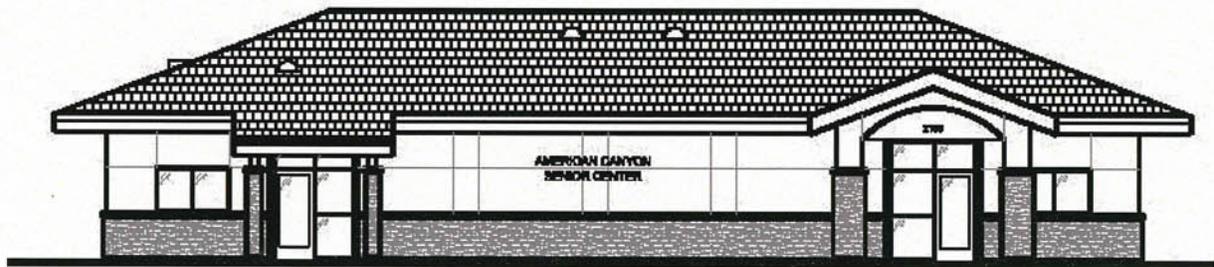




# CITY OF AMERICAN CANYON CALIFORNIA

## COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2009



American Canyon  
Senior Multi-Use Center

# Comprehensive Annual Financial Report

## Fiscal Year 2008-2009

American Canyon's Senior Multi-Use Center is one of the City's most anticipated projects. The senior community is excited about having a permanent facility for their programs and activities. The remodeled building will contain three large versatile spaces for viewing movies, having lectures, dancing or exercising! The Center will have computers for public use, a big screen television, DVD player and projection equipment. The building will also contain two offices and a commercial kitchen. It is anticipated that construction will be completed by spring 2010.



Senior Multi-Use Center Under Construction- November 2009

The Senior Multi-Use Center will also be available to the community as a meeting facility and for recreation programs. Construction will revitalize the 30 year old building which housed the now defunct American Canyon County Water District for many years. It also functioned as City administrative offices and was most recently the police station.

Leon Garcia, Mayor  
Don Callison, Vice Mayor  
Joan Bennett, Council Member  
Cindy Coffey, Council Member  
Ed West, Council Member

Prepared by the Department of Finance

# Introductory Section



Parks and Recreation in Action

**CITY OF AMERICAN CANYON**  
**Comprehensive Annual Financial Report**  
**For the Year Ended June 30, 2009**

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# CITY OF AMERICAN CANYON

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*Napa Valley's New Destination*



December 18, 2009

To the Honorable Mayor, Members of the City Council  
And Citizens of the City of American Canyon

We are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of the City of American Canyon (City) for the fiscal year ended June 30, 2009. These financial statements are audited by Maze and Associates, a licensed certified public accounting firm. Their unqualified (“clean”) opinion has been included as the first component of the financial section of this CAFR.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that has been established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute assurance that the financial statements are free of any material misstatements.

Management’s discussion and analysis (MD&A) immediately follows the independent auditor’s report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

## **PROFILE OF THE CITY AND ITS OPERATIONS**

Incorporated in 1992, the City of American Canyon is the second largest city in Napa County. The City’s population is 16,503 as of January 1, 2009, as estimated by the California State Department of Finance. American Canyon is located at the Southern end of the Napa Valley wine growing region in close proximity to the San Francisco Bay. It is bounded by the Napa River and a 500 acre wetlands preserve to the west, the foothills of the Sulphur Springs Mountain Range to the east and the City of Vallejo to the south and the Napa Airport along with many vineyards to the north.

The City operates under a council-manager form of government and is a general law city. Policy making and legislative authority are vested in the City Council consisting of the Mayor and four other elected Council members. The Council’s responsibilities include passing ordinances, adopting the City budget, appointing committees, and hiring the City Manager, Fire Chief and City Attorney. The City Manager is responsible for carrying out the policies and ordinances of the City Council, overseeing the daily operations of the City, appointing other employees and otherwise managing daily operations of the City. The City Council members are elected on a non-partisan basis. The voters passed a measure to directly elect the Mayor to two year terms beginning in

2006. The other Council members serve four year staggered terms, with two members and the Mayor elected every two years.

The City provides a full range of municipal services including police and fire protection services, construction and maintenance of City streets, storm drains, bridges and similar infrastructure type assets; park maintenance, and community recreation activities. In terms of business type activities, the City operates its water and wastewater systems in a fashion similar to private businesses.

The City's annual budget serves as the foundation for the City of American Canyon's financial planning and control system. Each year, all City departments submit requests for appropriations to the City Manager. The Manager uses these requests as a starting point for developing a proposed budget. The Manager presents his proposed budget to the Finance Sub-Committee followed by a presentation to the City Council each year. The Council holds public hearings on the proposed budget and then ultimately adopts a formal budget. The budget is adopted by fund, function, and department. During the fiscal year the City Manager and Council periodically review the City's actual financial activity in relationship to the original budget, and as necessary, amend the original budget to reflect changing needs.

## **FACTORS AFFECTING FINANCIAL CONDITION**

The information presented in the financial statements is perhaps best understood when it is considered in relationship to the City's specific environment and the City's plans for the future.

### **Local Economy**

Napa Valley is home to a world class wine region. The valley's vineyards planted on gently rolling hills are very picturesque and their bucolic charm attracts large numbers of tourists. It is estimated that each year, 4.3 million tourists visit over 300 wineries scattered throughout the valley. Tourist spending on lodging, restaurants, wine, and shopping make tourism a major contributor to the local economy.

The City of American Canyon, as the southern most city in the County, benefits from tourism, but to a large extent, the economic benefits are enjoyed much more by those cities in the north valley. During the past couple of years, the City has been struggling through an economic downturn which was followed by a recession. During the past year, retail sales have decrease causing a loss of sales tax revenue. The County Assessor has cautioned the City about declining property values. The City just learned that there will be a small negative adjustment to property values next year based on a formula which incorporates the Consumer Price Index. Initially, the City's fiscal year 2009-10 budget for property tax revenues was estimated assuming a decrease of about 6% in taxable values. Months later when the property values were finalized by the Assessor, it was found that they decreased 11% resulting in an additional loss of property tax revenues of about \$580,000. Tourism in the area has also been down. During the past year, the City had to focus on strategies to weather the national

recession while preserving its reserves given the economic climate. The City's general fund had budgeted the use of about \$450,000 of reserves in fiscal year 2009-10 in order to continue to provide the same level of services that residents are accustomed to receiving. In order to protect its reserves, various service cut backs and revenue enhancements are being considered. Over the past few months, the City has reached out to the community with a survey asking for feedback on a list of services. Residents are asked if they want various services or if they can live without them. The survey was distributed to civic clubs such as the Kiwanis and Lions clubs, PTAs and church groups, the Chamber of Commerce and local developers. The list of services includes cutting recreation programs, reducing library hours, postponing vehicle replacements, cutting back on street sweeping and reducing police staff. In addition, feedback is being requested on increasing the City's transient occupancy tax rate from 10% to 12% to match the rates of most other cities in the County. The results of these surveys will provide information to pollsters to assist them in formulating questions to about 400 residents in a telephone poll planned for January 2010. Following that, the City Council will review its options and make appropriate adjustments to its operations.

In past years, the City enjoyed double digit percentage increases in property tax revenues, the City's largest source of general fund revenue. For a number of reasons, that is not likely to recur in the foreseeable future. In the continuing poor economy, with substantial decreases in key general fund revenues, it is challenging for the City to maintain its service levels. Since fiscal year 2007-08, property tax revenues have been flat or declining and economists estimate that any recovery of the housing market will be slow. While the subprime mortgage crisis has abated somewhat with home sales outpacing prior year activity, sales prices are significantly less than the inflated bubble prices of a couple of years ago. However, the increased activity has not had a positive impact on property tax revenues. Moreover, the current unemployment rate in the City is 14.7%, the highest rate in the County. State and local economic indicators have been downbeat indicating continuing weak consumer and business spending. These conditions have exacerbated the State of California's on-going efforts to fix its structural deficit and balance its budget. One temporary budget bailout measure for the State was enacted in 2004 through Proposition 1A. If the State declared a fiscal emergency and satisfied a list of conditions, it could borrow 8% of the property tax revenues throughout the state. The Governor pulled the "trigger" and the State will borrow 8% of the City's property tax revenues in fiscal year 2009-10. Fortunately, this will be mitigated by the City's participation in securitizing the State loans. The State has already issued bonds and will pay the City and Fire District the amount borrowed on the approximate dates that the County disburses property taxes.

There has been little change this year in the housing sector which continues to have major impacts on the economy both nationally and locally. The housing industry provides jobs to construction trade workers, building material sellers, realtors and mortgage related workers. Property taxes on homes generate unrestricted general fund revenue which is critical for the City in delivering services to its residents. Home construction also generates sales taxes from building material sales which have been substantially reduced with the depressed economy.

In the City of American Canyon, commercial construction activity has been slowed by the weak economy. The construction of a Walgreens Drug Store, an industrial building, and a boutique winery has been delayed. The construction of American Canyon's first high school, a \$150 million project sized for 2,200 students, is on schedule and set to open to freshmen and sophomore students in August 2010. Businesses in the Napa Junction Project, a major retail hub in the city which includes a Super Wal-Mart, continue to benefit the City's economy and appear to be doing well.

Economists are predicting that the housing market will remain weak through 2011 and any recovery will be slow. Coupled with high regional unemployment and weak consumer spending, the City is spending down a portion of its general fund reserves to provide the same level of services currently enjoyed by its residents. This is not a sustainable model and some spending cuts are likely to be implemented beginning January 2010. Further cuts are expected in the following year.

## **MAJOR INITIATIVES**

### **Capital Improvement Program**

The City's capital improvement program is a long range program for major municipal capital construction projects. Key projects include:

- ✓ A construction contract for \$1.182 million to refurbish and transform an existing 3,200 square building into a Senior Multi Use Center was awarded in September 2009. Additionally, the purchase of furnishings, computers and telecommunications equipment for \$60,000 was approved. The 20 year old building has been used for various city functions in past years and its transformation will be a welcome addition to the community.
- ✓ Recycled Water System - Over \$3.5 million of construction of remaining key segments of the city's recycled water system commenced. The new facilities include a one million gallon storage tank and over 7,000 feet of new distribution mains. When completed, recycled water will be available for the city's parks and for the largest landscape irrigation customers.
- ✓ Construction of Napa River Segment of Bay Trail which will extend from the Wetlands View Area to the Napa River and will provide public access to the Napa River in American Canyon, a long desired goal. Construction work is expected to be completed in the spring of 2010.

### **Water Supply**

The City receives the majority of its raw water supply through the North Bay Aqueduct, a state water project. The drought conditions in the state the past few years have required the state to materially decrease the City's water allocation. Currently, the State estimates, based on current forecasts, that it will only be able to supply 5 percent of the City's allocation. Historically, as the rainy season progresses, the State increases its forecasts so their initial estimate of available resources, while historically low, follows

the expected pattern. The City has a contract with the City of Vallejo for additional water supplies if needed. Notwithstanding this source, the City is exploring options for acquiring additional supplies.

### **Cash Resources and Practices**

The City ended the fiscal year with cash and investments totaling \$45.2 million with \$25.9 million available for City operations. About \$33 million was invested in the State of California Local Agency Investment Fund, a pooled investment arrangement. Another \$3.9 million was invested with the Napa County Investment pool. The remaining \$6.3 million, mostly loan proceeds and debt reserves, was invested in money market mutual funds. These amounts are sufficient to enable the City to move forward into the new fiscal year, conduct operations, and embark upon the planned capital asset improvement programs.

### **Risk Management**

The City limits its exposure to losses from unfavorable events, employee injuries, and from the risk of damages to City property by participating with other governments in an insurance pool wherein the risk of substantial monetary loss is transferred from the City to the insurance pool. Further information about this arrangement is included in the notes to the financial statements.

### **Long-Term Debt Administration**

During fiscal year 2008-09, the City did not acquire any new debt. In accordance with the City's fiscal policy, the issuance of long term debt is limited to capital improvements or projects that cannot be financed from current revenues or resources. The City may issue general obligation bonds, revenue bonds, certificates of participation or anticipation notes. The payback period of the debt is limited to the estimated useful life of the capital project or improvement. All debt service payments were made as required during the fiscal year, and all required reserves and debt service covenants were complied with by the City.

### **Pension Benefits**

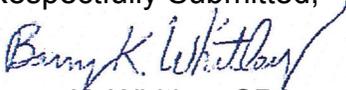
The City directly participates in the Public Employees Retirement System (PERS) of the State of California for all full time employees. The City plans to fund each year's required contribution for its regular and public safety plans based on rates calculated by PERS after analyzing the city's workforce. Due to poor investment returns realized by PERS, it is expected that contribution rates will increase. With respect to retiree health care costs, the City's policy is to pay the same premium amount for retired employees' health care as it does for active employees. The City plans to fund its annual required contribution (ARC) to the extent that resources are available, for regular and public safety plans based upon an actuary's analysis. The City and Fire District have entered into an irrevocable trust with PERS to fund retiree health benefits. Additional information

about the City's pension plan is included in the notes to the financial statements and the required supplementary information section of this report.

### **Acknowledgements**

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Finance Department. We would like to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit must also be given to the Mayor, Members of the City Council, and the City Manager for their continued support for maintaining the highest standards of professionalism in the management of the City of American Canyon's financial affairs.

Respectfully Submitted,

A handwritten signature in blue ink that reads "Barry K. Whitley". The signature is written in a cursive style with a long, sweeping tail on the final letter.

Barry K. Whitley, CPA  
Finance Director

# City of American Canyon List of Principal Officials

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## Elected Officials

*Leon Garcia, Mayor*

*Don Callison, Vice Mayor*

*Joan Bennett, Councilmember*

*Cindy Coffey, Councilmember*

*Ed West, Councilmember*

## Appointed Officials

*City Manager*

*Richard Ramirez*

*Fire Chief*

*Glen Weeks*

*Interim City Clerk*

*Sherry Kelly*

*City Attorney*

*William Ross*

*Parks and Recreation Director*

*Randy Davis*

*Finance Director / Treasurer*

*Barry Whitley*

*Community Development Director*

*Brent Cooper*

*Police Chief*

*Brian Banducci*

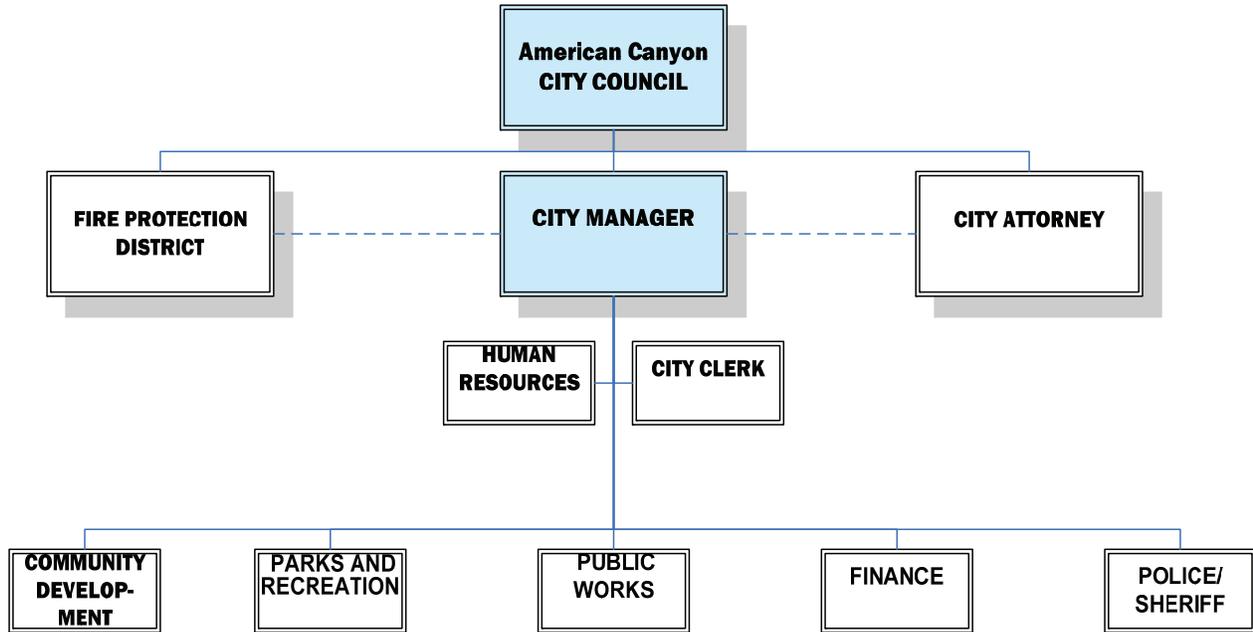
*Public Works Director*

*Michael Throne*

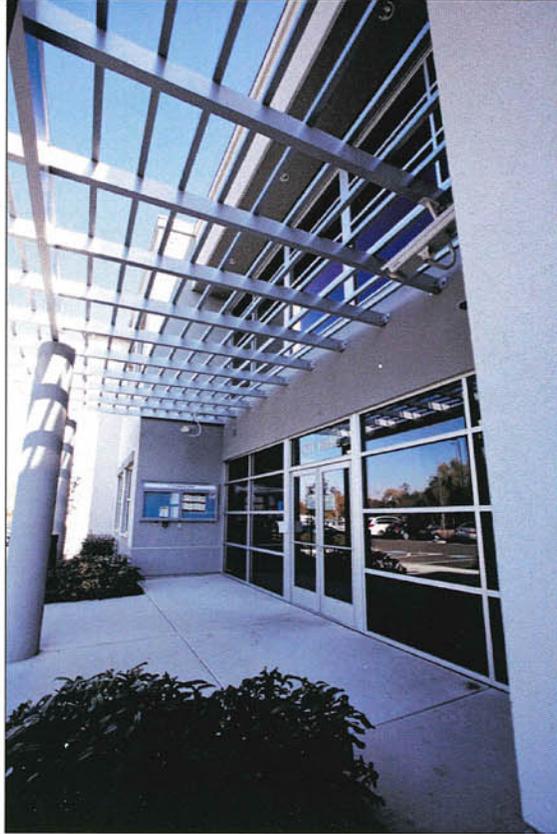
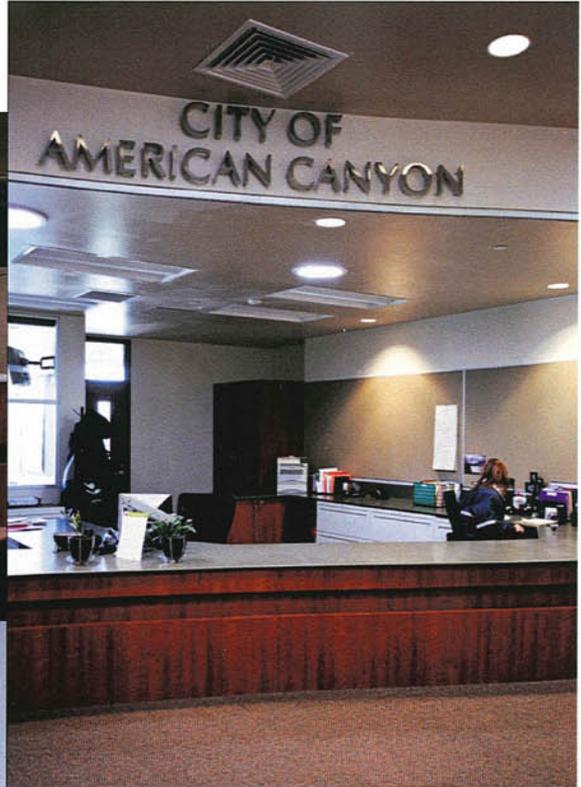
*Human Resources Director*

*Bronda Silva*

# City of American Canyon



# Financial Section



City Hall

## **INDEPENDENT AUDITOR'S REPORT ON BASIC FINANCIAL STATEMENTS**

To the City Council  
City of American Canyon, 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 American Canyon, California as of and for the year ended June 30, 2009, 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 generally accepted auditing standards in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining on a test basis evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of American Canyon, California as of June 30, 2009 and the respective changes in the financial position and cash flows, where applicable, thereof and the respective budgetary comparisons listed as part of the basic financial statements for the year then ended in conformity with generally accepted accounting principles in the United States of America.

As described in Note 11, the City implemented the provisions of Governmental Accounting Standards Board Statement No. 45, *Accounting and Reporting by Employers of Post Employment Benefits Other than Pensions*.

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

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

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

*Maze & Associates*

October 22, 2009

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## MANAGEMENT'S DISCUSSION AND ANALYSIS

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This section of the *City of American Canyon's* annual financial report presents our discussion and analysis of the City's financial performance during the fiscal year that ended on June 30, 2009. Please read it in conjunction with the City's audited financial statements, which follow this section.

### FINANCIAL HIGHLIGHTS

- The City's total net assets increased by about \$10 million over the course of this year's operations after conducting all City operations and programs. The assets of the City exceeded its liabilities by about \$353.5 million at the end of the 2009 fiscal year. Of that amount, \$32.6 million (the unrestricted net assets) may be used to meet the City's ongoing obligations and operating expenses for the next fiscal year.
- Overall City-wide revenues from all governmental and business-type activities were \$40.1 million, a decrease of about \$5.6 million compared to the 2008 fiscal year. This amount includes \$4.8 million from capital contributions of subdivision improvements completed by developers and dedicated to the City.
- The City's total expense of all programs in fiscal 2009 was \$30 million, a decrease of about \$100 thousand compared to the 2008 fiscal year.
- The general fund reported a fund balance of \$11.3 million at the end of the 2009 year. The Fire District operations fund ended the 2009 year with a \$4.3 million fund balance.
- The City also ended the fiscal year with \$16.4 million reported in its proprietary enterprise funds (the amount of net assets available for use both restricted and unrestricted but excluding the investment in capital assets net of related debt). The City's other non-major governmental funds ended 2009 with about \$9.7 million available for special purposes; primarily infrastructure and capital asset additions.

### OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts – a *management's discussion and analysis* (this section), the *basic financial statements*, *required supplementary information*, and an optional section that presents *combining statements* for nonmajor governmental funds and proprietary funds. The basic financial statements include two kinds of statements that present different views of the City:

- The first two statements are *government-wide financial statements* that provide both long-term and short-term information about the City's *overall* financial status.
- The remaining statements are *fund financial statements* that focus on individual parts of the City government, reporting the City's operations in more detail than the government-wide statements.
  - The *governmental funds* statements tell how *general government* services like public safety, community development, parks and recreation, public works and streets were financed in the *short term* as well as what remains for future spending.
  - *Proprietary fund* statements offer *short-* and *long-term* financial information about the activities the government operates *like businesses*, such as the City's water, wastewater, and transit systems.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. In addition to these required elements, we have included a section with combining statements that provide details about our non-major funds, each of which are added together and presented in single columns in the basic financial statements.

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**MANAGEMENT'S DISCUSSION AND ANALYSIS**

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Figure A-1 summarizes the major features of the City's financial statements, including the portion of the City government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

**Figure A-1**

**Major Features of City of American Canyon's Government-Wide and Fund Financial Statements**

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	<b>Fund Statements</b>		
	<b>Government-Wide Statements</b>	<b>Governmental Funds</b>	<b>Proprietary Funds</b>
<u>Scope</u>	Entire City government	The activities of the City that are not proprietary or fiduciary, such as police, fire, streets, general government, and community services	Activities the City operates similar to private businesses: the water, wastewater, and transit systems
<u>Required financial statements</u>	<ul style="list-style-type: none"> <li>• Statement of net assets</li> <li>• Statement of activities</li> </ul>	<ul style="list-style-type: none"> <li>• Balance sheet</li> <li>• Statement of revenues, expenditures, and changes in fund balances</li> </ul>	<ul style="list-style-type: none"> <li>• Statement of net assets</li> <li>• Statement of revenues, expenses, and changes in net assets</li> <li>• Statement of cash flows</li> </ul>
<u>Accounting basis and measurement focus</u>	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
<u>Type of asset/liability information</u>	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term
<u>Type of inflow/outflow information</u>	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during year, regardless of when cash is received or paid

**Government-wide Statements**

The government-wide statements report information about the City as a whole using accounting methods similar to those used by private-sector companies. The statement of net assets includes *all* of the City's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the City's *net assets* and how they have changed. Net assets – the difference between the City's assets and liabilities – is one way to measure the City's financial health, or *position*.

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## MANAGEMENT'S DISCUSSION AND ANALYSIS

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- Over time, increases or decreases in the City's net assets are an indicator of whether its financial health is improving or deteriorating, respectively.

The government-wide financial statements of the City are reported in two categories:

- *Governmental activities* – All of the City's basic services are included here, such as general government, police, fire, community development, parks and recreation, and public works. Property taxes, sales taxes, transient occupancy taxes, special and other taxes, user charges and fees and state, local and federal grants finance these activities.
- *Business-Type activities* - The City charges fees to customers to help cover the costs of certain services. The City's water, wastewater, and transit enterprises are reported here.

### Fund Financial Statements

The fund financial statements provide more detailed information about the City's most significant funds – not the City as a whole. Funds are accounting devices that the City uses to keep track of specific sources of funding and spending for particular purposes.

- The City's major funds, including the *general and fire district operations funds*, are reported in separate columns and all other governmental funds are aggregated in a single column.
- The City establishes other funds to control and manage money for particular purposes (such as the City's capital project fund). Some funds are maintained to demonstrate that the City is properly using certain specific fees for their intended purpose (such as the City's impact fee funds).
- Other funds are maintained for similar purposes but in addition, demonstrate the City's ability to repay its long-term debt obligations such as bonds.

The City has two kinds of funds:

- *Governmental funds* – The City's basic services are included in governmental funds, which focus on (1) *how cash and other financial assets* that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed *short-term view* that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement, or on the subsequent page, that explains the relationship (or differences) between them.
- *Proprietary funds* – There are two different types of proprietary funds. *Enterprise funds* are used to report the same functions reported as business-type activities in the government-wide financial statements; the City's water, wastewater, and transit operations. *Internal service funds* are an accounting device used to accumulate and allocate costs internally. During the 2009 fiscal year, the City did not use an internal service funds. Proprietary funds provide the same type of information as the government-wide statements, only in more detail. The proprietary fund statements provide separate information for the City's water and wastewater operations, both of which are considered to be major funds of the City.

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**FINANCIAL ANALYSIS OF THE CITY AS A WHOLE**

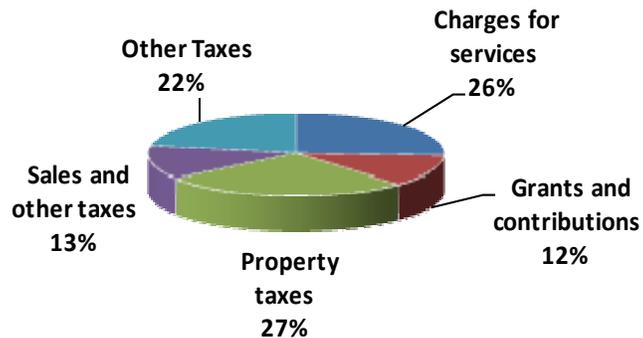
**Net Assets.** The City's *combined* net assets increased about \$10 million between fiscal years 2008 and 2009. (See Table A-1.)

**Table A-1**  
**City of American Canyon's Net Assets**  
(in millions of dollars)

	Governmental Activities		Business-Type Activities		Total		Total Percentage Change
	2008	2009	2008	2009	2008	2009	
Current and other assets	\$ 42.4	\$ 39.9	\$ 13.6	\$ 17.8	\$ 56	\$ 58	3.0%
Capital assets	261.1	266.9	60.7	60.3	321.8	327.2	1.7%
<b>Total assets</b>	<b>303.5</b>	<b>306.8</b>	<b>74.3</b>	<b>78.1</b>	<b>377.8</b>	<b>384.9</b>	<b>1.9%</b>
Long-term debt outstanding	10.1	10.7	17.5	16.1	27.6	26.8	-2.9%
Other liabilities	4.6	3.2	2.1	1.4	6.7	4.6	-31.3%
<b>Total liabilities</b>	<b>14.7</b>	<b>13.9</b>	<b>19.6</b>	<b>17.5</b>	<b>34.3</b>	<b>31.4</b>	<b>-8.5%</b>
Net assets							
Invested in capital assets	251.0	256.1	43.2	44.2	294.2	300.3	2.1%
Restricted	18.1	9.0	6.8	11.6	24.9	20.6	-17.3%
Unrestricted	19.7	27.8	4.7	4.8	24.4	32.6	33.6%
<b>Total net assets</b>	<b>\$ 288.8</b>	<b>\$ 292.9</b>	<b>\$ 54.7</b>	<b>\$ 60.6</b>	<b>\$343.5</b>	<b>\$353.5</b>	<b>2.9%</b>

Net assets of the City's governmental and business-type activities increased 2.9% to \$353.5 million. About 85% of the City's net assets is invested in capital assets such as buildings, land, equipment and facilities. The remaining 15% is essentially represented by cash, investments and receivables. About 85% of the City's total liabilities are represented by long-term obligations including lease revenue bonds, assessment bonds, capital leases, and loans from the State of California.

**Chart 1**  
**Sources of Revenues**



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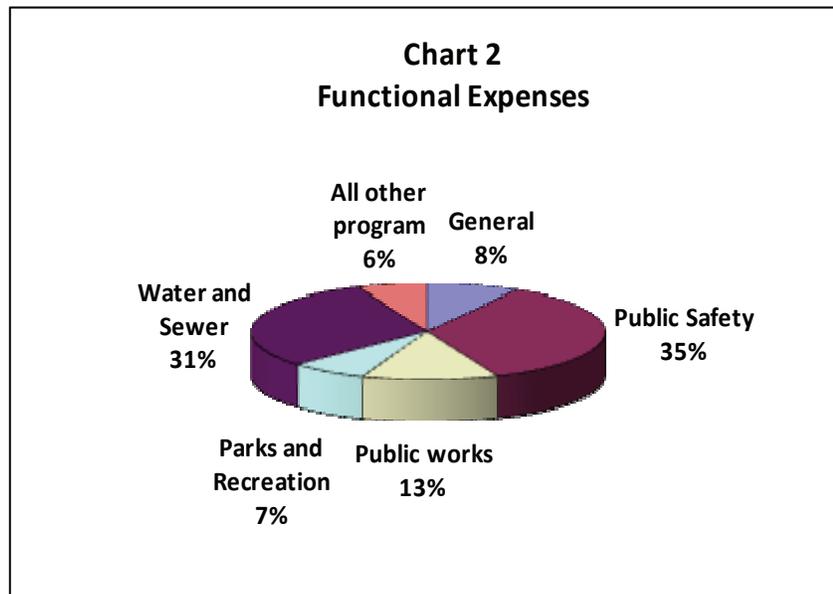
## MANAGEMENT'S DISCUSSION AND ANALYSIS

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**Changes in net assets.** The City's major sources of revenue and functional expenses are presented in charts 1 and 2. As summarized in Table A-2 on page 8, revenues for fiscal year 2008-09 totaled \$40.1 million, a City-wide decrease of about \$5.6 million from prior year. Charges for services were down 12.8% as residents, feeling the economic impact of the recession, cut back on city services, Grants and contributions were down \$9.5 million or 69.7%. This category includes developer dedications of infrastructure which were significantly down reflecting the dearth of development activity during the year. The City's general revenues increased \$7.2 million over the prior year. This includes about \$16.1 million from taxes including property, sales, transient occupancy and other taxes. This revenues category would have actually decreased but for a legal settlement of \$7.593 million with AmCan Beverages. Excluding the legal settlement, the City's general revenues decreased by about \$400 thousand.

### FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

The total cost of all programs and services in 2009 was about \$30 million which paid for a wide range of services such as public safety, streets, public works, general administration, parks and recreation, water, wastewater and the support services operations. Major types of expenditures by function are shown in chart 2. As summarized in Table A-2, for fiscal year 2008-09, expenses decreased .4% to \$30 million. Governmental activities expenses increased by about \$1.4 million and business type activities decreased \$1.5 million.



The City's primary source of revenue was property taxes totaling \$10.9 million or 27% of total revenues. About \$8.9 million or 22 % of all City revenues were from water and wastewater service fees and capacity fees which were collected upon the issuance of building permits.

The majority of the City's operating expenses for fiscal year 2009 were incurred to provide police and fire protection services. These public safety expenditures accounted for 35% of the City's total 2009 operating expenses while the water and wastewater enterprises comprised 31% of total expenses. The public works and community development departments account for 18% of expenses while the remaining 16% was spent on parks and recreation programs and general City administration.

### Governmental Activities

Revenues from all governmental type activities in fiscal year 2009 decreased by \$4.2 million compared to 2008. Property taxes increased by just 1.4% or \$178 thousand compared to 2008.

When all operations were concluded, the governmental activities generated a \$4.2 million increase in net assets for 2009 and business activities increased \$5.9 million.

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**FINANCIAL ANALYSIS OF THE CITY AS A WHOLE**

**Table A-2**  
**Changes in the City of American Canyon's Net Assets**  
**(in millions of dollars)**

	Governmental Activities		Business Type Activities		Total		Total Percentage Change
	2008	2009	2008	2009	2008	2009	2008-2009
<b>Revenues</b>							
Program revenues							
Charges for services	\$ 4.6	\$ 2.8	\$ 7.3	\$ 7.6	\$ 11.9	\$10.4	-12.8%
Grants and contributions	13.0	3.5	3.0	1.3	16.0	4.8	-69.7%
General revenues							
Property taxes	10.7	10.9	0.0	0.0	10.7	10.9	1.4%
Sales and other taxes	5.2	5.2	0.0	0.0	5.2	5.2	-0.4%
Other	1.9	8.9	0.0	0.0	1.9	8.9	368.1%
<b>Total revenues</b>	<b>35.4</b>	<b>31.2</b>	<b>10.3</b>	<b>8.9</b>	<b>45.7</b>	<b>40.1</b>	<b>-12.2%</b>
<b>Expenses</b>							
General government	3.0	2.5	0.0	0.0	3.0	2.5	-15.4%
Public Safety	7.9	10.5	0.0	0.0	7.9	10.5	32.9%
Public works	3.8	3.7	0.0	0.0	3.8	3.7	-1.4%
Community Development	2.4	1.8	0.0	0.0	2.4	1.8	-25.2%
Parks and Recreation	1.9	2.1	0.0	0.0	1.9	2.1	12.5%
Water	0.0	0.0	6.4	5.1	6.4	5.1	-20.7%
Wastewater	0.0	0.0	4.3	4.1	4.3	4.1	-5.3%
Other	0.4	0.1	0.0	0.0	0.4	0.1	-68.3%
<b>Total expenses</b>	<b>19.4</b>	<b>20.8</b>	<b>10.7</b>	<b>9.2</b>	<b>30.1</b>	<b>30.0</b>	<b>-0.4%</b>
Excess (deficiency) before transfers	16.0	10.4	-0.4	-0.3	15.6	10.2	-12%
Transfers	0.5	-6.2	0.2	6.2	0.7	0.0	100.0%
<b>Increase(decrease) in net assets</b>	<b>16.5</b>	<b>4.2</b>	<b>-0.2</b>	<b>5.9</b>	<b>16.3</b>	<b>10.2</b>	<b>-37.7%</b>
<b>Net assets, beginning</b>	<b>272.3</b>	<b>288.7</b>	<b>54.9</b>	<b>54.7</b>	<b>327.2</b>	<b>343.4</b>	
<b>Net assets, ending</b>	<b>\$288.8</b>	<b>\$293.0</b>	<b>\$54.7</b>	<b>\$60.6</b>	<b>\$343.5</b>	<b>\$353.6</b>	<b>2.9%</b>

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## MANAGEMENT'S DISCUSSION AND ANALYSIS

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### FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

Table A-3 presents the cost of each of the City's five largest programs – public safety, public works, parks and recreation, water and wastewater.

The cost of all programs this year was \$30 million compared to \$30.1 million in fiscal 2008, a .3% decrease for the year. For governmental activities, program costs increased in 2009 by about \$1.4 million or 7.2%. The enterprise activities costs were down \$1.5 million, a 14% decrease for the year mainly due to a \$1.17 million decrease in water expenditures. One of the primary reasons for the decrease was due to the establishment and implementation of a water conservation program. Water customers were asked to voluntarily reduce consumption by 10% and the City sold significantly less water compared to the prior year. Meeting increased mandatory conservation goals of 20% and 30% may be required if drought conditions persist.

#### Governmental Activities

Users and contributors funded \$6.3 million of the city's governmental activity program expenses during the year leaving the City to fund the remaining \$14.5 million of costs. This was a huge increase from the prior year amount of \$1.8 million. Analysis revealed that program expenses were stable over the past few years at \$20, \$19.4 and \$20.8 million from fiscal years 2007 through 2009. The increase stems from contributions of sidewalks, pavement, and storm drains from private development which are recorded in this category. These revenues have been very volatile creating significant variances from year to year but that's the inherent cyclical nature of the housing industry and not within the control of the City. Another reason for the difference is that residents are spending less on city services during these poor economic times. This year, users paid only \$2.8 million after having paid \$4.0 million and \$4.6 million in fiscal years 2007 and 2008 respectively. Consequently, the City is considering a number of cost cutting measures to be implemented over the next two years beginning in January 2010.

#### Business-Type Activities

The net assets for the City's business-type activities, consisting primarily of water and wastewater, increased by about \$5.9 million over the prior fiscal year. But for the one time transfer from the General Fund of \$7.453 million, which included about 90% of the proceeds of a one time legal settlement, net assets would have decreased \$1.55 million. In fiscal year 2009, revenues decreased \$1.4 million compared to the prior year or about 13.5%. Water and Wastewater user charges were up \$300 thousand primarily as a result of a rate increases. Actual water consumption decreased 7.8% from the prior year and 11.8% since fiscal year 2007. Also making an impact on net assets were wastewater connection fees which decreased by \$1.2 million. Finally, public improvements that are routinely dedicated to the City by developers decreased \$983 thousand compared to last fiscal year.

Expenses decreased \$1.5 million from \$10.7 million to \$9.2 million due to a number of reasons. The City conveyed and treated 7.8% less water compared to the prior year. In fiscal 2008, there was a spike in legal fees as the city sought compliance with its wastewater discharge standards and expenses returned to normal levels in fiscal year 2009. Also in fiscal year 2008, consultants were contracted to prepare an integrated water management plan to guide the city's efforts in acquiring additional supplies. These expenses did not recur in fiscal year 2009.

The City will continue to closely monitor water and wastewater enterprise finances and make appropriate adjustments. Rates for both activities have been increasing since January 2008 based on a rate study which disclosed that the City was not recovering all operating costs. The next rate increase is scheduled for January 2010.

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**MANAGEMENT'S DISCUSSION AND ANALYSIS**

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**City Program Costs**

Table A-3 presents the cost of each of the City's five largest programs – police, fire, public works, parks and recreation, water and wastewater

- The cost of all *programs* this year was \$30 million which represents a \$100 thousand or 3/10 of a percent decrease over fiscal 2008. For governmental activities, program costs increased in 2009 by about \$1.4 million or about 7.2%.

**Table A-3**  
**Cost of City of American Canyon's Programs**  
**(in millions of dollars)**

	Total Cost of Services		Percentage Change
	2008	2009	2008-2009
Public Safety	\$7.9	\$10.5	32.9%
Public works	3.8	3.7	-2.6%
Parks and Recreation	1.9	2.1	10.5%
Water	6.4	5.1	-20.3%
Wastewater	4.3	4.1	-4.7%
All other	5.8	4.5	-22.4%
<b>Total</b>	<b>\$30.1</b>	<b>\$30.0</b>	<b>-0.3%</b>

**FINANCIAL ANALYSIS OF THE CITY'S FUNDS**

At the end of fiscal year 2009, the City reported a fund balance of \$27.2 million in its combined governmental funds, about \$1.1 million or 3.9% less than last fiscal year. This was a modest change in fund balance during the year. Nonetheless, there were a number of noteworthy events. About \$6.8 million of the \$7.5 million legal settlement recorded in the General Fund was allocated to the Water and Wastewater Funds. Other General Fund transfers included \$1.075 million for the Broadway Property to the City capital projects fund. The Fire District's Operations Fund increased \$1.1 million resulting from a revenue increase of about 8% combined with an increase of expenses of about 4% this fiscal year. Increases in fund balance strengthens the financial condition of the funds and facilitates additions to their reserves. Property tax revenues increased 3% compared to 19% in 2008. However, it is expected property tax revenues will drop significantly in fiscal 2010 based on decreased home values.

The City's non-major governmental funds ended the fiscal year with a combined fund balance of \$9.7 million. Of this amount, \$5.8 million is in capital project impact fee funds which can only be legally used for capital assets and infrastructure. Another \$627 thousand is restricted for use to pay debt service expenses. The water and wastewater enterprises ended the year with \$15.8 million in cash and investments available for future use.

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**MANAGEMENT'S DISCUSSION AND ANALYSIS**

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**General Fund Budgetary Highlights**

Over the course of the year, the City Council revised the City budget many times. These budget amendments were done throughout the year to avoid cost overruns, to account for unanticipated revenues, and to fund new projects. Additionally, changes were made as a result of the mid-year budget review. At year end, including all adjustments, actual general fund expenditures were \$954 thousand less than final budget amounts. Due to bleak economy, the City has employed and will continue to consider further cost cutting measures to conserve resources. The largest expense in the general fund, police services, increased by 32% to \$4.9 million compared to \$4.2 million last fiscal year. General Fund Expenses only had a 3.6% increase over the prior year, highlighting the City's efforts to control costs.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets**

During fiscal year 2008-09, the City's accepted public improvements amounted to about \$4.4 million in road systems, storm drains systems, water and wastewater improvements as a result of growth within the City. At the end of 2009, the City had invested \$327.1 million (net of accumulated depreciation) in a broad range of capital assets, including land, vehicles, equipment, water system, wastewater system, streets, and other capital assets. (See Table A-4) This amount represents a net increase (including additional and deductions) of about \$5.3 million, or about 1.6 percent over last year. Additional information can be found in the notes to the financial statements.

**Table A-4  
City of American Canyon's Capital Assets  
(net of depreciation, in millions of dollars)**

	Governmental Activities		Business-type Activities		Total		Total Percentage Change
	2008	2009	2008	2009	2008	2009	2008-2009
Land	\$ 6.8	\$ 6.8	\$1.6	\$1.6	\$ 8.4	\$ 8.4	0.0%
Construction in progress	29.9	29.7	0.6	2.7	30.5	32.4	6.2%
Buildings and Improvements	12.2	15.3	5.0	4.5	17.2	19.8	15.1%
Machinery and Equipment	2.2	2.1	0.5	0.3	2.7	2.4	-11.1%
Water utility system			26.6	25.8	26.6	25.8	-3.0%
Wastewater system			26.5	25.4	26.5	25.4	-4.2%
Infrastructure system	209.9	212.9			209.9	212.9	1.4%
<b>Total</b>	<b>\$ 261.0</b>	<b>\$266.8</b>	<b>\$60.8</b>	<b>\$60.3</b>	<b>\$321.8</b>	<b>\$327.1</b>	<b>1.6%</b>

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## MANAGEMENT'S DISCUSSION AND ANALYSIS

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### Long - Term Debt

During fiscal year 2009, the City acquired \$1.075 million of new debt to purchase vacant property on Broadway Street adjacent to City Hall. At the end of the year, there was about \$25.1 million in long term debt obligations outstanding. Of this amount, about 41 percent relates solely to the City's governmental type activities and the remaining 59 percent is applicable to business type financing activities.

For business-type activities, about \$5.5 million is capital lease type arrangements mostly applicable to the water system and the City's water rights, a \$1.2 million state loan is for water system improvements, an \$8.5 million state revolving loan was obtained to provide financing for construction of the City's wastewater treatment plant facility constructed in 2003, and a \$621 thousand note payable for additional water rights capacity from the City of Vallejo. The City has no bonded debt outstanding for its business-type activities.

For governmental type activities, the major long-term debt consists of \$3 million of 2002 lease revenue bonds issued to refund 1997 bonds to construct the City gym and aquatic center; \$6.7 million capital lease for the new City Hall, and a \$1.1 million capital lease for the purchase of the Broadway property adjacent to the City Hall to provide City Hall access from Napa Junction Road and to provide additional parking. The lease revenue bonds debt service is being paid from park impact and general fund monies while the City Hall capital lease, paid for the first two years from debt proceeds, will be paid from the general fund beginning in fiscal year 2010. Additional information about the City's long-term obligations can be found in the notes to the financial statements.

### ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

For fiscal year 2010, key general fund revenues will be less than budgeted as the City's absorbs losses in property and sales taxes due to the combined impacts of the poor local economy and national recession. Housing sales have recently picked up but prices and associated tax revenues are much lower than the past. Some local businesses have not survived but most of them are weathering the downturn in the economy and will likely bounce back when the economy improves. The current unemployment rate in the City of American Canyon is about 16%, an unprecedented high. The City has had to use some of its reserves to maintain service levels and is considering cuts to certain services beginning January 2010 through fiscal year 2011.

- In fiscal year 2010, general fund revenues are projected to decrease by 5.4% over prior year actual revenues after subtracting the one time legal settlement of \$7.59 million. Due to the poor economy, key tax revenues are anticipated to be less than budgeted thus the City is considering a list of cost cutting measures to be implemented beginning January 2010. Additionally, the City is considering an increase to its Transient Occupancy Tax rate to strengthen its financial condition.
- The City's adopted general fund budget for fiscal year 2009-10 indicates a decrease in fund balance of about \$430 thousand.
- Water and wastewater user charges increased in January 2009 and an additional increase is scheduled in January 2010. A final increase is scheduled for water in January 2011.

In fiscal year 2011, the City expects the employer's share of retirement contributions to the PERS to increase significantly to recover poor investment returns that have realized during a period of historically low interest rates. PERS must increase employer contribution rates to offset the losses.

### CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. If you have questions about this report or need additional financial information, Contact the Finance Director, City of American Canyon, 4381 Broadway Street, Suite 201, American Canyon, California 94503.

**CITY OF AMERICAN CANYON**

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

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

The Statement of Net Assets reports the difference between the City's total assets and the City's total liabilities, including all the City's capital assets and all its long-term debt. The Statement of Net Assets focuses the reader on the composition of the City's net assets, by subtracting total liabilities from total assets. The Statement of Net Assets summarizes the financial position of all the City's Governmental Activities in a single column, and the financial position of all the City's Business-Type Activities in a single column; these columns are followed by a Total column that presents the financial position of the entire City.

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

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

The format of the Statement of Activities presents the City's expenses first, listed by program, and follows these with the expenses of its business-type activities. Program revenues—that is, revenues which are generated directly by these programs—are then deducted from program expenses to arrive at the net expense of each governmental and business-type program. The City's general revenues are then listed in the Governmental Activities or Business-type Activities column, as appropriate, and the Change in Net Assets is computed and reconciled with the Statement of Net Assets.

Both these Statements include the financial activities of the City, the American Canyon Financing Authority and the American Canyon Fire Protection District. The Authority and the District are both legally separate entities, but both are component units of the City because they are controlled by the City, which is financially accountable for the activities of the Authority and the District.

CITY OF AMERICAN CANYON  
STATEMENT OF NET ASSETS  
JUNE 30, 2009

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and investments available for City operations (Note 3)	\$21,616,160	\$4,241,663	\$25,857,823
Taxes receivable	996,447		996,447
Accounts receivable	677,585	1,063,071	1,740,656
Due from other governments	837,178		837,178
Accrued interest	158,325	39,051	197,376
Prepaid items	22,098	687,743	709,841
Restricted cash and investments held by fiscal agents (Note 3)	4,508,955	11,559,556	16,068,511
Notes receivable (Note 5)	10,236,214		10,236,214
Property held for resale	513,940		513,940
Net OPEB Asset (Note 11)	373,387	192,351	565,738
Capital assets (Note 6):			
Non-depreciable	198,757,031	4,330,674	203,087,705
Depreciable, net of accumulated depreciation	<u>68,123,927</u>	<u>56,030,621</u>	<u>124,154,548</u>
<b>Total Assets</b>	<u><b>306,821,247</b></u>	<u><b>78,144,730</b></u>	<u><b>384,965,977</b></u>
<b>LIABILITIES</b>			
Accounts payable	1,651,542	307,790	1,959,332
Accrued expenses	412,234	416,930	829,164
Deposits	116,731	174,429	291,160
Interest payable	77,463	230,967	308,430
Unearned revenue		134,398	134,398
Accrued compensated absences (Note 1G):			
Due within one year	1,199	4,792	5,991
Due in more than one year	598,240	126,150	724,390
Net OPEB Obligation (Note 11)	240,440		240,440
Long-term debt (Note 7):			
Due within one year	439,240	1,318,323	1,757,563
Due in more than one year	<u>10,317,607</u>	<u>14,789,548</u>	<u>25,107,155</u>
<b>Total Liabilities</b>	<u><b>13,854,696</b></u>	<u><b>17,503,327</b></u>	<u><b>31,358,023</b></u>
<b>NET ASSETS (Note 8)</b>			
Invested in capital assets, net of related debt	<u>256,124,111</u>	<u>44,253,424</u>	<u>300,377,535</u>
Restricted for:			
Capital projects	400,000		400,000
Debt service	3,893,843	11,559,556	15,453,399
Special revenue projects	<u>4,739,327</u>		<u>4,739,327</u>
<b>Total Restricted Net Assets</b>	<u><b>9,033,170</b></u>	<u><b>11,559,556</b></u>	<u><b>20,592,726</b></u>
Unrestricted	<u>27,809,270</u>	<u>4,828,423</u>	<u>32,637,693</u>
<b>Total Net Assets</b>	<u><b>\$292,966,551</b></u>	<u><b>\$60,641,403</b></u>	<u><b>\$353,607,954</b></u>

See accompanying notes to financial statements

CITY OF AMERICAN CANYON  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2009

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	
<b>Governmental Activities:</b>							
General government	\$2,792,871	\$441,894	\$20,525	\$512,230	(\$1,818,222)		(\$1,818,222)
Public safety	9,528,522	1,152,729	111,549	337,187	(7,927,057)		(7,927,057)
Community development	1,931,299	573,456			(1,357,843)		(1,357,843)
Parks and recreation	2,282,212	362,699	30,463		(1,889,050)		(1,889,050)
Public works	4,195,481	252,634	2,813	2,531,754	(1,408,280)		(1,408,280)
Interest on long-term debt	97,246				(97,246)		(97,246)
<b>Total Governmental Activities</b>	<b>20,827,631</b>	<b>2,783,412</b>	<b>165,350</b>	<b>3,381,171</b>	<b>(14,497,698)</b>		<b>(14,497,698)</b>
<b>Business-type Activities:</b>							
Water	5,074,020	4,232,640		1,174,189		\$332,809	332,809
Wastewater	4,072,014	3,373,740		173,703		(524,571)	(524,571)
Transit	30,060	2,419				(27,641)	(27,641)
<b>Total Business-type Activities</b>	<b>9,176,094</b>	<b>7,608,799</b>		<b>1,347,892</b>		<b>(219,403)</b>	<b>(219,403)</b>
<b>Total</b>	<b>\$30,003,725</b>	<b>\$10,392,211</b>	<b>\$165,350</b>	<b>\$4,729,063</b>	<b>(14,497,698)</b>	<b>(219,403)</b>	<b>(14,717,101)</b>
<b>General revenues:</b>							
<b>Taxes:</b>							
Property taxes					10,852,126		10,852,126
Sales taxes					2,275,741		2,275,741
Utility users' tax					982,546		982,546
Other taxes					1,922,908		1,922,908
Motor vehicle in-lieu, unrestricted					79,109		79,109
Investment earnings					666,535		666,535
Settlement Award (Note 13)					7,593,000		7,593,000
Miscellaneous					555,019		555,019
Transfers, net (Note 4A)					(6,212,064)	6,212,064	
<b>Total general revenues and transfers</b>					<b>18,714,920</b>	<b>6,212,064</b>	<b>24,926,984</b>
Change in Net Assets					4,217,222	5,992,661	10,209,883
Net Assets-Beginning					288,749,329	54,648,742	343,398,071
Net Assets-Ending					<b>\$292,966,551</b>	<b>\$60,641,403</b>	<b>\$353,607,954</b>

See accompanying notes to financial statements

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<b>FUND FINANCIAL STATEMENTS</b>
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The funds described below were determined to be Major Funds by the City in fiscal 2009. Individual non-major funds may be found in the Supplemental section.

**GENERAL FUND**

The General Fund is used for all of the general revenues of the City not specifically levied or collected for other City funds and the related expenditures.

**FIRE DISTRICT OPERATIONS FUND**

The Fire District Operations fund accounts for fire services provided by the American Canyon Fire Protection District component unit.

**BEGIN PROGRAM SPECIAL REVENUE FUND**

The BEGIN Program Special Revenue Fund accounts for first-time homebuyer assistance program resources.

**AFFORDABLE HOUSING CAPITAL PROJECTS FUND**

Affordable Housing Capital fund accounts for fees collected from developers in lieu of providing affordable housing services.

**CITY CAPITAL PROJECTS FUND**

The City Capital Projects Fund accounts for major capital projects funded by various City sources.

CITY OF AMERICAN CANYON  
GOVERNMENTAL FUNDS  
BALANCE SHEET  
JUNE 30, 2009

	General	Fire District Operations Fund	BEGIN Program Fund	Affordable Housing Capital Projects Fund
<b>ASSETS</b>				
Cash and cash equivalents (Note 3)	\$9,424,266	\$2,887,177	\$60,000	\$1,275,265
Restricted cash and cash equivalents (Note 3)				
Taxes receivable	748,217	191,412		
Accounts receivable	667,747			
Due from other governments				
Accrued interest	51,455	8,912		3,920
Prepaid items	22,098			
Due from other funds (Note 4B)	2,092,858	1,480,302		
Notes receivable (Note 5)	134,618		7,058,900	2,335,476
Property held for resale				513,940
	<u>\$13,141,259</u>	<u>\$4,567,803</u>	<u>\$7,118,900</u>	<u>\$4,128,601</u>
<b>LIABILITIES</b>				
Accounts payable	\$1,375,439	\$31,139		\$16,111
Accrued expenses	291,328	120,906		
Deposits	112,847			
Deferred revenue			\$7,118,900	2,335,476
Due to other funds (Note 4B)	34,237	83,463		
	<u>1,813,851</u>	<u>235,508</u>	<u>7,118,900</u>	<u>2,351,587</u>
<b>FUND BALANCES</b>				
Fund balance (Note 8):				
Reserved	2,989,559	2,201,570		513,940
Unreserved:				
Designated for:				
Capital projects	400,000			
Other purposes	3,640,332			
Undesignated, reported in:				
General Fund	4,297,517			
Special Revenue Funds		2,130,725		
Capital Projects Funds				1,263,074
	<u>11,327,408</u>	<u>4,332,295</u>	<u>\$7,118,900</u>	<u>1,777,014</u>
Total Fund Balances	<u>11,327,408</u>	<u>4,332,295</u>	<u>\$7,118,900</u>	<u>1,777,014</u>
Total Liabilities and Fund Balances	<u>\$13,141,259</u>	<u>\$4,567,803</u>	<u>\$7,118,900</u>	<u>\$4,128,601</u>

See accompanying notes to financial statements

City Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
\$240,939	\$7,728,513	\$21,616,160
	4,508,955	4,508,955
	56,818	996,447
	9,838	677,585
	837,178	837,178
	94,038	158,325
		22,098
		3,573,160
	707,220	10,236,214
		513,940
<u>\$240,939</u>	<u>\$13,942,560</u>	<u>\$43,140,062</u>
\$181,736	\$47,117	\$1,651,542
		412,234
3,884		116,731
	730,920	10,185,296
	3,455,460	3,573,160
<u>185,620</u>	<u>4,233,497</u>	<u>15,938,963</u>
2,034,494	1,277,169	9,016,732
		400,000
		3,640,332
		4,297,517
	2,608,602	4,739,327
(1,979,175)	5,823,292	5,107,191
<u>55,319</u>	<u>9,709,063</u>	<u>27,201,099</u>
<u>\$240,939</u>	<u>\$13,942,560</u>	<u>\$43,140,062</u>

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CITY OF AMERICAN CANYON  
 Reconciliation of the  
 GOVERNMENTAL FUNDS -- BALANCE SHEET  
 with the  
 STATEMENT OF NET ASSETS  
 JUNE 30, 2009

Total fund balances reported on the Governmental Funds Balance Sheet \$27,201,099

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

CAPITAL ASSETS

Capital assets used in Governmental Activities are not current assets or financial resources and  
 therefore are not reported in the Governmental Funds. 266,880,958

ACCRUAL OF NON-CURRENT REVENUES AND EXPENSES

Revenues which are deferred on the Fund Balance Sheets, because they are not available currently,  
 are taken into revenue in the Statement of Activities. 10,185,296

LONG-TERM ASSETS AND LIABILITIES

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

Long-term debt	(10,756,847)
Interest payable	(77,463)
Non-current portion of compensated absences	(599,439)
Other post employment benefits	132,947
	<u>132,947</u>

NET ASSETS OF GOVERNMENTAL ACTIVITIES \$292,966,551

See accompanying notes to financial statements

CITY OF AMERICAN CANYON  
GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2009

	General	Fire District Operations Fund	BEGIN Program	Affordable Housing Capital Projects Fund	City Capital Projects Fund
<b>REVENUES</b>					
Property taxes	\$7,228,975	\$3,623,151			
Sales taxes	2,275,741				
Other taxes	1,067,655				
Special assessments					
Licenses and permits	578,226				
Fines and forfeitures	178,430				
Intergovernmental	2,305,187				
Interest and rents	583,490	53,326		\$30,403	\$5,178
Charges for services	585,280	980,057			
Other	7,749,096	20,367			
<b>Total Revenues</b>	<b>22,552,080</b>	<b>4,676,901</b>		<b>30,403</b>	<b>5,178</b>
<b>EXPENDITURES</b>					
Current:					
General government	4,862,091				
Public safety:					
Police and fire services	4,949,959	3,312,904			
Community development:					
Planning and building	1,297,378				
Economic development	95,032			260,507	
Parks and recreation:					
Recreation	1,013,709				
Park maintenance	783,695				
Building maintenance	274,152				
Public works:	1,035,488				
Streets and roads	1,019,644				
Storm drain	258,507				
Debt service:					
Principal					
Interest					
Capital outlay					4,921,704
<b>Total Expenditures</b>	<b>15,589,655</b>	<b>3,312,904</b>		<b>260,507</b>	<b>4,921,704</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>6,962,425</b>	<b>1,363,997</b>		<b>(230,104)</b>	<b>(4,916,526)</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
Sales of affordable housing				370,767	
Proceeds from issuance of long-term debt (Note 7)	1,075,000				
Transfers in (Note 4A)	1,921,159				2,230,604
Transfers (out) (Note 4A)	(9,607,790)	(200,000)			
<b>Total Other Financing Sources (Uses)</b>	<b>(6,611,631)</b>	<b>(200,000)</b>		<b>370,767</b>	<b>2,230,604</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>350,794</b>	<b>1,163,997</b>		<b>140,663</b>	<b>(2,685,922)</b>
<b>BEGINNING FUND BALANCES</b>	<b>10,976,614</b>	<b>3,168,298</b>		<b>1,636,351</b>	<b>2,741,241</b>
<b>ENDING FUND BALANCES</b>	<b>\$11,327,408</b>	<b>\$4,332,295</b>		<b>\$1,777,014</b>	<b>\$55,319</b>

See accompanying notes to financial statements

Other Governmental Funds	Total Governmental Funds
	\$10,852,126
	2,275,741
	1,067,655
\$498,171	498,171
	578,226
	178,430
857,405	3,162,592
222,612	895,009
1,938,399	3,503,736
105,001	7,874,464
<u>3,621,588</u>	<u>30,886,150</u>
255,150	5,117,241
111,024	8,373,887
125,534	1,422,912
54,543	410,082
66,657	1,080,366
79,607	863,302
	274,152
	1,035,488
416,234	1,435,878
369,458	627,965
401,282	401,282
468,971	468,971
836,809	5,758,513
<u>3,185,269</u>	<u>27,270,039</u>
<u>436,319</u>	<u>3,616,111</u>
	370,767
	1,075,000
851,600	5,003,363
<u>(1,407,637)</u>	<u>(11,215,427)</u>
<u>(556,037)</u>	<u>(4,766,297)</u>
(119,718)	(1,150,186)
<u>9,828,781</u>	<u>28,351,285</u>
<u>\$9,709,063</u>	<u>\$27,201,099</u>

CITY OF AMERICAN CANYON  
Reconciliation of the  
NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS  
with the  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2009

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

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS (\$1,150,186)

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

CAPITAL ASSETS TRANSACTIONS

Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is capitalized and allocated over their estimated useful lives and reported as depreciation expense.

The capital outlay expenditures are therefore added back to fund balance	8,663,640
Net retirements are deducted from fund balance	(212,374)
Depreciation expense is deducted from the fund balance	(2,624,880)

LONG-TERM DEBT PROCEEDS AND PAYMENTS

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

Repayment of debt principal is added back to fund balance	401,282
Proceeds from issuance of long-term debt	(1,075,000)

ACCRUAL OF NON-CURRENT ITEMS

The amounts below included in the Statement of Activities do not provide or (require) the use of current financial resources and therefore are not reported as revenue or expenditures in governmental funds (net change):

Deferred revenue	(174,113)
Interest payable	371,725
Compensated absences	(115,819)
Other post employment benefits	132,947
	132,947

CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES	\$4,217,222
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See accompanying notes to financial statements

CITY OF AMERICAN CANYON  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Taxes:				
Property	\$7,400,000	\$7,400,000	\$7,228,975	(\$171,025)
Sales	2,356,500	2,356,500	2,275,741	(80,759)
Other	921,700	921,700	1,067,655	145,955
Licenses and permits	394,700	394,700	578,226	183,526
Fines and forfeitures	128,100	128,100	178,430	50,330
Intergovernmental	2,316,200	2,316,200	2,305,187	(11,013)
Interest and rents	574,100	574,100	583,490	9,390
Charges for services	739,750	852,750	585,280	(267,470)
Other	32,500	7,625,500	7,749,096	123,596
Total Revenues	<u>14,863,550</u>	<u>22,569,550</u>	<u>22,552,080</u>	<u>(17,470)</u>
EXPENDITURES:				
Current:				
General government	4,618,815	4,973,509	4,862,091	111,418
Public safety:				
Police and fire services	4,060,400	4,054,900	4,949,959	(895,059)
Community development:				
Planning and building	2,219,894	2,405,428	1,297,378	1,108,050
Economic development	104,900	104,900	95,032	9,868
Parks and recreation:				
Recreation	1,053,600	1,080,600	1,013,709	66,891
Parks maintenance	875,160	882,860	783,695	99,165
Building maintenance	272,800	272,800	274,152	(1,352)
Public works:	1,460,467	1,460,468	1,035,488	424,980
Streets and roads	997,000	1,005,812	1,019,644	(13,832)
Storm drain	302,100	302,100	258,507	43,593
Total Expenditures	<u>15,965,136</u>	<u>16,543,377</u>	<u>15,589,655</u>	<u>953,722</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>(1,101,586)</u>	<u>6,026,173</u>	<u>6,962,425</u>	<u>936,252</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from issuance of long-term debt			1,075,000	1,075,000
Transfers in (Note 4A)		4,336,475	1,921,159	(2,415,316)
Transfers (out) (Note 4A)	(3,041,780)	(11,917,679)	(9,607,790)	2,309,889
Total other financing sources (uses)	<u>(3,041,780)</u>	<u>(7,581,204)</u>	<u>(6,611,631)</u>	<u>969,573</u>
NET CHANGE IN FUND BALANCE	<u>(\$4,143,366)</u>	<u>(\$1,555,031)</u>	350,794	<u>\$1,905,825</u>
Beginning fund balance			<u>10,976,614</u>	
Ending fund balance			<u>\$11,327,408</u>	

See accompanying notes to financial statements

CITY OF AMERICAN CANYON  
FIRE DISTRICT OPERATIONS FUND  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Taxes:				
Property	\$3,277,650	\$3,277,650	\$3,623,151	\$345,501
Interest and rents	21,000	21,000	53,326	32,326
Charges for services	691,500	691,500	980,057	288,557
Other	6,000	6,000	20,367	14,367
Total Revenues	<u>3,996,150</u>	<u>3,996,150</u>	<u>4,676,901</u>	<u>680,751</u>
EXPENDITURES:				
Current:				
Public safety:				
Police and fire services	3,794,150	3,780,940	3,312,904	468,036
Capital outlay	13,210	13,210		13,210
Total Expenditures	<u>3,807,360</u>	<u>3,794,150</u>	<u>3,312,904</u>	<u>481,246</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>188,790</u>	<u>202,000</u>	<u>1,363,997</u>	<u>1,161,997</u>
OTHER FINANCING SOURCES (USES)				
Transfers (out) (Note 4A)	220,000	(220,000)	(200,000)	20,000
Total other financing sources (uses)	<u>220,000</u>	<u>(220,000)</u>	<u>(200,000)</u>	<u>20,000</u>
NET CHANGE IN FUND BALANCE	<u>\$408,790</u>	<u>(\$18,000)</u>	1,163,997	<u>\$1,181,997</u>
Beginning fund balance			<u>3,168,298</u>	
Ending fund balance			<u>\$4,332,295</u>	

See accompanying notes to financial statements

<b>MAJOR PROPRIETARY FUNDS</b>
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Proprietary funds account for City operations financed and operated in a manner similar to a private business enterprise. The intent of the City is that the cost of providing goods and services be financed primarily through user charges.

The City reports all of its Enterprise Funds as major funds in fiscal 2009.

**WATER FUND**

The Water Fund accounts for the operations of the City's treatment and distribution system.

**WASTEWATER FUND**

The Wastewater Fund accounts for the operation of the City's wastewater treatment plant and collection facilities.

**TRANSIT FUND**

The Transit Fund accounts for the operation of the City's transit activities.

CITY OF AMERICAN CANYON  
 PROPRIETARY FUNDS  
 STATEMENT OF NET ASSETS  
 JUNE 30, 2009

	<u>Business-type Activities-Enterprise Funds</u>			
	<u>Water</u>	<u>Wastewater</u>	<u>Transit</u>	<u>Totals</u>
ASSETS				
Current Assets:				
Cash and cash equivalents (Note 3)	\$2,263,994	\$1,976,922	\$747	\$4,241,663
Accounts receivable, net	531,188	531,883		1,063,071
Interest receivable	14,423	24,628		39,051
Prepaid items	687,743			687,743
Total Current Assets	<u>3,497,348</u>	<u>2,533,433</u>	<u>747</u>	<u>6,031,528</u>
Non-Current Assets:				
Restricted cash and cash equivalents (Note 3)	3,797,791	7,761,765		11,559,556
Net OPEB Asset (Note 11)	95,610	96,741		192,351
Total Other Assets	<u>3,893,401</u>	<u>7,858,506</u>		<u>11,751,907</u>
Capital Assets (Note 6):				
Non-depreciable	954,402	3,376,272		4,330,674
Depreciable:				
Equipment	1,019,299	432,905		1,452,204
Distribution and collection systems	39,813,490	36,770,711		76,584,201
Less: accumulated depreciation	<u>(14,046,089)</u>	<u>(7,959,695)</u>		<u>(22,005,784)</u>
Net Capital Assets	<u>27,741,102</u>	<u>32,620,193</u>		<u>60,361,295</u>
Total Non-Current Assets	<u>31,634,503</u>	<u>40,478,699</u>		<u>72,113,202</u>
Total Assets	<u>35,131,851</u>	<u>43,012,132</u>	<u>747</u>	<u>78,144,730</u>
LIABILITIES				
Current Liabilities:				
Accounts payable	193,053	113,990	747	307,790
Compensated absences, current portion (Note 1G)		4,792		4,792
Other current liabilities	46,598	370,332		416,930
Deposits	130,244	44,185		174,429
Unearned revenue		134,398		134,398
Interest		230,967		230,967
Long-term debt, current portion (Note 7)	807,409	510,914		1,318,323
Total Current Liabilities	<u>1,177,304</u>	<u>1,409,578</u>	<u>747</u>	<u>2,587,629</u>
Long-Term Liabilities				
Compensated absences, non-current portion (Note 1G)	44,624	81,526		126,150
Long-term debt, non-current portion (Note 7)	6,746,139	8,043,409		14,789,548
Total Long-Term Liabilities	<u>6,790,763</u>	<u>8,124,935</u>		<u>14,915,698</u>
Total Liabilities	<u>7,968,067</u>	<u>9,534,513</u>	<u>747</u>	<u>17,503,327</u>
NET ASSETS (Note 8)				
Invested in capital assets, net of related debt	20,187,554	24,065,870		44,253,424
Restricted for:				
Debt service	3,797,791	7,761,765		11,559,556
Unrestricted	3,178,439	1,649,984		4,828,423
Total Net Assets	<u>\$27,163,784</u>	<u>\$33,477,619</u>		<u>\$60,641,403</u>

See accompanying notes to financial statements

CITY OF AMERICAN CANYON  
 PROPRIETARY FUNDS  
 STATEMENT OF REVENUES, EXPENSES  
 AND CHANGES IN FUND NET ASSETS  
 FOR THE YEAR ENDED JUNE 30, 2009

	Business-type Activities-Enterprise Funds			
	Water	Wastewater	Transit	Totals
<b>OPERATING REVENUES</b>				
Sale of water	\$3,813,388			\$3,813,388
Service fees		\$3,063,774		3,063,774
Miscellaneous	330,661	140,122	\$2,419	473,202
	4,144,049	3,203,896	2,419	7,350,364
<b>OPERATING EXPENSES</b>				
Maintenance and operations	2,388,026	1,530,011	30,060	3,948,097
Employee services	878,852	1,062,017		1,940,869
Depreciation (Note 6)	1,389,004	1,244,024		2,633,028
	4,655,882	3,836,052	30,060	8,521,994
Operating Income (Loss)	(511,833)	(632,156)	(27,641)	(1,171,630)
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Interest revenue	88,591	169,844		258,435
Interest (expense)	(418,138)	(235,962)		(654,100)
Total Nonoperating Revenues (Expenses)	(329,547)	(66,118)		(395,665)
Income (Loss) Before Contributions and Transfers	(841,380)	(698,274)	(27,641)	(1,567,295)
Capital contributions	1,174,189	173,703		1,347,892
Transfers in (Note 4A)	3,609,680	4,233,500	6,404	7,849,584
Transfers (out) (Note 4A)	(912,421)	(725,099)		(1,637,520)
Net Contributions and Transfers	3,871,448	3,682,104	6,404	7,559,956
Change in Net Assets	3,030,068	2,983,830	(21,237)	5,992,661
<b>BEGINNING NET ASSETS</b>	<b>24,133,716</b>	<b>30,493,789</b>	<b>21,237</b>	<b>54,648,742</b>
<b>ENDING NET ASSETS</b>	<b>\$27,163,784</b>	<b>\$33,477,619</b>	<b>21,237</b>	<b>\$60,641,403</b>

See accompanying notes to financial statements

CITY OF AMERICAN CANYON  
 PROPRIETARY FUNDS  
 STATEMENT OF CASH FLOWS  
 FOR THE YEAR ENDED JUNE 30, 2009

	Business-type Activities-Enterprise Funds			
	Water	Wastewater	Transit	Totals
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customers	\$4,030,011	\$3,824,514	(\$428)	\$7,854,097
Payments to suppliers	(3,087,481)	(1,722,883)	(29,915)	(4,840,279)
Payments to employees	(997,565)	(941,338)	(198)	(1,939,101)
	(55,035)	1,160,293	(30,541)	1,074,717
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Transfers in	3,609,680	4,233,500	6,404	7,849,584
Transfers (out)	(912,421)	(725,099)		(1,637,520)
	2,697,259	3,508,401	6,404	6,212,064
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Acquisition of capital assets	(600,332)	(1,712,597)		(2,312,929)
Transfer of capital assets			24,703	24,703
Capital contributions	1,174,189	173,703		1,347,892
Principal payments on long-term debt	(818,946)	(612,022)		(1,430,968)
Interest paid	(429,652)	(236,547)		(666,199)
	(674,741)	(2,387,463)	24,703	(3,037,501)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest received	88,591	169,844		258,435
	88,591	169,844		258,435
Net Cash Flows	2,056,074	2,451,075	566	4,507,715
Cash and investments at beginning of period	4,005,711	7,287,612	181	11,293,504
Cash and investments at end of period	\$6,061,785	\$9,738,687	\$747	\$15,801,219
<b>Reconciliation of Operating Income (Loss) to Cash Flows from Operating Activities:</b>				
Operating income (loss)	(\$511,833)	(\$632,156)	(\$27,641)	(\$1,171,630)
Adjustments to reconcile operating income to cash flows from operating activities:				
Depreciation	1,389,004	1,244,024		2,633,028
Change in assets and liabilities:				
Receivables, net	46,205	(121,263)	98	(74,960)
Prepays	(160,243)	741,881		581,638
Accounts payable and other accrued expenses	(708,442)	(192,872)	145	(901,169)
Accrued compensated absences	(29,529)	38,411		8,882
Other current liabilities	6,426	179,009	(198)	185,237
Deposits	8,987			8,987
Net OPEB Asset	(95,610)	(96,741)		(192,351)
Unearned revenue			(2,945)	(2,945)
	(\$55,035)	\$1,160,293	(\$30,541)	\$1,074,717

See accompanying notes to financial statements

<b>FIDUCIARY FUNDS</b>
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**FIDUCIARY FUNDS**

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

CITY OF AMERICAN CANYON  
 FIDUCIARY FUNDS  
 STATEMENT OF FIDUCIARY NET ASSETS  
 JUNE 30, 2009

	<u>Agency Funds</u>
 <b>ASSETS</b>	
Cash and investments (Note 3)	\$1,545,996
Restricted cash and cash equivalents (Note 3)	1,753,298
Interest receivable	<u>3,418</u>
Total Assets	<u><u>\$3,302,712</u></u>
 <b>LIABILITIES</b>	
Accounts payable	\$1,108
Due to bondholders	<u>3,301,604</u>
Total Liabilities	<u><u>\$3,302,712</u></u>

See accompanying notes to financial statements

**CITY OF AMERICAN CANYON**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2009**

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

The City of American Canyon was incorporated as a general law city in 1992. The City operates under the Council-Manager form of government and provides the following services: public safety (police and fire), highways and streets, water, wastewater, culture-recreation, public improvements, planning and zoning, transit and general administration.

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

**A. Reporting Entity**

The financial statements of the City of American Canyon include the financial activities of the City and its component units.

The American Canyon Financing Authority and American Canyon Fire Protection District are legally separate entities for which the City is financially accountable and they are governed by the elected City Council. The Authority was formed to provide a method of financing public improvements, and the Fire District became part of the City when it was incorporated in 1992. The financial activities of the Authority and the Fire District are blended with those of the City and are reported in the City's governmental funds, and as capital assets of the City and debt obligations of the City. Component unit financial reports are not available because of the blending of financial activities referred to in the preceding sentence.

**B. Basis of Presentation**

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

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

**Government-wide Statements:** The Statement of Net Assets and the Statement of Activities display information about the primary government (the City). These statements include the financial activities of the overall City government, except for fiduciary activities. These statements distinguish between the *governmental* and *business-type activities* of the City. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

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

**CITY OF AMERICAN CANYON**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2009**

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

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

Proprietary fund *operating* revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. *Nonoperating* revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

**C. Major Funds**

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

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

**General Fund** – The General Fund is used for all the general revenues of the City not specifically levied or collected for other City funds and the related expenditures.

**Fire District Operations Fund**– Accounts for fire services provided by the component unit fire protection district.

**BEGIN Program Special Revenue Fund** – Accounts for first-time homebuyer assistance program resources.

**Affordable Housing Capital Projects Fund** – Affordable Housing Capital fund accounts for fees collected from developers in lieu of providing affordable housing services.

**City Capital Projects Fund**– Accounts for major capital projects funded by various City sources.

The City reported all of its enterprise funds as major funds in the accompanying financial statements:

**Water Enterprise Fund** – Accounts for the operations of the City's treatment and distribution system.

**Wastewater Enterprise Fund** – Accounts for the operation of the City's wastewater treatment plant and collection facilities.

**Transit Enterprise Fund** – Accounts for the operation of the City's transit activities.

**D. Basis of Accounting**

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

**CITY OF AMERICAN CANYON**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2009**

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

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

Those revenues susceptible to accrual at both the City-wide and Fund level are property, sales and franchise taxes, current service charges, and interest revenue. Fines and licenses and permits are not susceptible to accrual because they are not measurable until received in cash.

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

Grant revenues are recognized in the fiscal year in which all eligibility requirements are met. Under the terms of grant agreements, the City may fund certain programs with a combination of cost-reimbursement grants, categorical block grants, and general revenues. Thus, both restricted and unrestricted net assets may be available to finance program expenditures. The City's policy is to first apply restricted grant resources to such programs, followed by general revenues if necessary.

Certain indirect costs are included in program expenses reported for individual functions and activities.

The City follows Statements and Interpretations of the Financial Accounting Standards Board and its predecessors that were issued on or before November 30, 1989, in accounting for its business-type activities, unless they conflict with Government Accounting Standards Board pronouncements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the government's business-type activities and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds and internal service funds are charges to customers for sales and services. The City also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**CITY OF AMERICAN CANYON**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2009**

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

**E. Property Tax Revenues**

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

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

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

**F. Revenue Recognition for Water and Sewer**

Revenues are recognized based on cycle billings rendered to customers. Revenues for services provided but not billed at the end of a fiscal period are accrued at the end of the fiscal year.

**G. Compensated Absences**

Compensated absences are comprised of unpaid vacation and certain compensated time off, which are accrued as earned. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. The City's liability for compensated absences is recorded in the General, Water, and Wastewater funds as appropriate. The liability for compensated absences is determined annually. However, such compensated absences payments are not distinguished from regular payroll paid during the fiscal year. Amounts expected to be paid out of current financial resources are recorded as fund liabilities; the long-term portion is recorded in the Statement of Net Assets.

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

Compensated absences activity was as follows for the year ended June 30, 2009:

	Governmental Activities	Business-type Activities	Total
Beginning Balance	\$483,620	\$122,060	\$605,680
Additions	581,782	153,623	735,405
Payments	(465,963)	(144,741)	(610,704)
Ending Balance	<u>\$599,439</u>	<u>\$130,942</u>	<u>\$730,381</u>
Current Portion	<u>\$1,199</u>	<u>\$4,792</u>	<u>\$5,991</u>

**H. Closed Funds**

During fiscal year ended June 30, 2009, the City closed the PG&E Grant Special Revenue Fund and the Transit Enterprise Fund.

**CITY OF AMERICAN CANYON**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2009**

**NOTE 2 - BUDGETS AND BUDGETARY ACCOUNTING**

**A. Budgeting Procedures**

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The City Manager submits to the City Council a proposed annual operating budget for fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comments.
3. The annual budget is adopted by City Council resolution prior to July 1.
4. Expenditures may not legally exceed budgeted appropriations at the fund level.
5. All budget adjustments and transfers between funds must be approved by the City Council by resolution during the fiscal year. The City Manager is authorized to transfer unencumbered appropriations only within a department and within a fund. Any transfer between departments, if any, must be approved by the City Council.
6. Formal budgetary integration, including the recording of encumbrances, is employed as a management control device during the year in all budgeted funds. Under encumbrance accounting, purchase orders, contracts and other commitments for the expenditure of moneys are recorded in order to reserve that portion of the applicable appropriation. Encumbrances outstanding at year-end are reported as reservations of fund balances since they do not constitute expenditures or liabilities at that date.
7. Remaining appropriations lapse at year-end and must be reappropriated in the following year.
8. Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) for all governmental funds, except for the Storm Drainage, Bus Stop Improvement, State and Federal Grants – Fire, and TFCA Grant Special Revenue Funds.

Budgeted amounts are as originally adopted or as amended by the City Council. Individual amendments were not material in relation to the original appropriations. Budget and actual comparison for the general fund are presented at the department level except for Administration which is composed of City Manager, Finance, City Attorney and City Clerk.

**B. Excess of Expenditures over Appropriations**

The funds below incurred expenditures in excess of their budgets in the amounts below as the result of unanticipated expenditures. Sufficient resources were available within the following funds to finance these excesses:

	Amount
<b><i>Special Revenue Funds:</i></b>	
Police Grants	\$84
Retiree Health Benefits	901,060
Newell Park Open Space	89
Fire District Health Benefits	10,060
<b><i>Capital Project Funds:</i></b>	
Park Improvement	31,150
Traffic Impact	4,000

**CITY OF AMERICAN CANYON**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2009**

**NOTE 3 - CASH AND INVESTMENTS**

The City's dependence on property tax receipts, which are received semi-annually, requires it to maintain significant cash reserves to finance operations during the remainder of the year. The City pools cash from all sources and all funds except cash and investments held by trustees so that it can be invested at the maximum yield consistent with safety and liquidity, while individual funds can make expenditures at any time.

**A. Policies**

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

The City invests in investment pools and money market mutual funds.

The City's investments are carried at fair value, as required by generally accepted accounting principles. The City adjusts the carrying value of its investments to reflect their fair value at each fiscal year end, and it includes the effects of these adjustments in income for that fiscal year.

**B. Classification**

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

Cash and investments available for City operations	\$25,857,823
Restricted cash and investments	<u>16,068,511</u>
Total cash and investments of primary government	41,926,334
Cash and investments in Fiduciary Funds	1,545,996
Restricted cash and investments in Fiduciary Funds	<u>1,753,298</u>
Total cash and investments	<u><u>\$45,225,628</u></u>

Cash and Investments as of June 30, 2009 consist of the following:

Cash on hand	\$2,980
Deposits with financial institutions	2,034,277
Investments	<u>43,188,371</u>
Total cash and investments	<u><u>\$45,225,628</u></u>

Cash and Investments Available for Operations is used in preparing proprietary fund statements of cash flows because these assets are highly liquid and are expended to liquidate liabilities arising during the year.

**CITY OF AMERICAN CANYON**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2009**

**NOTE 3 - CASH AND INVESTMENTS (Continued)**

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

The City's Investment Policy and the California Government Code allow the City to invest in the following, provided the credit ratings of the issuers are acceptable to the City; and approved percentages and maturities are not exceeded. The table below also identifies certain provisions of the California Government Code, or the City's Investment Policy where the City's Investment Policy is more restrictive.

Authorized Investment Type	Maximum Maturity	Minimum Credit Quality	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local Agency Bonds	5 years	None	None	None
U.S. Treasury Obligations	5 years	None	None	None
State of California Obligations	5 years	None	None	None
California Local Agency Obligations	5 years	None	None	None
U.S. Agency Obligations	5 years	None	None	None
Bankers' Acceptances	180 days	None	40%	30%
Commercial Paper	270 days	A-1/P-1/F-1	25%	10%
Negotiable Certificate of Deposit	5 years	None	30%	None
Repurchase Agreements	1 year	None	None	None
Reverse Repurchase Agreements	92 days	None	20%	None
Securities Lending Arrangements	92 days	None	20%	None
Medium-Term Notes	5 years	A	30%	None
Mutual Funds	N/A	None	20%	10%
Money Market Funds	N/A	None	20%	None
Collateralized Bank Deposits	5 years	None	None	None
Mortgage-Pass Through Securities	5 years	AA	20%	None
Time Deposits	5 years	None	None	None
County Pooled Investment Funds	N/A	None	None	None
Joint Powers Authority Pool	N/A	None	None	None
Local Agency Investment Fund	N/A	None	None	None
California Asset Management Program (CAMP)	N/A	None	None	None

**CITY OF AMERICAN CANYON**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2009**

**NOTE 3 - CASH AND INVESTMENTS (Continued)**

***D. Investments Authorized by Debt Agreements***

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

Authorized Investment Type	Maximum Maturity	Minimum Credit Quality
Bankers' Acceptances	360 days	A-1
U.S. Treasury Bills and Notes	None	N/A
State General Obligations	None	A
Municipal Obligations	None	Aaa/AAA
U.S. Government Agency Securities	None to 3 years	AAA
U.S. Government Sponsored Securities	None to 3 years	AAA
Federal Housing Administration Debentures	None	N/A
Repurchase Agreements	None to 1 year	A
Commercial Paper	270 days	A-1+
State Local Agency Investment Fund	N/A	N/A
Money Market Fund	N/A	AAm
Defeasance Securities	N/A	N/A
Pre-refunded Municipal Obligations	None	AAA
Investment Agreements	N/A	AA
Unsecured Certificates of Deposit	30 days	A-1
CalTrust	None	N/A

***E. Interest Rate Risk***

The City is a participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The City reports its investment in LAIF at the fair value amount provided by LAIF, which is the same as the value of the pool share. The balance is available for withdrawal on demand, and is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. Included in LAIF's investment portfolio are collateralized mortgage obligations, mortgage-backed securities, other asset-backed securities, loans to certain state funds, United States Treasury Notes and Bills, and floating rate securities issued by federal agencies, government-sponsored enterprises, and corporations. At June 30, 2009, these investments matured in an average of 235 days.

**CITY OF AMERICAN CANYON**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2009**

**NOTE 3 - CASH AND INVESTMENTS (Continued)**

The City is a participant in the Napa County Treasury Pool (NCTP) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The City reports its investment in NCTP at the fair value amount provided by NCTP, which is the same as the value of the pool share. The balance is available for withdrawal on demand, and is based on the accounting records maintained by NCTP, which are recorded on an amortized cost basis. Included in NCTP's investment portfolio are collateralized mortgage obligations, mortgage-backed securities, other asset-backed securities, loans to certain state funds, United States Treasury Notes and Bills, and floating rate securities issued by federal agencies, government-sponsored enterprises, and corporations. At June 30, 2009, these investments matured in an average of 17 days.

Money market funds are available for withdrawal on demand and at June 30, 2009, matured in an average of 47 days.

Investments at June 30, 2009 are classified as follows:

Local Agency Investment Fund	\$32,969,400
Napa County Treasury Pool	3,955,559
Money Market Mutual Funds	<u>6,263,412</u>
Total Investments	<u><u>\$43,188,371</u></u>

**F. Credit Risk**

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The Local Agency Investment Fund is not rated and the Money Market Mutual Funds were rated Aaa by Moody's as of June 30, 2009.

**CITY OF AMERICAN CANYON**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2009**

**NOTE 4 - INTERFUND TRANSACTIONS**

**A. Transfers Between Funds**

With Council approval, resources may be transferred from one City fund to another. Transfers between funds during the fiscal year ended June 30, 2009 were as follows:

Fund Making Transfer	Fund Receiving Transfers	Amount Transferred
<b>General Fund</b>	<b>City Capital Projects Fund</b>	\$1,321,174 (B)
	1997 Lease Revenue Bonds Debt Service Fund	150,000 (C)
	Broadway Property Debt Service Fund	131,500 (C)
	Employee Home Assistance Special Revenue Fund	72,500 (A)
	Retirement Health Benefits Special Revenue Fund	86,800 (A)
	<b>Water Enterprise Fund</b>	3,605,912 (A)
	<b>Wastewater Enterprise Fund</b>	4,233,500 (A)
	<b>Transit Enterprise Fund</b>	6,404 (D)
<b>Special Revenue Funds:</b>		
<b>Fire District Operations Fund</b>	Fire Equipment Replacement Special Revenue Fund	150,000 (A)
	Fire District Health Benefits Special Revenue Fund	50,000 (A)
Gas Tax	<b>City Capital Projects Fund</b>	164,041 (B)
	<b>General Fund</b>	214,000 (B)
Safe Route to School Grant	<b>City Capital Projects Fund</b>	39,400 (B)
State Supplemental Law Enforcement	<b>General Fund</b>	100,365 (A)
STP Road Maintenance	<b>City Capital Projects Fund</b>	299,557 (B)
La Vigne Landscape and Lighting	<b>General Fund</b>	33,842 (B)
Per Capita Prop 40 Grant	<b>City Capital Projects Fund</b>	4,010 (B)
TDA	<b>City Capital Projects Fund</b>	1,941 (B)
<b>Capital Projects Funds:</b>		
Park Improvement	<b>City Capital Projects Fund</b>	279,273 (B)
	1997 Lease Revenue Bonds Debt Service Fund	150,000 (C)
Traffic Impact	<b>City Capital Projects Fund</b>	66,341 (B)
Civic Facilities	<b>City Capital Projects Fund</b>	54,867 (B)
<b>Enterprise Funds:</b>		
<b>Water</b>	<b>General Fund</b>	880,021 (A)
	Employee Home Assistance Special Revenue Fund	14,700 (A)
	Retiree Health Benefits Special Revenue Fund	17,700 (A)
<b>Wastewater</b>	<b>General Fund</b>	692,931 (A)
	Employee Home Assistance Special Revenue Fund	12,900 (A)
	Retiree Health Benefits Special Revenue Fund	15,500 (A)
	<b>Water Enterprise Fund</b>	3,768 (B)
		\$12,852,947

- (A) Transfer to fund City operations.
- (B) Transfer to fund capital improvements.
- (C) Transfer to fund debt service payments.
- (D) Transfer to close fund.

**CITY OF AMERICAN CANYON**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2009**

**NOTE 4 - INTERFUND TRANSACTIONS (Continued)**

**B. Current Interfund Balances**

Current interfund balances arise in the normal course of business and are expected to be repaid shortly after the end of the fiscal year. At June 30, 2009, the following funds have interfund balances.

Fund Making Loan	Fund Receiving Loan	Amount
<i>General Fund</i>		
	<i>Fire District Operations Fund</i>	\$83,463
	<i>Non-Major Special Revenue Funds:</i>	
	State Supplemental Law Enforcement	46,057
	STP Road Maintenance	535,055
	Safe Route to Schools	39,400
	Prop 50 Grant	51,715
	Per Capita Prop 40 Grant	224,010
	<i>Non-Major Capital Projects Fund:</i>	
	Infrastructure	1,113,158
	<i>Sub-total</i>	2,092,858
	<i>Fire District Operations Fund</i>	
	<i>General Fund</i>	34,237
	<i>Non-Major Capital Projects Fund:</i>	
	Fire Mitigation Fund	1,446,065
	<i>Sub-total</i>	1,480,302
	<i>Total Due To/Due From Other Funds</i>	\$3,573,160

**NOTE 5 – NOTES RECEIVABLE**

At June 30, 2009, the City had the following loans receivable:

BEGIN Program	\$7,058,900
Mid Peninsula Housing Coalition Loan	2,335,476
Employee Home Purchase Assistance	354,692
CDBG Housing Rehabilitation Program	352,528
Hess Construction Loan	100,000
Mosquito Abatement District Loan	31,881
Employee Computer Purchase Loans	2,737
	\$10,236,214

**CITY OF AMERICAN CANYON**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2009**

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

**A. *BEGIN Program***

The City was awarded \$1,080,000 (\$30,000 each for 36 homes) from the State of California on August 17, 2005, which the City can draw down on as needed. The City has provided this funding plus an additional \$6,038,900, to Mid-Peninsula Housing Coalition (MPHC), a non-profit organization, to grant loans to qualified low-income home buyers at Vineyard Place, a subdivision comprised of 45 single-family detached homes. Loan payments are deferred for the life of the loan, or until the homeowner sells the home, whichever occurs sooner. The loans will be forgiven, in stages, commencing in the 26th year of the loan, and totally forgiven after 30 years.

**B. *Mid Peninsula Housing Coalition Loan***

The City loaned the Mid-Peninsula Housing Coalition (MPHC) \$2,335,476 for the construction of above mentioned homes. As part of the agreement, the City will receive a residual share of the increase in value of the homes which accounts for the remaining portion of the loan.

**C. *Employee Home Purchase Assistance***

The City provides home down payment assistance to its employees. The employee must be a full time employee and the home must be within the City limits. The maximum loan amount is 10% of the purchase price or \$50,000 whichever is less. Interest on the loan is determined using the current Local Agency Investment Fund rate. The maximum loan term is 20 years. At June 30, 2009, the City had four loans outstanding to employees.

**D. *CDBG Housing Rehabilitation Program***

The City administers a Housing Rehabilitation Loan Program using the Housing and Community Development Act funds. Under this program, residents with incomes below a certain level are eligible to receive low interest loans, secured by deeds of trust, for construction work on their homes. Federal grants are used to fund these loans. Upon approval of loans, the City disburses the funds, and arranges for and collects repayments. As of June 30, 2009, residents owed the City \$352,528 in loans offered by this Program.

**E. *Hess Construction Loan***

At June 30, 2009, Hess Construction owed the City \$100,000.

**F. *Mosquito Abatement District Loan***

At June 30, 2009, the Mosquito Abatement District owed the City \$31,881.

**G. *Employee Computer Purchase Loans***

The City provides a 5% interest loan to its employees for the purchase of personal computers. These loans are payable in a maximum of 24 equal payroll deductions (2 years). The maximum amount each employee may borrow is \$2,000. This program will loan to employees until the total amount of outstanding loans exceeds \$15,000.

**CITY OF AMERICAN CANYON**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2009**

**NOTE 6 – CAPITAL ASSETS**

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Contributed capital assets are valued at their estimated fair market value on the date contributed. The City defines capital assets as equipment, vehicles, furniture and fixtures with an initial individual cost of more than \$5,000 (\$50,000 for infrastructure type assets) and an estimated useful life in excess of one year (30-75 years for infrastructure type assets) with the exception of Federally funded acquisitions, which are \$5,000 or more. Land is capitalized at an initial individual cost of more than \$150,000.

Depreciation is provided using the straight-line method which means the cost of the asset is divided by its expected useful life in years and the result is charged to expense each year until the asset is fully depreciated. The City has assigned the useful lives listed below to capital assets:

Buildings & Improvements	20-30 years
Public Domain Infrastructure	50 years
System Infrastructure-Utility	60 years
Vehicles and Equipment	4-15 years

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase is reflected in the capitalized value of the asset constructed, net of interest earned on the invested proceeds over the same period.

**CITY OF AMERICAN CANYON**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2009**

**NOTE 6 – CAPITAL ASSETS (Continued)**

**A. Capital Asset Additions and Retirements**

Capital assets at June 30 comprise:

	Balance June 30, 2008	Additions	Transfers & Adjustments	Balance June 30, 2009
<b>Governmental Activities:</b>				
Non-Depreciable Assets:				
Land	\$6,780,005	\$13,333		\$6,793,338
Infrastructure - Street Right of Ways	162,448,932		(\$164,847)	162,284,085
Construction in Progress	29,884,521	32,162	(237,075)	29,679,608
Total Non-Depreciable Assets	<u>199,113,458</u>	<u>45,495</u>	<u>(401,922)</u>	<u>198,757,031</u>
Capital Assets being Depreciated:				
Buildings and Improvements	14,427,892	3,540,450	180,086	18,148,428
Machinery and Equipment	6,054,333	793,989	120,037	6,968,359
Infrastructure - Streets and Storm Drains	59,691,211	4,283,706		63,974,917
Total Capital Assets being Depreciated	<u>80,173,436</u>	<u>8,618,145</u>	<u>300,123</u>	<u>89,091,704</u>
Less Accumulated Depreciation for:				
Buildings and Improvements	(2,225,778)	(531,846)	(15,239)	(2,772,863)
Machinery and Equipment	(3,822,662)	(934,653)	(95,336)	(4,852,651)
Infrastructure - Streets and Storm Drains	(12,183,882)	(1,158,381)		(13,342,263)
Total Accumulated Depreciation	<u>(18,232,322)</u>	<u>(2,624,880)</u>	<u>(110,575)</u>	<u>(20,967,777)</u>
Net Depreciable Assets	<u>61,941,114</u>	<u>5,993,265</u>	<u>189,548</u>	<u>68,123,927</u>
Governmental Activity Capital Assets, Net	<u>\$261,054,572</u>	<u>\$6,038,760</u>	<u>(\$212,374)</u>	<u>\$266,880,958</u>

**CITY OF AMERICAN CANYON**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2009**

**NOTE 6 – CAPITAL ASSETS (Continued)**

	Balance June 30, 2008	Additions	Transfers	Balance June 30, 2009
<b>Business-Type Activities:</b>				
Non-Depreciable Assets:				
Land and Improvements	\$1,642,993			\$1,642,993
Construction in Progress	626,871	\$2,060,810		2,687,681
Total Non-Depreciable Assets	<u>2,269,864</u>	<u>2,060,810</u>		<u>4,330,674</u>
Capital Assets being Depreciated:				
Buildings and Improvements	6,827,336			6,827,336
Water Treatment and Distribution	37,757,069	105,519		37,862,588
Equipment	1,468,543	123,918	(\$140,257)	1,452,204
Wastewater Treatment and Collection	31,871,595	22,682		31,894,277
Total Capital Assets being Depreciated	<u>77,924,543</u>	<u>252,119</u>	<u>(140,257)</u>	<u>78,036,405</u>
Less Accumulated Depreciation for:				
Buildings and Improvements	(1,790,342)	(521,688)	15,239	(2,296,791)
Water Treatment and Distribution	(11,216,404)	(884,731)		(12,101,135)
Equipment	(1,055,584)	(201,996)	100,315	(1,157,265)
Wastewater Treatment and Collection	(5,425,980)	(1,024,613)		(6,450,593)
Total Accumulated Depreciation	<u>(19,488,310)</u>	<u>(2,633,028)</u>	<u>115,554</u>	<u>(22,005,784)</u>
Net Depreciable Assets	<u>58,436,233</u>	<u>(2,380,909)</u>	<u>(24,703)</u>	<u>56,030,621</u>
Business-type Activity Capital Assets, Net	<u>\$60,706,097</u>	<u>(\$320,099)</u>	<u>(\$24,703)</u>	<u>\$60,361,295</u>

**B. Project Commitments**

At June 30, 2009, the City had outstanding commitments with contractors for the following projects:

Project	Remaining Commitment
AmCan Road E. Assessment District	\$42,641
Civic Facilities Projects	109,575
Transportation Projects	433,730
Parks Projects	394,945
Water Projects	140,214
Wastewater Projects	428,524
	<u>\$1,549,629</u>

**CITY OF AMERICAN CANYON**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2009**

**NOTE 6 – CAPITAL ASSETS (Continued)**

**C. Capital Asset Contributions**

Some capital assets may be acquired using Federal and State grant funds, or they may be contributed by developers or other governments. GASB Statement 34 requires that these contributions be accounted for as revenues at the time the capital assets are contributed.

**D. Depreciation Allocation**

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

	<u>Depreciation</u>
Governmental Activities:	
General Government	\$466,506
Public Safety - Police and Fire Services	855,831
Parks and Recreation	144,162
Public Works - Streets & Storm Drains	1,158,381
Total Governmental Activities	\$2,624,880
Business-type Activities:	
Water	\$1,389,004
Wastewater	1,244,024
Total Business-Type Activities	\$2,633,028

**CITY OF AMERICAN CANYON**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2009**

**NOTE 7 – LONG-TERM DEBT**

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

The City's debt issues and transactions are summarized below and discussed in detail thereafter.

**A. Current Year Transactions and Balances**

	Original Issue Amount	Balance June 30, 2008	Additions	Retirements	Balance June 30, 2009	Current Portion
<b>Governmental Activity Debt</b>						
<b>2002 Lease Revenue Bonds</b>						
1.30-4.45%, due 06/01/22	\$4,230,000	\$3,205,000		\$175,000	\$3,030,000	\$180,000
<b>Capital Lease - Fire Engines</b>						
3.175%, due 02/01/09	850,000	183,129		183,129		
<b>Capital Lease - City Hall Facility</b>						
4.54%, due 05/01/32	6,695,000	6,695,000			6,695,000	170,000
<b>Capital Lease - Broadway Properties</b>						
4.57%, due 08/22/2018	1,075,000		\$1,075,000	43,153	1,031,847	89,240
<b>Total Governmental Long-Term Debt</b>		10,083,129	1,075,000	401,282	10,756,847	\$439,240
Less: Amount due within one year		401,282			439,240	
<b>Total Governmental Long-Term Debt, Net</b>		\$9,681,847	\$1,075,000	\$401,282	\$10,317,607	
	Original Issue Amount	Balance June 30, 2008	Additions	Retirements	Balance June 30, 2009	Current Portion
<b>Business-Type Activity Debt</b>						
<b>Capital Lease - Water North Bay Aqueduct</b>						
5.56%, due 07/01/35	\$5,909,403	\$5,619,761		\$129,267	\$5,490,494	\$135,239
<b>Capital Lease - Water and Wastewater Enterprises</b>						
4.85%, due 06/01/09	2,558,434	156,098		156,098		
<b>State of California Davis-Grunsky Loan</b>						
2.5%, due 12/31/27	2,050,000	1,273,036		49,836	1,223,200	51,082
<b>State Water Resources Control Board, State Revolving Fund Loan</b>						
1.7%, due 07/15/22	10,859,470	9,064,654		510,331	8,554,323	510,914
<b>City of Vallejo Note Payable</b>						
6.0%, due 06/30/2010	2,346,860	1,206,524		585,436	621,088	621,088
<b>Total Business-Type Long-Term Debt</b>		17,320,073		1,430,968	15,889,105	\$1,318,323
Less: Amount due within one year		1,430,967			1,318,323	
Add: Unamortized deferred interest on Davis-Grunsky Loan		230,280		11,514	218,766	
<b>Total Business-type Activity Debt</b>		\$16,119,386		\$1,442,482	\$14,789,548	

**CITY OF AMERICAN CANYON**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2009**

**NOTE 7 - LONG TERM DEBT (Continued)**

***B. 2002 Lease Revenue Bonds***

The City's Financing Authority authorized the issuance of \$4,230,000 of its 2002 Lease Revenue Bonds to provide funds for refunding of the City's 1997 Lease Revenue Bonds. The Authority and the City entered into a site lease and lease-back arrangement wherein the City, in substance, acquired ownership of the facilities and is responsible for making payments in amounts sufficient to pay debt service on the revenue bonds. The lease receivable and payable between the City and the City's Financing Authority have been eliminated from the accompanying financial statements. The bonds bear interest at rates from 1.30 to 4.45 percent, and interest is payable each June 1 and December 1. Principal is due each June 1, through 2022. The City's general fund provides the majority of funds for repayment of this obligation.

***C. Capital Lease – Fire Engines***

In fiscal year 2005, the City's Fire District entered into a capital lease for the purpose of financing the acquisition of new fire engines. The lease is a capital lease and the equipment has been capitalized at \$850,000 in the capital assets of the City's governmental activities. The lease bore interest at a rate of 3.175 percent and was payable in annual installments and has been fully repaid at June 30, 2009.

***D. Capital Lease – City Hall Facility***

In fiscal year 2007, the City and its Financing Authority entered into lease purchase arrangement for \$6,695,000 to provide financing for the acquisition, construction, and improvement of facilities to be used as a City Hall.

***E. Capital Lease – Broadway Properties***

In July 2008, the City entered into a lease purchase financing for \$1,075,000 to purchase property adjacent to City Hall. The primary purpose was to provide access to City Hall from Napa Junction Road and it also provides additional parking and is available for future civic purposes.

***F. Capital Lease – Water North Bay Aqueduct***

In fiscal year 1982, the City has entered into a water supply contract with the Napa County Flood Control and Water Conservation District for certain quantities of water to be supplied to the City. Payments are made semiannually for the City's portion of the bonds used to finance the project.

***G. Capital Lease – Water and Wastewater Enterprises***

The City has entered into two lease agreements with original amounts of \$2,558,434 and \$7,308,527, respectively, as lessee for financing the acquisition of water and wastewater facilities, distribution systems, and water capacity. The lease agreements qualify as capital leases for accounting purposes and, therefore, original costs capitalized were recorded at \$10,153,629 as of the inception dates. The assets have been capitalized in the respective funds and the related accumulated depreciation is recorded also in such funds.

**CITY OF AMERICAN CANYON**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2009**

**NOTE 7 - LONG TERM DEBT (Continued)**

**H. State of California Davis – Grunsky Loan**

The City obtained a loan in an original amount of \$2,050,000 from the State of California Department of Water Resources under the Davis-Grunsky Act for the purpose of financing water system improvements. Payments are due each July 1 and January 1 through January 1, 2028. The loan amounts sufficient to payment debt service. The City makes repayments from its water enterprise fund from available resources.

**I. State of California Revolving Fund Loan**

The City obtained a \$10,859,470 loan from the State of California Department of Water Resources under the State Revolving Loan Program for the purpose of obtaining financing to construct the City’s wastewater treatment plant. The loan bears interest at 2.7 percent and is secured by a pledge of the City to maintain dedicated sources of revenue sufficient in amounts to provide for repayment of the loan. Principal and interest on the loan is payable in annual installments due each January 15 through 2023.

**J. City of Vallejo Note Payable**

In fiscal year 2007, the City exercised an option to purchase additional water rights capacity from the City of Vallejo. The option price was \$2,346,860 for an additional 1.15 MGD of water. The City has agreed to pay for this additional water capacity over four fiscal years. The arrangement provides for semi-annual payments of \$324,588 with interest at 6 percent per year.

**K. Debt Service Requirements**

Annual debt service requirements are shown below for all long-term debt:

For the Year Ending June 30	Governmental Activities				Business-Type Activities	
	Outstanding Bonds		Capital Leases		Principal	Interest
	Principal	Interest	Principal	Interest		
2010	\$180,000	\$129,526	\$259,240	\$349,394	\$1,318,323	\$592,382
2011	190,000	123,496	273,302	337,614	718,555	538,616
2012	195,000	116,750	282,547	325,197	740,568	501,564
2013	200,000	109,632	296,986	312,358	763,297	497,737
2014	210,000	101,832	311,627	298,865	786,770	466,804
2015 - 2019	1,200,000	369,312	1,718,145	1,268,292	4,245,876	1,959,323
2020 - 2024	855,000	82,174	1,460,000	914,358	4,088,836	1,296,926
2025 - 2029			1,820,000	551,158	1,502,778	586,557
2030 - 2034			1,305,000	120,312	1,435,535	223,543
2035					288,567	4,560
<b>Total</b>	<b>\$3,030,000</b>	<b>\$1,032,722</b>	<b>\$7,726,847</b>	<b>\$4,477,548</b>	<b>\$15,889,105</b>	<b>\$6,668,012</b>

**CITY OF AMERICAN CANYON**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2009**

**NOTE 7 - LONG TERM DEBT (Continued)**

**L. Special Assessment Debt Without City Commitment**

At June 30, 2009, the outstanding principal amount of bonded debt issued by special assessment districts in the City was as follows:

2004 A Reassessment Revenue Bonds	\$6,830,000
2005 Infrastructure Revenue Bonds	17,810,000

The City has no legal or moral responsibility with respect to the payment of this debt and has therefore not recorded it as a liability. The City is responsible, as the Districts' agent, for the Districts' cash receipts, disbursements and balances, which are reported as Agency Fund transactions in the financial statements.

**NOTE 8 – NET ASSETS AND FUND BALANCES**

**A. Net Assets**

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

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

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

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

**B. Fund Balance Reserves**

Reserves are placed by outside entities, such as other governments, which restrict the expenditures of the reserved funds to the purpose intended by the entity that provided the funds. The City cannot modify or remove these reserves. At June 30, 2009, reserves included the following:

*Debt Service* reserve are the balance of debt service funds legally restricted for the payment of principal and interest on long-term debt, or the portion of proprietary funds retained earnings reserved to retire bond principal.

*Prepaid Items, Long Term Notes Receivable, and Property Held for Resale* reserves are the portions of fund balance set aside to indicate these items do not represent available, spendable resources even though they are a component of assets.

**CITY OF AMERICAN CANYON**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2009**

**NOTE 8 – NET ASSETS AND FUND BALANCES (Continued)**

*Encumbrances* reserve represents the portion of fund balance set aside for open purchase orders.

*Development and Planning* reserve is the portion of fund balance set aside for development and planning improvement.

**C. Fund Balance Designations**

Designations are imposed by City Council to reflect future spending plans or concerns about the availability of future resources. Designations may be modified, amended or removed by Council action. At June 30, 2009, designations included the following: capital projects and other purposes.

**D. General Fund Reservations and Designations**

As of June 30, 2009 the reservations and designations for the General Fund are as follows:

**RESERVED**

Long Term Notes Receivable	\$134,618
Development and Planning	759,303
Prepayments / Imprest Cash	2,780
Internal Balances	2,092,858
	2,989,559

**UNRESERVED**

Designated:

Little League	7,500
Vehicle Replacement	471,496
Contingency	1,360,000
Catastrophe	950,000
Economic Development	220,000
Pavement Repair	400,000
Retiree Health Care Benefits	413,200
General Plan Update	218,136
	4,040,332

Unreserved / Undesignated	4,297,517
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Fund Balance	\$11,327,408
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**CITY OF AMERICAN CANYON**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2009**

**NOTE 8 – NET ASSETS AND FUND BALANCES (Continued)**

**E. Fund Equity Deficits**

The following funds had deficit fund balances at June 30, 2009:

*Non-Major Special Revenue Funds:*

STP Road Maintenance	\$55 (A)
Safe Route to Schools	39,400 (B)
Per Capita Prop 40 Grant	4,010 (B)

*Non-Major Capital Projects Fund:*

Fire Mitigation	1,143,584 (C)
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- (A) This deficit will be eliminated with future interfund transfers.
- (B) These deficits will be eliminated with future grant collections.
- (C) This deficit will be eliminated with future collections.

**NOTE 9 – DEFERRED COMPENSATION PLAN**

City employees may defer a portion of their compensation under a City sponsored Deferred Compensation Plan created in accordance with Internal Revenue Code Section 457. Under this plan, participants are not taxed on the deferred portion of their compensation until distributed to them. Distributions may be made only at termination, retirement, death or in an emergency as defined by the Plan.

The laws governing deferred compensation plan assets require plan assets to be held by a Trust for the exclusive benefit of plan participants and their beneficiaries. Since assets held under these plans are not the City's property and are not subject to City control, they have been excluded from these financial statements.

**CITY OF AMERICAN CANYON**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2009**

**NOTE 10 - PENSION PLAN**

*CALPERS Safety and Miscellaneous Employees Plans*

The City participates in pension plans offered by California Public Employees Retirement System (CALPERS), an agent multiple employer defined benefit pension plan which acts as a common investment and administrative agent for its participating member employers. CALPERS provides retirement and disability benefits, annual cost of living adjustments and death benefits to plan members and beneficiaries. The City's employees participate in the separate Safety (fire) and Miscellaneous (all other) Employee Plans. Benefit provisions under both Plans are established by State statute and City resolution. Benefits are based on years of credited service, equal to one year of full time employment. Funding for city's contributions for both Plans are determined annually on an actuarial basis as of June 30 by CALPERS. The Plans' provisions and benefits in effect at June 30, 2009, are summarized as follows:

	<u>Safety</u>	<u>Miscellaneous</u>
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50	50
Monthly benefits, as a % of annual salary	3%	1.426% - 2.418%
Required employee contribution rates	9%	7%
Required employer contribution rates	26.863%	13.339%

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

CALPERS uses the market related value method of valuing the Plan's assets. An investment rate of return of 7.75% is assumed, including inflation at 3.00%. Annual salary increases are assumed to vary by duration of service and annual retirement benefit increases are assumed to be 3.25%. The City's unfunded actuarial accrued liability is being amortized as a level percentage of payroll on a closed basis. The remaining amortization period at June 30, 2009 was 16 years for the miscellaneous plan and 10 years for the safety plan.

**CITY OF AMERICAN CANYON**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2009**

**NOTE 10 - PENSION PLAN (Continued)**

The Miscellaneous and Safety Plan's actuarial value (which differs from market value) and funding progress over the past three years is set forth below at their actuarial valuation date of June 30:

*Miscellaneous Plan:*

Actuarial						
Valuation Date	Entry Age Accrued Liability	Value of Assets	Unfunded (Overfunded) Liability	Funded Ratio	Annual Covered Payroll	Unfunded (Overfunded) Liability as % of Payroll
6/30/2006	\$2,754,396,608	\$2,492,226,176	\$262,170,432	90.5%	\$699,897,835	37.5%
6/30/2007	2,611,746,790	2,391,434,447	220,312,343	91.6%	665,522,859	33.1%
6/30/2008	2,780,280,768	2,547,323,278	232,957,440	91.6%	688,606,681	33.8%

*Safety Plan:*

Actuarial						
Valuation Date	Entry Age Accrued Liability	Value of Assets	Unfunded (Overfunded) Liability	Funded Ratio	Annual Covered Payroll	Unfunded (Overfunded) Liability as % of Payroll
6/30/2006	\$7,278,049,834	\$6,102,615,567	\$1,175,434,267	83.9%	\$754,730,439	155.7%
6/30/2007	7,986,055,176	6,826,599,459	1,159,455,717	85.5%	831,607,658	139.9%
6/30/2008	8,700,467,733	7,464,927,716	1,235,540,017	85.8%	914,840,596	135.1%

As required by State law, effective July 1, 2005, the City's Miscellaneous and Safety Plans were terminated, and the employees in the Plans were required by CALPERS to join a State-wide pool. One of the conditions of entry was for the City to adjust and true-up any unfunded liabilities or overfunded assets in the former Plan, either by paying cash or by increasing or decreasing its future contribution rates through a Side Fund offered by CALPERS. The City's Miscellaneous and Safety Plans were under-funded at June 30, 2004. The amount of this under-funding is accounted for separately and is to be used by CALPERS to reduce future City contributions to the Plans over the next 10 years.

The actuarial value and funding progress of the State-wide pool, and the information regarding audited annual financial statements are available from CALPERS at P.O. Box 942709, Sacramento, CA 94229-2709.

**CITY OF AMERICAN CANYON**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2009**

**NOTE 10 - PENSION PLAN (Continued)**

Actuarially required employer contributions for Miscellaneous and Safety Plans for the last three fiscal years were as follows:

Fiscal Year	Annual Pension Cost (APC)	Percentage of APC Contributed	Contribution Rate
6/30/2007	\$2,710,242	100%	14.922% - 28.398%
6/30/2008	1,014,337	100%	15.113% - 26.863%
6/30/2009	1,034,154	100%	13.339% - 26.863%

**NOTE 11 – OTHER POST EMPLOYMENT BENEFITS**

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

The City and Fire District joined the California Employers' Retiree Benefit Trust (CERBT), an agent multiple-employer plan administered by CALPERS, consisting of an aggregation of single-employer plans. The CERBT issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained from the California Public Employees' Retirement System, CERBT, P.O. Box 942703, Sacramento, CA 94229-2703.

**A. Retiree Medical Benefits**

Eligibility for retiree health benefits is based on the retiree's age, and service with all CalPERS agencies. Retirees must be in receipt of pension payment from CalPERS and meet the following provisions:

- Nondisabled retirement from full-time active status with at least age 50 and five years of service.
- Disabled retirement from active full-time service at any age with at least five years of service.

City employees/retirees receive medical benefits offered through CalPERS. Upon retirement, the City subsidy is limited to 100% of the lowest cost option available in the area (currently the PERS Select plan) for retirees and their covered dependents. Retirees can choose higher cost plan options but they are responsible for any premiums in excess of the applicable lowest cost plan's rate.

Covered dependents of eligible retirees include spouses, domestic partners, and children under age 23 and never married (or any age if handicapped, subject to CalPERS approval). Surviving spouses of deceased retirees are covered for life on the same basis as when the retiree was alive. There are no benefits for surviving spouses or dependent children of actives beyond COBRA continuation.

As of June 30, 2009 there were 15 participants receiving these health care benefits.

**CITY OF AMERICAN CANYON**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2009**

**NOTE 11 – OTHER POST EMPLOYMENT BENEFITS (Continued)**

In order to qualify for postemployment medical and dental benefits an employee must retire from the City and maintain enrollment in one of City's eligible health plans. In addition, there are eligibility rules and contribution requirements defined in the Memorandum of Understanding (MOU) with each employee group. In the MOUs, the Benefit Cap is defined as not more than the single medical premium rate paid by the City for active employees, and the Retiree Cap is 15% above the single Kaiser medical premium rate. The eligibility rules for each MOU are summarized below.

**B. *City of American Canyon's Plan***

**Funding Policy and Actuarial Assumptions**

The annual required contribution (ARC) was determined as part of a June 30, 2007 actuarial valuation using the entry age normal actuarial cost method. This is a projected benefit cost method, which takes into account those benefits that are expected to be earned in the future as well as those already accrued. The actuarial assumptions included (a) 7.75% investment rate of return, (b) 3.25% projected annual salary increase, and (c) health care cost trend rates from 5% to 9.5% for medical. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the City and 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 the City and plan members to that point. The actuarial methods and assumptions used include techniques that smooth the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets. Actuarial calculations reflect a long-term perspective and actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to revision at least triennially as results are compared to past expectations and new estimates are made about the future. The actuarial value of assets is based upon the balance in the CERBT Trust. The City's OPEB unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll using a 30 year amortization period on a closed basis.

Concurrent with implementing Statement No. 45, the City Council passed a resolution to prefund the other post-employment benefits by transferring \$900,000 to the California Employers Retirees Benefit Trust (CERBT), an irrevocable trust established to fund OPEB. CERBT is administered by CalPERS, and is managed by an appointed board not under the control of the City Council. This Trust is not considered a component unit by the City and has been excluded from these financial statements. Separately issued financial statements for CERBT may be obtained from CALPERS at P.O. Box 942709, Sacramento, CA 94229-2709.

**CITY OF AMERICAN CANYON**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2009**

**NOTE 11 – OTHER POST EMPLOYMENT BENEFITS (Continued)**

**Funding Progress and Funded Status**

Generally accepted accounting principles permit contributions to be treated as OPEB assets and deducted from the Actuarial Accrued Liability when such contributions are placed in an irrevocable trust or equivalent arrangement. During the fiscal year ended June 30, 2009, the City prefunded \$900,000 to the Plan, and funded pay-as-you-go premiums of \$120,601. As a result, the City has calculated and recorded the Net OPEB Asset on the Statement of Net Assets, representing the difference between the ARC, amortization and contributions, as presented below:

Annual required contribution (estimated)	\$454,863
Adjustment to annual required contribution	<u>0</u>
Annual OPEB cost	454,863
Contributions:	
Contributions to CERBT	900,000
City's portion of current year premiums paid	<u>120,601</u>
Total Contributions	1,020,601
(Decrease) increase in net OPEB obligations	(565,738)
Net OPEB obligation (asset) at June 30, 2008	<u>0</u>
<b>Net OPEB obligation (asset) at June 30, 2009</b>	<u><u>(\$565,738)</u></u>

The actuarial accrued liability (AAL) representing the present value of future benefits, included in the actuarial study dated June 30, 2007, amounted to \$3,897,000. The AAL is partially funded since assets have been transferred into CERBT.

The Plan's annual required contributions and actual contributions for fiscal year ended June 30, 2009 are set forth below:

Fiscal Year	Estimated Annual Pension Cost (APC)	Actual Contribution	Percentage of APC Contributed	Net OPEB Obligation (Asset)
June 30, 2009	\$454,863	\$1,020,601	224%	(\$565,738)

**CITY OF AMERICAN CANYON**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2009**

**NOTE 11 – OTHER POST EMPLOYMENT BENEFITS (Continued)**

The Schedule of Funding Progress presents trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits. Trend data from the June 30, 2007 actuarial study is presented below:

Actuarial Valuation Date	Actuarial Value of Assets	Entry Age Actuarial Accrued Liability	Unfunded (Overfunded) Actuarial Accrued Liability	Funded Ratio	Covered Payroll	Unfunded (Overfunded) Actuarial Liability as Percentage of Covered Payroll
6/30/07	\$0	\$3,897,000	\$3,897,000	0.00%	\$4,713,606	82.68%

**C. Fire District's Plan**

**Funding Policy and Actuarial Assumptions**

The annual required contribution (ARC) was determined as part of a June 30, 2008 actuarial valuation using the entry age normal actuarial cost method. This is a projected benefit cost method, which takes into account those benefits that are expected to be earned in the future as well as those already accrued. The actuarial assumptions included (a) 7.75% investment rate of return, (b) 3.25% projected annual salary increase, and (c) health care cost trend rates from 9.05% 10.10% for medical. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the City and 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 the District and plan members to that point. The actuarial methods and assumptions used include techniques that smooth the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets. Actuarial calculations reflect a long-term perspective and actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to revision at least triennially as results are compared to past expectations and new estimates are made about the future. The District's OPEB unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll using a 30 year amortization period on a closed basis.

Concurrent with implementing Statement No. 45, the District's Board passed a resolution to participate in the California Employers Retirees Benefit Trust (CERBT), an irrevocable trust established to fund OPEB. CERBT is administered by CalPERS, and is managed by an appointed board not under the control of Association Board. This Trust is not considered a component unit by the Association and has been excluded from these financial statements. Separately issued financial statements for CERBT may be obtained from CALPERS at P.O. Box 942709, Sacramento, CA 94229-2709.

**CITY OF AMERICAN CANYON**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2009**

**NOTE 11 – OTHER POST EMPLOYMENT BENEFITS (Continued)**

**Funding Progress and Funded Status**

Generally accepted accounting principles permit contributions to be treated as OPEB assets and deducted from the Actuarial Accrued Liability when such contributions are placed in an irrevocable trust or equivalent arrangement. During the fiscal year ended June 30, 2009, the District funded pay-as-you-go premiums of \$60,060. As a result, the District has calculated and recorded the Net OPEB Liability on the Statement of Net Assets, representing the difference between the ARC, amortization and contributions, as presented below:

Annual required contribution (estimated)	\$300,500
Adjustment to annual required contribution	<u>0</u>
Annual OPEB cost	300,500
Contributions:	
District's portion of current year premiums paid	<u>60,060</u>
Total Contributions	60,060
(Decrease) increase in net OPEB obligations	240,440
Net OPEB obligation (asset) at June 30, 2008	<u>0</u>
<b>Net OPEB obligation (asset) at June 30, 2009</b>	<b><u><u>\$240,440</u></u></b>

The actuarial accrued liability (AAL) representing the present value of future benefits, included in the actuarial study dated June 30, 2008, amounted to \$2,531,000 and was unfunded since no assets had been transferred into an irrevocable trust or CERBT as of that date.

The Plan's annual required contributions and actual contributions for fiscal year ended June 30, 2009 are set forth below:

<u>Fiscal Year</u>	<u>Estimated Annual Required OPEB Cost (AOC)</u>	<u>Actual Contribution</u>	<u>Percentage of AOC Contributed</u>	<u>Net OPEB Obligation (Asset)</u>
June 30, 2009	\$300,500	\$60,060	20%	\$240,440

**CITY OF AMERICAN CANYON**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2009**

**NOTE 11 – OTHER POST EMPLOYMENT BENEFITS (Continued)**

The Schedule of Funding Progress presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits. Trend data from the actuarial studies is presented below:

Actuarial Valuation Date	Actuarial Value of Assets	Entry Age Actuarial Accrued Liability	Unfunded (Overfunded) Actuarial Accrued Liability	Funded Ratio	Covered Payroll	Unfunded (Overfunded) Actuarial Liability as Percentage of Covered Payroll
6/30/08	\$0	\$2,531,000	\$2,531,000	0.00%	\$1,650,824	153.32%

**NOTE 12 – RISK MANAGEMENT**

**A. Coverages**

The City is a member of the Association of Bay Area Governments (ABAG), which provides general liability coverage of \$5,000,000 above the City's deductible of \$25,000 per occurrence, and property damage insurance up to \$1,000,000,000 above the City's deductible of \$5,000 and \$10,000, for property and vehicle damage respectively. ABAG is governed by a board consisting of representatives from member municipalities. The board controls the operations of ABAG, including selection of management and approval of operating budgets, independent of any influence by member municipalities beyond their representation on the Board.

Actual surpluses or losses are shared according to a formula developed from overall loss costs and spread to member entities on a percentage basis after a retrospective rating. During the fiscal year ended June 30, 2009, the City contributed \$200,469 for current year coverage.

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

The City is also covered by the Plan's Employee Dishonesty coverage up to \$1,000,000. Workers compensation insurance is provided by the State Compensation Insurance Fund with coverage up to \$1,000,000 per claim; and the City has no deductible for such claims. Insurance transactions are accounted for in the City's General Fund.

The component unit Fire Protection District of the City obtains general liability insurance through its membership in the Fire Agencies Insurance Risk Authority. The District transfers the risk of loss to the Authority and is covered by the Authority up to \$6,000,000 per occurrence with an aggregate limit of \$6,000,000. The Authority also provides property coverage with a limit of \$5,000,000. The Fire Association Self Insurance System, a risk sharing pool, provides workers compensation insurance coverage for the Fire District. The System is self-insured for the first \$500,000 of each claim and purchases commercial insurance excess coverage up to \$5,000,000 per claim. The District has no deductible for such claims.

**CITY OF AMERICAN CANYON**  
**Notes to Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2009**

**NOTE 12 – RISK MANAGEMENT**

**B. Liability for Uninsured Claims**

The City's liability for uninsured claims, including estimated claims incurred but not reported, was estimated by management based on prior years claims experience and was computed as follows as of June 30:

	Year Ended June 30, 2009	Year Ended June 30, 2008	Year Ended June 30, 2007
Unpaid claims, beginning of fiscal year	\$3,100	\$22,861	\$22,861
Incurred claims (including IBNRs)	12,421	6,547	(19,545)
Claim payments	(5,114)	(26,308)	19,545
Unpaid claims, end of fiscal year	<u>\$10,407</u>	<u>\$3,100</u>	<u>\$22,861</u>

For the years ended June 30, 2009, 2008, and 2007, the amount of settlements did not exceed insurance coverage.

**NOTE 13 – SETTLEMENT AGREEMENT**

During fiscal year 2008-2009, the City received \$7.593 million from American Canyon Beverages as part of a settlement agreement relating to wastewater discharge violations.

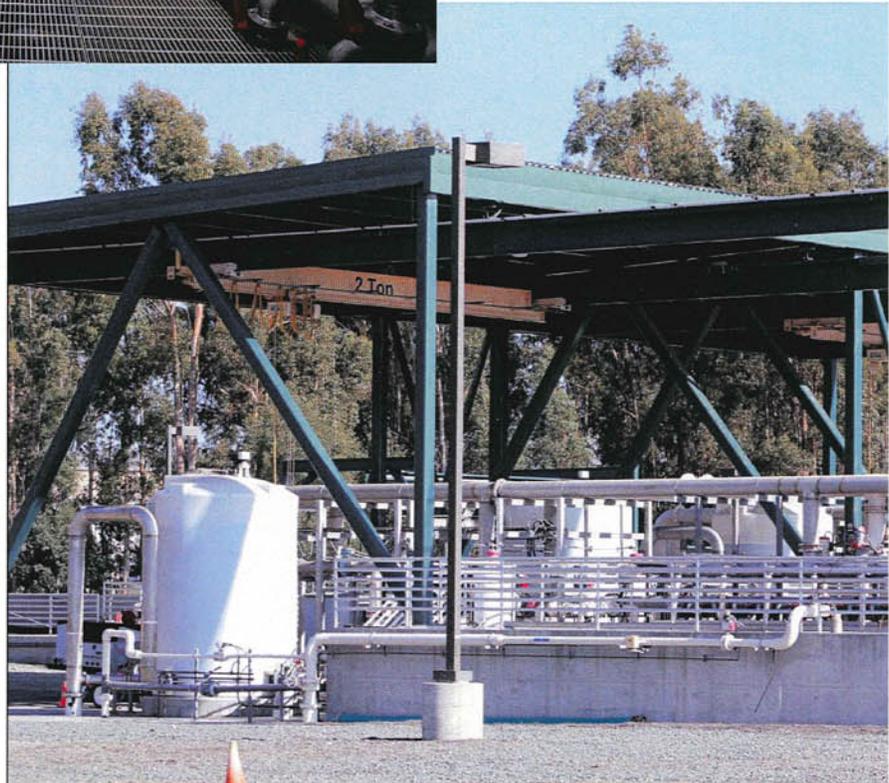
**NOTE 14 – OTHER COMMITMENTS AND CONTINGENT LIABILITIES**

The City participates in a number of federal and state grant programs subject to financial and compliance audits by the grantors or their representatives. Audits of certain grant programs, including those for the year ended June 30, 2009, have yet to be conducted. The amount, if any, of expenditures that may be disallowed by the granting agencies cannot be determined at this time. Management believes that such disallowances, if any, would not have a material effect on the financial statements.

The City is a defendant in a number of lawsuits that have arisen in the normal course of business, the outcome of which cannot be predicted with certainty. In the opinion of the City Attorney, these actions when finally adjudicated will not have a material adverse effect on the financial position of the City.

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# Optional Supplementary Information Section



Treatment Plant

**MAJOR GOVERNMENTAL FUNDS, OTHER THAN GENERAL FUND  
AND SPECIAL REVENUE FUNDS**

CITY OF AMERICAN CANYON  
 AFFORDABLE HOUSING CAPITAL PROJECTS FUND  
 SCHEDULE OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2009

	Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES:			
Interest and rents	\$26,000	\$30,403	\$4,403
Total Revenues	26,000	30,403	4,403
EXPENDITURES:			
Capital outlay	575,516		575,516
Total Expenditures	575,516		575,516
EXCESS OF REVENUES OVER EXPENDITURES	(549,516)	30,403	579,919
NET CHANGE IN FUND BALANCE	(\$549,516)	30,403	\$579,919
Beginning fund balance		3,840,772	
Ending fund balance		\$3,871,175	

CITY OF AMERICAN CANYON  
CITY CAPITAL PROJECTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2009

	<u>Budget</u>	<u>Actual Amounts</u>	Variance with Final Budget Positive (Negative)
REVENUES:			
Interest and rents		\$5,178	\$5,178
Total Revenues		<u>5,178</u>	<u>5,178</u>
EXPENDITURES:			
Capital outlay	\$7,791,626	4,921,704	2,869,922
Total Expenditures	<u>7,791,626</u>	<u>4,921,704</u>	<u>2,869,922</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(7,791,626)</u>	<u>(4,916,526)</u>	<u>2,875,100</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	6,414,193	2,230,604	(4,183,589)
Total other financing sources (uses)	<u>6,414,193</u>	<u>2,230,604</u>	<u>(4,183,589)</u>
NET CHANGE IN FUND BALANCE	<u>(\$1,377,433)</u>	(2,685,922)	<u>(\$1,308,489)</u>
Beginning fund balance			
Ending fund balance		<u>(\$2,685,922)</u>	

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## NON-MAJOR GOVERNMENTAL FUNDS

### **SPECIAL REVENUE FUNDS**

**Storm Drainage** – accounts for the proceeds and expenditures of sales taxes received under the Napa County Flood Protection Sales Tax.

**Gas Tax** – accounts for proceeds and expenditures of gas tax revenue received under the California Streets and Highways Code.

**Equipment Replacement-Fire** – accounts for contributions from the Fire District Operations Fund to replace existing fire apparatus.

**State and Federal Grants-Fire** – accounts for State and Federal Grants.

**CDBG Loan Repayment** – accounts for housing rehabilitation made with Federal Community Development Grant monies.

**State Supplemental Law Enforcement** – accounts for revenue granted from the state General Fund for Citizen Option for Public Safety (COPS) program to provide supplemental public safety services for front line law enforcement including anti-gang, community crime prevention and juvenile justice programs

**STP Road Maintenance** – accounts for grant funds received for street and road improvements.

**Police Grants** – accounts for the grant funds received for the OTS grant, this program uses overtime to employ enforcement and innovative strategies to reduce person killed and injured in traffic collisions.

**La Vigne Landscape and Lighting** - accounts for maintenance expenses of the three District zones which are paid for through property tax assessments placed on owners annual tax bills.

**La Vigne Open Space** – accounts for the costs to maintain open space at the La Vigne Open Space.

**Employee Home Assistance** – accounts for loans made to employees with City funds for the purpose of assisting them to purchase homes within the City.

**Retiree Health Benefits** – this fund was set up to accumulate funds for the purpose of funding retiree health benefits.

**Newell Park Open Space** – accounts for the costs to maintain open space at the Newell Open Space.

**Abandoned Vehicle** – accounts for the grand funds used to abate abandoned vehicles.

**Fire District Health Benefits** – accounts for the District’s retiree health care resources. Monies have been set aside for a few years to save for the future expenses.

**Safe Route to Schools** – accounts for federal funds received to enable and encourage children, including those with disabilities to walk and bicycle to school, make bicycling and walking to school safer, and reduce traffic and air pollution in the vicinity of schools.

## **NON-MAJOR GOVERNMENTAL FUNDS (Continued)**

**Bus Stop Improvement** - accounts for grant funds received for improvements to various bus stop and curb ramps.

**TFCA Grant** – accounts for grant funds received for construction of bicycle path / trail from Chaucer Lane to existing trail.

**Proposition 50 Grant** – accounts for grant funds received from State Water Resources Control Board for recycled water projects.

**Robert Z'Berg-Harris (RZH) Grant** – accounts for grant funds received for Urban Open space and Recreation Program under the Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Act of 2000. This is to be used for the acquisition and/or development of high priority projects that satisfy the most urgent park and recreation needs, with emphasis on unmet needs in the most heavily populated and most economically disadvantaged areas within each jurisdiction.

**Per Capita Proposition 40 Grant** – accounts for grant fun received for Urban Open space and Recreation Program under the Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Act of 2000. This is to be used for the acquisition and/or development of high priority projects that satisfy the most urgent park and recreation needs, with emphasis on unmet needs in the most heavily populated and most economically disadvantaged areas within each jurisdiction.

**Transportation Development Act (TDA) Grant** – accounts for grant funds received for street and road improvements.

### **DEBT SERVICE FUNDS**

**1997 Lease Revenue Bonds** – issued to finance the acquisition and construction of a Community Center/Gymnasium facility and Aquatic Center Facility.

**Cabernet Village Lease** – accounts for debt service on lease financing for the purchase of the commercial office building at 4381 Broadway Street which was converted to a new City Hall facility.

**Broadway Property** - accounts for debt service on lease financing for the purchase of property just north of the new city hall facility.

### **CAPITAL PROJECTS FUNDS**

**Fire Mitigation** – accounts for a special voter approved new development tax for the purchase of fire apparatus and facilities.

**Park Improvement** – accounts for impact fees collected by new development to be used for adding new parks, park improvements, and recreation facilities.

**Traffic Impact** – accounts for impact fees collected by new development to be used for street improvements.

**Civic Facilities** – accounts for impact fees collected by new development to be used for Civic Facilities improvement projects.

**Infrastructure** – accounts for bond proceeds restricted for street and road modernization projects.

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CITY OF AMERICAN CANYON  
NON-MAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEETS  
JUNE 30, 2009

SPECIAL REVENUE FUNDS

ASSETS	<u>Storm Drainage</u>	<u>Gas Tax</u>	<u>Equipment Replacement - Fire</u>	<u>State and Federal Grants-Fire</u>	<u>CDBG Loan Repayment</u>
Cash and cash equivalents		\$667,019	\$62,228	\$7,858	\$363,567
Restricted cash and cash equivalents					
Taxes receivable		56,818			
Accounts receivable					1,084
Due from other governments					
Interest receivable		1,987	164		
Notes receivable					352,528
Total Assets		<u>\$725,824</u>	<u>\$62,392</u>	<u>\$7,858</u>	<u>\$717,179</u>
LIABILITIES					
Accounts payable					\$7,232
Deferred revenue					352,528
Due to other funds					
Total Liabilities					<u>359,760</u>
FUND EQUITY					
Fund balances					
Reserved					
Unreserved:					
Undesignated, reported in:					
Special Revenue Funds		\$725,824	\$62,392	\$7,858	357,419
Capital Projects Funds					
Total Fund Balances (Deficits)		<u>725,824</u>	<u>62,392</u>	<u>7,858</u>	<u>357,419</u>
Total Liabilities and Fund Balances		<u>\$725,824</u>	<u>\$62,392</u>	<u>\$7,858</u>	<u>\$717,179</u>

SPECIAL REVENUE FUNDS

State Supplemental Law Enforcement	STP Road Maintenance	Police Grants	La Vigne Landscape and Lighting	La Vigne Open Space	Employee Home Assistance	Retiree Health Benefits
			\$1,463,249	\$180,833	\$164,588	\$61,322
\$46,057	\$535,000		5,421	550	24,157	172
					354,692	
<u>\$46,057</u>	<u>\$535,000</u>		<u>\$1,468,670</u>	<u>\$181,383</u>	<u>\$543,437</u>	<u>\$61,494</u>
			\$26,512		\$378,392	
\$46,057	\$535,055					
<u>46,057</u>	<u>535,055</u>		<u>26,512</u>		<u>378,392</u>	
			649,678			
	(55)		792,480	\$181,383	165,045	\$61,494
	(55)		1,442,158	181,383	165,045	61,494
<u>\$46,057</u>	<u>\$535,000</u>		<u>\$1,468,670</u>	<u>\$181,383</u>	<u>\$543,437</u>	<u>\$61,494</u>

(Continued)

CITY OF AMERICAN CANYON  
NON-MAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEETS  
JUNE 30, 2009

SPECIAL REVENUE FUNDS

	Newell Park Open Space	Abandoned Vehicle	Fire District Health Benefits	Safe Route to Schools	Bus Stop Improvement
<b>ASSETS</b>					
Cash and cash equivalents	\$29,767	\$40,723	\$147,706		\$27,500
Restricted cash and cash equivalents					
Taxes receivable					
Accounts receivable		7,321			
Due from other governments					
Interest receivable	83	130	531		
Notes receivable					
	<u>29,850</u>	<u>48,174</u>	<u>148,237</u>		<u>27,500</u>
Total Assets	<u>\$29,850</u>	<u>\$48,174</u>	<u>\$148,237</u>		<u>\$27,500</u>
<b>LIABILITIES</b>					
Accounts payable					
Deferred revenue					
Due to other funds				\$39,400	
				<u>39,400</u>	
Total Liabilities				<u>39,400</u>	
<b>FUND EQUITY</b>					
<b>Fund balances</b>					
Reserved					
Unreserved:					
Undesignated, reported in:					
Special Revenue Funds	\$29,850	\$48,174	\$148,237	(39,400)	\$27,500
Capital Projects Funds					
	<u>29,850</u>	<u>48,174</u>	<u>148,237</u>	<u>(39,400)</u>	<u>27,500</u>
Total Fund Balances (Deficits)	<u>29,850</u>	<u>48,174</u>	<u>148,237</u>	<u>(39,400)</u>	<u>27,500</u>
Total Liabilities and Fund Balances	<u>\$29,850</u>	<u>\$48,174</u>	<u>\$148,237</u>		<u>\$27,500</u>

SPECIAL REVENUE FUNDS

DEBT SERVICE FUNDS

TFCA Grant	Prop 50 Grant	RZH Grant	Per Capita Prop 40 Grant	TDA Grant	1997 Lease Revenue Bonds	Cabernet Village Lease
\$13,934				\$11	\$118,066 315,617	\$121,909 5,449
	\$51,715	\$30,463	\$220,000	3	613	820
<u>\$13,934</u>	<u>\$51,715</u>	<u>\$30,463</u>	<u>\$220,000</u>	<u>\$14</u>	<u>\$434,296</u>	<u>\$128,178</u>
	\$51,715		\$224,010			
	51,715		224,010			
					\$434,296	\$128,178
\$13,934		\$30,463	(4,010)	\$14		
13,934		30,463	(4,010)	14	434,296	128,178
<u>\$13,934</u>	<u>\$51,715</u>	<u>\$30,463</u>	<u>\$220,000</u>	<u>\$14</u>	<u>\$434,296</u>	<u>\$128,178</u>

(Continued)

CITY OF AMERICAN CANYON  
NON-MAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEETS  
JUNE 30, 2009

	DEBT		CAPITAL PROJECTS FUNDS		
	SERVICE FUNDS				
	Broadway Property	Fire Mitigation	Park Improvements	Traffic Impact	Civic Facilities
<b>ASSETS</b>					
Cash and cash equivalents	\$64,870	\$301,368	\$1,457,430	\$2,128,970	\$305,595
Restricted cash and cash equivalents					
Taxes receivable					
Accounts receivable					
Due from other governments					
Interest receivable	147	1,113	4,562	7,922	1,039
Notes receivable					
Total Assets	<u>\$65,017</u>	<u>\$302,481</u>	<u>\$1,461,992</u>	<u>\$2,136,892</u>	<u>\$306,634</u>
<b>LIABILITIES</b>					
Accounts payable					
Deferred revenue					
Due to other funds		\$1,446,065			
Total Liabilities		<u>1,446,065</u>			
<b>FUND EQUITY</b>					
Fund balances					
Reserved	\$65,017				
Unreserved:					
Undesignated, reported in:					
Special Revenue Funds					
Capital Projects Funds		(1,143,584)	\$1,461,992	\$2,136,892	\$306,634
Total Fund Balances (Deficits)	<u>65,017</u>	<u>(1,143,584)</u>	<u>1,461,992</u>	<u>2,136,892</u>	<u>306,634</u>
Total Liabilities and Fund Balances	<u>\$65,017</u>	<u>\$302,481</u>	<u>\$1,461,992</u>	<u>\$2,136,892</u>	<u>\$306,634</u>

CAPITAL  
PROJECTS  
FUNDS

<u>Infrastructure</u>	<u>Total Non-major Governmental Funds</u>
	\$7,728,513
\$4,187,889	4,508,955
	56,818
	9,838
	837,178
	94,038
	<u>707,220</u>
<u>\$4,187,889</u>	<u>\$13,942,560</u>
\$13,373	\$47,117
	730,920
<u>1,113,158</u>	<u>3,455,460</u>
<u>1,126,531</u>	<u>4,233,497</u>
	1,277,169
	2,608,602
<u>3,061,358</u>	<u>5,823,292</u>
<u>3,061,358</u>	<u>9,709,063</u>
<u>\$4,187,889</u>	<u>\$13,942,560</u>

CITY OF AMERICAN CANYON  
NON-MAJOR GOVERNMENTAL FUNDS  
COMBINING STATEMENTS OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2009

	SPECIAL REVENUE FUNDS				
	Storm Drainage	Gas Tax	Equipment Replacement -Fire	State and Federal Grants-Fire	CDBG Loan Repayment
REVENUES					
Special assessments					
Intergovernmental		\$397,636		\$1,000	
Interest and rents		19,239	\$1,606		\$7,670
Charges for services					
Other					16,282
Total Revenues		416,875	1,606	1,000	23,952
EXPENDITURES					
Current:					
General government					
Public safety:					
Police and fire services					
Community development					
Planning and building					
Economic development					13,316
Parks and recreation					
Recreation					
Park maintenance					
Public works:					
Streets and roads					
Storm drain					
Debt service:					
Principal			183,129		
Interest			1,270		
Capital outlay					
Total Expenditures			184,399		13,316
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES					
		416,875	(182,793)	1,000	10,636
OTHER FINANCING SOURCES (USES)					
Transfers in			150,000		
Transfers (out)		(378,041)			
Total Other Financing Sources (Uses)		(378,041)	150,000		
NET CHANGE IN FUND BALANCES					
		38,834	(32,793)	1,000	10,636
BEGINNING FUND BALANCES (DEFICITS)					
		686,990	95,185	6,858	346,783
ENDING FUND BALANCES (DEFICITS)					
		\$725,824	\$62,392	\$7,858	\$357,419

SPECIAL REVENUE FUNDS

State Supplemental Law Enforcement	STP Road Maintenance	Police Grants	La Vigne Landscape and Lighting	La Vigne Open Space	Employee Home Assistance	Retiree Health Benefits
			\$498,171			
\$100,365	\$299,502	\$11,184	27,714	\$4,002	\$2,778	\$10,997
			3,290		4,243	
100,365	299,502	11,184	529,175	4,002	7,021	10,997
						255,150
		11,184				35,159
					30,000	125,534
						11,227
				1,170		64,298
						79,607
			335,607			80,627
						369,458
		11,184	335,607	1,170	30,000	1,021,060
100,365	299,502		193,568	2,832	(22,979)	(1,010,063)
(100,365)	(299,557)		(33,842)		100,100	120,000
(100,365)	(299,557)		(33,842)		100,100	120,000
	(55)		159,726	2,832	77,121	(890,063)
			1,282,432	178,551	87,924	951,557
	(\$55)		\$1,442,158	\$181,383	\$165,045	\$61,494

(Continued)

CITY OF AMERICAN CANYON  
NON-MAJOR GOVERNMENTAL FUNDS  
COMBINING STATEMENTS OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2009

	SPECIAL REVENUE FUNDS				
	<u>Newell Park Open Spaces</u>	<u>Abandoned Vehicle</u>	<u>Fire District Health Benefits</u>	<u>Safe Route to Schools</u>	<u>Bus Stop Improvement</u>
REVENUES					
Special assessments					
Intergovernmental		\$15,314			
Interest and rents	\$10,279	901	\$2,831		
Charges for services					
Other			5,434		
Total Revenues	<u>10,279</u>	<u>16,215</u>	<u>8,265</u>		
EXPENDITURES					
Current:					
General government					
Public safety:					
Police and fire services		4,621	60,060		
Community development					
Planning and building					
Economic development					
Parks and recreation					
Recreation	1,189				
Park maintenance					
Public works:					
Streets and roads					
Storm drain					
Debt service:					
Principal					
Interest					
Capital outlay					
Total Expenditures	<u>1,189</u>	<u>4,621</u>	<u>60,060</u>		
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>9,090</u>	<u>11,594</u>	<u>(51,795)</u>		
OTHER FINANCING SOURCES (USES)					
Transfers in			50,000		
Transfers (out)				(\$39,400)	
Total Other Financing Sources (Uses)			<u>50,000</u>	<u>(39,400)</u>	
NET CHANGE IN FUND BALANCES	9,090	11,594	(1,795)	(39,400)	
BEGINNING FUND BALANCES (DEFICITS)	<u>20,760</u>	<u>36,580</u>	<u>150,032</u>		<u>\$27,500</u>
ENDING FUND BALANCES (DEFICITS)	<u>\$29,850</u>	<u>\$48,174</u>	<u>\$148,237</u>	<u>(\$39,400)</u>	<u>\$27,500</u>

SPECIAL REVENUE FUNDS					DEBT SERVICE FUNDS	
TFCA Grant	Prop 50 Grant	RZH Grant	Per Capita Prop 40 Grant	TDA Grant	1997 Lease Revenue Bonds	Cabernet Village Lease
		\$30,463		\$1,941 \$14	\$6,017	\$27,772
		30,463		1,955	6,017	27,772
					175,000 139,560	303,953
					314,560	303,953
		\$30,463		1,955	(308,543)	(276,181)
			(\$4,010)	(1,941)	300,000	
			(4,010)	(1,941)	300,000	
		30,463	(4,010)	14	(8,543)	(276,181)
\$13,934					442,839	404,359
\$13,934		\$30,463	(\$4,010)	\$14	\$434,296	\$128,178

(Continued)

CITY OF AMERICAN CANYON  
NON-MAJOR GOVERNMENTAL FUNDS  
COMBINING STATEMENTS OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2009

	DEBT		CAPITAL PROJECTS FUNDS		
	SERVICE FUNDS				
	Broadway Property Debt Service	Fire Mitigation	Park Improvement	Traffic Impact	Civic Facilities
<b>REVENUES</b>					
Special assessments					
Intergovernmental					
Interest and rents	\$858	\$4,191	\$40,830	\$27,869	\$4,799
Charges for services		337,187	51,456	1,335,638	214,118
Other				75,752	
Total Revenues	<u>858</u>	<u>341,378</u>	<u>92,286</u>	<u>1,439,259</u>	<u>218,917</u>
<b>EXPENDITURES</b>					
Current:					
Public safety:					
Police and fire services					
Community development					
Planning and building					
Economic development					
Parks and recreation					
Recreation					
Park maintenance					
Public works:					
Streets and roads					
Storm drain					
Debt service:					
Principal					
Interest					
Capital outlay			31,150	4,000	
Total Expenditures	<u>67,341</u>	<u>341,378</u>	<u>31,150</u>	<u>4,000</u>	<u>        </u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>(66,483)</u>	<u>341,378</u>	<u>61,136</u>	<u>1,435,259</u>	<u>218,917</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	131,500				
Transfers (out)			(429,273)	(66,341)	(54,867)
Total Other Financing Sources (Uses)	<u>131,500</u>		<u>(429,273)</u>	<u>(66,341)</u>	<u>(54,867)</u>
<b>NET CHANGE IN FUND BALANCES</b>	65,017	341,378	(368,137)	1,368,918	164,050
<b>BEGINNING FUND BALANCES (DEFICITS)</b>	<u>        </u>	<u>(1,484,962)</u>	<u>1,830,129</u>	<u>767,974</u>	<u>142,584</u>
<b>ENDING FUND BALANCES (DEFICITS)</b>	<u>\$65,017</u>	<u>(\$1,143,584)</u>	<u>\$1,461,992</u>	<u>\$2,136,892</u>	<u>\$306,634</u>

<u>CAPITAL PROJECTS FUNDS</u>	<u>Total Non-major Governmental Funds</u>
<u>Infrastructure</u>	
	\$498,171
	857,405
\$22,245	222,612
	1,938,399
	<u>105,001</u>
<u>22,245</u>	<u>3,621,588</u>
	255,150
	111,024
	125,534
	54,543
	66,657
	79,607
	416,234
	369,458
	401,282
	468,971
<u>801,659</u>	<u>836,809</u>
<u>801,659</u>	<u>3,185,269</u>
<u>(779,414)</u>	<u>436,319</u>
	851,600
	<u>(1,407,637)</u>
	<u>(556,037)</u>
(779,414)	(119,718)
<u>3,840,772</u>	<u>9,828,781</u>
<u>\$3,061,358</u>	<u>\$9,709,063</u>

CITY OF AMERICAN CANYON  
 BUDGETED NON-MAJOR FUNDS  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2009

	GAS TAX			EQUIPMENT REPLACEMENT FIRE		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>						
Special assessments						
Intergovernmental	\$242,000	\$397,636	\$155,636			
Interest and rents	20,000	19,239	(761)		\$1,606	\$1,606
Charges for services						
Other				\$15,000		(15,000)
<b>Total Revenues</b>	<b>262,000</b>	<b>416,875</b>	<b>154,875</b>	<b>15,000</b>	<b>1,606</b>	<b>(13,394)</b>
<b>EXPENDITURES</b>						
Current:						
General Government						
Public safety:						
Police and fire services						
Community development:						
Planning and building						
Economic development						
Parks and recreation:						
Recreation						
Park maintenance						
Public works:						
Streets and roads						
Storm drain						
Debt service:						
Principal				180,000	183,129	(3,129)
Interest					1,270	(1,270)
Capital outlay				40,000		40,000
<b>Total Expenditures</b>				<b>220,000</b>	<b>184,399</b>	<b>35,601</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>262,000</b>	<b>416,875</b>	<b>154,875</b>	<b>(205,000)</b>	<b>(182,793)</b>	<b>22,207</b>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in				150,000	150,000	
Transfers (out)	(628,070)	(378,041)	250,029			
<b>Total Other Financing Sources (Uses)</b>	<b>(628,070)</b>	<b>(378,041)</b>	<b>250,029</b>	<b>150,000</b>	<b>150,000</b>	
<b>NET CHANGE IN FUND BALANCES</b>	<b>(\$366,070)</b>	<b>38,834</b>	<b>\$404,904</b>	<b>(\$55,000)</b>	<b>(32,793)</b>	<b>\$22,207</b>
<b>BEGINNING FUND BALANCES (DEFICITS)</b>		<b>686,990</b>			<b>95,185</b>	
<b>ENDING FUND BALANCES (DEFICITS)</b>		<b>\$725,824</b>			<b>\$62,392</b>	

CDBG LOAN REPAYMENT			STATE SUPPLEMENTAL LAW ENFORCEMENT			STP ROAD MAINTENANCE		
Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
\$7,000	\$7,670	\$670	\$100,000	\$100,365	\$365	\$535,000	\$299,502	(\$235,498)
13,000	16,282	3,282						
20,000	23,952	3,952	100,000	100,365	365	535,000	299,502	(235,498)
125,000	13,316	111,684						
125,000	13,316	111,684						
(105,000)	10,636	115,636	100,000	100,365	365	535,000	299,502	(235,498)
			(100,000)	(100,365)	(365)	(251,557)	(299,557)	(48,000)
			(100,000)	(100,365)	(365)	(251,557)	(299,557)	(48,000)
(\$105,000)	10,636	\$115,636				\$283,443	(55)	(\$283,498)
	346,783							
	\$357,419						(\$55)	

(Continued)

CITY OF AMERICAN CANYON  
 BUDGETED NON-MAJOR FUNDS  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2009

	POLICE GRANTS			LA VIGNE LANDSCAPE AND LIGHTING		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>						
Special assessments				\$561,483	\$498,171	(\$63,312)
Intergovernmental	\$11,100	\$11,184	\$84			
Interest and rents				13,405	27,714	14,309
Charges for services						
Other					3,290	3,290
<b>Total Revenues</b>	<b>11,100</b>	<b>11,184</b>	<b>84</b>	<b>574,888</b>	<b>529,175</b>	<b>(45,713)</b>
<b>EXPENDITURES</b>						
Current:						
General Government						
Public safety:						
Police and fire services	11,100	11,184	(84)			
Community development:						
Planning and building						
Economic development						
Parks and recreation:						
Recreation						
Park maintenance						
Public works:						
Streets and roads				387,319	335,607	51,712
Storm drain						
Debt service:						
Principal						
Interest						
Capital outlay						
<b>Total Expenditures</b>	<b>11,100</b>	<b>11,184</b>	<b>(84)</b>	<b>387,319</b>	<b>335,607</b>	<b>51,712</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>				<b>187,569</b>	<b>193,568</b>	<b>5,999</b>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in						
Transfers (out)				(29,795)	(33,842)	(4,047)
<b>Total Other Financing Sources (Uses)</b>				<b>(29,795)</b>	<b>(33,842)</b>	<b>(4,047)</b>
<b>NET CHANGE IN FUND BALANCES</b>				<b>\$157,774</b>	<b>159,726</b>	<b>\$1,952</b>
<b>BEGINNING FUND BALANCES (DEFICITS)</b>					<b>1,282,432</b>	
<b>ENDING FUND BALANCES (DEFICITS)</b>					<b>\$1,442,158</b>	

LA VIGNE OPEN SPACE			EMPLOYEE HOME ASSISTANCE			RETIREE HEALTH BENEFITS		
Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
	\$4,002	\$4,002	\$5,000	\$2,778	(\$2,222)	\$30,000	\$10,997	(\$19,003)
				4,243	4,243			
	4,002	4,002	5,000	7,021	2,021	30,000	10,997	(19,003)
						30,000	255,150	(225,150)
						4,080	35,159	(31,079)
			150,000	30,000	120,000	14,760	125,534	110,774
						1,320	11,227	(9,907)
\$3,000	1,170	1,830				7,560	64,298	(56,738)
						9,360	79,607	
						9,480	80,627	71,147
						43,440	369,458	326,018
3,000	1,170	1,830	150,000	30,000	120,000	120,000	1,021,060	185,065
(3,000)	2,832	5,832	(145,000)	(22,979)	122,021	(90,000)	(1,010,063)	(920,063)
			112,500	100,100	(12,400)	120,000	120,000	
			112,500	100,100	(12,400)	120,000	120,000	
(\$3,000)	2,832	\$5,832	(\$32,500)	77,121	\$109,621	\$30,000	(890,063)	(\$920,063)
	178,551			87,924			951,557	
	\$181,383			\$165,045			\$61,494	

(Continued)

CITY OF AMERICAN CANYON  
 BUDGETED NON-MAJOR FUNDS  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2009

	NEWELL PARK OPEN SPACE			ABANDONED VEHICLE		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>						
Special assessments						
Intergovernmental				\$12,000	\$15,314	\$3,314
Interest and rents	\$9,700	\$10,279	\$579	400	901	501
Charges for services						
Other						
Total Revenues	<u>9,700</u>	<u>10,279</u>	<u>579</u>	<u>12,400</u>	<u>16,215</u>	<u>3,815</u>
<b>EXPENDITURES</b>						
Current:						
General Government						
Public safety:						
Police and fire services				12,400	4,621	7,779
Community development:						
Planning and building						
Economic development						
Parks and recreation:						
Recreation	1,100	1,189	(89)			
Park maintenance						
Public works:						
Streets and roads						
Storm drain						
Debt service:						
Principal						
Interest						
Capital outlay						
Total Expenditures	<u>1,100</u>	<u>1,189</u>	<u>(89)</u>	<u>12,400</u>	<u>4,621</u>	<u>7,779</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>8,600</u>	<u>9,090</u>	<u>490</u>	<u>11,594</u>	<u>11,594</u>	
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in						
Transfers (out)						
Total Other Financing Sources (Uses)						
<b>NET CHANGE IN FUND BALANCES</b>	<u><u>\$8,600</u></u>	<u>9,090</u>	<u><u>\$490</u></u>	<u><u>11,594</u></u>	<u><u>\$11,594</u></u>	
<b>BEGINNING FUND BALANCES (DEFICITS)</b>		<u>20,760</u>			<u>36,580</u>	
<b>ENDING FUND BALANCES (DEFICITS)</b>		<u><u>\$29,850</u></u>			<u><u>\$48,174</u></u>	

FIRE DISTRICT HEALTH BENEFITS			SAFE ROUTE TO SCHOOLS			PROP 50 GRANT		
Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
	\$2,831	\$2,831				\$32,225		(\$32,225)
	5,434	5,434						
	8,265	8,265				\$32,225		(32,225)
\$50,000	60,060	(10,060)						
50,000	60,060	(10,060)						
(50,000)	(51,795)	(1,795)				32,225		(32,225)
50,000	50,000		(\$110,300)	(\$39,400)	\$70,900	(32,225)		32,225
50,000	50,000		(110,300)	(39,400)	70,900	(32,225)		32,225
	(1,795)	(\$1,795)	(\$110,300)	(39,400)	\$70,900			
	150,032							
	\$148,237			(\$39,400)				

(Continued)

CITY OF AMERICAN CANYON  
 BUDGETED NON-MAJOR FUNDS  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2009

	RZH GRANT			PRO CAPITA PROP 40 GRANT		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
REVENUES						
Special assessments						
Intergovernmental		\$30,463	\$30,463			
Interest and rents						
Charges for services						
Other						
Total Revenues		30,463	30,463			
EXPENDITURES						
Current:						
General Government						
Public safety:						
Police and fire services						
Community development:						
Planning and building						
Economic development						
Parks and recreation:						
Recreation						
Park maintenance						
Public works:						
Streets and roads						
Storm drain						
Debt service:						
Principal						
Interest						
Capital outlay						
Total Expenditures						
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES		30,463	30,463			
OTHER FINANCING SOURCES (USES)						
Transfers in						
Transfers (out)	(\$7,057)		7,057	(\$66,608)	(\$4,010)	\$62,598
Total Other Financing Sources (Uses)	(7,057)		7,057	(66,608)	(4,010)	62,598
NET CHANGE IN FUND BALANCES	(\$7,057)	30,463	\$37,520	(\$66,608)	(4,010)	\$62,598
BEGINNING FUND BALANCES (DEFICITS)						
ENDING FUND BALANCES (DEFICITS)		\$30,463			(\$4,010)	

TDA GRANT			1997 LEASE REVENUE BONDS			CABERNET VILLAGE LEASE		
Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
	\$1,941 14	\$1,941 14	\$6,000	\$6,017	\$17	\$19,000	\$27,772	\$8,772
	1,955	1,955	6,000	6,017	17	19,000	27,772	8,772
			175,000 140,000	175,000 139,560	440	304,000	303,953	47
			315,000	314,560	440	304,000	303,953	47
	1,955	1,955	(309,000)	(308,543)	457	(285,000)	(276,181)	8,819
(\$128,712)	(1,941)	126,771	300,000	300,000				
(128,712)	(1,941)	126,771	300,000	300,000				
(\$128,712)	14	\$128,726	(\$9,000)	(8,543)	\$457	(\$285,000)	(276,181)	\$8,819
				442,839			404,359	
	\$14			\$434,296			\$128,178	

(Continued)

CITY OF AMERICAN CANYON  
 BUDGETED NON-MAJOR FUNDS  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2009

	BROADWAY PROPERTY			FIRE MITIGATION		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>						
Special assessments						
Intergovernmental						
Interest and rents		\$858	\$858		\$4,191	\$4,191
Charges for services				\$389,000	337,187	(51,813)
Other						
Total Revenues		858	858	389,000	341,378	(47,622)
<b>EXPENDITURES</b>						
Current:						
General Government						
Public safety:						
Police and fire services						
Community development:						
Planning and building						
Economic development						
Parks and recreation:						
Recreation						
Park maintenance						
Public works:						
Streets and roads						
Storm drain						
Debt service:						
Principal	\$89,400	43,153	46,247			
Interest	42,100	24,188	17,912			
Capital outlay						
Total Expenditures	131,500	67,341	64,159			
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(131,500)	(66,483)	65,017	389,000	341,378	(47,622)
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	131,500	131,500				
Transfers (out)						
Total Other Financing Sources (Uses)	131,500	131,500				
<b>NET CHANGE IN FUND BALANCES</b>		65,017	\$65,017	\$389,000	341,378	(\$47,622)
<b>BEGINNING FUND BALANCES (DEFICITS)</b>					(1,484,962)	
<b>ENDING FUND BALANCES (DEFICITS)</b>		\$65,017			(\$1,143,584)	

PARK IMPROVEMENT			TRAFFIC IMPACT			CIVIC FACILITIES		
Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
\$36,000	\$40,830	\$4,830	\$20,000	\$27,869	\$7,869	\$3,700	\$4,799	\$1,099
48,000	51,456	3,456	1,330,000	1,335,638	5,638	208,700	214,118	5,418
			\$75,700	75,752	52			
<u>84,000</u>	<u>92,286</u>	<u>8,286</u>	<u>1,425,700</u>	<u>1,439,259</u>	<u>13,559</u>	<u>212,400</u>	<u>218,917</u>	<u>6,517</u>
	31,150	(31,150)		4,000	(4,000)			
	31,150	(31,150)		4,000	(4,000)			
<u>84,000</u>	<u>61,136</u>	<u>(22,864)</u>	<u>1,425,700</u>	<u>1,435,259</u>	<u>9,559</u>	<u>212,400</u>	<u>218,917</u>	<u>6,517</u>
<u>(807,956)</u>	<u>(429,273)</u>	<u>378,683</u>	<u>(3,039,817)</u>	<u>(66,341)</u>	<u>2,973,476</u>	<u>(358,630)</u>	<u>(54,867)</u>	<u>303,763</u>
<u>(807,956)</u>	<u>(429,273)</u>	<u>378,683</u>	<u>(3,039,817)</u>	<u>(66,341)</u>	<u>2,973,476</u>	<u>(358,630)</u>	<u>(54,867)</u>	<u>303,763</u>
<u>(\$723,956)</u>	<u>(368,137)</u>	<u>\$355,819</u>	<u>(\$1,614,117)</u>	<u>1,368,918</u>	<u>\$2,983,035</u>	<u>(\$146,230)</u>	<u>164,050</u>	<u>\$310,280</u>
	<u>1,830,129</u>			<u>767,974</u>			<u>142,584</u>	
	<u>\$1,461,992</u>			<u>\$2,136,892</u>			<u>\$306,634</u>	

(Continued)

CITY OF AMERICAN CANYON  
 BUDGETED NON-MAJOR FUNDS  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2009

	INFRASTRUCTURE		
	Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>			
Special assessments			
Intergovernmental			
Interest and rents		\$22,245	\$22,245
Charges for services			
Other			
Total Revenues		22,245	22,245
<b>EXPENDITURES</b>			
Current:			
General Government			
Public safety:			
Police and fire services			
Community development:			
Planning and building			
Economic development			
Parks and recreation:			
Recreation			
Park maintenance			
Public works:			
Streets and roads			
Storm drain			
Debt service:			
Principal			
Interest			
Capital outlay	\$1,607,031	801,659	805,372
Total Expenditures	1,607,031	801,659	805,372
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(1,607,031)</b>	<b>(779,414)</b>	<b>827,617</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in			
Transfers (out)			
Total Other Financing Sources (Uses)			
<b>NET CHANGE IN FUND BALANCES</b>	<b>(\$1,607,031)</b>	<b>(779,414)</b>	<b>\$827,617</b>
<b>BEGINNING FUND BALANCES (DEFICITS)</b>		3,840,772	
<b>ENDING FUND BALANCES (DEFICITS)</b>		<b>\$3,061,358</b>	

<b>AGENCY FUNDS</b>
---------------------

**La Vigne Special Assessment District** – these assessment bonds were issued to finance water and sewer connection fees of the La Vigne Subdivision. The bonds are secured by special assessments levied against properties within the District.

**American Canyon Road East Assessment District** – these assessment bonds were issued to finance major street and road realignments and improvements of the American Canyon Road East. The bonds are secured by special assessments levied against properties within the District.

CITY OF AMERICAN CANYON  
 AGENCY FUNDS  
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 FOR THE YEAR ENDED JUNE 30, 2009

	Balance June 30, 2008	Additions	Reductions	Balance June 30, 2009
<u>La Vigne Assessment District</u>				
<u>Assets</u>				
Cash and investments	\$551,230	\$392,186		\$943,416
Restricted cash and cash equivalents	546,618	672,859	(\$9,261)	1,210,216
Receivables - Interest	2,880	1,959	(2,880)	1,959
	<u>\$1,100,728</u>	<u>\$1,067,004</u>	<u>(\$12,141)</u>	<u>\$2,155,591</u>
<u>Liabilities</u>				
Accounts payable	\$3,042	\$1,108	(\$3,042)	\$1,108
Due to bondholders	1,097,686	2,252,201	(1,195,404)	2,154,483
	<u>\$1,100,728</u>	<u>\$2,253,309</u>	<u>(\$1,198,446)</u>	<u>\$2,155,591</u>
<u>Road East Assessment District</u>				
<u>Assets</u>				
Cash and investments	\$829,458		(\$226,878)	\$602,580
Restricted cash and cash equivalents	1,219,477	(\$672,860)	(3,535)	543,082
Receivables - Interest	3,733	1,459	(3,733)	1,459
	<u>\$2,052,668</u>	<u>(\$671,401)</u>	<u>(\$234,146)</u>	<u>\$1,147,121</u>
<u>Liabilities</u>				
Due to bondholders	\$2,052,668	(\$424,818)	(\$480,729)	\$1,147,121
	<u>\$2,052,668</u>	<u>(\$424,818)</u>	<u>(\$480,729)</u>	<u>\$1,147,121</u>
<u>Total Agency Funds</u>				
<u>Assets</u>				
Cash and investments	\$1,380,688	\$392,186	(\$226,878)	\$1,545,996
Restricted cash and cash equivalents	1,766,095	(1)	(12,796)	1,753,298
Receivables - Interest	6,613	3,418	(6,613)	3,418
	<u>\$3,153,396</u>	<u>\$395,603</u>	<u>(\$246,287)</u>	<u>\$3,302,712</u>
<u>Liabilities</u>				
Accounts payable	\$3,042	\$1,108	(\$3,042)	\$1,108
Due to bondholders	3,150,354	1,827,383	(1,676,133)	3,301,604
	<u>\$3,153,396</u>	<u>\$1,828,491</u>	<u>(\$1,679,175)</u>	<u>\$3,302,712</u>

# Statistical Section



## STATISTICAL SECTION

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

### ***Financial Trends***

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

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

### ***Revenue Capacity***

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

5. Assessed Actual Value of Taxable Property
6. Direct and Overlapping Property Tax Rates
7. Principal Property Taxpayers
8. Property Tax Levies and Collections

### ***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:

9. Ratio of Outstanding Debt by Type
10. Ratio of General Bonded Debt Outstanding
11. Direct and Overlapping Governmental Activities Debt
12. Computation of Legal Bonded Debt Margin
13. Debt Pledged Revenue Coverage

### ***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:

14. Demographic and Economic Statistics
15. Principal Employers

### ***Operating Information***

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

16. Full-Time Equivalent City Government Employees by Function
17. Operating Indicators by Function/Program
18. Capital Asset Statistics by Function/Program

### ***Sources***

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

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**Schedule 1**  
**City of American Canyon**  
**Net Assets by Component**  
**Last Seven Fiscal Years**  
**(Accrual basis of accounting)**

	For The Fiscal Years Ended June 30						
	2003	2004	2005	2006	2007	2008	2009
<b>Governmental activities:</b>							
Invested in capital assets, net of related debt	\$3,574,394	\$8,796,308	\$22,013,417	\$34,983,375	\$227,564,725	\$250,971,443	\$256,124,111
Restricted	19,526,583	22,718,268	24,818,325	41,254,502	42,782,549	17,020,361	9,033,170
Unrestricted	9,960,318	11,651,750	14,406,044	14,924,274	10,245,964	20,757,525	27,809,270
<b>Total governmental activities net assets</b>	<b>33,061,295</b>	<b>43,166,326</b>	<b>61,237,786</b>	<b>91,162,151</b>	<b>280,593,238</b>	<b>288,749,329</b>	<b>292,966,551</b>
<b>Business-type activities:</b>							
Invested in capital assets, net of related debt	15,063,969	24,457,197	31,643,785	36,004,059	43,651,150	43,155,744	44,253,424
Restricted	8,694,739	6,998,746	10,259,428	13,730,771	6,612,632	6,785,993	11,559,556
Unrestricted	6,705,245	5,459,072	4,346,820	3,849,363	4,573,795	4,707,005	4,828,423
<b>Total business-type activities</b>	<b>30,463,953</b>	<b>36,915,015</b>	<b>46,250,033</b>	<b>53,584,193</b>	<b>54,837,577</b>	<b>54,648,742</b>	<b>60,641,403</b>
<b>Primary government (City wide totals)</b>							
Invested in capital assets, net of related debt	18,638,363	33,253,505	53,657,202	70,987,434	271,215,875	294,127,187	300,377,535
Restricted	28,221,322	29,717,014	35,077,753	54,985,273	49,395,181	23,806,354	20,592,726
Unrestricted	16,665,563	17,110,822	18,752,864	18,773,637	14,819,759	25,464,530	32,637,693
<b>Total primary government net assets</b>	<b>\$63,525,248</b>	<b>\$80,081,341</b>	<b>\$107,487,819</b>	<b>\$144,746,344</b>	<b>\$335,430,815</b>	<b>\$343,398,071</b>	<b>\$353,607,954</b>

Note: The City implemented GASB statement Number 34 in the 2003 fiscal year. The information in this schedule is therefore set forth prospectively from the year of implementation.  
Source is the City of American Canyon Comprehensive Annual Financial Report.

**Schedule 2**  
**City of American Canyon**  
**Changes in Net Assets, Last Seven Fiscal Years**  
**(Accrual Basis of Accounting)**

	For The Fiscal Years Ended June 30						
	2003	2004	2005	2006	2007	2008	2009
<b>Expenses:</b>							
Governmental activities:							
General government	\$1,137,627	\$1,436,274	\$1,314,727	\$2,010,072	\$2,137,443	\$2,967,301	\$2,792,871
Public safety	3,933,923	4,372,464	5,720,899	6,519,301	7,569,230	7,890,538	9,528,522
Community development	863,640	1,229,717	1,723,158	2,408,385	2,070,303	2,398,727	1,931,299
Parks and recreation	1,395,391	1,600,239	1,946,230	2,160,917	2,329,591	1,881,005	2,282,212
Public works	1,074,740	1,976,079	2,365,794	3,154,375	4,363,249	3,833,395	4,195,481
Interest on long-term debt	661,671	613,322	800,248	1,307,101	1,494,237	452,048	97,246
<b>Total governmental activities expenses</b>	<b>9,066,992</b>	<b>11,228,095</b>	<b>13,871,056</b>	<b>17,560,151</b>	<b>19,964,053</b>	<b>19,423,014</b>	<b>20,827,631</b>
Business-type activities:							
Water	2,853,746	3,636,359	3,708,254	4,277,051	4,907,860	6,401,819	5,074,018
Wastewater	2,245,701	3,032,914	3,783,313	3,783,076	3,508,065	4,263,817	4,072,014
Transit	150,875	168,110	161,627	180,006	19,778	21,896	30,060
<b>Total business-type activities expenses</b>	<b>5,250,322</b>	<b>6,837,383</b>	<b>7,653,194</b>	<b>8,240,133</b>	<b>8,435,703</b>	<b>10,687,532</b>	<b>9,176,092</b>
<b>Total City government expenses</b>	<b>14,317,314</b>	<b>18,065,478</b>	<b>21,524,250</b>	<b>25,800,284</b>	<b>28,399,756</b>	<b>30,110,546</b>	<b>30,003,723</b>
<b>Program Revenues:</b>							
Governmental activities:							
Charges for services:							
General government	447,651	520,438	891,990	1,318,594	574,407	2,189,873	441,894
Public safety	784,650	1,033,041	1,188,952	1,233,993	1,035,907	960,774	1,152,729
Community development	1,051,428	2,086,627	1,702,797	1,920,903	1,030,340	664,775	573,456
Parks and recreation	804,241	1,399,997	559,504	814,243	555,270	376,472	362,699
Public works	1,560,826	1,695,417	3,478,602	2,126,087	825,602	476,631	252,634
Operating grants and contributions	767,868	580,863	617,845	1,247,123	7,112,187	10,800,170	165,350
Capital grants and contributions	585,531	5,855,574	16,591,942	26,671,090	953,299	2,163,102	3,381,171
<b>Total governmental activities program revenues</b>	<b>6,001,995</b>	<b>13,171,957</b>	<b>25,031,632</b>	<b>35,332,033</b>	<b>12,087,012</b>	<b>17,631,797</b>	<b>6,329,933</b>
Business-type activities:							
Charges for services:							
Water	3,120,778	3,676,016	3,514,930	3,602,305	3,901,103	4,160,383	4,232,640
Wastewater	2,126,846	2,109,236	2,330,231	2,751,242	2,901,494	3,157,260	3,373,740
Transit	9,080	8,985	9,110	9,010	5,351	3,045	2,419
Operating grants and contributions	129,600	119,818	141,041	143,371	9,009	0	0
Capital grants and contributions	2,316,597	7,484,990	11,112,300	8,878,705	3,941,030	2,934,877	1,347,892
<b>Total business-type activities program revenues</b>	<b>7,702,901</b>	<b>13,399,045</b>	<b>17,107,612</b>	<b>15,384,633</b>	<b>10,757,987</b>	<b>10,255,565</b>	<b>8,956,691</b>
<b>Total City government program revenues</b>	<b>\$13,704,896</b>	<b>\$26,571,002</b>	<b>\$42,139,244</b>	<b>\$50,716,666</b>	<b>\$22,844,999</b>	<b>\$27,887,362</b>	<b>\$15,286,624</b>

(Continued)

Schedule 2 - Continued

**City of American Canyon  
Changes in Net Assets, Last Seven Fiscal Years  
(Accrual Basis of Accounting)**

	For The Fiscal Years Ended June 30						
	2003	2004	2005	2006	2007	2008	2009
<b>Net(Expense)Revenue:</b>							
Governmental activities	(\$3,064,997)	\$1,943,862	\$11,160,576	\$17,771,882	(\$7,877,041)	(\$1,791,217)	(\$14,497,698)
Business-type activities	2,452,579	6,561,662	9,454,418	7,144,500	2,322,284	(431,967)	(219,403)
<b>Total City government</b>	<b>(612,418)</b>	<b>8,505,524</b>	<b>20,614,994</b>	<b>24,916,382</b>	<b>(5,554,757)</b>	<b>(2,223,184)</b>	<b>(14,717,101)</b>
<b>General Revenues and Other Changes in in Net Assets:</b>							
Governmental activities:							
Taxes:							
Property taxes	3,083,158	3,873,957	6,733,737	8,297,424	9,356,579	10,673,890	10,852,126
Sales taxes	1,559,258	1,802,616	1,434,077	1,660,673	1,794,124	2,446,951	2,275,741
Other taxes	1,536,865	1,139,783	813,874	785,907	784,213	2,717,561	2,905,454
Unrestricted grants and contributions	506,887	531,253	852,361	1,058,703	1,191,706	110,157	79,109
Investment earnings	670,055	551,324	244,066	453,653	885,293	1,368,236	666,535
Settlement award (Note 13)	245,662	33,536	7,519	0	0	0	7,593,000
Miscellaneous	0	118,100	119,400	85,783	348,145	472,604	555,019
Transfers	8,500	110,600	(2,800,000)	(189,660)	1,068,900	483,198	(6,212,064)
<b>Total governmental activities</b>	<b>7,610,385</b>	<b>8,161,169</b>	<b>7,405,034</b>	<b>12,152,483</b>	<b>15,428,960</b>	<b>18,272,597</b>	<b>18,714,920</b>
Business-type activities	(8,500)	(110,600)	(119,400)	189,660	(1,068,900)	243,132	6,212,064
<b>Total business-type activities</b>	<b>(8,500)</b>	<b>(110,600)</b>	<b>(119,400)</b>	<b>189,660</b>	<b>(1,068,900)</b>	<b>243,132</b>	<b>6,212,064</b>
<b>Total City government</b>	<b>7,601,885</b>	<b>8,050,569</b>	<b>7,285,634</b>	<b>12,342,143</b>	<b>14,360,060</b>	<b>18,515,729</b>	<b>24,926,984</b>
<b>Change in net assets:</b>							
Governmental activities	4,545,388	10,105,031	18,565,610	29,924,365	7,551,919	16,481,380	4,217,222
Business-type activities	2,444,079	6,451,062	9,335,018	7,334,160	1,253,384	(188,835)	5,992,661
<b>Total City government</b>	<b>\$6,989,467</b>	<b>\$16,556,093</b>	<b>\$27,900,628</b>	<b>\$37,258,525</b>	<b>\$8,805,303</b>	<b>\$16,292,545</b>	<b>\$10,209,883</b>

Note: The City implemented GASB statement Number 34 in the 2003 fiscal year. The information in this schedule is therefore set forth prospectively from the year of implementation.

Source is the City of American Canyon Comprehensive Annual Financial Report.

**Schedule 3**  
**City of American Canyon**  
**Fund Balances, Governmental Funds**  
**Last Seven Fiscal Years**

Fiscal Year	General Fund		All Other Governmental Funds				
	Reserved	Unreserved	Total General Fund	Unreserved, reported in			
				Reserved	Special Revenue	Capital Projects	Total
2009	\$2,989,559	\$8,337,849	\$11,327,408	\$6,027,173	\$4,739,327	\$5,107,191	\$15,873,691
2008	2,076,721	8,899,893	10,976,614	4,867,860	7,959,292	4,547,519	17,374,671
2007	2,912,695	5,049,883	7,962,578	3,955,073	6,005,878	17,344,047	27,304,998
2006	1,375,885	6,743,625	8,119,510	1,321,957	7,813,033	30,390,931	39,525,921
2005	809,859	7,212,803	8,022,662	1,180,815	4,775,233	17,798,038	23,754,086
2004	609,588	5,065,694	5,675,282	1,479,695	3,576,822	17,149,198	22,205,715
2003	1,249,859	3,273,972	4,523,831	1,388,570	2,959,721	13,772,173	18,120,464

Note: The City implemented GASB statement Number 34 in the 2003 fiscal year. The information in this schedule is therefore set forth prospectively from the year of implementation.  
Source is the City of American Canyon Comprehensive Annual Financial Report.

**Schedule 4**  
**City of American Canyon**  
**Changes in Fund Balances, Governmental Funds**  
**Last Ten Fiscal Years**  
**(In Rounded Thousands of Dollars)**  
**(Modified accrual basis of accounting)**

For the Fiscal Years ended June 30

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Revenues:										
Taxes	\$4,195	\$4,629	\$5,498	\$6,686	\$7,543	\$9,232	\$11,315	\$12,005	\$14,165	\$14,196
Licenses and permits	299	1,400	954	1,400	1,198	782	960	484	633	578
Fines and forfeits	39	63	56	68	102	121	87	137	196	178
Charges for services	1,413	5,056	4,642	3,536	5,657	6,233	6,314	2,172	3,745	3,504
Special assessments								2,104	473	498
Intergovernmental	1,162	3,502	1,540	1,636	1,291	1,248	2,683	3,549	3,032	3,163
Interest and rents	386	764	574	563	242	594	1,723	2,149	1,702	895
Other revenues	141	202	240	217	532	1,045	1,119	582	706	7,874
<b>Total revenues</b>	<b>7,635</b>	<b>15,616</b>	<b>13,504</b>	<b>14,106</b>	<b>16,565</b>	<b>19,255</b>	<b>24,201</b>	<b>23,182</b>	<b>24,652</b>	<b>30,886</b>
Expenditures:										
General government	616	870	1,057	1,126	1,310	1,463	2,136	2,182	4,577	5,117
Public safety	2,567	2,661	3,121	3,715	4,213	5,508	6,422	7,447	7,630	8,374
Parks and Recreation	819	853	1,020	1,220	1,424	1,765	1,999	2,193	1,748	2,217
Comm. Dev. and Public Wor	1,015	1,614	2,194	2,439	3,267	3,805	7,632	6,057	4,974	3,099
Capital outlay	361	1,981	2,896	703	417	2,226	6,086	24,446	10,580	5,759
Debt service:										
Payment to escrow agent		-	-	360	-	694	-	-	-	-
Costs of issuance			447	247	-	404	902	53	-	-
Principal	90	95	100	255	255	454	420	773	351	401
Interest	262	255	489	535	579	415	974	1,390	441	469
<b>Total expenditures</b>	<b>5,730</b>	<b>8,329</b>	<b>11,324</b>	<b>10,600</b>	<b>11,465</b>	<b>16,734</b>	<b>26,571</b>	<b>44,541</b>	<b>30,301</b>	<b>25,436</b>
Excess of revenues over(under) expenditures	1,905	7,287	2,180	3,506	5,100	2,521	(2,371)	(21,359)	(5,648)	3,616
Other Financing Sources(Uses)										
Proceeds from borrowing	-	-	6,935	4,230	-	8,105	18,405	6,695	-	1,075
Sale of Affordable Hsng Site				(3,663)	-	(6,355)	-	1,218	410	371
Payments to escrow agent	-	-	-					-	-	-
Transfers in	877	1,394	4,296	2,006	1,313	2,552	23,623	11,471	6,064	5,003
Transfers out	(990)	(1,492)	(9,234)	(1,998)	(1,176)	(2,433)	(23,787)	(10,402)	(4,574)	(11,215)
<b>Total other financing Sources(Uses)</b>	<b>(113)</b>	<b>(98)</b>	<b>1,997</b>	<b>575</b>	<b>137</b>	<b>1,869</b>	<b>18,241</b>	<b>8,982</b>	<b>1,900</b>	<b>(4,766)</b>
<b>Net change in fund balances</b>	<b>\$1,792</b>	<b>\$7,189</b>	<b>\$4,177</b>	<b>\$4,081</b>	<b>\$5,237</b>	<b>\$4,390</b>	<b>\$15,870</b>	<b>(\$12,377)</b>	<b>(\$3,748)</b>	<b>(\$1,150)</b>
Debt service as a percentage of noncapital expenditures	6.5%	4.4%	10.1%	15.2%	7.8%	13.3%	9.5%	5.2%	2.7%	3.5%

Source: City of American Canyon Comprehensive Annual Financial Report

**Schedule 5**  
**City of American Canyon**  
**Assessed Value of Taxable Property**  
**Last Ten Fiscal Years**  
**(In thousands of dollars)**

Fiscal Year	Residential	Commercial	Industrial	Vacant Land	SBE Nonunitary	Propossory Int.	Unsecured	Unknown	Total	Total Direct Rate
1999-2000	\$305,842	\$19,636	\$100,512	\$27,675	\$1,862	\$9,922	\$32,271	\$0	\$497,720	0.33%
2000-2001	334,024	21,059	118,916	52,665	1,735	9,922	34,018	1,735	574,074	0.32%
2001-2002	388,282	21,177	133,500	70,355	2,442	9,779	38,596	-	664,131	0.32%
2002-2003	567,348	45,550	157,555	97,063	2,432	10,575	37,048	-	917,571	0.32%
2003-2004	795,424	48,611	178,764	58,532	2,524	10,999	45,704	2,524	1,143,082	0.31%
2004-2005	1,024,087	64,383	200,032	74,015	420	11,258	63,544	420	1,438,159	0.30%
2005-2006	1,348,106	72,886	223,619	49,993	1,263	11,750	62,603	1,263	1,771,483	0.30%
2006-2007	1,632,628	78,370	245,592	58,882	1,262	12,742	73,975	-	2,103,451	0.29%
2007-2008	1,870,452	119,382	246,670	47,636	1,226	13,816	116,944	-	2,416,126	0.29%
2008-2009	1,740,322	133,785	321,819	54,152	1,226	14,600	107,201	-	2,373,105	0.29%

Note: Exempt values are not included in Total.  
 In 1978 the voters of the State of California passed Proposition 13 which limited 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 of 2%). With few exceptions, property is only reassessed as a result of new construction activity or at the time it is sold to a new owner. At that point, the property is reassessed based upon the added value of the construction or at the purchase price (market value) or economic value 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 is Napa County Assessors Office 1997/98 - 2008/09 Combined Tax Rolls.

Schedule 6  
City of American Canyon  
Direct and Overlapping Property Tax Rates  
For The Last Ten Fiscal Years  
(Rates per \$100 of assessed value)

Roll Year	City General Fund Direct Rates		Total City Rates	Total Direct Rate
	City Share of 1% levy per Prop 13	Debt Rates		
1999-2000	0.35396%	0.0%	0.35396%	0.32843%
2000-2001	0.35396%	0.0%	0.35396%	0.32333%
2001-2002	0.35396%	0.0%	0.35396%	0.31952%
2002-2003	0.35396%	0.0%	0.35396%	0.31972%
2003-2004	0.35396%	0.0%	0.35396%	0.31339%
2004-2005	0.35396%	0.0%	0.35396%	0.30318%
2005-2006	0.35396%	0.0%	0.35396%	0.30143%
2006-2007	0.35396%	0.0%	0.35396%	0.28917%
2007-2008	0.35396%	0.0%	0.35396%	0.28505%
2008-2009	0.35396%	0.0%	0.35396%	0.28531%

Agency	10 Year Detail of all Taxpayer Rates for Largest General Fund Tax Rate Area 005-007 (direct rate agencies in bold)									
	1999-2000	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009
<b>City of American Canyon</b>	<b>0.354</b>	<b>0.354</b>	<b>0.354</b>	<b>0.354</b>	<b>0.354</b>	<b>0.354</b>	<b>0.354</b>	<b>0.354</b>	<b>0.354</b>	<b>0.354</b>
American Canyon Fire Prot District	0.229	0.229	0.229	0.229	0.229	0.229	0.229	0.229	0.229	0.229
Bay Area Air Quality	0.002	0.002	0.002	0.002	0.002	0.002	0.002	0.002	0.002	0.002
Fire Non-Structural	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006
Library County	0.018	0.018	0.018	0.018	0.018	0.018	0.018	0.018	0.018	0.018
Mosquito Abatement	0.002	0.002	0.002	0.002	0.002	0.002	0.002	0.002	0.002	0.002
Napa Valley Community College	0.050	0.050	0.050	0.050	0.050	0.050	0.050	0.050	0.050	0.050
Napa Valley School District	0.320	0.320	0.320	0.320	0.320	0.320	0.320	0.320	0.320	0.320
Resource Conservation	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001
Supt of Schools Napa	0.018	0.018	0.018	0.018	0.018	0.018	0.018	0.018	0.018	0.018
<b>Total Prop 13 Rate</b>	<b>1.000</b>	<b>1.000</b>	<b>1.000</b>	<b>1.000</b>	<b>1.000</b>	<b>1.000</b>	<b>1.000</b>	<b>1.000</b>	<b>1.000</b>	<b>1.000</b>
Basic Levy	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Napa College 2003 Bd Series B	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Napa College 2003 Bond	0.000	0.000	0.000	0.000	0.022	0.022	0.000	0.013	0.004	0.002
Napa College 2005 Rf/Bd	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Napa College 2006 Rf/Bond B	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.006	0.007	0.008
Napa Valley Unified School District	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.014
NVUSD 1996 Bond A	0.012	0.012	0.002	0.002	0.002	0.001	0.000	0.000	0.015	0.012
NVUSD 1996 Bond B	0.000	0.000	0.002	0.002	0.002	0.000	0.000	0.000	0.000	0.000
NVUSD 1996 Bond C	0.000	0.000	0.003	0.003	0.002	0.002	0.002	0.002	0.000	0.000
NVUSD 1996 Bond D	0.000	0.000	0.003	0.002	0.002	0.002	0.002	0.001	0.000	0.000
NVUSD 1996 Bond E	0.000	0.000	0.003	0.003	0.002	0.002	0.002	0.001	0.000	0.000
NVUSD 2002 Series B	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
NVUSD 2003 Bond	0.000	0.000	0.000	0.000	0.043	0.035	0.015	0.008	0.004	0.005
NVUSD 2006 Series 2007	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.009
NVUSD 2007 Rf/Bond Code	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.025
NVUSD 96/04 Rf/Bd	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.002
<b>Total Direct &amp; Overlapping Tax Rate</b>	<b>1.012</b>	<b>1.012</b>	<b>1.013</b>	<b>1.012</b>	<b>1.075</b>	<b>1.066</b>	<b>1.070</b>	<b>1.059</b>	<b>1.042</b>	<b>1.081</b>
<b>Total Tax Rate</b>	<b>2.012</b>	<b>2.012</b>	<b>2.013</b>	<b>2.012</b>	<b>2.075</b>	<b>2.066</b>	<b>2.070</b>	<b>2.059</b>	<b>2.042</b>	<b>2.081</b>

Note: General Fund tax rates are representative and based upon the direct and overlapping rates for the largest General Fund tax rate area (TRA) by net taxable value. Total Direct Rate is the weighted average of all individual direct rates applied by the government preparing the statistical section information. The percentages presented in the columns above do not sum across rows. RDA rate is based on the largest RDA tax rate area (TRA) and includes only rate(s) from indebtedness adopted prior to 1989 per California State statute. RDA direct and overlapping rates are applied only to the incremental property values. Source is Napa County Assessors Office 2008/09 Tax Rate Table.

**Schedule 7**  
**City of American Canyon**  
**Top Ten Property Taxpayers**

	Owner	Secured			Unsecured			Combined		Portion of City	Primary Use & Primary Agency
		Parcels	Revenue	Portion of City	Parcels	Revenue	Portion of City	Value	City		
1)	AmCan Beverages Inc	1	60,500,733	2.67%				60,500,733	2.55%	Industrial TAX DISTRICT #1	
2)	5500 Eucalyptus Dr Apts LLC	1	50,628,497	2.23%				50,628,497	2.13%	Residential TAX DISTRICT #1	
3)	Sutter Home Winery Inc.	2	29,066,892	1.28%				29,066,892	1.22%	Industrial TAX DISTRICT #1	
4)	Walmart Real Estate Bus. Trust	1	26,377,418	1.16%				26,377,418	1.11%	Commercial TAX DISTRICT #1	
5)	Butterfly Effect Hotels LLC	2	22,866,625	1.01%				22,866,625	0.96%	Commercial TAX DISTRICT #1	
6)	Harvest Park Inc	1	22,287,000	0.98%				22,287,000	0.94%	Industrial TAX DISTRICT #1	
7)	125 Mezzetta Court Inc	1	20,309,673	0.90%				20,309,673	0.86%	Industrial TAX DISTRICT #1	
8)	Barry Callebaut USA LLC				1	18,461,940	17.22%	18,461,940	0.78%	Unsecured TAX DISTRICT #1	
9)	SDG Commerce 232 LLC	3	17,756,766	0.78%				17,756,766	0.75%	Industrial TAX DISTRICT #1	
10)	LBL DUC II Scally Ranch LLC	153	16,556,114	0.73%				16,556,114	0.70%	Residential TAX DISTRICT #1	
<b>Top Ten Totals</b>		<b>165</b>	<b>266,349,718</b>	<b>11.74%</b>	<b>1</b>	<b>18,461,940</b>	<b>17.22%</b>	<b>284,811,658</b>	<b>12.00%</b>		
<b>City Totals</b>			<b>\$ 2,265,904,530</b>			<b>\$ 107,201,252</b>		<b>\$ 2,373,105,782</b>			

Note: The 'Revenue' line for each owner is the estimated total revenue for that owner. Although these estimated calculations are performed on a parcel level, county auditor/controllers' offices neither calculate nor apportion revenues at a parcel level.  
Source is HDL Coren & Cone, Napa County Assessors Office 2008/09 Combined Tax Rolls.

**Schedule 8  
City of American Canyon  
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 The Levy	
		Amount	Percentage of Levy
2000	\$ 2,737,294	\$ 2,737,294	100%
2001	3,141,725	3,141,725	100%
2002	3,542,245	3,542,245	100%
2003	4,673,526	4,673,526	100%
2004	5,676,573	5,676,573	100%
2005	6,733,737	6,733,737	100%
2006	8,499,909	8,499,909	100%
2007	9,356,579	9,356,579	100%
2008	10,673,890	10,673,890	100%
2009	10,852,126	10,852,126	100%

Note: Source is City of American Canyon Tax Collection records and Napa County Assessor records. Property taxes are levied and collected pursuant to an arrangement commonly referred to as the Teeter Plan. Under the Teeter Plan, the County allocates and remits to the City the full amount of each years tax levy, and the County then retains any delinquencies as collected by the County.

**Schedule 9**  
**City of American Canyon**  
**Ratios of Outstanding Debt By Type**  
**Last Ten Fiscal Years**  
**(Dollars in Thousands except for Per Capita)**

Fiscal Year	Governmental Activities				Business-type Activities		Total City Debt	Total City Debt as a Percentage of Personal Income	Total City Debt Per Capita
	General Obligation Bonds	Lease Revenue Bonds	Special Assessment Bonds	Capital Lease Obligations	Capital Lease Obligations	State of California and Other Loans			
2000	\$ -	\$ 4,070	\$ -	\$ -	\$ 8,599	\$ 2,553	\$ 15,222	4.75%	\$ 1,624
2001	-	3,975	-	-	8,282	7,026	19,283	5.20%	1,973
2002	-	3,875	6,935	-	7,936	11,386	30,132	7.04%	2,674
2003	-	4,030	6,880	-	7,614	11,801	30,325	6.41%	2,459
2004	-	3,875	6,780	-	7,269	11,357	29,281	5.80%	2,226
2005	-	3,710	-	666	6,910	10,906	22,192	5.04%	1,551
2006	-	3,545	-	501	6,486	10,443	20,975	7.28%	1,402
2007	-	3,380	-	6,695	6,035	11,991	28,101	7.74%	1,753
2008	-	3,205	-	6,695	5,776	11,545	27,221	3.29%	1,671
2009	-	3,030	-	7,727	5,490	10,399	26,864	2.81%	1,628

Source: City of American Canyon Comprehensive Annual Financial Report

**Schedule 10**  
**City of American Canyon**  
**Ratios of General Bonded Debt Outstanding**  
**Last Ten Fiscal Years**

Fiscal Year	General Bonded Debt Outstanding			Percentage of Actual Taxable Value of Property	Per Capita
	General Obligation Bonds	Lease Revenue Bonds	Total		
2000	\$ -	\$ 4,070,000	\$ 4,070,000	0.83%	\$ 434
2001	-	3,975,000	3,975,000	0.69%	407
2002	-	3,875,000	3,875,000	0.58%	344
2003	-	4,030,000	4,030,000	0.44%	327
2004	-	3,875,000	3,875,000	0.33%	295
2005	-	3,710,000	3,710,000	0.26%	259
2006	-	3,545,000	3,545,000	0.20%	237
2007	-	3,380,000	3,380,000	0.16%	211
2008	-	3,205,000	3,205,000	0.13%	197
2009	-	3,030,000	3,030,000	0.13%	184

Note: Debt service on the lease revenue bonds is financed by the use of general governmental financial resources available in the general fund and special revenue funds of the City.  
Source is the City of American Canyon Comprehensive Annual Financial Report.

**Schedule 11**  
**City of American Canyon**  
**Direct and Overlapping Governmental Activities Debt**  
**As of June 30, 2009**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
<b>Debt repaid with property taxes:</b>			
Napa Valley Community College District	\$ 124,220,965	8.890%	\$ 11,043,244
Napa Valley Unified School District	191,915,000	12.926%	24,806,933
City of American Canyon 1915 Act Bonds	24,135,000	100.000%	24,135,000
<b>Other debt:</b>			
Napa County Certificates of Participation	35,605,000	8.968%	3,193,056
Napa County Board of Education Certificate of Participation	3,615,000	8.968%	<u>324,193</u>
Subtotal overlapping debt			63,502,427
<b>City of American Canyon General Fund Obligation</b>			<u>3,030,000</u>
<b>Total Direct and Overlapping General Fund Debt</b>			<u><u>\$ 66,532,427</u></u>

Source: California Municipal Statistics, Inc.

**Schedule 12  
City of American Canyon  
Legal Debt Margin Information  
Last Ten Fiscal Years**

Fiscal Year	Debt Limit	Total Debt Applicable To Limit	Total Debt Applicable To Limit as Percentage of Debt Limit
2000	\$ 73,169,622	-	0%
2001	85,850,977	-	0%
2002	99,253,418	-	0%
2003	137,600,489	-	0%
2004	171,033,503	-	0%
2005	214,868,550	-	0%
2006	265,533,042	-	0%
2007	315,598,654	-	0%
2008	90,604,707	-	0%
2009	88,991,467	-	0%

Legal Debt Margin Calculation for Fiscal Year 2009

Assessed value	\$ 2,373,105,782
Debt Margin Ratio <sup>(1)</sup>	88,991,467
Less debt applicable to limit:	
General obligation bonds	-
Total debt applicable to limit	88,991,467
Legal debt margin	\$ 88,991,467

Notes:

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

Source is the City of American Canyon Comprehensive Annual Financial Report.

**Schedule 13  
City of American Canyon  
Pledged Revenue Coverage  
Last Ten Fiscal Years**

**Special Assessment Bonds**

Fiscal Year	Special Assessment Collections	Capital Impact Fees	Debt Service		Coverage
			Principal	Interest	
2000	\$ -	\$ -	\$ -	\$ -	\$ -
2001	-	-	-	-	-
2002	508,941	-	-	238,689	2.13
2003	509,449	-	55,000	417,613	1.08
2004	501,326	-	100,000	423,350	0.96
2005	499,733	-	105,000	256,240	1.38
2006	484,100	-	90,000	311,338	1.21
2007	465,854	-	165,000	308,581	0.98
2008	464,890	-	170,000	304,600	0.98
2009	459,201	-	175,000	300,287	0.97

**State of California Water Loan**

	Water Service Revenues	Capital Impact Fees	Less Operating Expenses	Net Available Revenue	Debt Service		Coverage
					Principal	Interest	
2000	\$ 2,692,059	\$ 668,869	\$ 1,239,907	\$ 2,121,021	\$ 52,514	\$ 41,759	\$ 22.50
2001	3,033,045	2,918,467	1,922,282	4,029,230	52,514	40,759	22.74
2002	3,298,767	2,444,907	1,955,408	3,788,266	46,461	39,734	43.95
2003	3,120,778	1,112,053	2,015,017	2,217,814	54,564	38,684	23.78
2004	3,676,016	2,051,915	2,691,466	3,036,465	55,552	37,606	32.59
2005	3,514,930	2,135,971	2,681,338	2,969,563	56,614	36,504	31.89
2006	3,602,305	2,321,468	3,277,499	2,646,274	57,844	35,376	28.39
2007	3,901,103	774,625	3,404,570	1,271,158	58,938	34,236	13.64
2008	4,160,383	1,567,463	5,341,105	386,741	48,620	33,042	4.74
2009	4,232,638	1,174,189	3,985,190	1,421,637	49,836	31,826	17.41

**State of California Wastewater Construction Loan**

	Wastewater Service Revenues	Capital Impact Fees	Less Operating Expenses	Net Available Revenue	Debt Service		Coverage
					Principal	Interest	
2000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2001	-	-	-	-	-	-	-
2002	-	-	-	-	-	-	-
2003	2,126,846	1,274,778	1,625,389	1,776,235	-	252,173	7.04
2004	2,109,236	3,054,972	1,925,889	3,238,319	\$388,377	265,554	4.95
2005	2,330,231	5,418,862	2,683,153	5,065,940	394,181	259,752	7.75
2006	2,751,242	3,594,248	2,566,867	3,778,623	404,821	249,110	5.78
2007	2,901,495	1,059,655	2,273,227	1,687,923	415,752	238,179	2.58
2008	3,157,260	1,367,414	2,943,791	1,580,883	426,977	226,954	2.42
2009	3,373,740	173,703	2,592,028	955,415	510,331	154,099	1.44

Note: Water and wastewater revenues include operating revenues, interest revenues, and capital impact fees. Data for wastewater shown in fiscal 2003 and thereafter when proceeds of State of California construction loan first where drawn down. Operating expenses exclude depreciation and amortization. Source is the City of American Canyon Comprehensive Annual Financial Report.

**Schedule 14**  
**City of American Canyon**  
**Demographic and Economic Statistics**  
**For The Last Ten Calendar Years**

<u>Calendar Year</u>	<u>Population</u>	<u>Median Household Income</u>	<u>Unemployment Rate</u>
2000	9,375	\$ 34,203	2.60%
2001	9,774	37,928	2.50%
2002	11,270	37,965	2.60%
2003	12,331	38,361	3.40%
2004	13,156	38,352	3.70%
2005	14,306	40,666	4.10%
2006	14,961	42,720	6.70%
2007	15,925	47,491	6.70%
2008	16,293	50,817	9.00%
2009	16,503	58,014	8.50%

Sources:

California Department of Finance  
U.S. Bureau of Economic Analysis for Napa County by Calendar Year  
California EDD, Labor Market Division by Calendar Year  
Sperling's Best Places - [www.bestplaces.net/city](http://www.bestplaces.net/city)

**Schedule 15  
City of American Canyon  
Principal Employers (Ten Largest)  
Last Fiscal Year**

Fiscal Year ended June 30, 2009

Owner	Number Employees	Percentage of Total City Employment
Walmart	464	9.47%
G.L. Mezzetta, Inc.	180	3.67%
American Canyon Beverages	154	3.14%
Sutter Home Trinchero Estates Winery	102	2.08%
Safeway	100	2.04%
City of American Canyon	76	1.55%
Adobe Lumber Company	60	1.22%
All Bay Mill & Lumber Co.	34	0.69%
Barry Callebaut	34	0.69%
Diablo Timber	31	0.63%
Culligan	20	0.41%

Source: Community Development Department

**Schedule 16**  
**City of American Canyon**  
**Full-Time Equivalent City Government Employees by Function/Program**  
**Last Ten Fiscal Years**

Full-Time Equivalent Employees as of June 30										
Function/Program	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General government:										
City Council	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
City Manager	1.20	1.20	1.20	2.50	2.00	2.10	2.10	2.10	2.10	1.85
City Clerk	1.40	1.40	2.40	1.70	1.70	1.70	1.40	1.40	1.40	1.40
Human Resources								1.50	2.00	2.00
Support Services	7.10	7.10	7.10	8.60	9.20	10.00	10.30	9.80	8.30	8.60
Building & Equipment Maintenance		1.00	1.00	2.00	2.00	2.00	2.00	2.00	2.05	2.50
Public safety:										
Fire							1.00	0.30	1.30	1.00
Police				1.00	1.00	1.00	2.00	2.70	2.70	2.70
Community development:										
Planning	1.90	1.90	1.60	1.00	1.00	1.00	2.00	2.00	2.20	2.20
Building and safety	2.80	2.80	4.80	6.50	6.50	6.50	6.50	6.50	8.00	8.00
Economic Development	0.55	0.60	0.60	0.40	0.30	0.40	0.70	0.40	0.40	0.40
Housing Services			0.30	0.30	0.30	0.30	0.00	0.30	0.60	0.85
Public works:										
Administration									4.00	4.00
Engineering	2.15	2.00	3.00	3.00	4.27	2.80	2.80	2.80	1.65	1.90
Streets & Roads	2.60	3.00	4.05	2.55	3.72	4.70	4.70	4.70	5.85	5.35
Storm Drain	0.40	0.50	0.50	0.50	0.50	1.30	1.30	1.30	1.95	2.35
Parks and Recreations										
Parks	3.15	4.40	5.25	5.15	6.31	6.55	6.55	6.55	5.95	5.75
Recreation	2.70	3.80	3.80	3.70	3.70	4.70	4.70	4.70	5.60	5.20
Transit	1.20	1.20	1.20	1.30	1.30	1.40	1.40	1.30	0.00	0.00
Water:										
Treatment and Distribution	6.75	7.00	8.50	7.80	8.60	10.20	10.20	10.20	9.75	9.85
Wastewater:										
Collection and Treatment	4.10	4.10	5.70	10.00	8.55	8.30	8.30	8.40	9.85	9.25
Storm Water Quality					0.05	1.05	1.05	1.05	0.35	0.85
<b>Totals</b>	<b>43.00</b>	<b>47.00</b>	<b>56.00</b>	<b>63.00</b>	<b>66.00</b>	<b>71.00</b>	<b>74.00</b>	<b>75.00</b>	<b>81.00</b>	<b>81.00</b>

Source: Human Resources Department

**Schedule 17**  
**City of American Canyon**  
**Operating Indicators by Function/Program**  
**Last Ten Fiscal Years**

	Fiscal Years									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
<b>Police:</b>										
Physical arrest	338	352	449	515	620	429	695	446	520	595
Traffic violations	1,077	695	993	936	1,861	1,162	2,377	1,557	2,035	1,897
<b>Fire:</b>										
Emergency responses	1,068	1,097	1,119	1,159	1,237	1,249	1,240	1,266	1,320	1,393
Structure Fires	17	20	27	43	45	27	25	17	29	20
Fire Loss (Thousand \$)	260	100	125	163	534	219	455	825	400	285
Fire Engines	7	7	7	7	7	8	8	8	8	6
Inspections	183	190	210	220	230	250	264	374	171	184
Construction Inspection	500	800	800	987	700	850	800	135	120	103
<b>Planning:</b>										
Building permits issued	87	542	362	312	440	208	226	273	375	352
<b>Public works:</b>										
Miles streets resurfaced	1.42	-	1.61	-	-	-	-	-	1.56	0.77
<b>Parks:</b>										
Community events held	14	15	15	16	16	17	17	17	19	19
Swimming pool admissions	7,028	7,398	8,578	11,185	16,197	18,376	21,005	21,000	20,000	21,480
<b>Water:</b>										
Number of new services	233	533	426	640	775	868	708	423	668	972
Daily average water production in MGD	1.90	2.04	2.35	2.52	3.06	3.05	3.12	3.12	3.53	3.30
Daily average water consumption in MGD	2.07	2.03	2.30	2.50	2.54	2.55	3.93	3.93	4.06	2.88
<b>Wastewater:</b>										
Daily average treatment in millions gallons(MGD)	1.00	0.98	1.20	1.10	1.77	1.46	1.69	1.48	1.55	1.54

Source: Various departments within the City of American Canyon

**Schedule 18**  
**City of American Canyon**  
**Capital Asset Statistics by Function/Program**  
**Last Ten Fiscal Years**

Function/Program	Fiscal Years									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
<b>Police:</b>										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	4	6	8	12	12	12	12	12	12	12
<b>Fire</b>										
Stations	1	1	1	1	1	1	1	2	2	2
Engines	7	7	7	7	7	8	8	8	8	8
<b>Public works:</b>										
Miles of streets	2	2	2	2	3	5	5	5	5	5
Streetlights	345	345	345	345	397	683	969	1,062	1,233	1,233
Traffic signals	2	2	3	3	3	3	3	4	4	4
<b>Parks and recreation:</b>										
Community centers	2	2	2	2	2	2	2	2	2	2
Parks	12	12	15	15	15	15	18	20	22	22
Park acreage	39	39	52	52	52	52	70	75	79	79
<b>Water:</b>										
Miles of mains	4	7	7	5	5	5	5	5	7	8
Number of services billed	2,816	3,349	3,775	3,839	4,294	4,515	4,759	4,914	5,147	5,208
Maximum plant capacity in millions gallons	2.25	2.59	2.60	2.60	2.60	2.60	5.50	5.50	5.50	5.50
<b>Wastewater:</b>										
Miles of sewers	5	5	5	5	5	5	5	5	5	5
Number of services billed	2,491	2,600	3,247	3,567	3,941	4,217	4,386	4,562	4,667	4,738
Maximum plant capacity in millions gallons	4.50	4.50	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00

Source: Various departments within the City of American Canyon

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