconciliation of changes in aggregate liabilities for claims filed in the current and prior fiscal years is as follows:

	Actual and Estimated Claims Incurred	Payments Made for Current and Prior Year Claims	Balance at June 30, 2012	Portion Due Within One Year	Portion Due Beyond One Year
Balance at July 1, 2011	<u>\$1,706,560</u>	<u>\$ (87,286)</u>	<u>\$ 1,979,361</u>	<u>\$ 210,352</u>	<u>\$ 1,769,009</u>

NOTE 16 – DEFINED BENEFIT PENSION PLAN (PERS)

Plan Description

The City contributes to the California Public Employees Retirement System (“CalPERS”), a cost sharing multiple employer public employee defined benefit pension plan. CalPERS provides retirement, disability benefits, and death benefits to plan members and beneficiaries. CalPERS acts as a common investment and administrative agent for participating public entities within the State of California. Copies of CalPERS’ annual financial report may be obtained from its executive office at 400 “P” Street, Sacramento, California 95814.

Funding Policy

The City contributes to the CalPERS, Participants are required to contribute 7 percent of their annual covered payroll. During 2011-2012, the City contributed the 9 percent on behalf of Safety Employees, and management and mid-management paid their required 7 percent. The City of Placentia is also required to contribute the actuarially determined remaining amounts necessary to fund the benefits for its members. The actuarial methods and assumptions used are those adopted by the CalPERS Board of Administration. The required employer contribution rate for fiscal year 2011-2012 was 9.548 percent for miscellaneous employees and 44.581 percent for the safety plan. The contribution requirements of the plan members are established by State statute and the employer contribution rate is established and may be amended by CalPERS. Benefit provisions and all other requirements are established by state statute and city contracts with employee bargaining groups.

CITY OF PLACENTIA

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012**

NOTE 16 – DEFINED BENEFIT PENSION PLAN (PERS), (Continued)

Annual Pension Cost

Three-Year Trend Information

Safety Plan

Year Ended June 30,	Annual Pension Cost (Employer Contribution)	Percentage of APC Contributed	Net Pension Obligation
2010	\$ 1,698,255	100%	\$ -
2011	1,628,165	100%	-
2012	1,938,204	100%	-

Miscellaneous Plan

Year Ended June 30,	Annual Pension Cost (Employer Contribution)	Percentage of APC Contributed	Net Pension Obligation
2010	\$ 382,565	100%	\$ -
2011	363,613	100%	-
2012	409,534	100%	-

NOTE 17 – DEFERRED COMPENSATION

The City has made available to its employees two deferred compensation plans, created in accordance with Internal Revenue Code Section 457, whereby employees authorize the City to defer a portion of their salary to be deposited in individual investment accounts. There are several options available for employees to invest, including annuities, life insurance, savings accounts and mutual funds. Funds may be withdrawn by participants upon termination of employment, retirement, or a certified emergency. The City makes no contribution under the plans.

Pursuant to changes in Internal Revenue Code (IRC) Section 457, the City amended its plans and established a trust into which all assets and income of the 457 plan were transferred during the year ended June 30, 1998. The assets and all income attributable to such amounts are held in trust for the exclusive benefit of the participant and their beneficiaries. These assets are no longer the property of the City, and therefore, are no longer subject to the claims of the City's general creditors. As a result, the assets of the 457 deferred compensation plans are no longer presented in an Agency Fund of the City's financial statements. The City has minimal involvement in the administration of the 457 plans, and therefore, lacks the fiduciary accountability that would require the 457 plan assets be recorded in an expendable trust fund.

CITY OF PLACENTIA

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012**

NOTE 18 – LITIGATION

The City is presently involved in matters of litigation that have arisen in the normal course of the City’s business. City management believes, based upon consultation with the City Attorney, that these cases, in the aggregate, are not expected to have a material adverse financial impact on the City in excess of the amount accrued as of June 30, 2012.

NOTE 19 – JOINT VENTURE – ORANGE COUNTY FIRE AUTHORITY

The City entered into a joint powers agreement with 17 other cities and the County of Orange (the “County”) in January 1995, and subsequently amended on September 23, 1999, to create the Orange County Fire Authority (the “Fire Authority”). Since 1995, other cities within the County have also joined the Fire Authority to bring the total members in the Fire Authority to 21. The purpose of the Fire Authority is to provide for mutual fire protection, prevention and suppression services and related and incidental services including, but not limited to, emergency medical and transport services, hazardous materials regulation, as well as providing facilities and personnel for such services. The Fire Authority’s governing board consists of one representative from each city and two from the County. The operations of the Fire Authority are funded with structural fire fees collected by the County through either the property tax roll or with cash contributions based on the Fire Authority’s annual budget. The County pays all structural fire fees it collects to the Fire Authority.

No determination has been made as to each participant’s proportionate share of fund equity as of June 30, 2012. However, the Fire Authority’s Financial Statements for the year ending June 30, 2012, presented positive increase to their accumulating General Fund balance. Upon dissolution of the Fire Authority, all surplus money and property of the Fire Authority will be conveyed or distributed to each member in proportion to all funds provided to the Fire Authority by that member or by the County on behalf of that member during its membership. Separate audited financial statements may be obtained from the Fire Authority at 1 Fire Authority Road, Irvine, California 92602.

NOTE 20 – JOINT VENTURE – TRI-CITY PARK AUTHORITY

The City of Placentia, along with the Cities of Fullerton and Brea, established the Tri-City Park Authority (“Tri-City Authority”) on March 12, 1974. The purpose of the Tri-City Park Authority is to oversee and maintain the 40-acre park site known as Tri-City Park. Each of the three city councils appoints two members to the governing board. The seventh member is appointed by the County of Orange Board of Supervisors. The cities share in management and financing decisions based on their proportionate interests. The Tri-City Park Authority prepares an annual budget which is submitted for approval to each of the three cities. Each city’s share of the annual budget is based on a population formula and other factors. For the year ended June 30, 2012, the percentages were as follows:

<u>City</u>	<u>Percentage</u>
Brea	21.60%
Fullerton	35.60%
Placentia	42.80%
Total	<u>100.00%</u>

The condensed financial information of the Tri-City Park Authority has not been reproduced in this report, but is available upon request from the Tri-City Park Authority at the City of Brea, 1 Civic Center Circle, Brea, California 92821.

CITY OF PLACENTIA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012

NOTE 21 – CONTINGENCIES/COMMITMENTS

The City receives a number of grants and allocations annually. The City's entitlement to these funds could be subject to audits by the funding agencies, these audits could generate disallowances. The amount of expenditures, if any, which could be disallowed by the grantor cannot be determined at this time although it is the opinion of the City that such amounts, if any, would be immaterial.

Tax Increment Financing

The Agency has no power to levy and collect taxes and any legislative property tax de-emphasis might reduce the amount of tax revenues that would otherwise be available to pay the principal and interest on the Certificates, Bonds or loans from the City. Broadened property tax exemptions could have a similar effect. Conversely, any increase in the tax rate or assessed valuation, or any reduction or elimination of present exemptions would increase the amount of tax revenues that would be available to pay principal and interest on the Certificates, Bonds, or loans from the City.

Lease of Property

The former redevelopment agency entered into agreement to lease property with the option to purchase 132 E. Crowther Avenue. A third party private investor purchased the property from the seller. During escrow a lease agreement was entered into where the agency paid an initial \$400,000 non-refundable purchase option. The agency, now the Successor Agency, through an enforceable obligation, will lease the property from the investor for \$15,000 per month. The term of the lease agreement is five years, with an option for two additional one year periods. The State Department of Finance has found the lease agreement to be an enforceable obligation of the Successor Agency.

Agency Legal Matter

The City has joined the City of Cerritos and several other cities and redevelopment agencies in the Southern California area to pursue a legal action against the State of California to invalidate the State Legislature's dissolution of redevelopment agencies in California. After an adverse ruling in the Superior Court, the matter has been appealed and any ruling by the Court of Appeals is unlikely to take place before 2013. The City has not determined the impact that a favorable ruling would have on the accompanying financial statements.

NOTE 22 – RELATED PARTY TRANSACTIONS

Several down payment assistance loans were issued to employees as part of an incentive program. These amounts are forgivable at the rate of 1/10th of the loan each anniversary year. During 2012, \$12,000 was forgiven by the City and the balance at year end was \$8,000.

NOTE 23 – HOUSING PROGRAMS

As part of programs to provide affordable housing, the Low and Moderate Income Housing Asset Fund has entered into short-term lease agreements for various properties owned by the Agency. Monthly rents charged range from \$300 to \$700 and the agreements range from one to three years.

CITY OF PLACENTIA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012

NOTE 24 – RECENT CHANGES IN LEGISLATION AFFECTING CALIFORNIA REDEVELOPMENT AGENCIES

On December 29, 2011, the Supreme Court of the State of California (the “Court”) upheld the enforceability of legislation that provides for the dissolution of California redevelopment agencies, but struck down the Assembly Bill X1 27 which would have provided a means for redevelopment agencies to continue to exist and operate by means of a Voluntary Alternative Redevelopment Program. As a result of the Court ruling, the dissolution of California Redevelopment Agencies was effective as of February 1, 2012.

Assembly Bill X1 26 signed into law as part of the State’s budget package on June 29, 2011, requires each California Redevelopment Agency to suspend nearly all activities except to complete existing contracts, meet already-incurred obligations, preserve its assets, prepare for the impending dissolution of the agency, and transfer all of its assets to a Successor Agency that is governed by an oversight board representing the various taxing jurisdictions in the community.

Assembly Bill X1 26 also required each agency to adopt an Enforceable Obligation Payment Schedule and draft a Recognized Obligation Payment Schedule prior to September 30, 2011. Enforceable obligations include bonds, loans and payments required by the federal or State government; legally enforceable payments required in connection with Agency employees such as pension payments and unemployment payments, judgments or settlements; legally binding and enforceable agreements or contracts; and contracts or agreements necessary for the continued administration or operation of the agency that are permitted for purposes set forth in Assembly Bill X1 26. Only the amount of tax revenues necessary to fund the payments reflected on the Enforceable Obligation Payment Schedule will be allocated to the Successor Agencies.

Assembly Bill X1 26 directs the Department of Finance 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 as defined in Assembly Bill X1 26.

On January 17, 2012, the City Council of the City of Placentia adopted Resolution No. R-2012-04 electing to retain the housing assets and functions previously performed by the dissolved Placentia Redevelopment Agency pursuant to Section 34176(a)(1) of the California Health and Safety Code.

Prior to that date, the final seven months of the activity of the redevelopment agency continued to be reported in the Combining Statement of Revenues, Expenditures and Changes in Fund Balances for Nonmajor Governmental Funds. 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.

CITY OF PLACENTIA

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012**

*NOTE 24 – RECENT CHANGES IN LEGISLATION AFFECTING CALIFORNIA REDEVELOPMENT
AGENCIES (continued)*

At January 31, 2012, the former Redevelopment Agency had net assets (deficit) of \$(15,676,430). Accordingly, the City has assumed the responsibility of the housing assets and functions for the Low and Moderate Income Housing Funds and transferred housing assets and liabilities in the net amount of \$104,631 to the Low and Moderate Income Housing Asset Special Revenue Fund. All remaining assets and liabilities of the Agency under the Redevelopment Debt Service Fund and Redevelopment Capital Projects Fund in the net amount of \$(15,781,061) were transferred to the RDA Successor Agency and are reported in the Fiduciary Funds.

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REQUIRED SUPPLEMENTARY INFORMATION

CITY OF PLACENTIA

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS FOR OPEB
FOR THE YEAR ENDED JUNE 30, 2012**

The following schedule summarizes the City of Placentia's funding progress for OPEB:

Actuarial Valuation Date	Actuarial Value of Assets (A)	Actuarial Accrued Liability (B)	Unfunded Actuarial Accrued Liability (UAAL) (B-A)	Funded Ratio (A/B)	Covered Payroll (C)	UAAL as a Percentage of Covered Payroll (B-A)/(C)
7/1/2008	\$ -	\$ 24,391,359	\$24,391,359	0%	\$ 8,854,045	275%
7/1/2011	-	23,732,646	23,732,646	0%	8,492,592	279%

CITY OF PLACENTIA

MAJOR FUNDS

GENERAL FUND

The General Fund has been classified as a major fund and is used to account for all of the general revenues of the City not specifically levied or collected for other City funds and for expenditures related to the rendering of general services by the City. The General Fund is generally used to account for all resources not required to be accounted for in another fund.

SPECIAL REVENUE FUNDS

The Special Revenue Funds are used to account for revenues derived from specific taxes or other earmarked revenue sources (other than special assessments, expendable trusts, or major capital projects) that are restricted by law or administrative action to expenditure for specified purposes. The following has been classified as a major fund. The budget-actual comparison for this fund has been presented in the accompanying financial statements as *Required Supplementary Information*.

Miscellaneous Grant Funds – Used to account for grant revenues received for reimbursable (qualified) projects which are not accounted for in other special revenue funds.

CITY OF PLACENTIA

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2012**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		
REVENUES				
Taxes:				
Property taxes	\$ 11,374,900	\$ 11,374,900	\$ 11,160,051	\$ (214,849)
Sales and use taxes	5,130,000	5,130,000	5,611,105	481,105
Other taxes	2,742,500	2,742,500	2,860,703	118,203
Intergovernmental	195,600	195,600	54,850	(140,750)
Licenses and permits	1,264,800	1,264,800	1,730,070	465,270
Fines and forfeitures	622,000	622,000	595,239	(26,761)
Investment income	215,000	215,000	391,869	176,869
Charges for services	1,712,780	1,712,780	1,350,666	(362,114)
Lease revenue	935,360	935,360	912,921	(22,439)
Miscellaneous	128,000	128,000	326,478	198,478
Total Revenues	<u>24,320,940</u>	<u>24,320,940</u>	<u>24,993,952</u>	<u>673,012</u>
EXPENDITURES				
Current:				
General government	4,020,954	4,020,954	4,390,030	(369,076)
Public safety	15,984,442	15,984,442	15,732,504	251,938
Public works	3,524,948	3,524,948	3,182,919	342,029
Community development	947,308	947,308	883,132	64,176
Debt Service:				
Principal	50,000	50,000	151,098	(101,098)
Interest	323,625	323,625	323,625	-
Total Expenditures	<u>24,851,277</u>	<u>24,851,277</u>	<u>24,663,308</u>	<u>187,969</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(530,337)</u>	<u>(530,337)</u>	<u>330,644</u>	<u>860,981</u>
OTHER FINANCING SOURCES (USES)				
Other financing source-capital lease	-	-	399,870	399,870
Extraordinary loss	-	-	(1,153,547)	(1,153,547)
Transfers in	4,742,764	4,742,764	6,078,742	1,335,978
Transfers out	(5,327,479)	(5,327,479)	(4,914,425)	413,054
Total Other Financing Sources (Uses)	<u>(584,715)</u>	<u>(584,715)</u>	<u>410,640</u>	<u>995,355</u>
Net Change in Fund Balance	(1,115,052)	(1,115,052)	741,284	1,856,336
Fund Balance, Beginning of Year	6,029,498	6,029,498	6,029,498	-
Fund Balance, End of Year	<u>\$ 4,914,446</u>	<u>\$ 4,914,446</u>	<u>\$ 6,770,782</u>	<u>\$ 1,856,336</u>

CITY OF PLACENTIA

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
MISCELLANEOUS GRANTS FUND
YEAR ENDED JUNE 30, 2012**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		
REVENUES				
Intergovernmental	\$ 3,616,600	\$ 3,616,600	\$ 1,240,044	\$ (2,376,556)
Miscellaneous	-	-	250,000	250,000
Total Revenues	<u>3,616,600</u>	<u>3,616,600</u>	<u>1,490,044</u>	<u>(2,126,556)</u>
EXPENDITURES				
Current:				
Public safety	-	-	113,572	(113,572)
Public works	95,000	95,000	64,197	30,803
Total Expenditures	<u>95,000</u>	<u>95,000</u>	<u>177,769</u>	<u>(82,769)</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	<u>3,521,600</u>	<u>3,521,600</u>	<u>1,312,275</u>	<u>(2,209,325)</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	-	-	(1,379,402)	(1,379,402)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(1,379,402)</u>	<u>(1,379,402)</u>
Net Change in Fund Balance	3,521,600	3,521,600	(67,127)	(3,588,727)
Fund Balance, Beginning of Year	847,094	847,094	847,094	-
Fund Balance, End of Year	<u>\$ 4,368,694</u>	<u>\$ 4,368,694</u>	<u>\$ 779,967</u>	<u>\$ (3,588,727)</u>

CITY OF PLACENTIA

**NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2012**

NOTE 1 – BUDGETARY CONTROL AND ACCOUNTING

The City prepares its budgets on the basis of estimated actual revenues and expenditures and, accordingly, the budget amounts included in the accompanying financial statements are presented on a basis substantially consistent with generally accepted accounting principles. Encumbrance accounting is utilized during the fiscal year, whereby purchase orders, contracts and other commitments are recorded in order to control appropriations. However, at fiscal year end all appropriations lapse. Accordingly, encumbrances are cancelled and generally are re-appropriated as part of the following year's budget. Encumbrances are not included in reported expenditures.

Annual budgets are adopted for the General, Special Revenue, Debt Service, and Capital Projects Funds. The City Council approves total budgeted appropriations and any amendments to appropriations throughout the year.

The budgetary level of control for all governmental fund types is the fund level. The City Administrator has the discretion to transfer appropriations between departments within a fund, but transfers between funds must be approved by City Council.

SUPPLEMENTARY STATEMENTS AND SCHEDULES

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CITY OF PLACENTIA

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
2011 GAS TAX COP FUND
YEAR ENDED JUNE 30, 2012**

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
REVENUES			
Investment income	\$ 90,000	\$ 9,822	\$ (80,178)
Total Revenues	<u>90,000</u>	<u>9,822</u>	<u>(80,178)</u>
EXPENDITURES			
Current:			
General government	-	10,991	(10,991)
Debt Service:			
Principal	-	185,000	(185,000)
Interest	-	293,403	(293,403)
Total Expenditures	<u>-</u>	<u>489,394</u>	<u>(489,394)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>90,000</u>	<u>(479,572)</u>	<u>(569,572)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	482,216	482,216
Transfers out	-	(429,708)	(429,708)
Total Other Financing Sources (Uses)	<u>-</u>	<u>52,508</u>	<u>52,508</u>
Net Change in Fund Balance	90,000	(427,064)	(517,064)
Fund Balance, Beginning of Year	5,564,731	5,564,731	-
Fund Balance, End of Year	<u>\$ 5,654,731</u>	<u>\$ 5,137,667</u>	<u>\$ (517,064)</u>

CITY OF PLACENTIA

NON-MAJOR GOVERNMENTAL FUNDS

Special Revenue Funds:

Park Development Fund – This fund is used to account for the construction and equipment of parks within the City. Revenues for this fund are derived from developer fees paid in lieu of park land dedications.

Street Lighting Fund – The Special Street Lighting District established the street lighting fund in certain areas of the City not covered by the County Lighting District. The revenue source is a special assessment on property owners.

Measure M Fund – Revenues for this fund are derived from the one-half cent sales tax approved by Orange County voters in November 1990. Monies must be expended for countywide transportation improvements.

Sewer Construction Fund – To account for construction of sewers throughout the City. Revenues for this fund are derived from an acreage fee placed on developers at time of development.

Storm Drain Construction Fund – To account for the construction of storm drains throughout the City. Revenues for this fund are derived from an acreage fee placed on developers at time of development.

Thoroughfare Construction Fund – To account for the construction of traffic signals, bridges and culverts. Revenues for this fund are derived from an acreage fee placed on the developer at time of development.

Undergrounding Utilities Fund – To account for the construction of underground utilities within designated areas. Revenues for this fund are derived from monies paid by developers and property owners at time of development. An annual budget is not adopted for this fund since revenues cannot be anticipated.

Asset Seizure Fund – This fund can only be used for the City's K-9 program, the City's contribution to the D.A.R.E. program (Drug Awareness Resistance Education) and for salaries of narcotic enforcement investigators. Revenues for this fund are derived from the City's share of forfeited assets attributed to narcotics dealing.

Traffic Offender Fund – To account for collection and disbursement of fees collected from impounding of vehicles. Revenues received must generally be expended for law enforcement activities.

Supplemental Law Enforcement Fund – To account for monies received from the County of Orange pursuant to Assembly Bill 3229. These funds must be utilized for front-line municipal police services.

Air Quality Fund – To account for monies received from the South Coast Air Quality Management District pursuant to Assembly Bill 2766 to reduce air pollution from mobile sources. Revenues for this fund are derived from motor vehicle registration fees.

Landscape Maintenance District 92-1 – Special landscape maintenance district established to provide for the maintenance, operation, and administration of landscape improvements in certain areas of the City. The revenue source is a special assessment on property owners.

Housing and Community Development Fund – To account for Federal grants received for housing and community development. Revenues for this fund are derived from Federal grants for neighborhood rehabilitation in the deteriorating sections of the City.

CITY OF PLACENTIA

NON-MAJOR GOVERNMENTAL FUNDS

Special Revenue Funds (continued):

Utility Users Tax Fund – This fund is used at Council direction and can be used to pay civic center/police station bond debt service payments, capital equipment replacement, special capital projects or general City operations support. Revenues for this fund are derived from a 3.5 percent user's tax on electricity, telephone, gas, and cable TV.

Gasoline Tax Fund – This fund is used to account for funds collected under Sections 2105, 2106, 2107 and 2107.5 of the Streets and Highways Code which are distributed to cities, primarily on the basis of population, and are deposited into the Gasoline Tax Fund. Monies so received must generally be expended for the construction and maintenance of the State approved "Select aid system of Streets."

Low and Moderate Housing Asset Special Revenue Fund – This fund is used to account for balance of the former low and moderate income housing funds of the former Placentia Redevelopment Agency and revenues and expenditures related to such housing projects and programs.

Low and Moderate Housing Special Revenue Fund – Used to account for financing and construction of low and moderate income housing. Financing is provided by 20 percent of tax revenue increment, in accordance with the California State Health and Safety Code 33334.2.

Debt Service Fund:

Redevelopment Agency Fund – Used to accumulate monies for payment of interest and principal on the Redevelopment Agency Certificates of Participation and Tax Allocation Bonds. Debt service is financed via property tax revenues.

Capital Projects Funds:

Redevelopment Area 1 Fund – Used to account for the financing and construction within the boundaries of the Redevelopment Area I.

Orangethorpe Corridor Capital Project Fund – Used to account for financing and construction of all rail projects within the boundaries of the City.

City Capital Projects Fund – Used to account for financing and construction within the boundaries of the City.

CITY OF PLACENTIA
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2012

	Special Revenue				
	Park Development	Street Lighting	Measure M	Sewer Construction	Storm Drain Construction
ASSETS					
Cash and investments	\$ 66,354	\$ -	\$ 296,681	\$ 25	\$ 42,701
Cash and investments with fiscal agent	-	-	-	-	-
Accounts receivable	-	-	-	-	-
Taxes receivable	-	1,254	-	-	-
Due from other governments	-	-	77,253	-	-
Loans receivable	-	-	-	-	-
Total Assets	<u>\$ 66,354</u>	<u>\$ 1,254</u>	<u>\$ 373,934</u>	<u>\$ 25</u>	<u>\$ 42,701</u>
LIABILITIES					
Accounts payable	\$ -	\$ 29,927	\$ -	\$ -	\$ -
Payroll payable	-	-	-	-	-
Due to other funds	-	364,410	-	20,741	-
Total Liabilities	<u>-</u>	<u>394,337</u>	<u>-</u>	<u>20,741</u>	<u>-</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted	66,354	-	373,934	-	42,701
Unassigned	-	(393,083)	-	(20,716)	-
Total Fund Balances	<u>66,354</u>	<u>(393,083)</u>	<u>373,934</u>	<u>(20,716)</u>	<u>42,701</u>
Total Liabilities and Fund Balances	<u>\$ 66,354</u>	<u>\$ 1,254</u>	<u>373,934</u>	<u>\$ 25</u>	<u>\$ 42,701</u>

Special Revenue

Thoroughfare Construction	Underground Utilities	Asset Seizure	Traffic Offender Fund	Supplemental Law Enforcement	Air Quality
\$ 37,761	\$ 39	\$186,852	\$ 17,617	\$ 127	\$ 164,059
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	15,688
-	-	-	-	-	-
<u>\$ 37,761</u>	<u>\$ 39</u>	<u>\$186,852</u>	<u>\$ 17,617</u>	<u>\$ 127</u>	<u>\$ 179,747</u>
\$ -	\$ -	\$ 4,152	\$ -	\$ -	\$ 3,258
-	-	-	-	-	-
-	-	-	-	-	-
-	-	4,152	-	-	3,258
-	-	-	-	-	-
37,761	39	182,700	17,617	127	176,489
-	-	-	-	-	-
<u>37,761</u>	<u>39</u>	<u>182,700</u>	<u>17,617</u>	<u>127</u>	<u>176,489</u>
<u>\$ 37,761</u>	<u>\$ 39</u>	<u>\$186,852</u>	<u>\$ 17,617</u>	<u>\$ 127</u>	<u>\$ 179,747</u>

CITY OF PLACENTIA

**COMBINING BALANCE SHEET (CONTINUED)
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2012**

	Special Revenue				Low and Moderate Income Housing Asset
	Landscape Maintenance District 92-1	Housing and Community Development	Utility Users Tax	Gasoline Tax	
ASSETS					
Cash and investments	\$ 575,348	\$ -	\$ -	\$ 9,850	\$ 776
Cash and investments with fiscal agent	-	-	-	-	224,880
Accounts receivable	-	-	-	-	-
Taxes receivable	3,594	-	223,713	148,650	-
Due from other governments	-	-	-	-	-
Loans receivable	-	-	-	-	96,059
Total Assets	<u>\$ 578,942</u>	<u>\$ -</u>	<u>\$223,713</u>	<u>\$158,500</u>	<u>\$ 321,715</u>
LIABILITIES					
Accounts payable	\$ 21,211	\$ -	\$ -	\$ -	\$ -
Payroll payable	2,929	-	-	-	-
Due to other funds	-	228,939	-	-	410,139
Total Liabilities	<u>24,140</u>	<u>228,939</u>	<u>-</u>	<u>-</u>	<u>410,139</u>
FUND BALANCES					
Nonspendable	-	-	-	-	96,059
Restricted	554,802	-	223,713	158,500	-
Unassigned	-	(228,939)	-	-	(184,483)
Total Fund Balances	<u>554,802</u>	<u>(228,939)</u>	<u>223,713</u>	<u>158,500</u>	<u>(88,424)</u>
Total Liabilities and Fund Balances	<u>\$ 578,942</u>	<u>\$ -</u>	<u>\$223,713</u>	<u>\$158,500</u>	<u>\$ 321,715</u>

<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>			<u>Total Non-Major Governmental Funds</u>
<u>Low Moderate Income Housing</u>	<u>Redevelopment Agency</u>	<u>Redevelopment Area 1</u>	<u>Orangethorpe Corridor</u>	<u>City Capital Projects</u>	
\$ -	\$ -	\$ -	\$ 588	\$ -	\$ 1,398,778
-	-	-	-	-	224,880
-	-	-	365,216	-	365,216
-	-	-	-	-	377,211
-	-	-	-	-	92,941
-	-	-	-	-	96,059
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 365,804</u>	<u>\$ -</u>	<u>\$ 2,555,085</u>
\$ -	\$ -	\$ -	\$ -	\$ 409,974	\$ 468,522
-	-	-	-	-	2,929
-	-	-	-	1,174,187	2,198,416
-	-	-	-	1,584,161	2,669,867
-	-	-	-	-	96,059
-	-	-	365,804	-	2,200,541
-	-	-	-	(1,584,161)	(2,411,382)
-	-	-	365,804	(1,584,161)	(114,782)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 365,804</u>	<u>\$ -</u>	<u>\$ 2,555,085</u>

CITY OF PLACENTIA

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2012**

	Special Revenue				
	Park Development	Street Lighting	Measure M	Sewer Construction	Storm Drain Construction
REVENUES					
Taxes:					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Other taxes	-	-	-	-	-
Intergovernmental	-	-	457,988	-	-
Fines and forfeitures	-	-	-	-	-
Investment income	1,074	-	333	25	119
Charges for services	477,621	135,185	-	-	-
Lease revenue	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total Revenues	478,695	135,185	458,321	25	119
EXPENDITURES					
Current:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Public works	-	352,285	-	-	-
Community development	25,000	-	-	-	-
Redevelopment	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Debt Service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Total Expenditures	25,000	352,285	-	-	-
Excess (Deficiency) of Revenues					
Over (Under) Expenditures	453,695	(217,100)	458,321	25	119
OTHER FINANCING SOURCES (USES)					
Extraordinary gain/(loss)	-	-	-	-	-
Transfers in	-	-	-	-	-
Transfers out	(495,323)	(146,483)	(139,698)	(32,571)	-
Total Other Financing Sources (Uses)	(495,323)	(146,483)	(139,698)	(32,571)	-
Net Change in Fund Balances	(41,628)	(363,583)	318,623	(32,546)	119
Fund Balances, Beginning of Year	107,982	(29,500)	55,311	11,830	42,582
Fund Balances, End of Year	\$ 66,354	\$ (393,083)	\$ 373,934	\$ (20,716)	\$ 42,701

Special Revenue

Thoroughfare Construction	Underground Utilities	Asset Seizure	Traffic Offender Fund	Supplemental Law Enforcement	Air Quality
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	100,001	63,550
106	-	157,525	32	127	705
-	-	508	9,305	-	-
-	-	-	-	-	-
-	-	-	-	664	-
<u>106</u>	<u>-</u>	<u>158,033</u>	<u>9,337</u>	<u>100,792</u>	<u>64,255</u>
-	-	-	-	-	-
-	-	20,637	-	111,612	-
-	-	-	-	-	10,911
-	-	-	-	-	-
-	-	14,824	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>35,461</u>	<u>-</u>	<u>111,612</u>	<u>10,911</u>
<u>106</u>	<u>-</u>	<u>122,572</u>	<u>9,337</u>	<u>(10,820)</u>	<u>53,344</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	(31,499)	-	-	(122,815)
<u>-</u>	<u>-</u>	<u>(31,499)</u>	<u>-</u>	<u>-</u>	<u>(122,815)</u>
106	-	91,073	9,337	(10,820)	(69,471)
37,655	39	91,627	8,280	10,947	245,960
<u>\$ 37,761</u>	<u>\$ 39</u>	<u>\$ 182,700</u>	<u>\$ 17,617</u>	<u>\$ 127</u>	<u>\$ 176,489</u>

CITY OF PLACENTIA

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
(CONTINUED)
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2012**

	Special Revenue				
	Landscape Maintenance District 92-1	Housing and Community Development	Utility Users Tax	Gasoline Tax	Low and Moderate Housing Asset
REVENUES					
Taxes:					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Other taxes	-	-	2,851,340	-	-
Intergovernmental	-	-	-	1,460,156	-
Fines and forfeitures	-	-	-	-	-
Investment income	1,529	-	-	2,547	12,438
Charges for services	397,260	-	-	-	-
Lease revenues/services	-	-	-	-	49,700
Miscellaneous	223	-	-	-	109,439
Total Revenues	<u>399,012</u>	<u>-</u>	<u>2,851,340</u>	<u>1,462,703</u>	<u>171,577</u>
EXPENDITURES					
Current:					
General government	-	-	-	-	289,394
Public safety	-	-	-	-	-
Public works	355,584	-	-	-	-
Community development	-	125,300	-	-	-
Redevelopment	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Debt Service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	75,238
Total Expenditures	<u>355,584</u>	<u>125,300</u>	<u>-</u>	<u>-</u>	<u>364,632</u>
Excess (Deficiency) of Revenues					
Over (Under) Expenditures	<u>43,428</u>	<u>(125,300)</u>	<u>2,851,340</u>	<u>1,462,703</u>	<u>(193,055)</u>
OTHER FINANCING SOURCES (USES)					
Extraordinary gain/(loss)	-	-	-	-	104,631
Transfers in	-	185,705	-	-	-
Transfers out	(24,777)	(289,284)	(2,845,378)	(1,882,274)	-
Total Other Financing Sources (Uses)	<u>(24,777)</u>	<u>(103,579)</u>	<u>(2,845,378)</u>	<u>(1,882,274)</u>	<u>104,631</u>
Net Change in Fund Balances	18,651	(228,879)	5,962	(419,571)	(88,424)
Fund Balances, Beginning of Year	536,151	(60)	217,751	578,071	-
Fund Balances, End of Year	<u>\$ 554,802</u>	<u>\$ (228,939)</u>	<u>\$ 223,713</u>	<u>\$ 158,500</u>	<u>\$ (88,424)</u>

<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>			<u>Total Non-Major</u>
<u>Low Moderate</u>	<u>Redevelopment</u>	<u>Redevelopment</u>	<u>Orangethorpe</u>	<u>City Capital</u>	<u>Governmental</u>
<u>Housing</u>	<u>Agency</u>	<u>Area 1</u>	<u>Corridor</u>	<u>Projects</u>	<u>Funds</u>
\$ -	\$ 1,291,753	\$ -	\$ -	\$ -	\$ 1,291,753
-	-	-	-	-	2,851,340
-	-	-	365,216	-	2,446,911
-	-	-	-	-	157,525
3	1,255	-	588	-	21,389
-	-	-	-	-	1,019,371
69,747	-	67,039	-	-	186,486
-	-	-	10	2	110,338
<u>69,750</u>	<u>1,293,008</u>	<u>67,039</u>	<u>365,814</u>	<u>2</u>	<u>8,085,113</u>
-	-	-	-	-	289,394
-	-	-	-	-	132,249
-	-	-	-	2,650,679	3,369,459
-	-	-	-	-	150,300
9,514	333,725	315,391	-	-	658,630
-	-	-	-	426,020	440,844
65,000	785,000	-	-	-	850,000
76,911	848,076	-	-	-	1,000,225
<u>151,425</u>	<u>1,966,801</u>	<u>315,391</u>	<u>-</u>	<u>3,076,699</u>	<u>6,891,101</u>
<u>(81,675)</u>	<u>(673,793)</u>	<u>(248,352)</u>	<u>365,814</u>	<u>(3,076,697)</u>	<u>1,194,012</u>
(104,631)	3,972,532	(2,821,222)	-	195,500	1,346,810
-	-	1,607,000	-	2,515,234	4,307,939
(1,607,000)	(1,659,990)	-	(505,359)	(514,176)	(10,296,627)
<u>(1,711,631)</u>	<u>2,312,542</u>	<u>(1,214,222)</u>	<u>(505,359)</u>	<u>2,196,558</u>	<u>(4,641,878)</u>
(1,793,306)	1,638,749	(1,462,574)	(139,545)	(880,139)	(3,447,866)
1,793,306	(1,638,749)	1,462,574	505,349	(704,022)	3,333,084
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 365,804</u>	<u>\$ (1,584,161)</u>	<u>\$ (114,782)</u>

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CITY OF PLACENTIA

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
PARK DEVELOPMENT FUND
YEAR ENDED JUNE 30, 2012**

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
REVENUES			
Investment income	\$ -	\$ 1,074	\$ 1,074
Charges for services	50,000	477,621	427,621
Total Revenues	<u>50,000</u>	<u>478,695</u>	<u>428,695</u>
EXPENDITURES			
Current:			
Community development	25,000	25,000	-
Total Expenditures	<u>25,000</u>	<u>25,000</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>25,000</u>	<u>453,695</u>	<u>428,695</u>
OTHER FINANCING SOURCES (USES)			
Transfers Out	-	(495,323)	(495,323)
Total Other Financing Sources	<u>-</u>	<u>(495,323)</u>	<u>(495,323)</u>
Net Change in Fund Balance	25,000	(41,628)	(66,628)
Fund Balance, Beginning of Year	107,982	107,982	-
Fund Balance, End of Year	<u>\$ 132,982</u>	<u>\$ 66,354</u>	<u>\$ (66,628)</u>

CITY OF PLACENTIA

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
STREET LIGHTING FUND
YEAR ENDED JUNE 30, 2012**

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
REVENUES			
Investment income	\$ 200	-	(200)
Charges for services	138,000	135,185	(2,815)
Total Revenues	<u>138,200</u>	<u>135,185</u>	<u>(3,015)</u>
EXPENDITURES			
Current:			
Public works	380,700	352,285	28,415
Total Expenditures	<u>380,700</u>	<u>352,285</u>	<u>28,415</u>
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	<u>(242,500)</u>	<u>(217,100)</u>	<u>25,400</u>
 Net Change in Fund Balance	 (242,500)	 (217,100)	 25,400
 Fund Balance, Beginning of Year	 (175,985)	 (175,985)	 -
Fund Balance, End of Year	<u>\$ (418,485)</u>	<u>\$ (393,085)</u>	<u>\$ 25,400</u>

CITY OF PLACENTIA

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
MEASURE M FUND
YEAR ENDED JUNE 30, 2012**

	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES			
Intergovernmental	\$ 500,000	\$ 457,988	\$ (42,012)
Investment income	-	333	333
Total Revenues	<u>500,000</u>	<u>458,321</u>	<u>(41,679)</u>
 Net Change in Fund Balance	500,000	458,321	(41,679)
 Fund Balance, Beginning of Year	(84,387)	(84,387)	-
Fund Balance, End of Year	<u>\$ 415,613</u>	<u>\$ 373,934</u>	<u>\$ (41,679)</u>

CITY OF PLACENTIA

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SEWER CONSTRUCTION FUND
YEAR ENDED JUNE 30, 2012**

	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES			
Taxes			
Other taxes	\$ 12,000	\$ -	\$ (12,000)
Investment income	-	25	25
Total Revenues	<u>12,000</u>	<u>25</u>	<u>(11,975)</u>
 OTHER FINANCING SOURCES (USES)			
Transfers out	-	(32,571)	(32,571)
Total Other Financing Sources (Uses)	<u>-</u>	<u>(32,571)</u>	<u>(32,571)</u>
 Net Change in Fund Balance	12,000	(32,546)	(44,546)
 Fund Balance, Beginning of Year	11,830	11,830	-
Fund Balance, End of Year	<u>\$ 23,830</u>	<u>\$ (20,716)</u>	<u>\$ (44,546)</u>

CITY OF PLACENTIA

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
STORM DRAIN CONSTRUCTION FUND
YEAR ENDED JUNE 30, 2012**

	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES			
Taxes			
Other taxes	\$ 41,900	\$ -	\$ (41,900)
Investment income	-	119	119
Total Revenues	<u>41,900</u>	<u>119</u>	<u>(41,781)</u>
Net Change in Fund Balance	41,900	119	(41,781)
Fund Balance, Beginning of Year	<u>42,582</u>	<u>42,582</u>	-
Fund Balance, End of Year	<u>\$ 84,482</u>	<u>\$ 42,701</u>	<u>\$ (41,781)</u>

CITY OF PLACENTIA

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
THOROUGHFARE CONSTRUCTION FUND
YEAR ENDED JUNE 30, 2012**

	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	Variance with Final Budget - Positive (Negative)
REVENUES			
Taxes			
Other taxes	\$ 20,000	\$ -	\$ (20,000)
Investment income	-	106	106
Total Revenues	<u>20,000</u>	<u>106</u>	<u>(19,894)</u>
Net Change in Fund Balance	20,000	106	(19,894)
Fund Balance, Beginning of Year	<u>37,655</u>	<u>37,655</u>	-
Fund Balance, End of Year	<u>\$ 57,655</u>	<u>\$ 37,761</u>	<u>\$ (19,894)</u>

CITY OF PLACENTIA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ASSET SEIZURE FUND
YEAR ENDED JUNE 30, 2012

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
REVENUES			
Fines and forfeitures	\$ -	\$ 157,525	\$ 157,525
Investment income	-	508	508
Total Revenues	<u>-</u>	<u>158,033</u>	<u>158,033</u>
EXPENDITURES			
Current:			
Public safety	30,962	20,637	10,325
Capital outlay	33,815	14,824	18,991
Total Expenditures	<u>64,777</u>	<u>35,461</u>	<u>29,316</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(64,777)</u>	<u>122,572</u>	<u>187,349</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	-	(31,499)	(31,499)
Total Other Financing Sources (Uses)	<u>-</u>	<u>(31,499)</u>	<u>(31,499)</u>
Net Change in Fund Balance	(64,777)	91,073	155,850
Fund Balance, Beginning of Year	91,627	91,627	-
Fund Balance, End of Year	<u>\$ 26,850</u>	<u>\$ 182,700</u>	<u>\$ 155,850</u>

CITY OF PLACENTIA

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
TRAFFIC OFFENDER FUND
YEAR ENDED JUNE 30, 2012**

	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES			
Investment income	\$ 10	\$ 32	\$ 22
Charges for services	<u>3,000</u>	<u>9,305</u>	<u>6,305</u>
Total Revenues	<u>3,010</u>	<u>9,337</u>	<u>6,327</u>
Net Change in Fund Balance	3,010	9,337	6,327
Fund Balance, Beginning of Year	<u>8,280</u>	<u>8,280</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 11,290</u>	<u>\$ 17,617</u>	<u>\$ 6,327</u>

CITY OF PLACENTIA

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SUPPLEMENTAL LAW ENFORCEMENT SERVICE FUND
YEAR ENDED JUNE 30, 2012**

	<u>Final Budgeted</u> Amounts	<u>Actual</u> Amounts	Variance with Final Budget - Positive (Negative)
REVENUES			
Intergovernmental	\$ -	\$ 100,001	\$ 100,001
Investment income	-	127	127
Miscellaneous	-	664	664
Total Revenues	<u>-</u>	<u>100,792</u>	<u>100,792</u>
EXPENDITURES			
Current:			
Public safety	-	111,612	111,612
Total Expenditures	<u>-</u>	<u>111,612</u>	<u>111,612</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>(10,820)</u>	<u>\$ (10,820)</u>
Net Change in Fund Balance	-	(10,820)	(10,820)
Fund Balance, Beginning of Year	10,947	10,947	-
Fund Balance, End of Year	<u>\$ 10,947</u>	<u>\$ 127</u>	<u>\$ (10,820)</u>

CITY OF PLACENTIA

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
AIR QUALITY IMPROVEMENT FUND
YEAR ENDED JUNE 30, 2012**

	<u>Final Budgeted</u> <u>Amounts</u>	<u>Actual</u> <u>Amounts</u>	Variance with Final Budget - Positive (Negative)
REVENUES			
Intergovernmental	\$ 60,000	\$ 63,550	\$ 3,550
Investment income	-	705	705
Total Revenues	<u>60,000</u>	<u>64,255</u>	<u>4,255</u>
EXPENDITURES			
Public works	15,000	10,911	4,089
Total Expenditures	<u>15,000</u>	<u>10,911</u>	<u>4,089</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>45,000</u>	<u>53,344</u>	<u>8,344</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	-	(122,815)	(122,815)
Total Other Financing Sources (Uses)	<u>-</u>	<u>(122,815)</u>	<u>(122,815)</u>
Net Change in Fund Balance	45,000	(69,471)	(114,471)
Fund Balance, Beginning of Year	245,960	245,960	-
Fund Balance, End of Year	<u>\$ 290,960</u>	<u>\$ 176,489</u>	<u>\$ (114,471)</u>

CITY OF PLACENTIA

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
LANDSCAPE MAINTENANCE DISTRICT 92-1 FUND
YEAR ENDED JUNE 30, 2012**

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
REVENUES			
Investment income	\$ -	\$ 1,529	\$ 1,529
Charges for services	397,500	397,260	(240)
Miscellaneous	-	223	223
Total Revenues	<u>397,500</u>	<u>399,012</u>	<u>1,512</u>
EXPENDITURES			
Current:			
Public works	<u>625,890</u>	<u>355,584</u>	<u>270,306</u>
Total Expenditures	<u>625,890</u>	<u>355,584</u>	<u>270,306</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(228,390)</u>	<u>43,428</u>	<u>271,818</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	<u>-</u>	<u>(24,777)</u>	<u>(24,777)</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>(24,777)</u>	<u>(24,777)</u>
Net Change in Fund Balance	(228,390)	18,651	247,041
Fund Balance, Beginning of Year	<u>536,151</u>	<u>536,151</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 307,761</u>	<u>\$ 554,802</u>	<u>\$ 247,041</u>

CITY OF PLACENTIA

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
HOUSING AND COMMUNITY DEVELOPMENT FUND
YEAR ENDED JUNE 30, 2012**

	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
EXPENDITURES			
Current:			
Community development	<u>150,000</u>	<u>125,300</u>	<u>24,700</u>
Total Expenditures	<u>150,000</u>	<u>125,300</u>	<u>24,700</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ (150,000)</u>	<u>(125,300)</u>	<u>24,700</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>-</u>	<u>185,705</u>	<u>185,705</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>185,705</u>	<u>185,705</u>
 Net Change in Fund Balance	 (150,000)	 60,405	 210,405
 Fund Balance, Beginning of Year	 (289,344)	 (289,344)	 -
Fund Balance, End of Year	<u>\$ (439,344)</u>	<u>\$ (228,939)</u>	<u>\$ 210,405</u>

CITY OF PLACENTIA

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
UTILITY USERS TAX FUND
YEAR ENDED JUNE 30, 2012**

	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	Variance with Final Budget - Positive (Negative)
REVENUES			
Taxes:			
Other taxes	\$ 2,660,000	\$ 2,851,340	\$ 191,340
Total Revenues	<u>2,660,000</u>	<u>2,851,340</u>	<u>191,340</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	<u>(2,600,000)</u>	<u>(2,845,378)</u>	<u>(245,378)</u>
Total Other Financing Sources (Uses)	<u>(2,600,000)</u>	<u>(2,845,378)</u>	<u>(245,378)</u>
 Net Change in Fund Balance	 60,000	 5,962	 (54,038)
 Fund Balance, Beginning of Year	 <u>217,751</u>	 <u>217,751</u>	 <u>-</u>
Fund Balance, End of Year	<u>\$ 277,751</u>	<u>\$ 223,713</u>	<u>\$ (54,038)</u>

CITY OF PLACENTIA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
GASOLINE TAX FUND
YEAR ENDED JUNE 30, 2012

	<u>Final Budgeted</u> <u>Amounts</u>	<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget -</u> <u>Positive</u> <u>(Negative)</u>
REVENUES			
Intergovernmental	\$ 1,408,100	\$ 1,460,156	\$ 52,056
Investment income	-	2,547	2,547
Total Revenues	<u>1,408,100</u>	<u>1,462,703</u>	<u>54,603</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	<u>(1,337,790)</u>	<u>(1,882,274)</u>	<u>(544,484)</u>
Total Other Financing Sources (Uses)	<u>(1,337,790)</u>	<u>(1,882,274)</u>	<u>(544,484)</u>
 Net Change in Fund Balance	 70,310	 (419,571)	 (489,881)
 Fund Balance, Beginning of Year	 <u>578,071</u>	 <u>578,071</u>	 <u>-</u>
Fund Balance, End of Year	<u>\$ 648,381</u>	<u>\$ 158,500</u>	<u>\$ (489,881)</u>

CITY OF PLACENTIA

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
LOW AND MODERATE INCOME HOUSING ASSET FUND
YEAR ENDED JUNE 30, 2012**

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
REVENUES			
Investment income	\$ -	\$ 12,438	\$ 12,438
Lease revenue	-	49,700	49,700
Miscellaneous	-	109,439	109,439
Total Revenues	-	171,577	171,577
EXPENDITURES			
Current			
General government	-	289,394	(289,394)
Interest expense	-	75,238	(75,238)
Total Expenditures	-	364,632	(364,632)
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(193,055)	(193,055)
OTHER FINANCING SOURCES			
Extraordinary gain	-	104,631	104,631
Total Other Financing Sources	-	104,631	104,631
Net Change in Fund Balance	-	(88,424)	(88,424)
Fund Balance, Beginning of Year	-	-	-
Fund Balance, End of Year	\$ -	\$ (88,424)	\$ (88,424)

CITY OF PLACENTIA

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
LOW AND MODERATE INCOME HOUSING FUND
YEAR ENDED JUNE 30, 2012**

	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES			
Investment income	\$ 10,000	\$ 3	\$ (9,997)
Lease revenue	3,600	69,747	66,147
Miscellaneous	<u>105,000</u>	<u>-</u>	<u>(105,000)</u>
Total Revenues	<u>118,600</u>	<u>69,750</u>	<u>(48,850)</u>
EXPENDITURES			
Current			
Redevelopment	241,336	9,514	231,822
Debt Service:			
Principal	65,000	65,000	-
Interest	<u>155,000</u>	<u>76,911</u>	<u>78,089</u>
Total Expenditures	<u>461,336</u>	<u>151,425</u>	<u>309,911</u>
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	<u>(342,736)</u>	<u>(81,675)</u>	<u>261,061</u>
OTHER FINANCING SOURCES (USES)			
Extraordinary loss	-	(104,631)	(104,631)
Transfers in	482,600	-	(482,600)
Transfers out	<u>(82,336)</u>	<u>(1,607,000)</u>	<u>(1,524,664)</u>
Total Other Financing Sources (Uses)	<u>400,264</u>	<u>(1,711,631)</u>	<u>(2,111,895)</u>
Net Change in Fund Balance	57,528	(1,793,306)	(1,850,834)
Fund Balance, Beginning of Year	<u>1,793,306</u>	<u>1,793,306</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 1,850,834</u>	<u>\$ -</u>	<u>\$ (1,850,834)</u>

CITY OF PLACENTIA

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
REDEVELOPMENT AGENCY FUND
YEAR ENDED JUNE 30, 2012**

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
REVENUES			
Taxes:			
Property taxes	\$ 2,413,000	\$ 1,291,753	\$ (1,121,247)
Investment income	25,000	1,255	(23,745)
Lease revenue	1,000,186	-	(1,000,186)
Total Revenues	<u>3,438,186</u>	<u>1,293,008</u>	<u>(2,145,178)</u>
 EXPENDITURES			
Current:			
Redevelopment	1,705,280	333,725	1,371,555
Debt Service:			
Principal	785,000	785,000	-
Interest	1,065,720	848,076	217,644
Total Expenditures	<u>3,556,000</u>	<u>1,966,801</u>	<u>1,589,199</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(117,814)</u>	<u>(673,793)</u>	<u>(555,979)</u>
OTHER FINANCING SOURCES (USES)			
Extraordinary gain/(loss)	-	3,972,532	3,972,532
Transfers in	-	-	-
Transfers out	244,677	(1,659,990)	(1,904,667)
Total Other Financing Sources (Uses)	<u>244,677</u>	<u>2,312,542</u>	<u>2,067,865</u>
 Net Change in Fund Balance	126,863	1,638,749	1,511,886
Fund Balance, Beginning of Year	<u>(1,638,749)</u>	<u>(1,638,749)</u>	-
Fund Balance, End of Year	<u>\$ (1,511,886)</u>	<u>\$ -</u>	<u>\$ 1,511,886</u>

CITY OF PLACENTIA

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
REDEVELOPMENT AREA I
YEAR ENDED JUNE 30, 2012**

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
REVENUES			
Lease revenue	\$ 100,000	\$ 67,039	\$ (32,961)
EXPENDITURES			
Current:			
Redevelopment	590,980	315,391	275,589
Excess (Deficiency) of Revenues Over (Under) Expenditures	(490,980)	(248,352)	242,628
OTHER FINANCING SOURCES (USES)			
Extraordinary loss	-	(2,821,222)	(2,821,222)
Transfers in	-	1,607,000	1,607,000
Transfers out	50,551	-	(50,551)
Total Other Financing Sources (Uses)	50,551	(1,214,222)	(1,264,773)
Net Change in Fund Balance	(440,429)	(1,462,574)	(1,022,145)
Fund Balance, Beginning of Year	1,462,574	1,462,574	-
Fund Balance, End of Year	\$ 1,022,145	\$ -	\$ (1,022,145)

CITY OF PLACENTIA

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ORANGETHORPE CORRIDOR FUND
YEAR ENDED JUNE 30, 2012

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
REVENUES			
Intergovernmental	\$ -	\$ 365,216	\$ 365,216
Investment income	-	588	588
Miscellaneous	-	10	10
Total Revenues	-	365,814	365,814
OTHER FINANCING SOURCES (USES)			
Transfers out	-	(505,359)	(505,359)
Total Expenditures	-	(505,359)	(505,359)
Net Change in Fund Balance	-	(139,545)	(139,545)
Fund Balance, Beginning of Year	505,349	505,349	-
Fund Balance, End of Year	\$ 505,349	\$ 365,804	\$ (139,545)

CITY OF PLACENTIA

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CITY CAPITAL PROJECTS
YEAR ENDED JUNE 30, 2012

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
REVENUES			
Miscellaneous	\$ -	\$ 2	\$ 2
EXPENDITURES			
Current:			
Public works	7,733,600	2,650,679	5,082,921
Capital outlay	426,125	426,020	105
Total Expenditures	8,159,725	3,076,699	5,083,026
Excess (Deficiency) of Revenues Over (Under) Expenditures	(8,159,725)	(3,076,697)	5,083,028
OTHER FINANCING SOURCES (USES)			
Extraordinary gain	-	195,500	195,500
Transfers in	8,159,725	2,515,234	(5,644,491)
Transfers out	-	(514,176)	(514,176)
Total Other Financing Sources (Uses)	8,159,725	2,196,558	(5,963,167)
Net Change in Fund Balance	-	(880,139)	(880,139)
Fund Balance, Beginning of Year	(704,022)	(704,022)	-
Fund Balance, End of Year	\$ (704,022)	\$ (1,584,161)	\$ (880,139)

CITY OF PLACENTIA
INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of goods and services provided by one City department to others, or to other governmental units, on a cost-reimbursement basis (including depreciation).

Risk Management Fund – To account for payments made for insurance services relative to workers' compensation, unemployment, and general liability.

Health and Welfare Fund – To account for payments made for insurance services relative to health and welfare.

Equipment Replacement Fund – To account for the acquisition of vehicles and other significant equipment, and to accumulate funds for equipment replacement.

Information Technology Fund – To account for the acquisition of computers and other technological equipment, and to accumulate funds for equipment replacement.

Citywide Services Fund – To account for reprographics, vehicle maintenance, and building maintenance.

CITY OF PLACENTIA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF FUND NET ASSETS
JUNE 30, 2012

	Risk Management	Health and Welfare	Equipment Replacement	Information Technology	Citywide Services	Total
ASSETS						
Current Assets						
Cash and investments	\$ 1,769,193	\$ -	\$ -	\$ -	\$ 106,238	\$ 1,875,431
Accounts receivable	-	187	90	-	-	277
Deposits	50,781	37,614	-	-	-	88,395
Inventory of supplies	-	-	-	-	49,510	49,510
Total Current Assets	<u>1,819,974</u>	<u>37,801</u>	<u>90</u>	<u>-</u>	<u>155,748</u>	<u>2,013,613</u>
Noncurrent assets						
Equipment, net of accumulated depreciation	-	-	334,165	129,006	14,809	477,980
Total Assets	<u>1,819,974</u>	<u>37,801</u>	<u>334,255</u>	<u>129,006</u>	<u>170,557</u>	<u>2,491,593</u>
LIABILITIES						
Current Liabilities:						
Accounts payable	40,613	-	-	13,770	165,106	219,489
Payroll payable	-	-	-	281	5,693	5,974
Insurance claims payable, current	210,352	-	-	-	-	210,352
Deferred Revenue	-	134	-	-	-	134
Total Current Liabilities	<u>250,965</u>	<u>134</u>	<u>-</u>	<u>14,051</u>	<u>170,799</u>	<u>435,949</u>
Noncurrent Liabilities:						
Insurance claims payable	<u>1,769,009</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,769,009</u>
Total Current Liabilities	<u>2,019,974</u>	<u>134</u>	<u>-</u>	<u>14,051</u>	<u>170,799</u>	<u>2,204,958</u>
NET ASSETS						
Invested in capital assets, net of related debt						
	-	-	334,165	129,006	14,809	477,980
Unrestricted	<u>(200,000)</u>	<u>37,667</u>	<u>90</u>	<u>(14,051)</u>	<u>(15,051)</u>	<u>(191,345)</u>
Total Net Assets	<u>\$ (200,000)</u>	<u>\$ 37,667</u>	<u>\$ 334,255</u>	<u>\$ 114,955</u>	<u>\$ (242)</u>	<u>\$ 286,635</u>

CITY OF PLACENTIA

**INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
YEAR ENDED JUNE 30, 2012**

	<u>Risk Management</u>	<u>Health and Welfare</u>	<u>Equipment Replacement</u>	<u>Information Technology</u>	<u>Citywide Services</u>	<u>Total</u>
OPERATING REVENUES						
Reimbursements	\$ 11,937	\$ 97,790	\$ -	\$ -	\$ -	\$ 109,727
Miscellaneous	-	-	19,388	-	410	19,798
Total Operating Revenues	<u>11,937</u>	<u>97,790</u>	<u>19,388</u>	<u>-</u>	<u>410</u>	<u>129,525</u>
OPERATING EXPENSES						
Administration	224,715	-	-	375,814	2,013,227	2,613,756
Reinsurance premiums	-	109,574	-	-	-	109,574
Claims	757,248	-	-	-	-	757,248
Medical and dental premiums	-	956,017	-	-	-	956,017
Liability insurance premiums	573,757	15,878	-	-	-	589,635
Depreciation expense	-	-	116,541	80,525	8,906	205,972
Total Operating Expenses	<u>1,555,720</u>	<u>1,081,469</u>	<u>116,541</u>	<u>456,339</u>	<u>2,022,133</u>	<u>5,232,202</u>
Operating Income (Loss) Before Transfers	<u>(1,543,783)</u>	<u>(983,679)</u>	<u>(97,153)</u>	<u>(456,339)</u>	<u>(2,021,723)</u>	<u>(5,102,677)</u>
Transfers in	3,204,320	1,021,346	66,855	304,466	1,915,976	6,512,963
Transfers out	<u>(200,000)</u>	<u>-</u>	<u>(86,153)</u>	<u>-</u>	<u>-</u>	<u>(286,153)</u>
Net Income (Loss)	1,460,537	37,667	(116,451)	(151,873)	(105,747)	1,124,133
Fund Net Assets at Beginning of Year	<u>(1,660,537)</u>	<u>-</u>	<u>450,706</u>	<u>266,828</u>	<u>105,505</u>	<u>(837,498)</u>
Fund Net Assets at End of Year	<u>\$ (200,000)</u>	<u>\$ 37,667</u>	<u>\$ 334,255</u>	<u>\$ 114,955</u>	<u>\$ (242)</u>	<u>\$ 286,635</u>

CITY OF PLACENTIA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2012

	Risk Management	Health and Welfare
Cash Flows from Operating Activities:		
Cash received from (paid to) user customers	\$ 88,689	\$ 73,623
Cash payments to suppliers for goods and services	(1,099,101)	(1,108,031)
Cash payments to employees	(224,715)	-
Net Cash Provided by (Used for) Operating Activities	<u>(1,235,127)</u>	<u>(1,034,408)</u>
Cash Flows from Non-Capital Financing Activities:		
Cash received from other funds	3,204,320	1,021,346
Cash paid to other funds	(200,000)	-
Net Cash Provided by (Used for) Non-Capital Financing Activities	<u>3,004,320</u>	<u>1,021,346</u>
Cash Flows Provided by (used for) Capital and Related Financing Activities:		
Acquisition of Equipment	-	-
Net Increase (Decrease) in Cash and Cash Equivalents	<u>1,769,193</u>	<u>(13,062)</u>
Cash and Cash Equivalents at Beginning of Year	-	13,062
Cash and Cash Equivalents at End of Year	<u>\$ 1,769,193</u>	<u>\$ -</u>
Reconciliation of Operating Income (Loss) to Net Cash		
Provided by (Used for) Operating Activities:		
Operating income (loss)	\$ (1,543,783)	\$ (983,679)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:		
Depreciation	-	-
(Increase) decrease in accounts receivable	539	(2)
(Increase) decrease in deposits	76,213	(24,165)
(Increase) decrease in inventory of supplies	-	-
Increase (decrease) in accounts payable	(40,897)	(26,557)
Increase (decrease) in payroll payable	-	-
Increase (decrease) in deferred revenue	-	(5)
Increase (decrease) in insurance claims payable	272,801	-
Total Adjustments	<u>308,656</u>	<u>(50,729)</u>
Net Cash Provided By (used for) Operating Activities	<u>\$ (1,235,127)</u>	<u>\$ (1,034,408)</u>

<u>Equipment Replacement</u>	<u>Information Technology</u>	<u>Citywide Services</u>	<u>Total</u>
\$ 19,298	\$ -	\$ 1,166	\$ 182,776
-	(364,402)	(1,621,260)	(4,192,794)
-	(9,231)	(316,280)	(550,226)
<u>19,298</u>	<u>(373,633)</u>	<u>(1,936,374)</u>	<u>(4,560,244)</u>
66,855	304,466	1,915,976	6,512,963
(86,153)	-	-	(286,153)
<u>(19,298)</u>	<u>304,466</u>	<u>1,915,976</u>	<u>6,226,810</u>
-	(13,952)	-	(13,952)
-	(83,119)	(20,398)	1,652,614
-	83,119	126,636	222,817
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 106,238</u>	<u>\$ 1,875,431</u>
<u>\$ (97,153)</u>	<u>\$ (456,339)</u>	<u>\$ (2,021,723)</u>	<u>\$ (5,102,677)</u>
116,541	80,525	8,906	205,972
(90)	-	756	1,203
-	-	-	52,048
-	-	54,999	54,999
-	2,012	30,234	(35,208)
-	169	(9,546)	(9,377)
-	-	-	(5)
-	-	-	272,801
<u>116,451</u>	<u>82,706</u>	<u>85,349</u>	<u>542,433</u>
<u>\$ 19,298</u>	<u>\$ (373,633)</u>	<u>\$ (1,936,374)</u>	<u>\$ (4,560,244)</u>

CITY OF PLACENTIA

AGENCY FUNDS

The Agency Funds are used to account for funds when the City is acting as an agent for other governmental units, private organizations, or individuals.

Special Deposits Fund - To account for monies held and disbursed by the City in the capacity of an agent for individuals, developers or other entities.

Community Facilities District Fund - To account for monies held and disbursed by the City in the capacity of an agent for developers or other entities. Also, to account for the collection and payment to the holders of the Community Facilities District 89-1 Special Tax Bonds. .

H.C.D. Rehabilitation Loans Fund - To account for monies held and disbursed by the City for the H.C.D. Rehabilitation Loan Program.

Alta Vista 85-1 District Fund - To account for the collection and payment to the holders of the 1915 Act Assessment 85-1 District Bonds.

CITY OF PLACENTIA

**AGENCY FUNDS
COMBINING STATEMENT OF ASSETS AND LIABILITIES
JUNE 30, 2012**

	<u>Special Deposits</u>	<u>Community Facilities District</u>	<u>H.C.D. Rehabilitation Loans</u>	<u>Alta Vista 85-1 District</u>	<u>Total</u>
ASSETS					
Cash and investments	\$ 1,131,720	\$ 2,571,414	\$ 164,970	\$ -	\$ 3,868,104
Cash and investments with fiscal agent	-	2,174,851	-	-	2,174,851
Accounts Receivable	36,114	-	-	-	36,114
Taxes Receivable	-	47,614	-	-	47,614
Notes receivable pledged as collateral for H.C.D. rehabilitation loans	-	-	4,680	-	4,680
Total Assets	<u>\$ 1,167,834</u>	<u>\$ 4,793,879</u>	<u>\$ 169,650</u>	<u>\$ -</u>	<u>\$ 6,131,363</u>
LIABILITIES					
Due to other governments	\$ -	\$ -	\$ 169,650	\$ -	\$ 169,650
Deposits payable	1,167,834	4,793,879	-	-	5,961,713
Total Liabilities	<u>\$ 1,167,834</u>	<u>\$ 4,793,879</u>	<u>\$ 169,650</u>	<u>\$ -</u>	<u>\$ 6,131,363</u>

CITY OF PLACENTIA

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

	Balance July 1, 2011	Additions	Reductions	Balance June 30, 2012
<u>SPECIAL DEPOSITS</u>				
ASSETS				
Cash and investments	\$ 698,370	\$ 880,226	\$ (446,876)	\$ 1,131,720
Accounts receivable	22,255	36,114	(22,255)	36,114
Auto supply inventory	1,238	-	(1,238)	-
Total Assets	<u>\$ 721,863</u>	<u>\$ 916,340</u>	<u>\$ (470,369)</u>	<u>\$ 1,167,834</u>
LIABILITIES				
Deposits payable	<u>\$ 721,863</u>	<u>\$ 916,340</u>	<u>\$ (470,369)</u>	<u>\$ 1,167,834</u>
<u>COMMUNITY FACILITIES DISTRICT</u>				
ASSETS				
Cash and investments	\$ 2,381,873	\$ 3,362,654	\$ (3,173,113)	\$ 2,571,414
Cash and investments with fiscal agent	2,007,411	3,181,245	(3,013,805)	2,174,851
Taxes receivable	49,384	47,614	(49,384)	47,614
Total Assets	<u>\$ 4,438,668</u>	<u>\$ 6,591,513</u>	<u>\$ (6,236,302)</u>	<u>\$ 4,793,879</u>
LIABILITIES				
Deposits payable	<u>\$ 4,438,668</u>	<u>\$ 6,591,513</u>	<u>\$ (6,236,302)</u>	<u>\$ 4,793,879</u>
<u>H.C.D. REHABILITATION LOANS</u>				
ASSETS				
Cash and investments	\$ 161,295	\$ 4,918	\$ (1,243)	\$ 164,970
Notes receivable pledged as collateral	139,489	1,656	(136,465)	4,680
Total Assets	<u>\$ 300,784</u>	<u>\$ 6,574</u>	<u>\$ (137,708)</u>	<u>\$ 169,650</u>
LIABILITIES				
Due to other governments	<u>\$ 300,784</u>	<u>\$ 6,574</u>	<u>\$ (137,708)</u>	<u>\$ 169,650</u>
<u>ALTA VISTA 85-1 DISTRICT</u>				
ASSETS				
Cash and investments	\$ 1,157	\$ -	\$ (1,157)	\$ -
Total Assets	<u>\$ 1,157</u>	<u>\$ -</u>	<u>\$ (1,157)</u>	<u>\$ -</u>
LIABILITIES				
Deposits payable	<u>\$ 1,157</u>	<u>\$ -</u>	<u>\$ (1,157)</u>	<u>\$ -</u>
<u>TOTALS-ALL AGENCY FUNDS</u>				
ASSETS				
Cash and investments	\$ 3,242,695	\$ 4,247,798	\$ (3,622,389)	\$ 3,868,104
Cash and investments with fiscal agent	2,007,411	3,181,245	(3,013,805)	2,174,851
Accounts receivable	22,255	36,114	(22,255)	36,114
Taxes receivable	49,384	47,614	(49,384)	47,614
Auto supply inventory	1,238	-	(1,238)	-
Notes receivable pledged as collateral	139,489	1,656	(136,465)	4,680
Total Assets	<u>\$ 5,462,472</u>	<u>\$ 7,514,427</u>	<u>\$ (6,845,536)</u>	<u>\$ 6,131,363</u>
LIABILITIES				
Due to other governments	\$ 300,784	\$ 6,574	\$ (137,708)	\$ 169,650
Deposits payable	5,161,688	7,507,853	(6,707,828)	5,961,713
Total Liabilities	<u>\$ 5,462,472</u>	<u>\$ 7,514,427</u>	<u>\$ (6,845,536)</u>	<u>\$ 6,131,363</u>

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STATISTICAL SECTION

(Unaudited)

This part of the City of Placentia's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Financial Trends - These schedules contain information to help the reader to understand how the City's financial performance and well-being have changed over time.

Net Assets by Component – Last Ten Fiscal Years	125
Changes in Net Assets – Last Ten Fiscal Years	126-127
Fund Balances of Governmental Funds – Last Ten Fiscal Years	128
Changes in Fund Balances of Governmental Funds – Last Ten Fiscal Years	129-130
General Governmental Tax Revenue by Source – Last Ten Fiscal Years	131

Revenue Capacity - These schedules contain information to help the reader assess the City's property tax.

Assessed Value of Taxable Property – Last Ten Fiscal Years	132
Direct and Overlapping Property Tax Rates – Last Ten Fiscal Years	133
Principal Property Taxpayers – Current Year and Nine Years Ago	134
Property Tax Levies and Collections – Last Ten Fiscal Years	135

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

Ratio of Outstanding Debt by Type – Last Ten Fiscal Years	136
Direct and Overlapping Governmental Activity Debt – As of June 30, 2012	137
Legal Debt Margin Information – Last Ten Fiscal Years	138

Demographic and Economic Information - These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Demographic and Economic Statistics – Last Ten Calendar Years	139
Principal Employers – Current Year and Ten Years Ago	140

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

Full-time City Employees by Department – Last Ten Fiscal Years	141
Operational Indicators by Function/Program – Last Seven Fiscal Years	142
Capital Assets Statistics by Function/Program – Last Ten Fiscal Years	143

CITY OF PLACENTIA

**Net Assets by Component
Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands)**

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Governmental activities										
Invested in capital assets, net of related debt	\$ 12,751	\$ 14,705	\$ 66,401	\$ 71,954	\$ 82,805	\$ 69,881	\$ 78,071	\$ 58,119	\$ 60,198	\$ 70,726
Restricted	9,524	3,871	7,047	7,234	6,104	5,316	7,785	-	8,717	2,981
Unrestricted	(7,029)	1,612	(25,373)	(14,159)	(20,936)	(20,681)	(38,860)	(9,756)	(12,267)	(7,936)
Total governmental activities net assets	<u>\$ 15,246</u>	<u>\$ 20,188</u>	<u>\$ 48,075</u>	<u>\$ 65,029</u>	<u>\$ 67,973</u>	<u>\$ 54,516</u>	<u>\$ 46,996</u>	<u>\$ 48,363</u>	<u>\$ 56,648</u>	<u>\$ 65,771</u>
Business-type activities										
Invested in capital assets, net of related debt	\$ 790	\$ 669	\$ 579	\$ 535	\$ 474	\$ 13,725	\$ 13,134	\$ 12,543	\$ 13,277	\$ 12,686
Restricted	200	-	-	-	-	-	-	-	-	-
Unrestricted	(391)	62	384	1,542	2,603	3,578	2,921	5,076	(1,041)	(874)
Total business-type activities net assets	<u>\$ 599</u>	<u>\$ 731</u>	<u>\$ 963</u>	<u>\$ 2,077</u>	<u>\$ 3,077</u>	<u>\$ 17,303</u>	<u>\$ 16,055</u>	<u>\$ 17,619</u>	<u>\$ 12,236</u>	<u>\$ 11,812</u>
Primary government										
Invested in capital assets, net of related debt	\$ 13,541	\$ 15,374	\$ 66,980	\$ 72,489	\$ 83,279	\$ 83,606	\$ 91,205	\$ 70,662	\$ 73,475	\$ 83,412
Restricted	9,724	3,871	7,047	7,234	6,104	5,316	7,785	-	8,717	2,981
Unrestricted	(7,420)	1,674	(24,989)	(12,617)	(18,333)	(17,103)	(35,939)	(4,680)	(13,308)	(8,810)
Total primary government net assets	<u>\$ 15,845</u>	<u>\$ 20,919</u>	<u>\$ 49,038</u>	<u>\$ 67,106</u>	<u>\$ 71,050</u>	<u>\$ 71,819</u>	<u>\$ 63,051</u>	<u>\$ 65,982</u>	<u>\$ 68,884</u>	<u>\$ 77,583</u>

Source: City of Placentia, Finance Department

CITY OF PLACENTIA

**Changes in Net Assets
Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands)**

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Expenses										
Governmental activities:										
General government	\$ 3,946	\$ 3,111	\$ 3,617	\$ 4,117	\$ 1,984	\$ 2,693	\$ 3,801	\$ 8,664	\$ 4,974	\$ 10,833
Public safety	13,197	13,869	14,328	16,044	16,342	17,481	17,568	15,770	18,342	16,104
Public works	8,427	5,246	8,910	4,136	8,812	8,435	8,019	4,222	6,466	6,525
Community services	2,120	2,521	2,099	2,091	2,964	3,608	2,820	1,850	1,145	1,034
Redevelopment	2,944	766	599	2,109	674	682	1,305	1,755	2,077	658
SERAF	-	-	-	-	-	-	-	843	174	-
Interest on long-term debt	774	626	1,392	1,378	1,357	1,361	1,197	1,718	1,892	1,414
Total governmental activities	<u>31,408</u>	<u>26,139</u>	<u>30,945</u>	<u>29,875</u>	<u>32,133</u>	<u>34,260</u>	<u>34,710</u>	<u>34,822</u>	<u>35,070</u>	<u>36,568</u>
Business-type activities:										
Refuse	1,948	2,013	2,107	2,286	2,430	2,599	3,163	2,579	2,779	2,880
Compressed natural gas	38	222	324	347	363	410	143	425	464	100
Sewer maintenance	-	-	41	214	682	808	928	1,029	1,404	1,114
Total business-type activities	<u>1,986</u>	<u>2,235</u>	<u>2,472</u>	<u>2,847</u>	<u>3,475</u>	<u>3,817</u>	<u>4,234</u>	<u>4,033</u>	<u>4,647</u>	<u>4,094</u>
Total primary government expenses	<u>\$ 33,394</u>	<u>\$ 28,374</u>	<u>\$ 33,417</u>	<u>\$ 32,722</u>	<u>\$ 35,608</u>	<u>\$ 38,077</u>	<u>\$ 38,944</u>	<u>\$ 38,855</u>	<u>\$ 39,717</u>	<u>\$ 40,662</u>
Program Revenues										
Governmental activities:										
Charges for services										
General government	\$ 1,709	\$ 1,577	\$ 1,584	\$ 1,456	\$ 761	\$ 745	\$ 1,302	\$ 1,556	\$ 3,003	\$ 2,091
Public safety	578	486	795	714	1,085	876	1,116	947	1,740	1,556
Public works	415	418	420	469	925	1,162	1,280	1,131	1,204	1,548
Community Services	194	387	468	466	545	660	511	505	427	776
Operating grants	15,134	2,833	2,402	-	3,149	3,124	2,425	3,883	2,608	2,137
Capital grants and contributions	689	5,674	423	-	4,234	4,238	3,372	3,377	2,128	1,605
Total governmental activities program revenues	<u>18,719</u>	<u>11,375</u>	<u>6,092</u>	<u>3,105</u>	<u>10,699</u>	<u>10,805</u>	<u>10,006</u>	<u>11,399</u>	<u>11,110</u>	<u>9,713</u>
Business-type activities:										
Charges for services										
Refuse	2,094	2,513	2,503	2,701	2,923	3,032	2,898	3,015	2,432	2,730
Compressed natural gas	2	115	213	293	430	419	372	417	541	76
Sewer maintenance	478	23	18	933	1,126	1,069	830	898	778	858
Capital grants and contributions	-	-	-	-	-	-	-	501	-	-
Total business-type activities program revenues	<u>2,574</u>	<u>2,651</u>	<u>2,734</u>	<u>3,927</u>	<u>4,479</u>	<u>4,520</u>	<u>4,100</u>	<u>4,831</u>	<u>3,751</u>	<u>3,664</u>
Total primary government program revenues	<u>21,293</u>	<u>14,026</u>	<u>8,826</u>	<u>7,032</u>	<u>15,178</u>	<u>15,325</u>	<u>14,106</u>	<u>16,230</u>	<u>14,861</u>	<u>13,377</u>
Net (expense)/revenue										
Governmental activities	(12,689)	(14,764)	(24,853)	(26,770)	(21,434)	(23,455)	(24,704)	(23,423)	(23,960)	(26,855)
Business-type activities	588	416	262	1,080	1,004	703	(134)	798	(896)	(430)
Total primary government net expenses	<u>\$ (12,101)</u>	<u>\$ (14,348)</u>	<u>\$ (24,591)</u>	<u>\$ (25,690)</u>	<u>\$ (20,430)</u>	<u>\$ (22,752)</u>	<u>\$ (24,838)</u>	<u>\$ (22,625)</u>	<u>\$ (24,856)</u>	<u>\$ (27,285)</u>

Source: City of Placentia, Finance Department

CITY OF PLACENTIA

Changes in Net Assets Last Ten Fiscal Years (continued) (accrual basis of accounting) (amounts expressed in thousands)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
General Revenues and Other Changes in Net Assets										
Governmental activities:										
Taxes										
Property	\$ 6,347	\$ 6,796	\$ 9,662	\$ 11,078	\$ 12,918	\$ 13,791	\$ 13,827	\$ 12,553	\$ 13,416	\$ 12,452
Sales and use	5,144	5,682	5,372	5,704	5,820	5,452	4,686	3,930	5,063	4,225
Utility users	1,924	2,214	2,304	2,604	2,756	2,603	2,822	2,694	2,767	2,851
Franchise	980	1,127	1,253	1,156	1,077	1,226	1,150	1,203	2,453	2,056
Other	906	795	938	1,068	1,001	891	803	1,762	771	805
Motor vehicle in lieu	2,568	2,177	1,102	314	259	216	188	153	126	1,386
Investment income	420	150	296	642	261	46	43	39	595	199
Other	659	481	1,381	1,984	214	350	972	715	2,339	1,047
Special item	-	-	-	-	-	-	(4,047)	2,500	-	-
Extraordinary item	-	-	-	-	-	-	(5,562)	-	-	10,880
Transfers	222	284	29	14	71	249	1,145	566	831	76
Total governmental activities	19,170	19,706	22,337	24,564	24,377	24,824	16,027	26,115	28,361	35,977
Business-type activities										
Investment income	-	-	-	48	66	86	31	6	8	8
Unrestricted grants and contributions	-	-	-	-	-	-	-	-	-	-
Gain on disposal of assets	-	-	-	-	2	-	-	-	-	-
Other	-	-	-	-	-	15	-	-	-	75
Transfers	127	(284)	(29)	(14)	(71)	(249)	(1,145)	(566)	(831)	(76)
Total business-type activities	127	(284)	(29)	34	(3)	(148)	(1,114)	(560)	(823)	7
Total primary government	19,297	19,422	22,308	24,598	24,374	24,676	14,913	25,555	27,538	35,984
Change In Net Assets										
Governmental activities	6,481	4,942	(2,516)	(2,206)	2,943	1,369	(8,677)	2,692	4,401	9,122
Business-type activities	715	132	233	1,114	1,001	555	(1,248)	238	(1,719)	(423)
Total primary government	\$ 7,196	\$ 5,074	\$ (2,283)	\$ (1,092)	\$ 3,944	\$ 1,924	\$ (9,925)	\$ 2,930	\$ 2,682	\$ 8,699

CITY OF PLACENTIA

**Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)**

	<u>2011</u>	<u>2012</u>
General Fund		
Nonspendable	\$ 5,823,730	\$ 4,773,805
Restricted	-	-
Assigned	500,000	-
Unassigned	<u>(294,232)</u>	<u>1,996,977</u>
Total General Fund	<u>6,029,498</u>	<u>6,770,782</u>
All Other Governmental Funds		
Nonspendable	1,753,720	96,059
Restricted	9,121,932	8,118,175
Assigned	505,349	-
Unassigned	<u>(1,636,092)</u>	<u>(2,441,382)</u>
Total All Other Governmental Funds	<u>9,744,909</u>	<u>5,772,852</u>
Total All Governmental Funds	<u>\$ 15,774,407</u>	<u>\$ 12,543,634</u>

The City of Placentia implemented GASB 54 for the fiscal year ended June 30, 2011. Information prior to the implementation of GASB 54 is not available.

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
General Fund								
Reserved	\$ 9,419	\$ 14,265	\$ 16,638	\$ 7,503	\$ 101	\$ 139	\$ 3,894	\$ 6,736
Unreserved	<u>(3,496)</u>	<u>(2,015)</u>	<u>(5,487)</u>	<u>(4,887)</u>	<u>(3,108)</u>	<u>(4,698)</u>	<u>(5,234)</u>	<u>(4,521)</u>
Total General Fund	<u>5,923</u>	<u>12,250</u>	<u>11,151</u>	<u>2,616</u>	<u>(3,007)</u>	<u>(4,559)</u>	<u>(1,340)</u>	<u>2,215</u>
All Other Governmental Funds								
Reserved	6,755	7,589	5,482	5,254	6,106	3,039	4,548	7,541
Unreserved, reported in:								
Special Revenue Funds	<u>(3,252)</u>	<u>(3,815)</u>	1,201	2,568	1,992	4,569	1,850	1,145
Debt Service Funds	<u>(236)</u>	628	308	637	-	840	1,692	(4,651)
Capital Project Funds	<u>(5,774)</u>	<u>(19,351)</u>	<u>(22,083)</u>	943	<u>(1,994)</u>	<u>(3,133)</u>	<u>(2,814)</u>	<u>(4,783)</u>
Total All Other Governmental Funds	<u>(2,507)</u>	<u>(14,949)</u>	<u>(15,092)</u>	9,402	6,104	5,315	5,276	(748)
Total All Governmental Funds	<u>\$ 3,416</u>	<u>\$ (2,699)</u>	<u>\$ (3,941)</u>	<u>\$ 12,018</u>	<u>\$ 3,097</u>	<u>\$ 756</u>	<u>\$ 3,936</u>	<u>\$ 1,467</u>

Source: City of Placentia, Finance Department

CITY OF PLACENTIA

**Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)**

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Revenues				
Property Tax	\$ 6,423	\$ 6,947	\$ 9,835	\$ 11,208
Sales Tax	5,351	5,902	4,252	4,881
Other Tax	5,193	7,516	6,714	6,118
Intergovernmental	18,001	7,686	3,442	19,387
Licenses and permits	790	659	575	533
Fines and forfeitures	405	333	488	522
Investment income	460	193	336	604
Charges for services	862	1,168	1,593	1,429
Other	427	189	1,486	2,521
Total Revenues	<u>37,912</u>	<u>30,593</u>	<u>28,721</u>	<u>47,203</u>
Expenditures				
Current:				
General Government	3,083	2,834	3,418	3,780
Public Safety	12,570	13,359	13,489	15,067
Public Works	8,179	4,989	8,746	9,042
Recreation & human services	1,936	2,104	2,053	2,039
Redevelopment	1,666	806	672	1,491
SERAF	-	-	-	-
Capital Outlay	13,820	18,729	6,745	566
Debt Service				
Principal	740	649	1,048	1,278
Interest	803	598	1,149	1,332
Other debt service	426	621	183	-
Other	2,141	3,818	83	-
Total Expenditures	<u>45,364</u>	<u>48,507</u>	<u>37,586</u>	<u>34,595</u>
Excess of revenues over/(under) expenditures	<u>(7,452)</u>	<u>(17,914)</u>	<u>(8,865)</u>	<u>12,608</u>
Other Financing Sources/(Uses)				
Transfers In	6,976	20,057	8,327	22,887
Transfers Out	(7,103)	(19,596)	(8,323)	(22,912)
Proceeds from long-term debt	3,800	11,145	6,940	-
Other	247	193	679	3,376
Total other financing sources	<u>3,920</u>	<u>11,799</u>	<u>7,623</u>	<u>3,351</u>
Net Change in Fund Balances	<u>\$ (3,532)</u>	<u>\$ (6,115)</u>	<u>\$ (1,242)</u>	<u>\$ 15,959</u>

2007	2008	2009	2010	2011	2012
\$ 12,918	\$ 13,791	\$ 13,816	\$ 13,559	\$ 13,415	\$ 12,451
5,820	5,300	4,686	3,930	5,063	5,611
4,923	4,732	4,955	4,654	6,116	5,712
4,451	5,855	5,165	5,295	5,036	3,742
1,328	1,441	2,126	2,448	1,397	1,730
904	845	878	819	604	753
1,637	1,332	1,141	83	595	423
1,472	1,465	1,595	1,464	2,343	2,370
1,009	1,286	919	342	4,138	1,786
<u>34,462</u>	<u>36,047</u>	<u>35,281</u>	<u>32,594</u>	<u>38,707</u>	<u>34,578</u>
3,256	3,437	3,544	3,584	3,958	4,690
16,070	17,167	17,217	15,602	15,322	15,978
8,826	10,427	6,573	2,850	5,864	6,617
2,950	3,568	2,846	1,826	983	1,033
2,692	1,550	2,177	1,755	1,775	659
-	-	-	843	174	-
-	-	8,251	3,940	392	441
8,210	1,260	1,345	1,430	1,420	1,186
1,332	1,097	933	1,749	1,759	1,617
-	-	339	-	-	-
-	-	-	-	-	-
<u>43,336</u>	<u>38,506</u>	<u>43,225</u>	<u>33,579</u>	<u>31,647</u>	<u>32,221</u>
<u>(8,874)</u>	<u>(2,459)</u>	<u>(7,944)</u>	<u>(985)</u>	<u>7,060</u>	<u>2,357</u>
6,581	6,545	15,946	14,707	12,063	10,869
(6,581)	(6,440)	(15,898)	(18,693)	(14,263)	(17,020)
-	-	11,240	1	5,784	399
12	13	(164)	2,500	-	193
<u>12</u>	<u>118</u>	<u>11,124</u>	<u>(1,485)</u>	<u>3,584</u>	<u>(5,559)</u>
<u>\$ (8,862)</u>	<u>\$ (2,341)</u>	<u>\$ 3,180</u>	<u>\$ (2,470)</u>	<u>\$ 10,644</u>	<u>\$ (3,202)</u>

CITY OF PLACENTIA

**General Governmental Tax Revenue by Source
Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>Property Taxes</u>	<u>Sales and Use Taxes</u>	<u>Other Taxes</u>	<u>Licenses and Permits</u>	<u>Fines Forfeitures & Penalties</u>	<u>Use of Money and Property</u>	<u>Inter-governmental Revenue</u>	<u>Charges for Current Services</u>	<u>Other Revenues</u>	<u>Totals</u>
2003	\$ 6,423,234	\$ 5,351,279	\$ 5,193,644	\$ 789,712	\$ 405,240	\$ 460,132	\$ 18,001,305	\$ 861,938	\$ 426,836	\$ 37,913,320
2004	6,947,569	5,902,477	7,516,485	658,775	332,913	190,773	2,857,789	1,167,909	176,842	25,751,532
2005	9,835,841	4,252,155	6,714,252	574,689	487,648	335,823	3,441,909	1,592,677	1,485,654	28,720,648
2006	9,533,303	4,881,095	3,242,081	532,904	436,086	192,235	1,298,757	960,553	2,162,766	23,239,780
2007	10,699,537	5,820,037	2,078,677	1,309,238	801,584	195,105	929,088	1,003,834	953,884	23,790,984
2008	11,371,081	5,300,514	2,116,009	1,441,263	765,264	4,352	1,527,873	995,223	1,199,926	24,721,505
2009	11,464,895	4,685,797	1,912,555	2,062,294	713,172	29,157	630,639	1,121,933	914,860	23,535,302
2010	11,185,541	3,930,224	1,960,357	2,445,469	788,012	34,236	460,128	935,521	109,395	21,848,883
2011	11,143,701	5,063,285	3,261,866	1,397,396	542,172	514,827	537,577	1,648,767	2,492,821	26,602,412
2012	11,160,051	5,611,105	2,860,703	1,730,070	595,239	391,869	54,850	1,350,666	1,239,397	24,993,950

Source: City of Placentia, Finance Department

CITY OF PLACENTIA

**Assessed Value of Taxable Property
Last Ten Fiscal Years
(amounts expressed in thousands)**

Fiscal Year Ended June 30	City			Taxable Assessed Value
	Secured	Public Utility	Unsecured	
2003	\$ 3,117,311	\$ 3,135	\$ 140,622	\$ 3,261,068
2004	3,356,745	2,939	139,573	3,499,257
2005	3,649,241	2,900	139,925	3,792,066
2006	4,025,669	2,927	160,990	4,189,586
2007	4,475,589	2,838	150,559	4,628,986
2008	4,820,355	381	170,439	4,991,175
2009	4,693,057	465	140,530	4,834,052
2010	4,794,903	390	172,357	4,967,650
2011	4,795,545	390	173,088	4,969,023
2012	4,849,370	390	157,793	5,007,553

Note:

In 1978, the voters of the State of California passed Proposition 13 which limited property taxes to a total maximum rate of 1% based upon the assessed value of the property being taxed. Each year, the assessed value of property may be increased by an "inflation factor" (limited to a maximum increase of 2%). With few exceptions, property is only re-assessed at the time that it is sold to a new owner. At that point, the new assessed value is reassessed at the purchase price of the property sold. The assessed valuation data shown above represents the only data currently available with respect to the actual market value of taxable property and is subject to the limitations described above.

Source: County of Orange

CITY OF PLACENTIA

**Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years**

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Placentia City	0.1340	0.1340	0.1340	0.1340	0.1340	0.1340	0.1340	0.1340	0.1340	0.1340
Placentia City Lighting Reorganization	0.0304	0.0304	0.0304	0.0304	0.0302	0.0300	0.0304	0.0304	0.0304	0.0304
Direct City Rate	0.1644	0.1644	0.1644	0.1644	0.1642	0.1640	0.1644	0.1644	0.1644	0.1644
Overlapping Rates:										
O.C. Water District Water Reserve	0.0001	0.0001	0.0001	0.0001	0.0001	0.0001	0.0001	0.00012	0.00012	0.00012
O.C. Vector Control	0.0011	0.0011	0.0011	0.0011	0.0011	0.0010	0.0011	0.00105	0.00105	0.00105
O.C. Transportation Authority	0.0026	0.0026	0.0026	0.0026	0.0026	0.0026	0.0026	0.00264	0.00264	0.00264
O.C. Water District	0.0080	0.0080	0.0080	0.0080	0.0080	0.0080	0.0080	0.0080	0.0080	0.0080
O.C. Harbors, Beaches, Parks	0.0144	0.0144	0.0144	0.0144	0.0144	0.0133	0.0144	0.01436	0.01436	0.01436
O.C. Department of Education	0.0171	0.0171	0.0171	0.0171	0.0171	0.0170	0.0170	0.0171	0.0171	0.0171
O.C. Flood Control Dist General	0.0186	0.0186	0.0186	0.0186	0.0186	0.0190	0.0186	0.01857	0.01857	0.01857
O.C. Sanitation District 2 Operating	0.0309	0.0309	0.0309	0.0309	0.0309	0.0310	0.0309	0.0309	0.0309	0.0309
Placentia Library District	0.0376	0.0376	0.0376	0.0376	0.0376	0.0380	0.0376	0.0376	0.0376	0.0376
O.C. General Fund	0.0579	0.0579	0.0579	0.0579	0.0579	0.0580	0.0579	0.0579	0.0579	0.0579
North O.C. Community College General	0.0656	0.0656	0.0656	0.0656	0.0656	0.0660	0.0655	0.0655	0.0655	0.0655
Education Revenue Augmentation Fund	0.1876	0.1876	0.1876	0.1876	0.1876	0.1880	0.1876	0.1876	0.1876	0.1876
Placentia Unified General Fund	0.3943	0.3943	0.3943	0.3943	0.3943	0.3940	0.3943	0.3943	0.3943	0.3943
Total Direct City and Overlapping Rate	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Metro Water District	0.0067	0.0061	0.0058	0.0052	0.0047	0.0045	0.0043	0.0043	0.0037	0.0037
Placentia Schools	0.0475	0.0299	0.0449	0.0442	0.0265	0.0295	0.0476	0.0616	0.058	0.05846
North O.C. Community College Bonds	0.0000	0.0000	0.0000	0.0000	0.0144	0.0150	0.0149	0.0166	0.0176	0.01742
Total Rate	<u>1.0542</u>	<u>1.0360</u>	<u>1.0507</u>	<u>1.0494</u>	<u>1.0456</u>	<u>1.0490</u>	<u>1.0668</u>	<u>1.0825</u>	<u>1.0793</u>	<u>1.0796</u>

Note:

In 1978, the voters of the State of California passed Proposition 13 which set the property tax rate at a 1.00% fixed amount. This 1.00% is shared by all taxing agencies for which the subject property resides within.

Source: HdL Coren & Cone

CITY OF PLACENTIA

**Principal Property Taxpayers
Current and Nine Years Ago
(amounts expressed in thousands)**

Taxpayer	2012			Taxpayer	2003		
	Taxable Assessed Value	Estimated Total Tax	Percent of Total City Taxable Assessed Value		Taxable Assessed Value	Estimated Total Tax	Percent of Total City Taxable Assessed Value
OC of SD Holdings LLC (2)	\$ 64,293	\$ 643	1.28%	Donahue Schriber Realty Group	\$ 41,915	\$ 419	1.29%
Placentia 422	51,210	512	1.02%	TR Somerset Ownership Corporation	27,853	279	0.85%
Villa Tierra Apartments LLC (2)	33,680	337	0.67%	Sandcastle Partners	23,707	237	0.73%
Placentia-Linda Hospital Inc. (3)	30,776	308	0.61%	Hunt Wesson, Inc.	21,080	211	0.65%
Donahue Schriber Realty Group (10)	24,643	246	0.49%	Marriot Corporation	19,145	191	0.59%
Inland Western Placentia LLC (5)	23,397	234	0.47%	Knott Family Company, LLC	16,702	167	0.51%
Reef Imperial Rose Inc. (7)	22,240	222	0.44%	IRP Muller Associates LLC	16,698	167	0.51%
Western Oak Tree Court Partners LP.	18,582	186	0.37%	Totea Associates	15,333	153	0.47%
Greka Oil and Gas Inc	14,710	147	0.29%	MNC Brothers	14,735	147	0.45%
Bradford Terrace Placentia Apmts.	14,386	144	0.29%	General Rewinding, Inc.	13,484	135	0.41%
	<u>\$ 297,917</u>	<u>\$ 2,979</u>	<u>5.93%</u>		<u>\$ 210,652</u>	<u>\$ 2,106</u>	<u>6.46%</u>

Note:

The amounts shown above include assessed value data for both the City and the RDA Successor Agency.

Source: HdL Coren & Cone

CITY OF PLACENTIA

**Property Tax Levies and Collections
Last Ten Fiscal Years**

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percent of Levy		Amount	Percent of Levy
2003	\$ 5,182,432	\$ 5,107,407	98.55%	N/A	N/A	N/A
2004	5,639,891	5,552,451	98.45%	N/A	N/A	N/A
2005	9,219,670	9,022,689	97.86%	N/A	N/A	N/A
2006	10,509,134	10,273,977	97.76%	N/A	N/A	N/A
2007	12,096,749	12,038,615	99.52%	N/A	N/A	N/A
2008	13,053,161	12,753,432	97.70%	N/A	N/A	N/A
2009	14,171,276	14,099,708	99.49%	N/A	N/A	N/A
2010	13,659,309	12,718,318	93.11%	N/A	N/A	N/A
2011	13,612,265	13,551,901	99.56%	N/A	N/A	N/A
2012	14,121,383	13,695,151	96.98%	N/A	N/A	N/A

Note:

The amounts presented include City property taxes, In-Lieu VLF, and RDA Successor Agency taxes.

Source: County of Orange Auditor-Controller

CITY OF PLACENTIA

**Ratio of Outstanding Debt by Type
Last Ten Fiscal Years**

Fiscal Year	Governmental Activities			Business-type Activities	Total Primary Government	Percent of Assessed Valuation	Per Capita
	Tax Allocation Bonds and Notes	Capital Leases	Certificates of Participation	Capital Leases			
2003	\$ 7,645	\$ 1,303	\$ 7,369	\$ 137	\$ 16,454	0.505%	335
2004	7,535	879	13,738	92	22,244	0.636%	446
2005	7,420	808	19,965	53	28,246	0.745%	561
2006	7,295	471	19,002	18	26,786	0.639%	519
2007	7,170	208	11,038	-	18,416	0.398%	357
2008	7,040	111	9,950	-	17,101	0.343%	331
2009	17,946	15	8,782	-	26,743	0.553%	515
2010	17,839	-	7,534	-	25,373	0.511%	485
2011	17,790	-	12,336	-	30,126	0.606%	576
2012	4,202	299	11,341	-	15,842	0.316%	310

Source: City of Placentia, Finance Department

CITY OF PLACENTIA

**Direct and Overlapping Governmental Activity Debt
As of June 30, 2012**

2011-12 Assessed Valuation:	\$5,007,558,219
Redevelopment Incremental Valuation:	-
Adjusted Assessed Valuation:	<u>\$5,007,558,219</u>

DIRECT DEBT:	Total Debt 06/30/12	% Applicable (1)	City's Share of Debt 6/30/12
Capital Leases	\$ 298,772	100.00%	\$ 298,772
Certificates of Participation	11,340,886		11,340,886
Tax Allocation Bonds	6,782,600	100.00%	<u>6,782,600</u>
			<u>18,422,258</u>
 <u>OVERLAPPING TAX AND ASSESSMENT DEBT:</u>			
North Orange County Community College 2003 B	\$ 44,823,851	5.292%	\$ 2,372,148
North Orange County Community College 2002 A	3,339,525	5.292%	176,733
Placentia-Yorba Linda Unified School Dist. 2002 A	25,244,367	22.127%	5,585,939
Placentia-Yorba Linda Unified School Dist. 2004 B	24,434,744	22.127%	5,406,789
Placentia-Yorba Linda Unified School Dist. 2005 C	25,604,610	22.127%	5,665,651
North Orange County Community College 2005 Refunding	153,442,396	5.292%	8,120,410
Placentia-Yorba Linda Unified School Dist. 2008 A	72,900,000	22.127%	16,130,922
Placentia-Yorba Linda Unified School Dist. 2008 C & D	54,993,547	22.127%	12,168,678
Placentia-Yorba Linda Unified School Dist. 2008 Q	25,000,000	22.127%	5,531,866
Placentia-Yorba Linda Unified School Dist. 2008 D	27,278,918	22.127%	6,036,133
Placentia-Yorba Linda Unified School Dist. 2008 E	12,725,000	22.127%	2,815,720
Metropolitan Water District	39,848,053	1.267%	504,957
TOTAL OVERLAPPING DEBT			<u>70,515,946</u>
TOTAL DIRECT AND OVERLAPPING DEBT			<u>\$ 88,938,204</u>

(1) Percentage of overlapping agency's assessed valuation located within boundaries of the city.

Ratios of Direct vs. Overlapping Debt

Direct Debt	20.71%
Overlapping Debt	79.29%
Total Debt	100.00%

Source - HdL, Coren & Cone

CITY OF PLACENTIA

**Legal Debt Margin Information
Last Ten Fiscal Years**

Legal Debt Margin Calculation for the Current Year

Assessed value	\$ 5,007,558,219
Debt limit (3.75% of assessed value)	187,783,433
Debt applicable to limit	<u>-</u>
Legal debt margin - Current Year	<u><u>\$ 187,783,433</u></u>

<u>Fiscal Year</u>	<u>Debt Limit</u>	<u>Debt Applicable to Limit</u>	<u>Legal Debt Margin</u>	<u>Debt as Percentage of Limit</u>
2003	\$ 122,290,050	\$ -	\$ 122,290,050	\$ -
2004	131,222,138	-	131,222,138	-
2005	142,202,480	-	142,202,480	-
2006	157,109,469	-	157,109,469	-
2007	173,586,979	-	173,586,979	-
2008	187,169,052	-	187,169,052	-
2009	181,276,941	-	181,276,941	-
2010	186,295,449	-	186,295,449	-
2011	191,977,149	-	191,977,149	-
2012	187,783,433	-	187,783,433	-

Note:

The City charter includes a debt limit of 15%; however, at the time the charter was established, only 25% of the market value was used. For the purpose of determining the debt limit, the City is following the intent of the charter and reducing the debt limit to 3.75% of assessed valuation.

Source: City of Placentia, Finance Department

CITY OF PLACENTIA

**Demographic and Economic Statistics
Last Ten Calendar Years
(personal income in thousands)**

Calendar Year	City Population	Los Angeles-Long Beach-Santa Ana Area			
		Area Population	Personal Income	Per Capita Personal Income	Unemployment Rate
2003	49,097	12,824,025	\$ 427,041,303	\$ 33,300	6.9%
2004	49,891	12,901,515	453,032,702	35,115	6.3%
2005	50,323	12,933,839	475,262,940	36,746	5.0%
2006	51,236	12,866,834	482,011,000	37,462	4.4%
2007	51,597	11,872,228	513,123,392	43,220	4.7%
2008	51,727	12,270,908	539,163,000	43,938	7.7%
2009	51,932	12,875,587	552,450,000	42,907	11.9%
2010	52,305	12,874,797	512,220,900	39,785	12.1%
2011	50,665	13,248,388	550,831,747	41,577	11.3%
2012	51,084	12,844,371	561,141,943	43,688	10.3%

Sources:

City Population - State Department of Finance

Area Population and Area Personal Income - Bureau of Economic Activity/Analysis Unemployment Rate

- Bureau of Labor Statistics (August 2012)

CITY OF PLACENTIA

**Principal Employers
Current Year and Ten Years Ago**

Taxpayer	2012		2003	
	Employees	Percent of Total Employment	Number of Employees	Percent of Total Employment
Placentia-Yorba Linda Unified School District	2,500	10.63%	2,400	10.00%
Placentia-Linda Community Hospital	390	1.63%	350	1.46%
The Hartwell Corporation	300	1.25%	290	1.21%
Premedia	305	1.27%	200	0.83%
City of Placentia	215	0.90%	248	1.03%

Source: City of Placentia, Finance Department

CITY OF PLACENTIA

**Full-Time City Employees by Department
Last Ten Fiscal Years**

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Department:										
City Clerk	1.00	1.00	1.00	1.50	1.50	1.50	1.00	1.00	2.00	2.00
Treasurer	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Administration	7.00	7.00	7.00	6.50	6.50	6.50	7.00	7.00	7.00	7.00
Finance	8.75	8.00	8.00	8.00	9.00	9.00	9.00	7.00	7.00	7.00
Community Development	10.00	7.00	7.00	8.00	8.00	7.00	5.50	3.00	3.00	3.00
Police	76.00	70.00	70.00	70.00	73.00	73.00	68.00	62.00	62.00	67.00
Public Works	37.00	31.50	34.00	34.00	36.00	37.00	29.00	24.00	22.00	22.00
Community Services	9.00	8.00	8.00	8.00	9.00	9.00	5.00	5.00	4.00	4.00
Total	<u>149.75</u>	<u>133.50</u>	<u>136.00</u>	<u>137.00</u>	<u>144.00</u>	<u>144.00</u>	<u>125.50</u>	<u>110.00</u>	<u>108.00</u>	<u>113.00</u>

Source: City of Placentia, Finance Department

CITY OF PLACENTIA

**Operation Indicators by Function/Program
Last Seven Fiscal Years**

Function/Program	2006	2007	2008	2009	2010	2011	2012
Police							
Physical arrests	1,067	1,233	963	1,360	1,517	2,170	2,067
Parking violations	7,875	15,088	13,718	11,688	11,138	7,971	8,211
Traffic violations	5,618	7,058	5,206	6,362	5,496	5,628	4,819
Community Development							
Building Permits	749	793	1,071	866	536	646	657
Building and Zoning Inspections	107	131	152	184	140	112	133
Public Works							
Feet of Sewer Main Cleaned	66,144	106,946	401,280	401,280	401,280	401,280	401,280
Streetsweeping Miles	11,128	11,200	21,684	21,684	21,684	21,684	21,684
Traffic Signals Maintained	46	50	56	56	56	57	57
Culture and Recreation							
Picnic Shelters Reserved (Hrs.)	3,423	6,206	3,501	2,642	2,349	2,637	1,740
Recreation Classes	1,872	1,197	817	616	616	585	n/a

Note:
Information was not tracked prior to fiscal year 2005/2006.

Source: Various City of Placentia Departments

CITY OF PLACENTIA

**Capital Asset Statistics by Function/Program
Last Ten Fiscal Years**

Function/Program	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Public Safety										
Police Stations	1	1	1	1	1	1	1	1	1	1
Sworn Officers	55	55	55	55	55	55	55	55	55	46
Patrol Vehicles	26	24	26	26	26	24	26	26	26	26
Fire Stations	2	2	2	2	2	2	2	2	2	2
Highways and Streets										
Miles of Streets	107	107	107	107	107	107	107	107	107	107
Street Trees	9264	9264	9264	9264	9264	9,264	9,214	9,214	9,214	9,214
Traffic Signals	224	224	224	224	224	224	229	229	229	229
Street Lights	3656	3656	3656	3656	3656	3,656	3,656	3,656	3,656	3,656
Sewer										
Miles of Sanitary Sewers	76	76	76	76	76	76	76	76	76	76
Storm Drains	506	506	506	506	506	506	506	506	506	506
Recreation and Culture										
Parks	16	16	16	16	16	16	16	16	16	16
Area of Parks (Acres)	74.23	74.23	74.23	74.23	74.23	74.23	72.9	72.9	72.9	72.9
Community Buildings	2	2	2	2	2	2	2	2	2	2
Community Centers	4	4	4	4	4	4	4	4	4	4
Senior Center	1	1	1	1	1	1	1	1	1	1
Baseball Diamonds	6	6	6	6	6	6	7	7	7	7
Basketball Courts	4	4	4	4	4	4	7.5	7.5	7.5	7.5
Soccer Fields	5	5	5	5	5	5	1	1	1	1
Pools	2	2	2	2	2	2	2	2	2	2
Gymnasiums	1	1	1	1	1	1	1	1	1	1

Source: City of Placentia, Finance Department

**CITY OF PLACENTIA,
CALIFORNIA**

**SINGLE AUDIT REPORT
(with Independent Auditors' Reports Thereon)**

FOR THE YEAR ENDED JUNE 30, 2012

**CITY OF PLACENTIA, CALIFORNIA
SINGLE AUDIT REPORT
FOR THE YEAR ENDED JUNE 30, 2012**

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**Independent Auditor's Report on Internal Control over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements Performed in
Accordance with *Government Auditing Standards***

To the Honorable City Council
City of Placentia, California

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Placentia, California (the "City") as of and for the year ended June 30, 2012, which collectively comprise the City's basic financial statements and have issued our report thereon dated December 10, 2012. 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.

Internal Control Over Financial Reporting

Management of City is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

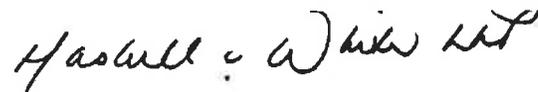
A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

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

This report is intended solely for the information and use of management, the City Council, others within the entity, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Haskell & White LLP". The signature is written in a cursive, flowing style.

HASKELL & WHITE, LLP

December 10, 2012
Irvine, California

**Independent Auditors' Report on Compliance with Requirements That Could Have a
Direct and Material Effect on Each Major Program and on Internal Control over
Compliance in Accordance with OMB Circular A-133**

To the Honorable City Council
City of Placentia, California

Compliance

We have audited the City of Placentia's, California (the "City") compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2012. The City's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the City's compliance with those requirements.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the major federal program for the year ended June 30, 2012.

Internal Control Over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of

internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of and for the year ended June 30, 2012, and have issued our report thereon dated December 10, 2012, which contained an unqualified opinion on those financial statements. Our audit was conducted for the purpose of forming our opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133, and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

This report is intended solely for the information and use of management, the City Council, Federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



HASKELL & WHITE, LLP

December 10, 2012
Irvine, California

CITY OF PLACENITA, CALIFORNIA

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2012**

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Catalog of Federal Domestic Assistance (CFDA)</u>	<u>Pass-Through Grant Identification Number</u>	<u>Federal Expenditures</u>
U.S. Department of Housing and Urban Development			
Passed through the County of Orange:			
CDBG Entitlement Grants Cluster:	14.218	Various	\$ 334,402
Total U.S. Department of Housing and Urban Development			<u>334,402</u>
U.S. Department of Energy			
Direct program:			
ARRA Energy Efficiency and Conservation Block Grant	81.128	DE-EE0002728	178,386
Total U.S. Department of Energy			<u>178,386</u>
Total Federal Expenditures			<u>\$ 512,788</u>

See accompanying notes to Schedule of Expenditures of Federal Awards.

CITY OF PLACENTIA, CALIFORNIA

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2012**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Scope of Presentation

The accompanying schedule presents only the expenditures incurred by the City of Placentia, California (the "City") that are reimbursable under federal programs of federal financial assistance. For purposes of this schedule, federal awards include both federal financial assistance received directly from a federal agency, as well as federal funds received indirectly by the City from non-federal organizations. Only the portions of program expenditures reimbursable with such federal funds are reported in the accompanying schedule. Program expenditures in excess of the maximum federal reimbursement authorized or the portion of program expenditures that were funded with state, local or other non-federal funds are excluded from the accompanying schedule.

B. Basis of Accounting

The expenditures included in the accompanying schedule were reported on the modified accrual basis of accounting. Under the modified accrual basis of accounting, expenditures are recognized when the City becomes obligated for a payment as a result of the receipt of the related goods or services. Expenditures reported include any property or equipment acquisitions incurred under the Federal program.

C. Sub-recipients

There were no sub-recipients of federal awards for the year ended June 30, 2012.

D. General

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards programs of the City. The City's reporting entity is defined in Note 1 of the City's financial statements. All federal awards received directly from federal agencies, as well as federal awards passed through other governmental agencies to the City are included in the accompanying schedule.

E. Relationship to Basic Financial Statements

Federal awards revenues are generally reported within the City's financial statements under the financial statement caption "Intergovernmental" for the General and Special Revenue Funds.

CITY OF PLACENTIA, CALIFORNIA

**SCHEDULES OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2012**

I. SUMMARY OF AUDITOR'S RESULTS

FINANCIAL STATEMENTS

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

FEDERAL AWARDS

Internal control over major programs:	
Material weaknesses?	<u>No</u>
Significant deficiencies?	<u>None reported</u>
Type of auditors' report issued on compliance for major programs:	<u>Unqualified</u>
Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section .510(a)?	<u>No</u>
Identification of major programs:	<u>CFDA Number: Name of Federal Program or Cluster</u>
	14.218 CDBG Entitlement Grants Cluster

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

II. FINANCIAL STATEMENT FINDINGS

None reported.

III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None reported.

CITY OF PLACENTIA, CALIFORNIA

**SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2012**

Prior Year Finding		
<u>Number</u>	<u>Description</u>	<u>Status</u>
2011-1	Oversight by those Charged With Governance and Management	Implemented
2011-2	Timely Submittal of Cash and Investment Reports to the City Council	Implemented
2011-3	Supporting Documentation Not Provided for Various Accounts	Implemented
2011-4	Year-End Close Process	Implemented
2011-5	Capital Assets	Implemented
2011-6	Schedule of Federal Expenditures	Implemented
2011-7	Deferred Revenue	Implemented
2011-8	Long-Term Debt	Implemented
2011-9	Safe-Guarding of Cash	Implemented