



Regular Meeting Agenda

March 3, 2015

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

Chad P. Wanke
Mayor

Jeremy B. Yamaguchi
Mayor Pro Tem

Craig S. Green
Council Member

Scott W. Nelson
Council Member

Constance M. Underhill
Council Member

Patrick J. Melia
City Clerk

Kevin A. Larson
City Treasurer

Damien R. Arrula
Acting City Administrator

Andrew V. Arczynski
City Attorney

City of Placentia
401 E. Chapman Avenue
Placentia, CA 92870

Phone: (714) 993-8117

Fax: (714) 961-0283

Email:

administration@placentia.org

Website: www.placentia.org

Mission Statement

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

Vision Statement

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

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

Procedures for Addressing the Council/Board Members

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

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

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

Special Accommodations

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

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

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

**PLACENTIA CITY COUNCIL
PLACENTIA CITY COUNCIL AS SUCCESSOR TO THE
PLACENTIA REDEVELOPMENT AGENCY
PLACENTIA INDUSTRIAL COMMERCIAL DEVELOPMENT AUTHORITY
REGULAR MEETING AGENDA
CITIZENS FISCAL SUSTAINABILITY TASK FORCE INTERVIEWS
March 3, 2015
4:00 p.m. – Placentia Community Meeting Room
401 E. Chapman Avenue, Placentia, CA**

CALL TO ORDER:

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

ORAL COMMUNICATIONS:

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

CITY COUNCIL:

- a. **Interviews for the Citizens Fiscal Sustainability Task Force**
(materials available in City Clerk's Office)

RECESS: The City Council and Boards of Directors will recess to their 6:30 p.m. Executive Session meeting.

**PLACENTIA CITY COUNCIL
PLACENTIA CITY COUNCIL AS SUCCESSOR TO THE
PLACENTIA REDEVELOPMENT AGENCY
PLACENTIA INDUSTRIAL COMMERCIAL DEVELOPMENT AUTHORITY
REGULAR MEETING AGENDA – EXECUTIVE SESSION
March 3, 2015
6:30 p.m. – City Council Chambers
401 E. Chapman Avenue, Placentia, CA**

CALL TO ORDER:

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

ORAL COMMUNICATIONS:

At this time the public may address the City Council and Boards of Directors concerning any items on the Executive Session Agenda only. There is a five (5) minute time limit for each individual addressing the City Council and Boards of Directors.

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

CITY COUNCIL:

1. Pursuant to Government Code Section 54956.8 Conference with Real Property Negotiator:
 - a. Property: 207-209 W. Crowther Ave APN: 339-402-05; 07; 08; 11
City Negotiator: Damien R. Arrula, Acting City Administrator
Negotiating Parties: Patrick Helgeson, Newport Equities
Under Negotiations: Price and Terms of Payment

SUCCESSOR AGENCY:

1. Pursuant to Government Code Section 54956.8 Conference with Real Property Negotiator:
 - a. Property: 132 Crowther Avenue, Ave APN: 339-091-08
City Negotiator: Damien R. Arrula, Acting City Administrator
Negotiating Parties: Mark McEwen, DMWP, LLC
Under Negotiations: Price and Terms of Payment

ICDA: None

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

**PLACENTIA CITY COUNCIL
PLACENTIA CITY COUNCIL AS SUCCESSOR TO THE
PLACENTIA REDEVELOPMENT AGENCY
PLACENTIA INDUSTRIAL COMMERCIAL DEVELOPMENT AUTHORITY
REGULAR MEETING AGENDA
March 3, 2015
7:00 p.m. – City Council Chambers
401 E. Chapman Avenue, Placentia, CA**

CALL TO ORDER:

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

INVOCATION: Police Chaplain Sterling Bennett

PLEDGE OF ALLEGIANCE:

PRESENTATIONS:

- a. **Placentia Chamber of Commerce Update**
Presenter: Placentia Chamber of Commerce President Dwayne DeRose

EXECUTIVE SESSION REPORT:

CITY ADMINISTRATOR REPORT:

ORAL COMMUNICATIONS:

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

CITY COUNCIL/BOARD MEMBERS COMMENTS AND REPORTS:

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

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

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

COUNCIL/SUCCESSOR AGENCY/ICDA CONSENT CALENDAR:

- a. **Consideration to Waive Reading in Full of all Ordinances and Resolutions**
Fiscal Impact: None
Recommended Action: Approve.
- b. **Minutes**
City Council/Successor/ICDA Regular Meeting – January 13, and January 20, 2015
Recommended Action: Approve.

- c. **City Fiscal Year 2014-15 Check Register for March 3, 2015**
Fiscal Impact: \$ 443,506.62
Recommended Action: It is recommended that the City Council:
1) Receive and file.

COUNCIL CONSENT CALENDAR:

- d. **Adoption of Resolution Authorizing Temporary Suspension of Regulatory Ordinance Section 10.28.010 to Facilitate the Placentia Founders Society Special Event Scheduled for Sunday, May 3, 2015**
Fiscal Impact: None
Recommended Action: It is recommended that the City Council:
1) Adopt Resolution No. 2015-06, A Resolution of the City Council of the City of Placentia, California, authorizing the temporary suspension of regulatory Ordinance Section 10.28.010 of the Placentia Municipal Code to facilitate the Placentia Founders Society special event scheduled for May 3, 2015.
- e. **January 2015 Treasurer's Report**
Fiscal Impact: None
Recommended Action: It is recommended that the City Council:
1) Receive and File the January 2015 Treasurer's Report.

SUCCESSOR AGENCY CONSENT CALENDAR:

- f. **Recognized Obligation Payment Schedule (ROPS 15-16A) for July 1, 2015 through December 31, 2015**
Fiscal Impact: Expenditures: RPTTF \$721,658, ACA \$125,000
Recommended Action: It is recommended that the City Council:
1) Approve Resolution RSA-2015-01, A Resolution of the City Council of the City of Placentia, California, Acting as the Successor Agency to the Redevelopment Agency of the City of Placentia, Approving and Adopting the Recognized Obligation Payment Schedule for the period of July 1, 2015 through December 31, 2015 (ROPS 15-16A).

2. **PUBLIC HEARING:** None

3. **OLD BUSINESS:** None

4. **NEW BUSINESS:**

COUNCIL NEW BUSINESS:

- a. **Appointment to Citizens Fiscal Sustainability Task Force**
Fiscal Impact: None
Recommended Action: It is recommended that the City Council:
1) Make appointments of seven (7) members to the Citizens Fiscal Sustainability Task Force.
- b. **Presentation of the Comprehensive Annual Financial Report for the Period Ending June 30, 2014**
Fiscal Impact: None
Recommended Action: It is recommended that the City Council:
1) Receive and file the Comprehensive Annual Financial Report for the period ending June 30, 2014 as recommended by the Financial Audit Oversight Committee.

CITY COUNCIL/BOARD MEMBERS REQUESTS:

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

ADJOURNMENT:

The City Council/Successor Agency/ICDA Agency Board of Directors will adjourn to March 17, 2015 at 5:30 p.m.

***In
Memory
of***

***Dale Nelson, 23 Year Veteran,
United States Navy Master Chief Petty Officer, Retired
Father to Councilmember Scott Nelson and Sisters Kim and Kelly***

***Captain William D. Chattleton, United State Navy, Retired
Father of Laurie Chattleton Arroyo and Long time Placentia Resident***

TENTATIVE AGENDA FORECAST

The Tentative Agenda Forecast is subject to change up until the posting of the Agenda for the Council Meeting listed below:

March 17, 2015

- Historical Resources Ordinance

CERTIFICATION OF POSTING

I, Rosanna Ramirez, Interim Chief Deputy City Clerk of the City of Placentia and Assistant Secretary of the Industrial Commercial Development Authority and Successor Agency, hereby certify that the Agenda for the March 3, 2015 meetings of the City Council, Successor Agency, and Industrial Commercial Development Authority was posted on February 26, 2015.

Rosanna Ramirez,
Interim Chief Deputy City Clerk

PRESENTATION – A

PLACENTIA CHAMBER OF COMMERCE UPDATE

Mayor Wanke to introduce Placentia Chamber of Commerce President Dwayne DeRose.

Chamber of Commerce President Mr. DeRose will provide a brief overview of the Chamber of Commerce and will display a Powerpoint Presentation (not included in the agenda packet).

Presenter: Placentia Chamber of Commerce President Dwayne DeRose

**PLACENTIA CITY COUNCIL
PLACENTIA CITY COUNCIL AS SUCCESSOR TO THE
PLACENTIA REDEVELOPMENT AGENCY
PLACENTIA INDUSTRIAL COMMERCIAL DEVELOPMENT AUTHORITY
STUDY SESSION MEETING AGENDA
CITY COMMISSION and COMMITTEE INTERVIEWS
January 13, 2015
5:00 p.m. – City Council Chambers
401 E. Chapman Avenue, Placentia, CA**

CALL TO ORDER: Mayor/Board Chair Wanke called the meeting to order at 5:02 p.m.

ROLL CALL:

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

Councilmember Nelson arrived at 5:15 p.m.

ORAL COMMUNICATIONS: None

CITY COUNCIL:

a. **Interviews of applicants for various City Commissions and Committees**

Selection and appointments will be made during the 7:00 p.m. Regular Meeting to be held January 20, 2015.

City Councilmembers interviewed the following candidates: Gordon Solomonson, Humberto Mayo, Fred Visconti, and Dennis Lee in the Administrative Conference Room.

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

CALL TO ORDER:

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

STAFF PRESENT: City Administrator/Executive Director, Troy L. Butzlaff; City Attorney/Authority Counsel Andrew V. Arczynski; Assistant City Administrator Damien R. Arrula; Director of Administrative Services Steve Pischel; Chief Financial Officer Linda G. Magnuson; Chief of Police Ward Smith; Director of Community Services Jonathan K. Nicks; Finance Manager Michael Nguyen; Public Works Manager Michael McConaha; Interim Chief Deputy City Clerk Rosanna Ramirez; City Clerk Specialist Candice Martinez

City Attorney/Authority Counsel Andrew V. Arczynski arrived at 7:45 p.m.

INVOCATION: Chief of Police Ward Smith

PLEDGE OF ALLEGIANCE: Mayor Pro Tem Yamaguchi

ORAL COMMUNICATIONS:

Kevin Larson, City Treasurer, noted that he had reviewed the draft Comprehensive Annual Financial Report (CAFR) ending fiscal year June 30, 2014, and reported on the following items: Expenditures and interfund transfers that exceed the approved budget; short term and long term borrowing; Disclosure of Housing Successor Agency financial statements; Orange County Transportation Authority (OCTA) advance and disclosure of Measure M bond interest and principal payments; and recommended guidelines for the Financial Audit Oversight Committee.

Ed Garcia, resident/business owner, commented on the statements made by City Council candidates during the past election. He recommended, as a budget saving measure, cancelling medical benefits for City Councilmembers.

Blake Montero, resident, expressed his concerns regarding the costs associated with the demolition of the packing house.

STUDY SESSION

SS1. Discussion and Direction Regarding Auditor's Draft Annual Report and Other Related Budget Matters

City Administrator Butzlaff provided a brief overview regarding the Draft Audit Report from the City's independent auditors and noted the auditors had issued the City 'a going concern finding'. He clarified that 'a going concern finding' is a statement on the City's financial vitality and its ability to pay its bills twelve months forth. He noted that the auditors have requested for Council to provide a response to how the City is going to address the issued 'going concern finding.' He noted the City is projecting a budget deficit of \$2.8 million dollars for Fiscal Year 2015-16. He noted once Council has provided direction to Staff, they will formulate it into a response that will be included in the Management Discussion and Analysis letter (MD&A) to the auditors so that it can be included in the final audit report.

Mayor Wanke requested clarification on the response Council is to provide to the auditors.

City Administrator Butzlaff noted that the MD&A letter is the City's opportunity to respond on the issues the auditors detected during their audit of the City. He noted that the auditors have requested for Council to outline tangible items that the City will be pursuing in the next few months to address the City's financial challenges. He noted that Council is not obligated to provide a response.

Councilmember Green noted that he has reviewed the CAFR that was presented to Council and that City Treasurer Larson had pointed about some of his concerns regarding the CAFR.

Councilmember Green commented on the proposed budget saving measure, Outsourcing the Police Department, and requested for this item to not be considered. He noted possible solutions to the City's financial issues including: adding City-owned parcels of property to the tax rolls to generate funds, aggressively pursue new businesses, per barrel oil tax, billboards, Transit Occupancy Tax (TOT) increase, Joint Powers Agreement (JPA) for public works, parks, and vehicle maintenance, and the feasibility of converting full-time positions to part-time positions. He inquired about the timeline for Council to provide a response to Staff to address the City's financial issues. He noted that Council needs adequate time to review the documents received.

Councilmember Nelson commented that he was not in favor of any Utility Users Tax (UUT) or Sales Tax increase for the City. He noted that he was in favor of the following ideas: per

barrel oil tax, TOT increase with the intent to build additional hotels, JPA with surrounding agencies, selling surplus property, change in health benefit rates, and to cancel benefits for current and previous City Councilmembers.

Councilmember Underhill noted that she is in favor of research on the potential savings to outsource police services and to add a sales tax ballot measure to the City's 2016 election.

City Administrator Butzlaff noted that Council can declare a fiscal emergency in order to conduct a special election for the purpose of adding a ballot measure for a tax increase. He noted that this would require a 4/5 vote approval from Council and it could cost the City up to \$120,000 to conduct a special election.

Mayor Pro Tem Yamaguchi inquired about the funding and purpose of the demolition of the packing house property.

City Administrator Butzlaff noted that they have reached an exclusive negotiation agreement with the developer, Newport Equities, to purchase the underlined property that the packing house is located on, and to pay the City's cost to demolish the packing house property.

Mayor Pro Tem Yamaguchi recommended that the City should continue to research the following items: dispatch consolidation with other agencies, expand public works cooperative agreement with a joint public/private partnership or a public/public partnership, pensions and medical benefits, street sweeping services, audit of all city owned properties, outsourcing of payroll in the finance department, command staff sharing in the police department with surrounding agencies, and looking city-wide at public/private partnerships.

Mayor Wanke requested clarification from City Administrator Butzlaff on what the auditors are requesting from Council.

City Administrator Butzlaff noted that the auditors are requesting from Council a narrative response to the City's fiscal challenges. He noted that he has not heard the consensus from City Council on any particular ideas they would like to proceed with, and that any idea needs to include figures.

Discussion ensued between Council and Staff. They discussed the management partners report including the savings for outsourcing police services, and shared dispatch services, and the potential savings with a change in health benefit rates.

Chief Financial Officer Magnuson noted that the auditors are looking for assurance that is cohesive and that the Council will follow through on and provide means to solve the deficit problem.

City Administrator Butzlaff noted that if the City does not meet its disclosure requirements by the February 15, 2015 deadline date, bond holders and/or fiscal agents will inquire why the City did not adopt the CAFR or provide a response.

City Attorney Arczynski noted the new requirements that give authority to the Security Exchange Commission to review the City's financial books.

Councilmember Green noted that Council needs additional time to review the documents in order to provide a response to Staff by March 31, 2015.

City Administrator Butzlaff noted that there are additional disclosure requirements due March 31 2015, but recommended that Council provide a response to the auditors by the February 15, 2015 deadline date.

Mayor Wanke recommended the research of public/private partnerships with public works, street sweeping and finance department, and changes in employee health benefit rates.

Councilmember Nelson noted that he was not in favor of a public/private partnership for the finance department.

City Administrator Butzlaff noted that the city just entered into a three (3) year agreement for street sweeping services, and requested to remove the item from the discussion.

Discussion ensued between Council and Staff regarding the call options on bonds if the City declared a fiscal emergency, city owned property, outsourcing of payroll in the finance department, and a freeze on the hiring of employees.

City Administrator Butzlaff noted that the finance department has additional responsibilities and that there isn't potential savings for outsourcing payroll. He noted that there are potential savings in salaries and benefits by not filling vacant positions but the levels of service would go down and there would be an increase in overtime costs.

Councilmember Nelson noted that Council should research the potential savings for all proposed budget saving ideas including obtaining a proposal for outsourcing police services, and JPA for dispatch services.

Councilmember Underhill noted that she was in agreement with Councilmember's Nelson suggestions.

Councilmember Green noted that there isn't any savings with outsourcing police services.

Mayor Wanke requested to research the savings of outsourcing the public works department.

Mayor Wanke requested a report from Staff on the property tax revenue for the downtown Metrolink project (Newport Equities), Olson project, and the Schaner Ranch project.

City Administrator Butzlaff noted Council requests for Staff to research: real estate taxes from the three (3) projects (Olson, Schaner, and Newport Equities), contact the City's financial advisors and bond counsel regarding early call fiscal emergency and the impacts on existing bond issues, private/public partnerships and/or private/private privatization of public works, and street sweeping (through the City of Brea), outdoor advertising display as a potential revenue source, and provide the estimated savings if employees co-pays on insurance are increased.

Mayor Wanke inquired about the space the Chamber of Commerce currently utilizes and the possibility of relocating them to the City's vacant property on Bradford and leasing out the property on Main Street.

There was consensus from City Council for Staff to research the possibility of relocating organizations from the Main Street location to the Bradford property, and to lease out the property on Main Street.

Councilmember Nelson recommended for Council to finalize their response to the auditors at the January 20, 2015 City Council meeting.

CITY COUNCIL/BOARD MEMBER REQUESTS:

Councilmember Green requested for Staff to invite the auditors to the Financial Audit Oversight Committee meeting on Thursday, January 15, 2015. He inquired if there were any savings from using the vendor Managed Mobile for fleet maintenance.

City Administrator Butzlaff noted that Manage Mobile is providing a report to Staff for review of their cost savings and quality of services.

TENTATIVE AGENDA FORECAST

The Tentative Agenda Forecast is subject to change up until the posting of the Agenda for the Council Meeting listed below:

January 20, 2015

- Amendment No. 4 to Cooperative Agreement with OCTA for the Richfield Road Widening Project and Richfield Road/Orchard Drive Traffic Signal Project.
- Additional Contract Contingency for the Demolition and Clean Up of the Placentia Packing House site.
- Lease extension for wireless communication facility at Tuffree Park.
- Branding Logo and Tagline for Marketing Materials related to Economic Development.
- Appointment to the Oversight Board.
- Appointments to various City Commissions and Committees.
- Appointments to the Citizens Fiscal Sustainability Task Force.

ADJOURNMENT:

The City Council/Successor Agency/ICDA Agency of Directors adjourned at 9:21 p.m. to January 20, 2015 at 5:30 p.m.

CHAD P. WANKE
MAYOR/AGENCY CHAIR

ATTEST:

PATRICK J. MELIA, CITY CLERK/AGENCY
SECRETARY

**PLACENTIA CITY COUNCIL
PLACENTIA REDEVELOPMENT AGENCY
PLACENTIA INDUSTRIAL COMMERCIAL DEVELOPMENT AUTHORITY
REGULAR MEETING MINUTES – EXECUTIVE SESSION
JANUARY 20, 2015
5:30 P.M. – City Council Chambers
401 E. Chapman Avenue, Placentia, CA**

CALL TO ORDER: Mayor/Board Chair Wanke called the meeting to order at 5:35 p.m.

ROLL CALL:

PRESENT: Councilmember/Board Member Green, Underhill, Yamaguchi, Wanke
ABSENT: Nelson

ORAL COMMUNICATIONS: None

CITY COUNCIL:

1. Pursuant to Government Code Section 54956.9(d)(2) for Conference with Legal Counsel Regarding Anticipated Litigation – One (1) Item
2. Pursuant to Government Code Section 54956.9(d)(4) for Conference with Legal Counsel Regarding the Initiation of Litigation – Two (2) Items
3. Pursuant to Government Code Section 54957(b)(1) for Performance Evaluation of Public Employees:
 - a. City Administrator
 - b. City Attorney

SUCCESSOR AGENCY: None

ICDA: None

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

ROLL CALL:

PRESENT: Councilmember/Board Member Green, Nelson, Underhill, Yamaguchi, Wanke
ABSENT: None

STAFF PRESENT: Acting City Administrator/Executive Director Damien R. Arrula; City Attorney/Authority Counsel Andrew V. Arczynski; Director of Administrative Services Steve Pischel; Chief Financial Officer Linda G. Magnuson; Chief of Police Ward Smith; Director of Community Services, Jonathan K. Nicks; Finance Manager, Michael Nguyen; Public Works Manager Michael McConaha; Public Works Crewleader Joseph Higgins, Police Lieutenant Eric Pointe; Management Analyst Maggie Le; Interim Chief Deputy City Clerk Rosanna Ramirez; City Clerk Specialist, Candice Martinez

INVOCATION: Police Chaplain Kenneth Curry

PLEDGE OF ALLEGIANCE: Councilmember Underhill

PUBLIC OATH OF OFFICE:

- a. City Treasurer Kevin A. Larson

Mayor Wanke announced that the Public Oath of Office for the newly elected City Treasurer Kevin Larson has been postponed to the City Council meeting in February 2015.

PRESENTATIONS:

- a. **Recognition of 2014 Employee of the Year**
Recipient: Public Works Maintenance Crewleader Joseph Higgins
Presenters: Mayor Wanke and Acting City Administrator Arrula

Mayor Wanke introduced Public Works Crewleader Joseph Higgins.

Acting City Administrator Arrula provided a brief narrative of the "George J. Koch Employee of the Year Award." He announced the Employee of the Year Award recipient for 2014 was Public Works Crewleader, Joseph Higgins.

Mayor Wanke and Acting City Administrator Arrula congratulated and presented a certificate of recognition to Public Works Crewleader Higgins as the 2014 City of Placentia Employee of the Year.

- b. **Recognition of Employee Service Awards for 2014**
Presenters: Mayor Wanke and Acting City Administrator Arrula

5 Year Recognition

Police Dispatcher/Records Clerk Katherine Craddock
Police Officer Michael MacCubbin
Administrative Assistant Alicia Feldstein
City Attorney Andrew V. Arczynski

10 Year Recognition

Police Officer Jason Reger
Police Officer Ricki Menely
Police Officer Jose Flores
Maintenance Worker Jose Ruiz
Police Dispatcher/Records Clerk Janice Kuhn

15 Year Recognition

Executive Assistant to the City Administrator Maria Perez
Police Officer Zachary Palumbo
Senior Management Analyst Eduardo De La Torre
Police Sergeant Adam Gloe

20 Year Recognition

Police Officer Andrew Dean
Maintenance Crewleader Joseph Higgins
Program Coordinator Artie Pineda

25 Year Recognition

Facilities Maintenance Technician Arnie Ruiz

Police Sergeant Michael Busse

Acting City Administrator Arrula provided a brief description on the employee service pins. He noted that on Thursday, December 18, 2014 the City Council and City Administrator Butzlaff recognized the City employees who had reached service milestones in 2014.

EXECUTIVE SESSION REPORT:

City Attorney/Agency Counsel Arczynski reported the Council/Agency met in Executive Session to discuss items listed on the agenda. He noted there were no reportable actions for Executive Session that evening.

CITY ADMINISTRATOR REPORT:

Acting City Administrator Arrula introduced Mark McGhee from Republic Service.

Republic Services representative McGhee announced Republic Services annual compost give-away on Saturday February 7, 2015 from 8:30 a.m. to 10:30 a.m. at Tri-City Park. Mr. McGhee congratulated all employees who were recognized for their years of service to the City, and the 2014 Employee of the Year.

ORAL COMMUNICATIONS:

Jeff Buchanan, resident, inquired about why the City Administrator resignation has not been listed as an item on the City Council agenda for approval.

Blake Montero, resident, expressed his concerns regarding the process of hiring a new City Administrator. He inquired about the different expenditures listed on the agenda tonight and requested for Council to conduct further review before approving the items.

CITY COUNCIL/BOARD MEMBERS COMMENTS AND REPORTS:

Councilmember Nelson commended City Administrator Butzlaff for all his leadership and accomplishments while at the City of Placentia.

Councilmember Underhill commended City Administrator Butzlaff for all his hard work and achievements for the City of Placentia.

Councilmember Green noted that he attended the memorial service for the former Planning Commissioner Floyd Farano.

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

A motion was made by Councilmember Nelson, seconded by Mayor Pro Tem Yamaguchi and carried a (5-0) to approve Consent Calendar Item Nos. 1.a. through 1.h. Councilmember Green pulled item 1.b. for separate discussion.

COUNCIL/SUCCESSOR AGENCY/ICDA CONSENT CALENDAR:

- a. **Consideration to Waive Reading in Full of all Ordinances and Resolutions**

Fiscal Impact: None

Recommended Action: Approve.

(5-0, as recommended)

- b. **Minutes**
City Council/Successor/ICDA Regular Meeting – November 25, December 2, December 9, 2014
Recommended Action: Approve.
(Continued)

Councilmember Green requested for the December 2, 2014 minutes to reflect his request to freeze all employee raises, promotions and hiring, until such time the City Administrator could address to Council the necessity of any such moves and the fiscal viability. He noted that there was consensus from Council during the meeting which was not recorded in the minutes.

Councilmember Nelson stated that he could not recall there was consensus from Council to Councilmember's Greens request.

Mayor Wanke recommended postponing the approval of the minutes until further review is conducted by the City Clerk's Office.

A motion was made by Councilmember Green, seconded by Councilmember Underhill, and carried a (5-0) vote to continue item 1.b., minutes of of the November 25, December 2, and December 9, 2014 City Council meeting minutes, to the next City Council regular meeting following review of the City Clerk findings.

- c. **City Fiscal Year 2014-15 Check Register for January 20, 2015**
Fiscal Impact: \$2,716,679.12
Recommended Action: It is recommended that the City Council:
1) Receive and file.
(5-0, as recommended)

COUNCIL CONSENT CALENDAR:

- d. **November 2014 Treasurer's Report**
Fiscal Impact: None
Recommended Action: It is recommended that the City Council:
1) Receive and File the November 2014 Treasurer's Report.
(5-0, as recommended)
- e. **Acceptance of Resignation From the Financial Audit Oversight Committee**
Fiscal Impact: None
Recommended Action: It is recommended that the City Council:
1) Accept the Resignation of Mr. Kevin Larson from the Financial Audit Oversight Committee; and
2) Update the City's Master Commission/Committee Vacancy List to Include the Vacancy on the Financial Audit Oversight Committee.
(5-0, as recommended)

- f. **Extension of Lease Agreement with American Tower Company for Metro PCS Wireless Communication Facility at 2101 N. Tuffree Boulevard (APN: 336-141-28) AKA Tuffree Park**
Fiscal Impact: Revenue: \$22,000 One Time Payment in Fiscal Year 2014-15
 \$28,000 Annually with 4% Increase Each Year
Recommended Action: It is recommended that the City Council:
- 1) Approve a Lease Agreement Extension with American Tower Company, in a Form Approved by the City Attorney, for Five (5) Additional Five (5) Year Renewal Periods; and
 - 2) Authorize the City Administrator to Execute the Lease, Applicable Documents and Renewal Terms.
- (5-0, as recommended)**
- g. **Recommendation to Approve Amendment No. 4 to Cooperative Agreement No. C-2-1330 Between Orange County Transportation Authority and the City of Placentia for the Richfield Road Widening Project and Richfield Road/ Orchard Drive Traffic Signal Project**
Fiscal Impact: Expense: \$869,000 for Professional and Construction Services
 Offsetting Revenue: \$555,000 OCTA, \$294,000 City of Placentia, \$20,000 City of Yorba Linda
Recommended Action: It is recommended that the City Council:
- 1) Approve Amendment No. 4 to Cooperative Agreement No. C-2-1330 Between the City of Placentia and the Orange County Transportation Authority for the Richfield Road Widening Project; and
 - 2) Authorize the Mayor to Execute Amendment No. 4 to Cooperative Agreement No. C-2-1330 on Behalf of the City, in a Form Approved by the City Attorney.
- (5-0, as recommended)**
- h. **Approval of Additional Contract Contingency With Unlimited Environmental, Inc. for the Demolition and Clean Up of the Placentia Packing House in the Amount of \$86,500 for a Contract Total of \$429,676**
Fiscal Impact: Expense: \$86,500 for Construction Services
 Offsetting Revenue: \$429,676 Developer Funding
 Budgeted: \$429,676 (Account No.: 333552-6185 J/L 61133)
Recommended Action: It is recommended that the City Council:
- 1) Authorize the City Administrator, or His Designee, to Approve Construction Change Orders Pursuant to the Requirements Set Forth in the Construction Contract in an Aggregate Amount of \$86,500 Beyond the Previously-Approved \$44,762; and
 - 2) Adopt Resolution No. R-2015-01, A Resolution of the City Council of the City of Placentia, California, Authorizing a Budget Amendment in Fiscal Year 2014-15 Increasing the Appropriation and Offsetting Revenue Budgets In the Capital Projects Fund in the Amount of \$86,500.00 in Compliance with City Charter §§ 1206 and 1209 Pertaining to Appropriations for Actual Expenditures.
- (5-0, as recommended)**

2. PUBLIC HEARINGS: None

Mayor Wanke requested for Council New Business items to be presented first.

4. NEW BUSINESS:

COUNCIL NEW BUSINESS:

a. **Retirement and Ownership Transfer of Police Service Dog**

Fiscal Impact: Expense: \$0

Offsetting Revenue: \$1

Recommended Action: It is recommended that the City Council:

- 1) Accept Police Service Dog "Falkon's" Service Retirement from the Placentia Police Department; and
- 2) Approve the Release and Waiver of Liability and Indemnity Agreement Authorizing the Transfer of Ownership of Retired Police Service Dog "Falkon" to Lieutenant Point; and
- 3) Authorize the City Administrator, or His Designee, to Execute an Agreement with Lieutenant Point to Purchase Police Service Dog "Falkon" in the Amount of One Dollar (\$1.00), in a Form Approved by the City Attorney.

(5-0, as recommended)

Police Chief Smith announced the retirement of Police Service Dog Falkon and provided a brief history on Police Service Dog Falkon's career with the Placentia Police Department. He recommended transfer of ownership of retired Police Service Dog Falkon from the Police Department to Lieutenant Eric Point.

Mayor Wanke presented Retired Police Service Dog Falkon and Lieutenant Point with a gift on behalf of City Council.

A motion was made by Mayor Pro Tem Yamaguchi, seconded by Councilmember Green and carried a (5-0) vote to accept Police Service Dog "Falkon's" Service Retirement from the Placentia Police Department; Approve the Release and Waiver of Liability and Indemnity Agreement Authorizing the Transfer of Ownership of Retired Police Service Dog "Falkon" to Lieutenant Point; and Authorize the City Administrator, or His Designee, to Execute an Agreement with Lieutenant Point to Purchase Police Service Dog "Falkon" in the Amount of One Dollar (\$1.00), in a Form Approved by the City Attorney.

d. **Approval to Adopt Branding Logo and Tagline for Marketing Materials Related to Economic Development**

Fiscal Impact: None

Recommended Action: It is recommended that the City Council:

- 1) Review the Powerpoint Presentation Regarding the Branding Logo and Tagline as Presented by Staff; and
- 2) Approve the Branding Logo and Tagline for Marketing Materials Related to Economic Development.

(Continued)

Acting City Administrator Arrula provided a brief overview on item 4.d. relating to the Branding Logo and Tagline for marketing materials related to economic development. He

noted that this item was approved and recommended to City Council by the Economic Development Committee and introduced Allegra Consultants Suzanne Madison and Louise Patton.

Ms. Madison and Ms. Patton of Allegra Consulting provided a PowerPoint presentation entitled "Live it Breathe it Share it" displaying an overview of the development and design of the City's new branding logo and tagline "Rich Heritage Bright Future."

Mayor Wanke and City Council thanked Allegra Consulting for their work on creating the branding logo and tagline. He recommended adding the City's All American City Shield on the water tower and requested a space between the letter L and A that appear on the title of the logo.

A motion was made by Councilmember Nelson, and seconded by Councilmember Underhill to approve the branding logo and tagline for marketing materials related to Economic Development. Mayor Pro Tem Yamaguchi abstained from voting on this item.

AYES: Green, Nelson, Underhill, Wanke
NOES: None
ABSTAIN: Yamaguchi

Councilmember Green inquired if the motion included the change to the logo to add the City shield on the water tower.

Councilmember Nelson noted that the motion was for the approval of the branding logo and tagline as is.

Councilmember Green rescinded his last vote.

A motion was made by Councilmember Green, seconded by Mayor Pro Tem Yamauchi, and carried a (4-1, Councilmember Nelson voted no) vote to change the current Logo by adding the City's All American City Shield to the water tower and a space separating the L and A on the title, and to present the amended logo at the next City Council meeting.

b. Appointments to Fill Vacancies on Various City Commissions and Committees

Fiscal Impact: None

Recommended Action: It is recommended that the City Council:

- 1) Make the Necessary Appointments to Fill the Vacancies Listed Below:
 - a. Three (3) vacancies on the Economic Development Committee
 - b. Two (2) vacancies on the Financial Audit Oversight Committee
 - c. One (1) vacancy on the Planning Commission
 - d. One (1) vacancy on the Senior Advisory Committee
 - e. Two (2) vacancies on the Veterans Advisory Committee; and
- 2) Direct Staff to Continue the Commission and Committee Application/Recruitment Process for Any Remaining Vacancies.

Mayor Wanke opened nominations for the **Economic Development Committee** to fill two (2) vacancies both expiring in two (2) years.

Mayor Wanke nominated, and Mayor Pro Tem Yamaguchi seconded the nomination of Geoffrey Hartman to the Economic Development Committee for a term ending July 1, 2016.
AYES: Green, Nelson, Underhill, Yamaguchi, Wanke

NOES: None

Councilmember Underhill nominated, and Councilmember Nelson seconded the nomination of candidate Dennis Lee to the Economic Development Committee for a term ending July 1, 2016.

AYES: Green, Nelson, Underhill, Yamaguchi, Wanke

NOES: None

Mayor Wanke opened nominations for the **Financial Audit Oversight Committee** to fill one (1) vacancy expiring in two (2) years.

Mayor Wanke nominated, and Mayor Pro Tem Yamaguchi seconded the nomination of candidate James Jo-Cough to the Financial Audit Oversight Committee for a term ending July 1, 2016.

AYES: Green, Nelson, Underhill, Yamaguchi, Wanke

NOES: None

Mayor Wanke opened nominations for the **Planning Commission** to fill one (1) vacancy expiring in four (4) years.

Mayor Wanke nominated, and Mayor Pro Tem Yamaguchi seconded the nomination of candidate Dennis Lee to the Planning Commission for a term ending July 1, 2018.

AYES: Green, Nelson, Underhill, Yamaguchi, Wanke

NOES: None

Mayor Wanke opened nominations for the **Senior Advisory Committee** to fill one (1) non-expiring vacancy.

Councilmember Nelson nominated, and Councilmember Underhill seconded the nomination of candidate Humberto Mayo to the Senior Advisory Committee to fill a non-expiring vacancy.

AYES: Green, Nelson, Underhill, Yamaguchi, Wanke

NOES: None

Mayor Wanke opened nominations for the **Veterans Advisory Committee** to fill two (2) non-expiring vacancies.

Councilmember Nelson nominated, and Councilmember Underhill seconded the nomination of candidates Gordon Solomonson and Fred Visconti to the Veterans Advisory Committee to fill a non-expiring vacancy.

AYES: Green, Nelson, Underhill, Yamaguchi, Wanke

NOES: None

c. **Appointments to Citizens Fiscal Sustainability Task Force**

Fiscal Impact: None

Recommended Action: It is recommended that the City Council:

- 1) Consider Direct Appointments by Each Councilmember, One Appointment per Member, to the Citizens Fiscal Sustainability Task Force; and
- 2) Conduct Recruitment for the Two (2) At-Large Members through the City's Commission/Committee Application Process.

(4-1, with changes, Councilmember Nelson voted No)

Acting City Administrator Arrula provided a brief overview on item 4.c. regarding appointments to Citizen Fiscal Sustainability Task Force (Task Force).

Councilmember Green suggested that all seven (7) members of the Task Force be appointed at-large. He recommended the formation of an Ad Hoc committee for the purpose of reviewing the applications and making recommendations to Council for appointments.

Acting City Administrator Arrula noted appointments to the Task Force is tentatively scheduled for the last meeting in March, 2015.

Councilmember Nelson inquired about Councilmember Green's comments regarding the formation of an Ad Hoc committee to review all applicants. He recommended all applicants to be reviewed and interviewed by Council.

Councilmember Underhill noted that she was in favor of five (5) members being appointed by Council and to go through the recruitment process for the remaining two (2) at-large vacancies to expedite the process of the formation of the Task Force.

Mayor Pro Tem Yamaguchi inquired on how to expedite the process of recruitment and appointments to the Task Force.

Acting City Administrator Arrula suggested changing the deadline to receive applications from February 25, 2015 to February 17, 2015.

Mayor Pro Tem Yamaguchi noted that he was in favor of opening all seven (7) positions through the recruitment process, and changing the deadline to receive applications from February 25, 2015 to February 17, 2015.

Mayor Wanke noted the he was in favor of opening all seven (7) positions through the recruitment process, and noted there is no need to create an Ad Hoc committee to review the applications.

A motion was made by Mayor Wanke, seconded by Mayor Pro Tem Yamaguchi, and carried a (4-1, Councilmember Nelson voted no) vote to open the recruitment for the Citizens Fiscal Sustainability Task Force from January 23 to February 17, 2015, and for City Council to conduct interviews and appoint seven (7) at-large member to the Citizens Fiscal Sustainability Task Force.

3. OLD BUSINESS:

- a. **Discussion and Direction Regarding Auditor's Draft Annual Report and Other Related Budget Matters** *(Continued from the January 13, 2015 City Council Study Session)*

Acting City Administrator Arrula noted that this item was continued from the January 13, 2015 City Council Study Session at which time the City Council directed Staff to examine a variety of items. He noted that Staff has prepared a PowerPoint presentation entitled "Audit Discussion Information" with slides displaying cost savings and potential solutions.

Mayor Wanke confirmed with Acting City Administrator Arrula that City Council still needed to provide a response to the management letter.

Acting City Administrator Arrula noted that the auditors from Haskell & White, Wayne Pinnel and Tracey Cuculic are in attendance tonight.

Councilmember Green inquired about the Utility User Tax (UUT) detail. He noted that he is not in favor of a UUT increase, but will consider restoring the UUT to its original percentage.

Acting City Administrator Arrula noted that the Task Force can re-evaluate and review the proposed measures to provide additional insight to Staff and Council.

Councilmember Green noted that he had compiled a list of suggestions of budget saving items for consideration, and inquired if that list can be provided to the Task Force.

Acting City Administrator Arrula noted that it is up to the discretion of the Council.

Acting City Administrator Arrula noted that Staff is looking on formulating a response that would address how the Task Force would be used to examine each of the proposed items, and provide a recommendation to the City Council for consideration and review. He noted that Staff is currently reviewing the budget for mid-year review. He noted that Council needs to respond to the Management Discussion and Analysis (MD&A) discussion to address ongoing disclosures, and to make sure the City has a plan on how to address long term sustainability for the City.

Mayor Wanke noted that there is a consensus of Council to provide a response.

Councilmember Underhill inquired about the timeline to implement a proposed tax measure. She inquired about the option of researching the potential savings for outsourcing Police Services.

Councilmember Green noted that he had received correspondence from the City Treasurer that addresses Measure M funds listed in the CAFR and recommended that the gross amounts that the City is supposed to receive should be shown in the report, and not in the footnotes. He noted that housing assets shows the lease revenues in the report, but does not show the assets that are generating those revenues. He noted that Outsourcing Police Services will not save the City money.

Mayor Pro Tem Yamaguchi addressed the recommendations listed on the slide, Continuing Opportunities for Consideration and Analysis, and requested for Council to provide direction to Staff as to which items to consider and/or omit for the response letter.

Councilmember Green noted he was in favor of all the items proposed and the establishment of the Task Force.

Acting City Administrator Arrula requested for the auditors from Haskell & White, Wayne Pinnel and Tracey Cuculic to address the response letter and any questions that Council may have.

Haskell & White Auditor Pinnell commented that he did not attend the City Council Study Session on January 13, 2015 because they were not invited. He noted he was given less than a 24 hour notice about the Financial Audit Oversight Committee meeting, and was unable to attend. He thanked Council for inviting them to the meeting and for presenting additional information during the presentation. Mr. Pinnell noted that the auditors do have multiple questions that they will have to review with City Staff because the presentation

does leave out big items they had discussed before and it does not quantify what the City has saved over that 5 to 7 year period. He noted that the City's 'going concern finding' entails the City's description of their financial position and their ability to sustain operations. He noted that in order for the City to overcome this fiscal challenge, they will need to provide the auditors with big ticket items that would generate additional revenue for the City. He referred to the Management Partner's report that proposed budget saving measure ideas including the option of outsourcing police services and noted that the City never explored the option to gather the information to see the potential savings. He noted that it is the responsibility of the Council, not the Task Force, to decide on the budget saving items.

Mayor Pro Tem Yamaguchi noted the Council is doing to best of their ability to address the City's financial issues, and noted the purpose of the Task Force is to research and provide additional information to Council on any budget saving ideas.

Councilmember Green noted that he has studied the option of outsourcing the police services for the past 12 years, and that this item would not save the City money.

Mr. Pinnel reminded Council that he is not directly recommending them to pursue certain budget saving measures, but recommending to explore all the different options and to gather all additional information that they may need to make a decision.

Councilmember Underhill noted that she has communicated with Councilmembers whose agency had outsourced their police department and they have expressed their satisfaction with the sheriff department. She noted that it is worth exploring the costs for outsourcing police services.

Councilmember Green commented on Councilmember Underhill's response noting that he is not questioning the quality of work produced by sheriff department, but just on the control and cost factors of outsourcing services.

Mayor Pro Tem Yamaguchi noted that there are numerous variables to consider when comparing one service to another.

Mayor Wanke requested to address the response to the management letter.

Acting City Administrator Arrula recommended for Council to appoint members to the Citizens Fiscal Sustainability Task Force to review the parameters identified during the Council meeting, and to provide recommendations to Council of financial solutions to the structural deficit by May 15, 2015. He noted that Staff will continue to provide support to the Task Force on an ongoing basis and to set in place a schedule once the appointments have been made. He recommended a motion be made by Council so Staff can prepare a narrative response that outlines the City Council's plans to address the structural deficit

Councilmember Underhill recommended providing the Task Force with the Management Partners report for their review so that they explore all alternatives. She noted the cost amount for the City to conduct a special election for a measure.

Councilmember Green noted that he is favor of the providing the Management report to the Task Force, but making changes to the numbers to reflect accurate savings for the City.

Councilmember Nelson noted aside from ruling out outsourcing the Police Department, the majority of Council voted against any tax measure last year. He noted that he was not in favor of the formation of the Task Force as the response for the management letter.

A motion was made by Mayor Pro Tem Yamaguchi, seconded by Councilmember Green and carried a (3-2, Councilmember Nelson and Councilmember Underhill voted no) vote to appoint members to the Citizens Fiscal Sustainability Task Force to review the parameters identified during the Council meeting, and to provide recommendations to Council of financial solutions to the structural deficit by May 15, 2015.

CITY COUNCIL/BOARD MEMBER REQUESTS:

Councilmember Underhill requested for the Management Partners report to be provided to the members of the Task Force.

City Council unanimously approved Councilmember Underhill's request to provide the Management Partners report to the Task Force.

Councilmember Nelson congratulated Chief Ward Smith on his promotion as the Chief of Police to the Placentia Police Department.

Councilmember Green addressed the comments he had made during the last City Council meeting noting that he believed there was a consensus from Council on his recommendation. He reread to Council his recommendations from the December 16, 2014 City Council meeting and requested to receive a consensus from Council tonight to impose his recommendations.

Mayor Pro Tem Yamaguchi inquired about the recommendations made by Councilmember Green and when the midyear budget review would take place.

Councilmember Underhill noted that she is not in favor of Councilmember's Green's recommendations.

Acting City Administrator Arrula introduced Chief Financial Officer Magnuson to address the midyear budget review.

Chief Financial Officer Magnuson noted that due to the delay of the Comprehensive Annual Financial Review, the midyear budget would be available for review by the second Council meeting in February, 2015.

Councilmember Nelson requested for City Attorney Arczynski to provide his perspective on Councilmember Green's recommendations and inquired if it violates the Placentia City Charter.

City Attorney Arczynski noted that the City Council does approve the City's Budget and Position Allocation Plan each year and within the report the City Administrator is required to manage personnel and the funds that are made available by the City Council. He noted that if City Council is inclined to place a freeze on all hiring, it is something that needs to be placed on the agenda for further discussion and action.

Assistant City Administrator Arrula noted that Staff can outline the positions that have been budgeted for and positions that have not been filled. He recommended for Council to first review the midyear budget and then bring back Councilmember Green's recommendations for discussion.

Mayor Wanke inquired if there was consensus from Council to add Councilmember Green recommendations to the next City Council agenda.

Mayor Pro Tem Yamaguchi requested clarification as to the parameters to the recommendations made by Councilmember Green's and what will satisfy the recommendation to resume hiring of employees.

Councilmember Green noted after reviewing the midyear budget it will be the determination of City Council to resume the hiring of employees.

Mayor Pro Tem Yamaguchi noted that he was in favor of having the discussion of the overview of the position allocation plan during the midyear budget review.

Majority of City Council approved to agenize the overview of a position allocation plan at the next City Council meeting.

Mayor Pro Tem Yamaguchi requested a presentation from the Placentia Chamber of Commerce on any updates.

TENTATIVE AGENDA FORECAST

The Tentative Agenda Forecast is subject to change up until the posting of the Agenda for the Council Meeting listed below:

January 27, 2015

- * City Attorney Interviews

ADJOURNMENT:

The City Council/Successor Agency/ICDA Agency Board of Directors adjourned at 9:28 p.m. to February 3, 2015 at 5:30 p.m. in memory of Floyd Farano, Samuel Cardenas, William "Bill" Heaton, and Edwin Bailey.

CHAD P. WANKE
MAYOR/AGENCY CHAIR

ATTEST:

PATRICK J. MELIA, CITY CLERK/AGENCY
SECRETARY

**City of Placentia
Check Register
For 03/03/2015**

Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount Invoice#	PO #	Check #	Check Date
------	----------------	-------------	---------------------	----------	-----------------	------	---------	------------

Grand Total: 443,506.62

Check Totals by ID	
AP	434,356.05
EP	9,150.57
IP	0.00
OP	0.00

Check Totals by Fund	
101-General Fund (0010)	206,891.91
225-Asset Seizure (0021)	252.00
260-Street Lighting District (0028)	30,736.75
265-Landscape Maintenance (0029)	7,924.83
275-Sewer Maintenance (0048)	8,790.76
280-Misc Grants Fund (0050)	3,567.99
401-City Capital Projects (0033)	156,468.92
501-Refuse Administration (0037)	13,564.51
601-Employee Health & Welfare (0039)	4,311.38
615-Information Technology (0042)	2,019.28
701-Special Deposits (0044)	8,978.29

Void Total: 0.00
Check Total: 443,506.62

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

Check Total: 443,506.62

Check Total:

*Reviewed & Approved,
Zinda G. Spagnuolo*

**1.c.
March 3, 2015**

**City of Placentia
Check Register
For 02/25/2015**

Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount Invoice#	PO #	Check #	Check Date
MW OH	A-1 FENCE COMPANY V007378	1/5-5/5 FENCE RENTAL	103554-6130 Repair & Maint/Facilities	TK021215	150.00 61864		00086549	02/12/2015
Check Total:					150.00			
MW OH	ABBA TERMITE & PEST V000087	JAN PEST CONTROL SVS	103554-6130 Repair & Maint/Facilities	TK021215	100.00 24714		00086550	02/12/2015
MW OH	ABBA TERMITE & PEST V000087	JAN PARKS PEST CONTROL SVS	103554-6130 Repair & Maint/Facilities	TK021215	100.00 24715		00086550	02/12/2015
MW OH	ABBA TERMITE & PEST V000087	FEB PARKS PEST CONTROL SVS	103554-6130 Repair & Maint/Facilities	TK021215	100.00 24866		00086550	02/12/2015
MW OH	ABBA TERMITE & PEST V000087	FEB PEST CONTROL SVS	103554-6130 Repair & Maint/Facilities	TK021215	100.00 24867		00086550	02/12/2015
Check Total:					400.00			
MW OH	ALL CITY MANAGEMENT V000005	1/18-31 CROSSING GUARD SVS	103047-6099 Other Professional Services	TK021215	2,443.98 37998	P10505	00086551	02/12/2015
MW OH	ALL CITY MANAGEMENT V000005	1/18-31 CROSSING GUARD SVS	103047-6099 / 50116-6099 Other Professional Services	TK021215	5,387.87 37998	P10505	00086551	02/12/2015
Check Total:					7,831.85			
MW OH	ANTHEM LIFE INSURANCE V000046	FEB OPTIONAL LIFE INSURANCE	0010-2186 Optional Life Insurance	TK021215	5.00 2315A		00086552	02/12/2015
Check Total:					5.00			
MW OH	ARAMARK UNIFORM V004232	FLOOR MATS FOR FACILITIES	103554-6301 Special Department Supplies	TK021215	101.77 530365583		00086553	02/12/2015
MW OH	ARAMARK UNIFORM V004232	FLOOR MATS FOR FACILITIES	103554-6301 Special Department Supplies	TK021215	149.20 530382442		00086553	02/12/2015
MW OH	ARAMARK UNIFORM V004232	PW UNIFORMS	103650-6360 Uniforms	TK021215	210.79 530365582	P10406	00086553	02/12/2015
MW OH	ARAMARK UNIFORM V004232	PW UNIFORMS	103650-6360 Uniforms	TK021215	210.79 530382441	P10406	00086553	02/12/2015
Check Total:					672.55			

**City of Placentia
Check Register
For 02/25/2015**

Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount Invoice#	PO #	Check #	Check Date
MW OH	ARCZYNSKI, ANDREW V V005588	JAN PROFESSIONAL SERVICES	101511-6001 Management Consulting Services	TK021215	3,800.00 013115		00086554	02/12/2015
MW OH	ARCZYNSKI, ANDREW V V005588	JAN LEGAL SERVICES	101005-6005 Legal Services	TK021215	18,093.09 013115	P10383	00086554	02/12/2015
MW OH	ARCZYNSKI, ANDREW V V005588	JAN LITIGATION SERVICES	101005-6006 Litigation	TK021215	2,473.50 013115	P10383	00086554	02/12/2015
			Check Total:		24,366.59			
MW OH	ARVIZU, DAVID V009650	CLASS REFUND	100000-4340 / 79348-4340 Recreation Programs	TK021215	300.00 2000504.002		00086555	02/12/2015
			Check Total:		300.00			
MW OH	AT&T V004144	DEC-JAN PHONE CHARGES	0010-1220 Accts Rec/Plac Library Dist	TK021215	8.48 012815		00086556	02/12/2015
MW OH	AT&T V004144	DEC-JAN PHONE CHARGES	109595-6215 Telephone	TK021215	971.43 012815		00086556	02/12/2015
MW OH	AT&T V004144	DEC-JAN PHONE CHARGES	109595-6215 / 61139-6215 Telephone	TK021215	17.80 012815		00086556	02/12/2015
MW OH	AT&T V004144	DEC-JAN PHONE CHARGES	296561-6215 Telephone	TK021215	66.43 012815		00086556	02/12/2015
			Check Total:		1,064.14			
MW OH	ATHENS SERVICES V006622	DEC STREET SWEEPING SVS	374387-6099 Other Professional Services	TK021215	12,283.23 562043	P10496	00086557	02/12/2015
			Check Total:		12,283.23			
MW OH	B & M LAWN & GARDEN V000127	PW TOOLS	103655-6301 Special Department Supplies	TK021215	249.17 210027		00086558	02/12/2015
MW OH	BEE MAN, THE V000117	BEE REMOVAL SERVICES	103655-6130 Repair & Maint/Facilities	TK021215	175.00 85050		00086559	02/12/2015
			Check Total:		249.17			
MW OH	BLAIS & ASSOCIATES	DEC GRANT MNGMT SVS	101511-6290	TK021215	250.00 12-2014-PL1		00086560	02/12/2015
			Check Total:		175.00			

**City of Placentia
Check Register
For 02/25/2015**

Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount	Invoice#	PO #	Check #	Check Date
	V008128		Dept. Contract Services						
MW OH	BREA ELECTRIC COMPANY V007990	BALLFIELD LIGHT REPAIRS	103655-6130 Repair & Maint/Facilities	Check Total: TK021215	250.00 2,185.89	22042		00086561	02/12/2015
MW OH	CALIFORNIA CHAMBER OF V002187	CA LABOR LAW MATERIALS	101512-6320 Books & Periodicals	Check Total: TK021215	2,185.89 440.91	1087918		00086562	02/12/2015
MW OH	CALIFORNIA DENTAL V008102	MARCH DENTAL PREMIUMS	395000-4720 ISF Dental Ins Reimbursement	Check Total: TK021215	440.91 267.82	MARCH 15		00086563	02/12/2015
MW OH	CALIFORNIA DENTAL V008102	MARCH DENTAL PREMIUMS	395083-5162 Dental Insurance Premiums	TK021215	178.86	MARCH 15		00086563	02/12/2015
MW OH	CALIFORNIA FORENSIC V000232	JAN PD BLOOD DRAWS	103040-6055 Medical Services	Check Total: TK021215	446.68 1,588.00	01.26.15		00086564	02/12/2015
MW OH	CALIFORNIA NARCOTIC V000273	CNOA MEMBERSHIP-MCKENZIE	103042-6255 Dues & Memberships	Check Total: TK021215	1,588.00 100.00	450941		00086565	02/12/2015
MW OH	CALIFORNIA NARCOTIC V000273	CNOA MEMBERSHIP-PERRY	103042-6255 Dues & Memberships	TK021215	100.00	59816		00086565	02/12/2015
MW OH	CALIFORNIA NARCOTIC V000273	CNOA MEMBERSHIP-REGER	103042-6255 Dues & Memberships	TK021215	100.00	66323		00086565	02/12/2015
MW OH	CANON FINANCIAL SERVICES V008867	REB PD FAX LEASE	109595-6175 Office Equipment Rental	Check Total: TK021215	300.00 15.09	14566651	P10290	00086566	02/12/2015
MW OH	CANON FINANCIAL SERVICES V008867	REB PD FAX LEASE	374386-6175 Office Equipment Rental	TK021215	15.08	14566651	P10290	00086566	02/12/2015
MW OH	CANON FINANCIAL SERVICES V008867	REB COPIER LEASE	374386-6175 Office Equipment Rental	TK021215	250.00	14566652	P10291	00086566	02/12/2015

**City of Placentia
Check Register
For 02/25/2015**

Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount Invoice#	PO #	Check #	Check Date
MW OH	CANON FINANCIAL SERVICES V008867	REB COPIER LEASE	109595-6175 Office Equipment Rental	TK021215	250.00 14566652	P10291	00086566	02/12/2015
MW OH	CARWASH OF AMERICA V000771	JAN CITY CAR WASHES	103658-6134 Vehicle Repair & Maintenance	Check Total: TK021215	530.17 21.98 JANUARY 15		00086567	02/12/2015
MW OH	CARWASH OF AMERICA V000771	JAN PD CAR WASHES	103658-6134 Vehicle Repair & Maintenance	TK021215	289.68 JANUARY 15		00086567	02/12/2015
MW OH	CBE V008124	JAN WHITTEN COPIER LEASE	101572-6135 Repair/Maint Off Furn & Eqp	Check Total: TK021215	311.66 20.12 IN1654708	P10326	00086568	02/12/2015
MW OH	CLEAR CHOICE LIEN SALES V005847	JAN LIEN SERVICES	103047-6182 Lien Services	Check Total: TK021215	20.12 12.50 175B	P10458	00086569	02/12/2015
MW OH	CLEAR CHOICE LIEN SALES V005847	JAN LIEN SERVICES	103047-6182 Lien Services	TK021215	75.00 176	P10458	00086569	02/12/2015
MW OH	CLEAR CHOICE LIEN SALES V005847	JAN LIEN SERVICES	103047-6182 Lien Services	TK021215	25.00 177A	P10458	00086569	02/12/2015
MW OH	CLEAR CHOICE LIEN SALES V005847	JAN LIEN SERVICES	103047-6182 Lien Services	TK021215	100.00 181B	P10458	00086569	02/12/2015
MW OH	CLEAR CHOICE LIEN SALES V005847	JAN LIEN SERVICES	103047-6182 Lien Services	TK021215	25.00 183C	P10458	00086569	02/12/2015
MW OH	CLEAR CHOICE LIEN SALES V005847	JAN LIEN SERVICES	103047-6182 Lien Services	TK021215	12.50 187A	P10458	00086569	02/12/2015
MW OH	CLEAR CHOICE LIEN SALES V005847	JAN LIEN SERVICES	103047-6182 Lien Services	TK021215	37.50 187B	P10458	00086569	02/12/2015
MW OH	CLEAR CHOICE LIEN SALES V005847	JAN LIEN SERVICES	103047-6182 Lien Services	TK021215	25.00 3488	P10458	00086569	02/12/2015
MW OH	CLEAR CHOICE LIEN SALES V005847	JAN LIEN SERVICES	103047-6182 Lien Services	TK021215	7.50 6793	P10458	00086569	02/12/2015

City of Placentia
Check Register
For 02/25/2015

Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount Invoiced	PO #	Check #	Check Date
MW OH	COUNTRY CARE PET RESORK9 BOARDING SVS-HABO V004422		213041-6301 Special Department Supplies	TK021215	320.00 252.00 020415		00086570	02/12/2015
				Check Total:	252.00			
MW OH	DFS FLOORING INC V000099	JAN CARPET CLEANING SVS	103554-6130 Repair & Maint/Facilities	TK021215	605.00 30098-116		00086571	02/12/2015
				Check Total:	605.00			
MW OH	DISPLAY APPEAL V003825	GRAPHICS FOR PD VEHICLE	103658-6301 Special Department Supplies	TK021215	160.38 4968		00086572	02/12/2015
MW OH	DISPLAY APPEAL V003825	PD VEHICLE GRAPHICS	103658-6301 Special Department Supplies	TK021215	246.24 4975		00086572	02/12/2015
				Check Total:	406.62			
MW OH	EJ WARD INC V001108	PD VEHICLE FUEL SYSTEM PART	103658-6301 Special Department Supplies	TK021215	376.25 0047737-IN		00086573	02/12/2015
				Check Total:	376.25			
MW OH	FAIRWAY FORD V000376	VEHICLE REPAIRS	103658-6134 Vehicle Repair & Maintenance	TK021215	1,211.84 204442		00086574	02/12/2015
MW OH	FAIRWAY FORD V000376	VEHICLE REPAIRS	103658-6134 Vehicle Repair & Maintenance	TK021215	1,010.37 C78156		00086574	02/12/2015
				Check Total:	2,222.21			
MW OH	FIDELITY SECURITY LIFE V008132	FEB VISION PREMIUMS	395000-4740 ISF Employee Optical Costs	TK021215	1,466.85 81035		00086575	02/12/2015
MW OH	FIDELITY SECURITY LIFE V008132	FEB VISION PREMIUMS	395083-5164 Optical Insurance Premiums	TK021215	1,143.45 81035		00086575	02/12/2015
				Check Total:	2,610.30			
MW OH	GAS CO, THE V000909	DEC-JAN GAS CHARGES	109595-6340 Natural Gas	TK021215	33.26 013015		00086576	02/12/2015
MW OH	GE CAPITAL	APRIL COPIER LEASE-PW	484376-6175	TK021215	259.22 62192590	P10281	00086577	02/12/2015
				Check Total:	33.26			

City of Placentia
 Check Register
 For 02/25/2015

Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount	Invoices#	PO #	Check #	Check Date
	V008085		Office Equipment Rental						
MW OH	GOLDEN STATE WATER V000928	DEC-FEB WATER CHARGES	109595-6335 Water	TK021215	259.22	1,238.01 020315		00086578	02/12/2015
MW OH	GOLDEN STATE WATER V000928	DEC-FEB WATER CHARGES	296561-6335 Water	TK021215	985.98	020315		00086578	02/12/2015
				Check Total:	2,223.99				
MW OH	HDL COREN & CONE V001564	JAN-MARCH PROPERTY TAX SVS	102021-6099 Other Professional Services	TK021215	3,150.00	0021225-IN	P10384	00086579	02/12/2015
				Check Total:	3,150.00				
MW OH	HR GREEN INC V007928	JAN ENGINEERING SVS BEAZER	0044-2048 / 61135-2048 Engineering Plan Check Deposit	TK021215	890.00	96552		00086580	02/12/2015
				Check Total:	890.00				
MW OH	IMPERIAL SPRINKLER V006506	IRRIGATION SUPPLIES	103655-6301 Special Department Supplies	TK021215	33.38	2180689-01		00086581	02/12/2015
MW OH	IMPERIAL SPRINKLER V006506	LMD IRRIGATION SUPPLIES	296561-6115 Landscaping	TK021215	96.36	2184054-01		00086581	02/12/2015
MW OH	IMPERIAL SPRINKLER V006506	IRRIGATION SUPPLIES	103655-6301 Special Department Supplies	TK021215	45.48	2186426-01		00086581	02/12/2015
MW OH	IMPERIAL SPRINKLER V006506	IRRIGATION SUPPLIES	103655-6301 Special Department Supplies	TK021215	46.72	2190181-00		00086581	02/12/2015
MW OH	IMPERIAL SPRINKLER V006506	LMD IRRIGATION SUPPLIES	296561-6115 Landscaping	TK021215	60.59	2190185-00		00086581	02/12/2015
MW OH	IMPERIAL SPRINKLER V006506	IRRIGATION SUPPLIES	103655-6115 Landscaping	TK021215	603.29	2194987-01		00086581	02/12/2015
MW OH	IMPERIAL SPRINKLER V006506	IRRIGATION SUPPLIES	103655-6115 Landscaping	TK021215	400.80	2197649-00		00086581	02/12/2015
				Check Total:	1,286.62				
MW OH	IPMA-HR	MEMBERSHIP-PISCHEL	101512-6255	TK021215	149.00	242076250		00086582	02/12/2015

**City of Placentia
Check Register
For 02/25/2015**

Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount	Invoice#	PO #	Check #	Check Date
	V000507		Dues & Memberships						
MW OH	KEYSTONE UNIFORMS V009178	PD UNIFORMS	103041-6360 Uniforms	TK021215	149.00 37.75	8758	P10324	00086583	02/12/2015
			Check Total:		149.00				
MW OH	KIDZ LOVE SOCCER V008469	WINTER INSTRUCTOR PAYMENT	104070-6060 Instructional Services	TK021215	37.75 2,059.95	WINTER 2015		00086584	02/12/2015
			Check Total:		37.75				
MW OH	KNOWLES-MCNIFF INC V000558	JAN SOFTWARE MAINT	421523-6136 Software Maintenance	TK021215	2,059.95 1,701.00	INV90709		00086585	02/12/2015
			Check Total:		2,059.95				
MW OH	KUSUNOKI HEARING V004347	JAN PARKING CITATION HEARINGS	103047-6099 Other Professional Services	TK021215	1,701.00 210.00	1168	P10316	00086586	02/12/2015
			Check Total:		1,701.00				
MW OH	LEON PICTURE FRAMES V005827	COMMISSION PIC REFRAMING SVS	102531-6245 Meetings & Conferences	TK021215	210.00 38.88	52451		00086587	02/12/2015
			Check Total:		210.00				
MW OH	LEON PICTURE FRAMES V005827	COMMISSION PIC REFRAMING SVS	104071-6301 Special Department Supplies	TK021215	189.17 52451			00086587	02/12/2015
			Check Total:		189.17				
MW OH	LEON PICTURE FRAMES V005827	COUNCIL PIC REFRAMING SVS	101001-6301 Special Department Supplies	TK021215	38.88 52451			00086587	02/12/2015
			Check Total:		38.88				
MW OH	LEON PICTURE FRAMES V005827	COMMISSION PIC REFRAMING SVS	103550-6245 Meetings & Conferences	TK021215	77.76 52451			00086587	02/12/2015
			Check Total:		77.76				
MW OH	LILLEY PLANNING GROUP V008540	JAN PW INSPECTIONS BEAZER	0044-2048 / 45040-2048 Engineering Plan Check Deposit	TK021215	344.69 400.00	PLA155 C3		00086588	02/12/2015
			Check Total:		344.69				
MW OH	LILLEY PLANNING GROUP V008540	1/27-28 PW INSPECTIONS BEAZER	0044-2048 / 45040-2048 Engineering Plan Check Deposit	TK021215	400.00 PLA160 B2			00086588	02/12/2015
			Check Total:		400.00				
MW OH	LILLEY PLANNING GROUP V008540	1/20-29 PW INSPECTOR SVS	103550-6290 Dept. Contract Services	TK021215	1,000.00 PLA160 B1		P10467	00086588	02/12/2015
			Check Total:		1,000.00				

City of Placentia
Check Register
For 02/25/2015

Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount Invoice#	PO #	Check #	Check Date
MW OH	LOPEZ, JANET V009623	CLASS REFUND	100000-4340 / 79348-4340 Recreation Programs	TK021215	1,800.00 69.00 2000457.002A		00086589	02/12/2015
MW OH	LOS ALTOS TROPHY CO V000584	PLAQUE	101512-6301 Special Department Supplies	TK021215	69.00 97.63 52839		00086590	02/12/2015
MW OH	MANAGEMENT PARTNERS V008226	1/20 INTERIM PLANNING MGMT	332531-6017 / 6108670159-6017 Special Studies	TK021215	97.63 250.00 INV01705	P10403	00086591	02/12/2015
MW OH	MC FADDEN-DALE V000635	PARTS FOR PW	103658-6301 Special Department Supplies	TK021215	250.00 68.19 182111/5		00086592	02/12/2015
MW OH	MEZA, TEODORO V009651	DEPOSIT REFUND-BACKS BLDG	100000-4385 Facility Rental	TK021215	68.19 150.00 2000506.002		00086593	02/12/2015
MW OH	OC PLUMBING V004312	RESTROOM REPAIR SVS	103554-6130 Repair & Maint/Facilities	TK021215	150.00 346.50 14837		00086594	02/12/2015
MW OH	OFFICE INDUSTRIES V007477	RECYCLED PAPER	374386-6315 Office Supplies	TK021215	346.50 244.13 048208		00086595	02/12/2015
MW OH	OFFICE INDUSTRIES V007477	OFFICE SUPPLIES	104070-6315 Office Supplies	TK021215	101.30 048272		00086595	02/12/2015
MW OH	OFFICE INDUSTRIES V007477	OFFICE SUPPLIES	101511-6315 Office Supplies	TK021215	9.74 0482871		00086595	02/12/2015
MW OH	OFFICE INDUSTRIES V007477	OFFICE SUPPLIES	102020-6315 Office Supplies	TK021215	21.70 0483011		00086595	02/12/2015
MW OH	OFFICE INDUSTRIES V007477	OFFICE SUPPLIES	101512-6315 Office Supplies	TK021215	111.87 0483061		00086595	02/12/2015

**City of Placentia
Check Register
For 02/25/2015**

Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount	Invoice#	PO #	Check #	Check Date
MW OH	OFFICE INDUSTRIES V007477	OFFICE SUPPLIES	101511-6315 Office Supplies	TK021215	2.05	0483081		00086595	02/12/2015
MW OH	OFFICE INDUSTRIES V007477	OFFICE SUPPLIES	103550-6315 Office Supplies	TK021215	39.00	0483091		00086595	02/12/2015
MW OH	OFFICE INDUSTRIES V007477	OFFICE SUPPLIES	101512-6315 Office Supplies	TK021215	21.28	0483111		00086595	02/12/2015
MW OH	OFFICE INDUSTRIES V007477	OFFICE SUPPLIES	101512-6315 Office Supplies	TK021215	48.59	0483361		00086595	02/12/2015
MW OH	OFFICE INDUSTRIES V007477	OFFICE SUPPLIES	101511-6315 Office Supplies	TK021215	12.70	0483371		00086595	02/12/2015
MW OH	OFFICE INDUSTRIES V007477	OFFICE SUPPLIES	103650-6315 Office Supplies	TK021215	27.76	0483571		00086595	02/12/2015
			Check Total:		640.12				
MW OH	ORANGE COUNTY HONDA V008818	PD MOTOR REPAIRS	103658-6301 Special Department Supplies	TK021215	460.51	79487		00086596	02/12/2015
			Check Total:		460.51				
MW OH	ORANGE COUNTY V007306	JAN PARKING CITATIONS	0044-2038 Parking Fines	TK021215	6,250.00	021015		00086597	02/12/2015
			Check Total:		6,250.00				
MW OH	OVERLAND PACIFIC & V002804	METROLINK RELOCATION	103550-6015 Engineering Services	TK021215	115.00	1411091		00086598	02/12/2015
			Check Total:		115.00				
MW OH	PAK WEST PAPER & V000815	JANITORIAL SUPPLIES	103554-6301 Special Department Supplies	TK021215	1,572.76	PINV165308		00086599	02/12/2015
			Check Total:		1,572.76				
MW OH	PARKHOUSE TIRE INC V004472	TIRES	103658-6134 Vehicle Repair & Maintenance	TK021215	1,188.47	1020142731		00086600	02/12/2015
			Check Total:		1,188.47				
MW OH	PINCOMBE, LINDA	EXCURSION REFUND	100000-4340 / 79506-4340	TK021215	40.00	2000499.002		00086601	02/12/2015

**City of Placentia
Check Register
For 02/25/2015**

Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount Invoice#	PO #	Check #	Check Date
	V009652		Recreation Programs					
MW OH	PROCURE AMERICA V009591	OCT-DEC UTILITIES AUDIT SVS	109595-6001 Management Consulting Services	TK021215	8,403.74 12-1401	P10535	00086602	02/12/2015
				Check Total:	8,403.74			
MW OH	PSYCH CONSULT ASSOC. INC V009259	INCD PRE EMPLOYMENT EXAM	103040-6099 Other Professional Services	TK021215	400.00 521451		00086603	02/12/2015
				Check Total:	400.00			
MW OH	PURE WATER TECHNOLOGY V009593	INC 1/26-2/5 PLANNING SVS BEAZER	103041-6301 Special Department Supplies	TK021215	97.20 78300		00086604	02/12/2015
				Check Total:	97.20			
MW OH	RAGGED ROBIN RANCH INC V009274	INC 1/26-2/5 PLANNING SVS BEAZER	0044-2048 / 45050-2048 Engineering Plan Check Deposit	TK021215	67.50 CR25A		00086605	02/12/2015
MW OH	RAGGED ROBIN RANCH INC V009274	INC 1/28-2/3 PLANNING SVS BEAZER	0044-2048 / 45040-2048 Engineering Plan Check Deposit	TK021215	270.00 CR25A		00086605	02/12/2015
MW OH	RAGGED ROBIN RANCH INC V009274	INC 1/26-2/5 PLANNING SVS BEAZER	102531-6290 Dept. Contract Services	TK021215	7,443.75 CR25	P10340	00086605	02/12/2015
				Check Total:	7,781.25			
MW OH	REIMER, DEBORAH V009346	1/26-2/5 BLDG PERMIT TECH SVS	102532-6290 Dept. Contract Services	TK021215	2,887.50 0127	P10366	00086606	02/12/2015
				Check Total:	2,887.50			
MW OH	RYDIN DECAL V009591	PARKING PERMIT DECALS	103041-6301 Special Department Supplies	TK021215	1,097.75 302613		00086607	02/12/2015
				Check Total:	1,097.75			
MW OH	SALAZAR, ISRAEL V006519	DEPOSIT REFUND-SOCCER FIELDS	100000-4385 / 79177-4385 Facility Rental	TK021215	100.00 92530		00086608	02/12/2015
				Check Total:	100.00			
MW OH	SIEMENS INDUSTRY INC V008785	NOV TRAFFIC SIGNAL MAINT	0044-2048 / 61136-2048 Engineering Plan Check Deposit	TK021215	156.29 5620002389A		00086609	02/12/2015
				Check Total:	156.29			

City of Placentia
Check Register
For 02/25/2015

Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount Invoice#	PO #	Check #	Check Date
MW OH	SIEMENS INDUSTRY INC V008785	NOV TRAFFIC SIGNAL MAINT	333552-6015 / 61139-6015 Engineering Services	TK021215	238.54 5620002389A		00086609	02/12/2015
				Check Total:	394.83			
MW OH	SOUTHERN CALIFORNIA V000910	JAN-FEB ELECTRICAL CHARGES	109595-6330 / 61141-6330 Electricity	TK021215	59.12 020315		00086610	02/12/2015
MW OH	SOUTHERN CALIFORNIA V000910	JAN-FEB ELECTRICAL CHARGES	286560-6330 Electricity	TK021215	30,736.75 020315		00086610	02/12/2015
MW OH	SOUTHERN CALIFORNIA V000910	JAN-FEB ELECTRICAL CHARGES	109595-6330 Electricity	TK021215	12,447.72 020315		00086610	02/12/2015
MW OH	SOUTHERN CALIFORNIA V000910	JAN-FEB ELECTRICAL CHARGES	296561-6330 Electricity	TK021215	92.55 020315		00086610	02/12/2015
				Check Total:	43,336.14			
MW OH	SPRINT V006126	JAN PD FRAME RELAY SVS	109595-6215 Telephone	TK021215	610.22 95011151000736		00086611	02/12/2015
				Check Total:	610.22			
MW OH	STEINY & COMPANY V009350	RETENTION PAYABLE	330000-2017 Retention Payable	TK021215	-2,377.16 4527-003-REV		00086612	02/12/2015
MW OH	STEINY & COMPANY V009350	NOV TRAFFIC SIGNAL CONSTRUCTION	1033552-6185 / 6111740998-6185 Construction Services	TK021215	23,771.53 4527-003-REV P10420		00086612	02/12/2015
				Check Total:	21,394.37			
MW OH	SWCA ENVIRONMENTAL V009571	PACKING HOUSE HISTORICAL	DOCS333552-6185 / 61133-6185 Construction Services	TK021215	14,989.01 34811A		00086613	02/12/2015
				Check Total:	14,989.01			
MW OH	T-MOBILE V004339	JAN CELL PHONE CHARGES	109595-6215 Telephone	TK021215	1,149.67 JANUARY 15		00086614	02/12/2015
MW OH	T-MOBILE V004339	JAN PD CELL PHONE CHARGES	109595-6215 Telephone	TK021215	783.74 JANUARY PD		00086614	02/12/2015
				Check Total:	1,933.41			
MW OH	T-MOBILE USA	CELL PHONE INVESTIGATION SVS	103040-6290	TK021215	500.00 9227119597		00086615	02/12/2015

**City of Placentia
Check Register
For 02/25/2015**

Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount	Invoice#	PO #	Check #	Check Date
	V009215		Dept. Contract Services						
		Check Total:			500.00				
MW OH	THE LIGHTING COMPANY V002601	LIGHT BULBS	103554-6301 Special Department Supplies	TK021215	540.53	C0115.12		00086616	02/12/2015
		Check Total:			540.53				
MW OH	TIMEVALUE SOFTWARE V001021	TAX SOFTWARE RENEWAL	102020-6315 Office Supplies	TK021215	74.52	0469413-IN		00086617	02/12/2015
		Check Total:			74.52				
MW OH	TOM DODSON & ASSOCIATES V009472	1-16 GENERAL PLAN CEQA SVS	332531-6017 / 6108670159-6017 Special Studies	TK021215	450.00	PLA-088-5	P10447	00086618	02/12/2015
MW OH	TOM DODSON & ASSOCIATES V009472	2-18 CEQA DOC PREP METROLIN	102531-6290 Dept. Contract Services	TK021215	750.00	PLA-089-1	P10525	00086618	02/12/2015
		Check Total:			1,200.00				
MW OH	TRAFFIC MANAGEMENT V008463	PAINT	103652-6301 Special Department Supplies	TK021215	466.07	222103		00086619	02/12/2015
		Check Total:			466.07				
MW OH	TRIFYTT SPORTS V004975	WINTER INSTRUCTOR PAYMENT	104070-6060 Instructional Services	TK021215	998.40	WINTER 2015		00086620	02/12/2015
		Check Total:			998.40				
MW OH	TRILLIUM V007952	JAN CNG FUEL	103658-6345 Gasoline & Diesel Fuel	TK021215	83.46	INV0011551		00086621	02/12/2015
		Check Total:			83.46				
MW OH	TURBO DATA SYSTEMS INC V001238	JAN PARKING CITATION PROCESSING	103047-6099 Other Professional Services	TK021215	1,358.14	22416	P10315	00086622	02/12/2015
		Check Total:			1,358.14				
MW OH	US BANK PARS #6746022400 V008781	PARS/ARS P/E 1/31 PD 2/6	0010-2126 Employee PARS/ARS W/H	TK021215	1,150.40	020515J		00086623	02/12/2015
MW OH	US BANK PARS #6746022400 V008781	PARS/ARS P/E 1/31 PD 2/6	0010-2131 Employer PARS/ARS Payable	TK021215	1,150.40	020515J		00086623	02/12/2015

City of Placentia
Check Register
For 02/25/2015

Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount Invoice#	PO #	Check #	Check Date
MW OH	VORTEX INDUSTRIES INC. V009180	REPAIR GATE IN PD	103554-6130 Repair & Maint/Facilities	TK021215	2,300.80		00086624	02/12/2015
Check Total:					2,300.80			
MW OH	VULCAN MATERIALS V001102	PAVING ASPHALT	103652-6301 Special Department Supplies	TK021215	256.00	08-896028-1	00086625	02/12/2015
Check Total:					256.00			
MW OH	VULCAN MATERIALS V001102	PAVING ASPHALT	103652-6301 Special Department Supplies	TK021215	227.92	70645333	00086625	02/12/2015
Check Total:					227.92			
MW OH	VULCAN MATERIALS V001102	PAVING ASPHALT	103652-6301 Special Department Supplies	TK021215	299.16	70666841	00086625	02/12/2015
Check Total:					299.16			
MW OH	WEST COAST ARBORISTS INC/ V001124	16-31 RESIDENT TREE TRIMMING	0044-2039 Tree Trimming Deposits	TK021215	527.08	103320	00086626	02/12/2015
Check Total:					527.08			
MW OH	WILLDAN FINANCIAL V005723	14/15 TRASH LEVY ON TAX ROLL	374386-6299 Other Purchased Services	TK021215	532.00	010-26572	00086627	02/12/2015
Check Total:					532.00			
MW OH	YORBA LINDA WATER V001148	DEC-JAN WATER CHARGES	109595-6335 Water	TK021215	500.00	012615	00086628	02/12/2015
Check Total:					500.00			
MW OH	YORBA LINDA WATER V006633	JAN SEWER FEES	484356-6297 Billing Services	TK021215	225.30	78703	00086629	02/12/2015
Check Total:					225.30			
MW OH	YORBA REGIONAL ANIMAL V008472	DOG FOOD FOR HABO	103041-6301 Special Department Supplies	TK021215	250.00	698816	00086630	02/12/2015
Check Total:					250.00			
MW IP	MANAGED MOBILE INC V009496	VEHICLE MAINTENANCE	103658-6290 Dept. Contract Services	ITK0217	29.99	67435	00086631	02/17/2015
Check Total:					29.99			
MW IP	MANAGED MOBILE INC V009496	VEHICLE MAINTENANCE	103658-6290 Dept. Contract Services	ITK0217	3,726.79	67460	00086631	02/17/2015
Check Total:					3,726.79			
Check Total:					4,698.81			

City of Placentia
Check Register
For 02/25/2015

Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount Invoice#	PO #	Check #	Check Date
MW OH	ANGEL, BRYCE V002886	PD TRAINING-MEALS, MILEAGE	103041-6250 Staff Training	TK021815	257.33 6321A		00086632	02/19/2015
				Check Total:	257.33			
MW OH	AT&T V004144	JAN-FEB PHONE CHARGES	109595-6215 Telephone	TK021815	191.79 020615		00086633	02/19/2015
MW OH	AT&T V004144	JAN-FEB PHONE CHARGES	296561-6215 Telephone	TK021815	51.49 020615		00086633	02/19/2015
				Check Total:	243.28			
MW OH	CALIFORNIA STATE V006510	NOV IMPOUND FEES	103047-6183 CSUF PD Reimburse Impound Fees	TK021815	273.38 NOV 14	P10482	00086634	02/19/2015
MW OH	CANON SOLUTIONS V008809	AMERICOFEB COPIER USAGE	109595-6175 Office Equipment Rental	TK021815	323.08 4015163259	P10330	00086635	02/19/2015
				Check Total:	273.38			
MW OH	CDW GOVERNMENT INC V003755	BACK-UP BATTERY FOR IT	421523-6301 Special Department Supplies	TK021815	125.28 SC75766		00086636	02/19/2015
				Check Total:	323.08			
MW OH	CLEAN CITY V007411	JAN CLEANING/GRAFFITI REMOVAL	103652-6290 Dept. Contract Services	TK021815	19,273.00 708	P10437	00086637	02/19/2015
				Check Total:	125.28			
MW OH	COMMERCIAL AQUATIC V005203	JAN WHITTEN POOL MAINT	103554-6130 Repair & Maint/Facilities	TK021815	300.00 I15-0342		00086638	02/19/2015
MW OH	COMMERCIAL AQUATIC V005203	JAN GOMEZ POOL MAINT	103554-6130 Repair & Maint/Facilities	TK021815	300.00 I15-0343		00086638	02/19/2015
MW OH	COMMERCIAL AQUATIC V005203	WHITTEN POOL PUMP MAINT	103554-6130 Repair & Maint/Facilities	TK021815	175.00 I15-0361		00086638	02/19/2015
				Check Total:	775.00			
MW OH	DATAQUICK V000297	DEC PARCEL DATA FOR GIS	421523-6136 Software Maintenance	TK021815	130.50 B1-2382329		00086639	02/19/2015

City of Placentia
Check Register
For 02/25/2015

Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount Invoice#	PO #	Check #	Check Date
				Check Total:	130.50			
MW OH	DAY & NITE DOOR SERVICE V001616	INSTALL ELECTRIC GATE 120 BRAD	333554-6185 / 6200240011-6185 Construction Services	TK021815	5,420.50 OC-73667	P10532	00086640	02/19/2015
				Check Total:	5,420.50			
MW OH	DOWNNEY SIGNS & BANNERS V009640	FARMERS MARKET STREET BANNER	01572-6301 Special Department Supplies	TK021815	2,030.00 1882A	P10533	00086641	02/19/2015
				Check Total:	2,030.00			
MW OH	DURAN-SANCHEZ, V009655	DEPOSIT REFUND-WHITTEN	100000-4385 Facility Rental	TK021815	125.00 2000512.002		00086642	02/19/2015
				Check Total:	125.00			
MW OH	FIS V008518	JAN CREDIT CARD PROCESSING	102021-6025 Third Party Administration	TK021815	2,378.48 34295914		00086643	02/19/2015
				Check Total:	2,378.48			
MW OH	GOLDEN STATE WATER V000928	DEC-FEB WATER CHARGES	109595-6335 Water	TK021815	6,107.04 021215		00086644	02/19/2015
				Check Total:	6,107.04			
MW OH	HR GREEN INC V007928	JAN CITY ENGINEER SERVICES	103550-6015 Engineering Services	TK021815	2,016.00 96551	P10507	00086645	02/19/2015
				Check Total:	2,016.00			
MW OH	HR GREEN INC V007928	JAN CITY ENGINEER SERVICES	484356-6015 Engineering Services	TK021815	8,064.00 96551	P10507	00086645	02/19/2015
				Check Total:	8,064.00			
				Check Total:	10,080.00			
MW OH	IMPERIAL SPRINKLER V006506	IRRIGATION SUPPLIES	103655-6115 Landscaping	TK021815	1,551.00 2194787-00A		00086646	02/19/2015
				Check Total:	1,551.00			
MW OH	IMPERIAL SPRINKLER V006506	IRRIGATION SUPPLIES	103655-6115 Landscaping	TK021815	6.65 2201213-00		00086646	02/19/2015
				Check Total:	6.65			
				Check Total:	1,557.65			
MW OH	JOHNSON, RICHARD E. V009036	PARKING CITATION REFUND	0044-2038 Parking Fines	TK021815	12.50 021015A		00086647	02/19/2015
				Check Total:	12.50			
MW OH	JOHNSON, RICHARD E.	PARKING CITATION REFUND	100000-4410	TK021815	62.50 021015A		00086647	02/19/2015
				Check Total:	62.50			

**City of Placentia
Check Register
For 02/25/2015**

Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount Invoice#	PO #	Check #	Check Date
	V009036		City Ord Fines (Parking)					
MW OH	KEYSTONE UNIFORMS V009178	PD UNIFORMS-FIELD SVS	103041-6360 Uniforms	TK021815	94.23 8337	P10324	00086648	02/19/2015
MW OH	KEYSTONE UNIFORMS V009178	PD UNIFORMS-FIELD SVS	103041-6360 Uniforms	TK021815	176.30 8561	P10324	00086648	02/19/2015
MW OH	KEYSTONE UNIFORMS V009178	PD UNIFORMS-TRAFFIC DIV	103047-6360 Uniforms	TK021815	304.99 8622	P10324	00086648	02/19/2015
			Check Total:		575.52			
MW OH	LILLEY PLANNING GROUP V008540	3/4/14-1/20-15 GP UPDATE SVS	332531-6017 / 6108670159-6017 Special Studies	TK021815	4,200.00 PLSP120R	P10452	00086649	02/19/2015
MW OH	LILLEY PLANNING GROUP V008540	1/19-31 GP UPDATE SVS	332531-6017 / 6108670159-6017 Special Studies	TK021815	2,300.00 PLSP121	P10452	00086649	02/19/2015
			Check Total:		6,500.00			
MW OH	PARKHOUSE TIRE INC V004472	TIRES	103658-6134 Vehicle Repair & Maintenance	TK021815	253.26 1020143206		00086650	02/19/2015
			Check Total:		253.26			
MW OH	PRESSLEY, MANUEL V009311	DEPOSIT REFUND-TYNES GYM	100000-4385 Facility Rental	TK021815	100.00 2000510.002		00086651	02/19/2015
			Check Total:		100.00			
MW OH	PRINCIPAL LIFE V008141	FEB DENTAL PREMIUMS	395000-4720 ISF Dental Ins Reimbursement	TK021815	588.00 FEB 2015		00086652	02/19/2015
MW OH	PRINCIPAL LIFE V008141	FEB DENTAL PREMIUMS	395083-5162 Dental Insurance Premiums	TK021815	666.40 FEB 2015		00086652	02/19/2015
			Check Total:		1,254.40			
MW OH	PUBLIC AGENCY RISK V009654	PARMA CONF REG-LE,VERA,DE LA	TI01512-6245 Meetings & Conferences	TK021815	1,440.00 041080		00086653	02/19/2015
			Check Total:		1,440.00			
MW OH	SCI CONSULTING GROUP	LMD/SLD ASSESMENT ADMIN SVS	296561-6017	TK021815	5,248.07 C5860	P10421	00086654	02/19/2015
			Check Total:		5,248.07			

**City of Placentia
Check Register
For 02/25/2015**

Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount Invoice#	PO #	Check #	Check Date
	V009433		Special Studies					
MW OH	SCI CONSULTING GROUP V009433	5/20-9/19 LMD ENGINEERING SVS	296561-6017 Special Studies	TK021815	1,036.32 C5896	P10421	00086654	02/19/2015
			Check Total:		6,284.39			
MW OH	SHRED-IT LOS ANGELES V000905	1/28 DOC SHREDDING SVS	374386-6299 Other Purchased Services	TK021815	92.74 9404867526		00086655	02/19/2015
			Check Total:		92.74			
MW OH	SOUTHERN CALIFORNIA V000910	DEC-FEB ELECTRICAL CHARGES	0010-1226 AR/City of Yorba Linda	TK021815	123.56 021015		00086656	02/19/2015
MW OH	SOUTHERN CALIFORNIA V000910	DEC-FEB ELECTRICAL CHARGES	109595-6330 Electricity	TK021815	8,143.69 021015		00086656	02/19/2015
MW OH	SOUTHERN CALIFORNIA V000910	DEC-FEB ELECTRICAL CHARGES	0010-1228 AR/County of Orange	TK021815	16.70 021015		00086656	02/19/2015
MW OH	SOUTHERN CALIFORNIA V000910	DEC-FEB ELECTRICAL CHARGES	296561-6330 Electricity	TK021815	171.35 021015		00086656	02/19/2015
			Check Total:		8,455.30			
MW OH	ST JOSEPH HERITAGE V001728	JAN PRE-EMPLOYMENT PHYSICALS	101512-6099 Other Professional Services	TK021815	125.00 41941		00086657	02/19/2015
			Check Total:		125.00			
MW OH	TRIPEPI SMITH & V007848	JAN IT CONSULTING SVS	421523-6290 Dept. Contract Services	TK021815	62.50 1320	P10432	00086658	02/19/2015
			Check Total:		62.50			
MW OH	UNLIMITED V009586	RETENTION PAYABLE	0033-2046 Retentions Payable	TK021815	-5,644.00 14-553-5		00086659	02/19/2015
MW OH	UNLIMITED V009586	PACKING HOUSE DEMOLITION SVS	333552-6185 / 61133-6185 Construction Services	TK021815	112,870.50 14-553-5		00086659	02/19/2015
			Check Total:		107,226.50			
MW OH	WAXIE SANITARY SUPPLY V001132	JANITORIAL SUPPLIES	103554-6130 Repair & Maint/Facilities	TK021815	1,467.19 75078839		00086660	02/19/2015

**City of Placentia
Check Register
For 02/25/2015**

Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount Invoice#	PO #	Check #	Check Date
MW OH	WESTERN TRANSIT V008280	JAN SR TRANSPORTATION SVS	504071-6401 Community Programs	TK021815	3,567.99 2.2325	P10457	00086661	02/19/2015
				Check Total:	1,467.19			
MW OH	YORBA LINDA WATER V001148	JAN WATER CHARGES	109595-6335 Water	TK021815	140.83 020915		00086662	02/19/2015
				Check Total:	3,567.99			
MW OH	ZAZAR, NICOLE V009627	DEPOSIT REFUND-WHITTEN	100000-4385 Facility Rental	TK021815	50.00 2000461.002A		00086663	02/19/2015
				Check Total:	140.83			
MW OH	MOORE, MIKE V004408	1/18-2/14 DISABILITY PAYMENT	103041-5001 Salaries/Full-Time Regular	TK022315	3,402.09 022315		00086664	02/23/2015
				Check Total:	50.00			
MW OH	CALIFORNIA STATE V004813	P/E 2/14/15 [D DATE 2/20/15	0010-2196 Garnishments W/H	PY15004	461.53 2700/1501004		00086665	02/23/2015
				Check Total:	3,402.09			
MW OH	CALPERS LONG-TERM CARE V000845	P/E 2/14/15 [D DATE 2/20/15	0010-2160 PERS Long Term Care	PY15004	22.10 2630/1501004		00086666	02/23/2015
				Check Total:	461.53			
MW OH	GREAT WEST V006983	P/E 2/14/15 [D DATE 2/20/15	0010-2172 Deferred Comp Pay. - Gr West	PY15004	697.36 2607/1501004		00086667	02/23/2015
				Check Total:	22.10			
MW OH	GREAT WEST V006983	P/E 2/14/15 [D DATE 2/20/15	0029-2172 Deferred Comp Pay. - Gr West	PY15004	9.72 2607/1501004		00086667	02/23/2015
				Check Total:	22.10			
MW OH	GREAT WEST V006983	P/E 2/14/15 [D DATE 2/20/15	0048-2172 Deferred Comp Pay. - Gr West	PY15004	20.80 2607/1501004		00086667	02/23/2015
				Check Total:	727.88			
MW OH	ORANGE COUNTY V000699	P/E 2/14/15 [D DATE 2/20/15	0010-2176 PCEA/OCEA Assoc Dues	PY15004	284.53 2610/1501004		00086668	02/23/2015
				Check Total:	727.88			
MW OH	ORANGE COUNTY	P/E 2/14/15 [D DATE 2/20/15	0029-2176	PY15004	8.57 2610/1501004		00086668	02/23/2015

City of Placentia
Check Register
For 02/25/2015

Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount	Invoice#	PO #	Check #	Check Date
	V000699		PCEA/OCEA Assoc Dues						
MW OH	ORANGE COUNTY V000699	P/E 2/14/15 [D DATE 2/20/15	0037-2176 PCEA/OCEA Assoc Dues	PY15004	5.73	2610/1501004		00086668	02/23/2015
MW OH	ORANGE COUNTY V000699	P/E 2/14/15 [D DATE 2/20/15	0048-2176 PCEA/OCEA Assoc Dues	PY15004	18.63	2610/1501004		00086668	02/23/2015
			Check Total:		317.46				
MW OH	PCEA C/O NORTH ORANGE V000679	P/E 2/14/15 [D DATE 2/20/15	0029-2176 PCEA/OCEA Assoc Dues	PY15004	0.89	2615/1501004		00086669	02/23/2015
MW OH	PCEA C/O NORTH ORANGE V000679	P/E 2/14/15 [D DATE 2/20/15	0048-2176 PCEA/OCEA Assoc Dues	PY15004	1.94	2615/1501004		00086669	02/23/2015
MW OH	PCEA C/O NORTH ORANGE V000679	P/E 2/14/15 [D DATE 2/20/15	0010-2176 PCEA/OCEA Assoc Dues	PY15004	29.58	2615/1501004		00086669	02/23/2015
MW OH	PCEA C/O NORTH ORANGE V000679	P/E 2/14/15 [D DATE 2/20/15	0037-2176 PCEA/OCEA Assoc Dues	PY15004	0.59	2615/1501004		00086669	02/23/2015
			Check Total:		33.00				
MW OH	PLACENTIA POLICE V000839	P/E 2/14/15 [D DATE 2/20/15	0010-2180 Police Mgmt Assn Dues	PY15004	910.48	2625/1501004		00086670	02/23/2015
			Check Total:		910.48				
MW OH	PLACENTIA POLICE V003519	P/E 2/14/15 [D DATE 2/20/15	0010-2178 Placentia Police Assoc Dues	PY15004	2,902.53	2620/1501004		00086671	02/23/2015
			Check Total:		2,902.53				
MW OH	VANTAGEPOINT TRANSFER V007191	P/E 2/14/15 [D DATE 2/20/15	0029-2170 Deferred Comp Payable - ICMA	PY15004	18.90	2606/1501004		00086672	02/23/2015
MW OH	VANTAGEPOINT TRANSFER V007191	P/E 2/14/15 [D DATE 2/20/15	0010-2170 Deferred Comp Payable - ICMA	PY15004	32,832.91	2606/1501004		00086672	02/23/2015
MW OH	VANTAGEPOINT TRANSFER V007191	P/E 2/14/15 [D DATE 2/20/15	0048-2170 Deferred Comp Payable - ICMA	PY15004	28.36	2606/1501004		00086672	02/23/2015
MW OH	VANTAGEPOINT TRANSFER V007191	P/E 2/14/15 [D DATE 2/20/15	0037-2170 Deferred Comp Payable - ICMA	PY15004	19.51	2606/1501004		00086672	02/23/2015

**City of Placentia
Check Register
For 02/25/2015**

Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount Invoice#	PO #	Check #	Check Date
				Check Total:	32,899.68			
MW IP	MANAGED MOBILE INC V009496	VEHICLE MAINTENANCE	103658-6290 Dept. Contract Services	ITK0224	930.26 67729	P10376	00086673	02/24/2015
MW IP	MANAGED MOBILE INC V009496	VEHICLE MAINTENANCE	103658-6290 Dept. Contract Services	ITK0224	931.24 67730	P10376	00086673	02/24/2015
MW IP	MANAGED MOBILE INC V009496	VEHICLE MAINTENANCE	103658-6290 Dept. Contract Services	ITK0224	324.14 97728	P10376	00086673	02/24/2015
				Check Total:	2,185.64			
				Type Total:	434,356.05			
				Check Total:	434,356.05			

**City of Placentia
Check Register
For 02/25/2015**

Type	Vendor Name/ID	Description	Account/Description	Batch ID	Amount	Invoices#	PO #	Check #	Check Date
EP	ICMA RETIREMENT TRUST V000496	P/E 2/14/15 [D DATE 2/20/15	0048-2170 Deferred Comp Payable - ICMA	PY15004	147.81	2995/1501004		00006701	02/23/2015
EP	ICMA RETIREMENT TRUST V000496	P/E 2/14/15 [D DATE 2/20/15	0037-2170 Deferred Comp Payable - ICMA	PY15004	153.50	2995/1501004		00006701	02/23/2015
EP	ICMA RETIREMENT TRUST V000496	P/E 2/14/15 [D DATE 2/20/15	0010-2170 Deferred Comp Payable - ICMA	PY15004	8,771.65	2995/1501004		00006701	02/23/2015
EP	ICMA RETIREMENT TRUST V000496	P/E 2/14/15 [D DATE 2/20/15	0029-2170 Deferred Comp Payable - ICMA	PY15004	77.61	2995/1501004		00006701	02/23/2015
				Check Total:	9,150.57				
				Type Total:	9,150.57				
				Check Total:	9,150.57				



Placentia City Council

AGENDA REPORT

TO: CITY COUNCIL

VIA: ACTING CITY ADMINISTRATOR

FROM: DIRECTOR OF COMMUNITY SERVICES

DATE: MARCH 3, 2015

SUBJECT: **ADOPTION OF RESOLUTION AUTHORIZING TEMPORARY SUSPENSION OF REGULATORY ORDINANCE SECTION 10.28.010 TO FACILITATE THE PLACENTIA FOUNDERS SOCIETY SPECIAL EVENT SCHEDULED FOR SUNDAY, MAY 3, 2015**

FISCAL
IMPACT: NONE

SUMMARY:

The Placentia Founders Society (Founders) is a local 501(C)3 nonprofit organization that supports the preservation and promotion of the historic Bradford House. Periodically, the Founders hosts "members only" events at the Bradford House to raise funds towards maintaining the facility and to thank the members for their contributions throughout the year. This action approves a Resolution which temporarily suspends § 10.28.010 of the Placentia Municipal Code to facilitate the Placentia Founders Society special event.

RECOMMENDATION:

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

1. Adopt Resolution No. 2015-___, A Resolution of the City Council of the City of Placentia, California, authorizing the temporary suspension of regulatory Ordinance Section 10.28.010 of the Placentia Municipal Code to facilitate the Placentia Founders Society special event scheduled for May 3, 2015.

DISCUSSION:

The Founders host periodic "members only" events at the historic Bradford House such as the one they recently hosted on Sunday, December 7, 2014 for their annual Holiday Party. The Founders typically have an invitation only event with only members and their guests permitted to attend. Estimated attendance is expected to be between 50 and 75 members. Appetizers and a selection of beverages including wine are served.

1.d.
March 3, 2015

In order to serve wine at the event, Section 10.28.010 of the Placentia Municipal Code, which prohibits the consumption of alcohol on public property, will need to be temporarily suspended by the City Council during the three-hour event.

Prepared by:

Reviewed and approved:


Jonathan K. Nicks
Director of Community Services


Damien R. Arrula
Acting City Administrator

Attachments:

1. Request for Placentia Founder's Society Special Event on May 3, 2015
2. Resolution No. R-2015-___, A Resolution of the City Council of the City of Placentia, California, authorizing the temporary suspension of regulatory Ordinance Section 10.28.010 of the Placentia Municipal Code to facilitate the Placentia Founders Society special event scheduled for May 3, 2015.



The Bradford House

PLACENTIA FOUNDERS SOCIETY

136 Palm Circle
Placentia CA 92870
714-993-2470

February 5, 2015

To Whom It May Concern:

The Placentia Founders Society would like to request a waiver of the City of Placentia's "no alcohol policy" for a special wine dinner to be held at the Bradford House on Sunday, May 3, 2015 from 4 to 7 PM.

The event will include food and a wine tasting of three different wines. We anticipate approximately fifty people in attendance, and all wine will be served by members of the PFS Board.

Thank you for your consideration. We appreciate your continued support as we attempt to raise funds for the upkeep on Placentia's historic home.

Sincerely,

Nancy Murray, President
Placentia Founders Society

RESOLUTION NO. R-2015-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PLACENTIA, CALIFORNIA, AUTHORIZING THE TEMPORARY SUSPENSION OF REGULATORY ORDINANCE SECTION 10.28.010 OF THE PLACENTIA MUNICIPAL CODE TO FACILITATE THE PLACENTIA FOUNDERS SOCIETY SPECIAL EVENT SCHEDULED FOR MAY 3, 2015.

A. Recitals.

(i). The City of Placentia adopted Ordinance No.0-2008-10 which amended Title 1 of the Placentia Municipal Code by adding Chapter 1.14 allowing the City Council the discretion to temporarily suspend specific ordinances during special events when it has been determined that the public welfare and interest will be served by such suspension; and

(ii). The City Council finds that certain events of public interest may benefit the City, including recognition of historical landmarks and community volunteers, by generating favorable publicity, and by enhancing a marketable image for the City.

(iii). All legal prerequisites to the adoption of this Resolution have occurred.

B. Resolution.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Placentia does hereby declare that:

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

2. The City temporarily suspends Placentia Municipal Code § 10.28.010 relative to the controlled use of alcohol in a public place during the Placentia Founders Society special event at the Bradford House on Sunday, May 3, 2015 from 4:00 p.m. to 7:00 p.m.

3. The specified section of the Placentia Municipal Code (Section 10.28.010) shall remain in full force and effect throughout the remainder of the City.

4. PASSED and ADOPTED this 3rd day of March, 2015.

CHAD P. WANKE, MAYOR

ATTEST:

PATRICK J. MELIA, City CLERK

STATE OF CALIFORNIA
COUNTY OF ORANGE

I, PATRICK J. MELIA, City Clerk of the City of Placentia, do hereby certify that the foregoing Resolution was adopted at a regular meeting of the City Council of the City of Placentia, held on the 3rd day of March, 2015, by the following vote:

AYES: COUNCILMEMBERS:
NOES: COUNCILMEMBERS:
ABSENT: COUNCILMEMBERS:
ABSTAIN: COUNCILMEMBERS:

PATRICK J. MELIA, City CLERK

APPROVED AS TO FORM:

ANDREW ARCZYNSKI, City Attorney



Placentia City Council

AGENDA REPORT

TO: CITY COUNCIL
VIA: ACTING CITY ADMINISTRATOR
FROM: CHIEF FINANCIAL OFFICER
DATE: MARCH 3, 2015
SUBJECT: **JANUARY 2015 TREASURER'S REPORT**

FISCAL
IMPACT: EXPENSE: NONE

SUMMARY:

The Finance Department has prepared a monthly Treasurer's Report for the month of January 2015. The Treasurer's Report includes all investments managed by the City and investments held by trustees.

RECOMMENDATION:

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

1. Receive and file the January 2015 Treasurer's Report.

DISCUSSION:

Government Code § 53646 states that the Treasurer or Chief Financial Officer of the City may render a report on investments at least quarterly to the legislative body. The attached Treasurer's Report reflects the City's investment portfolio for the month of January 2015. The City Treasurer has reviewed and signed the attached report.

Submitted by:


Linda G. Magnuson
Chief Financial Officer

Reviewed and approved:


Damien R. Arrula
Acting City Administrator

Attachment:

1. January 2015 Treasurer's Report

1.e.
March 3, 2015

City of Placentia

CITY TREASURER'S REPORT

JANUARY 2015

Fiscal Year 2014-15



**CITY OF PLACENTIA TREASURER'S REPORT
SUMMARY OF CASH & INVESTMENTS
AS OF JANUARY 31, 2015**

CASH & INVESTMENTS HELD BY CITY				
	Percent of Portfolio	Current Yield	Cost	Market Value
<u>Invested</u>				
Local Agency Investment Fund	80.93%	0.26%	\$ 9,087,277.71	\$ 9,087,277.71
<u>Non-Invested</u>				
Checking Accounts	19.07%		\$ 2,140,614.03	\$ 2,140,614.03
Total Cash & Investments Held by City	100.00%		\$ 11,227,891.74	\$ 11,227,891.74

CASH & INVESTMENTS HELD BY FISCAL AGENT				
	Percent of Portfolio	Current Yield	Cost	Market Value
Money Market Mutual Funds & Treasury Obligations	100.00%	Varies	\$ 3,356,341.54	\$ 3,356,341.54
Total Cash & Investments Held by FA	100.00%		\$ 3,356,341.54	\$ 3,356,341.54

TOTAL CASH AND INVESTMENTS	
Cash & Investments Held by City and Fiscal Agent - Market Value	\$ 14,584,233.28

**CITY OF PLACENTIA TREASURER'S REPORT
CASH AND INVESTMENT DETAIL - CITY
AS OF JANUARY 31, 2015**

HELD BY CITY							
Agency	Investment Description	Coupon Rate	Current Yield	Purchase Date	Maturity Date	Purchase Price	Market Value
CASH:							
Bank of America - General Checking	Account No. 143128-0221	N/A	N/A	Varies	On Demand	\$ 2,034,266.72	\$ 2,034,266.72
Bank of America - Workers' Comp	Account No. 143188-0525	N/A	N/A	Varies	On Demand	\$ 91,098.71	\$ 91,098.71
Bank of America - Healthcare	Account No. 143138-0513	N/A	N/A	Varies	On Demand	\$ 15,248.60	\$ 15,248.60
Total Cash						\$ 2,140,614.03	\$ 2,140,614.03
INVESTMENTS:							
Local Agency Investment Fund	City Account No. 98-30-678	N/A	0.26%	Varies	On Demand	\$ 9,087,277.71	\$ 9,087,277.71
TOTAL CASH & INVESTMENTS HELD BY CITY						\$ 11,227,891.74	\$ 11,227,891.74

CITY OF PLACENTIA TREASURER'S REPORT
INVESTMENT DETAIL - HELD BY FISCAL AGENT
AS OF JANUARY 31, 2015

HELD BY FISCAL AGENT						
Agency	Investment Description	Current Yield	Purchase Date	Maturity Date	Purchase Price	Market Value
2011 Gas Tax Certificates of Participation						
Wells Fargo	Wells Fargo Money Market	0.03%	N/A	N/A	\$ 484,631.71	\$ 484,631.71
2003 Certificate of Participation						
US Bank	US Bank Money Market	0.03%	N/A	N/A	\$ 483,498.28	\$ 483,498.28
2013 Tax Allocation Refunding Bond						
US Bank	First American Treasury Fund	0.01%	N/A	N/A	\$ 253,287.50	\$ 253,287.50
2009 Special Tax Revenue Refunding Bond						
US Bank	First American Treasury Fund	0.01%	N/A	N/A	\$ 971,815.54	\$ 971,815.54
1996 Special Tax Refunding Bonds						
US Bank	Invesco Pers Treasury	0.03%	N/A	N/A	\$ 33.63	\$ 33.63
2001 Special Tax Revenue Series A						
US Bank	First American Treasury Fund	0.03%	N/A	N/A	\$ 152,544.68	\$ 152,544.68
US Bank	Bayerische Landesbank Investment Agreement*	5.21%	N/A	N/A	\$ 571,500.00	\$ 571,500.00
2009 Lease Revenue Bond						
US Bank	US Bank Money Market	0.03%	N/A	N/A	\$ 439,030.20	\$ 439,030.20
TOTAL INVESTMENTS HELD BY FISCAL AGENT					\$ 3,356,341.54	\$ 3,356,341.54

*This is a fixed-interest investment agreement entered into in 2001 that holds the reserve requirement for the 2001 Special Tax Revenue Series A bond.

CITY OF PLACENTIA TREASURER'S REPORT



CASH BALANCES AS OF JANUARY 31, 2015

CITY		
101	General Fund	1,592,541.75
115	Economic Uncertainty	500,000.00
201	Utility User Tax	-
205	State Gas Tax	1,238,555.23
206	Gas Tax Bond Fund	-
207	Housing Authority	-
210	Measure M	645,252.56
215	Air Quality Management	245,968.63
225	Asset Seizure	459,619.65
226	Traffic Offender Fund	46,697.46
230	Supplemental Law Enforcement	55,689.07
235	Park Development	172,521.00
240	Sewer Construction	17,167.85
245	Storm Drain Construction	93,666.06
250	Thoroughfare Construction	89,488.66
260	Street Lighting District	(129,753.18)
265	Landscape Maintenance	177,662.49
270	Housing and Community Development	30,335.00
275	Sewer Maintenance	2,177,429.18
280	Miscellaneous Grants	668,219.58
401	City Capital Projects	(982,940.64)
501	Refuse Administration	(165,294.34)
505	CNG Fueling Station	558,753.48
601	Employee Health & Welfare	(719,078.09)
605	Risk Management	1,851,312.55
610	Equipment Replacement	70,730.27
615	Information Technology	(77,733.90)
620	Citywide Services	-
701	Special Deposits	1,000,925.29
705	H.C.D. Rehabilitation Loans	165,172.12
715	Community Facilities District	1,062,039.74
	Sub-Total	10,844,947.47
SUCCESSOR AGENCY TO THE RDA		
208	Successor Agency Retirement Fund	(127,888.79)
POOLED CASH		
105	Pooled Cash (Investments)	(9,087,277.71)
	TOTAL CASH	\$ 1,629,780.97

City of Placentia
Changes in Cash Balances
 January 31, 2015

RPT FUND	Data FUND	FUND	CASH BALANCE 12/31/2014	RECEIPTS	DISBURSEMENTS	TRANSFERS IN/(OUT)	CASH BALANCE 1/31/2015
101	10	GENERAL FUND	(1,875,681.92)	4,226,701.46	(1,638,014.55)	879,536.76	1,592,541.75
115	13	ECONOMIC UNCERTAINTY	500,000.00	-	-	-	500,000.00
201	16	UTILITY TAX FUND	517,778.58	238,367.99	-	(756,146.57)	-
205	17	GAS TAX	1,143,774.09	94,781.14	-	-	1,238,555.23
206	52	GAS TAX BOND FUND	-	-	-	-	-
207	53	HOUSING AGENCY	122,274.98	1,115.21	-	(123,390.19)	-
208	54	SUCCESSOR AGENCY FUND	(947,317.48)	1,086,724.00	(267,295.31)	-	(127,888.79)
210	18	MEASURE "M"	551,332.47	93,920.09	-	-	645,252.56
215	19	AIR QUALITY FUND	245,968.63	-	-	-	245,968.63
225	21	ASSET SEIZURE FUND	450,690.40	13,243.60	(4,314.35)	-	459,619.65
226	51	TRAFFIC OFFENDER FUND	45,695.46	1,002.00	-	-	46,697.46
230	22	COPS/SUPPL LAW ENFORCEMENT	43,580.57	12,108.50	-	-	55,689.07
235	23	PARK DEVELOPMENT FUND	142,601.00	29,920.00	-	-	172,521.00
240	24	SEWER CONSTRUCTION FUND	17,167.85	-	-	-	17,167.85
245	25	STORM DRAIN CONSTRUCTION FUND	93,666.06	-	-	-	93,666.06
250	26	THOROUGHFARE CONSTRUCTION	89,488.66	-	-	-	89,488.66
260	28	PLACENTIA LIGHTING DISTRICT	(104,974.55)	14,949.03	(39,727.66)	-	(129,753.18)
265	29	LANDSCAPE MAINT. DISTRICT	167,079.22	26,809.60	(16,226.33)	-	177,662.49
270	30	HOUSING & COMMUNITY DEVELOP.	29,435.00	900.00	-	-	30,335.00
275	48	SEWER MAINTENANCE FUND	2,174,123.27	67,721.12	(64,415.21)	-	2,177,429.18
280	50	MISC GRANTS	677,061.41	9,517.06	(18,358.89)	-	668,219.58
401	33	CAPITAL PROJECTS FUND	(817,581.57)	3,929.89	(169,288.96)	-	(982,940.64)
501	37	REFUSE FUND	432.99	66,017.12	(231,744.45)	-	(165,294.34)
505	38	CNG FUELING STATION	558,753.48	1,946.11	(1,946.11)	-	558,753.48
601	39	HEALTH & WELFARE INS.	(544,141.05)	130,576.11	(305,513.15)	-	(719,078.09)
605	40	RISK MANAGEMENT	1,885,584.20	-	(34,271.65)	-	1,851,312.55
610	41	EQUIPMENT REPLACEMENT FUND	70,730.27	-	-	-	70,730.27
615	42	INFORMATION TECHNOLOGY FUND	(53,199.42)	-	(24,534.48)	-	(77,733.90)
620	43	CITYWIDE INTERNAL SERVICE FUNDS	-	5,719.57	(5,719.57)	-	-
701	44	TRUST & AGENCY FUND	1,023,243.00	47,511.74	(69,829.45)	-	1,000,925.29
705	45	HOUSING & COMMUNITY DEV. (T&A)	165,172.12	-	-	-	165,172.12
715	47	COMMUNITY FAC. DISTRICT	784,145.74	277,894.00	-	-	1,062,039.74
		TOTAL ALL FUNDS	7,156,883.46	6,451,375.34	(2,891,200.12)	-	10,717,058.68
		INVESTMENTS	(2,085,704.83)	-	(7,001,572.88)	-	(9,087,277.71)
105	11	TOTAL PER GENERAL LEDGER	\$5,071,178.63				\$1,629,780.97

CITY OF PLACENTIA TREASURER'S REPORT
CERTIFICATION
AS OF JANUARY 31, 2015

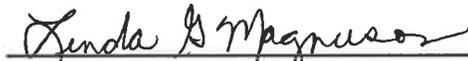
TREASURER'S REPORT

3 Month Projected Cash Requirements (Feb - April): \$8,220,000

3 Month Projected Cash Revenues (Feb - April): \$11,380,000

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

Submitted By:


Linda G. Magnuson, Chief Financial Officer

Approved By:


Kevin A. Larson, City Treasurer



CITY OF PLACENTIA TREASURER'S REPORT
DEFICIT CASH TRANSFERS
AS OF JANUARY 31, 2015

DEFICIT CASH BALANCES

Fund	Deficit Amount	General Fund	Economic Uncertainty	Gas Tax	Sewer Maintenance	CNG Fueling	Risk Management	Total Funding Source
Street Lighting District	(129,753.18)						129,753.18	129,753.18
City Capital Projects	(982,940.64)						982,940.64	982,940.64
Refuse Administration	(165,294.34)						165,294.34	165,294.34
Employee Health & Welfare	(719,078.09)					223,487.60	495,590.49	719,078.09
Information Technology	(77,733.90)						77,733.90	77,733.90
Successor Agency Ret Fund	(127,888.79)							
Total Transfers	(2,202,688.94)	-	-	-	-	223,487.60	1,851,312.55	2,074,800.15
Cash Balance Before Transfer		1,592,541.75	500,000.00	1,238,555.23	2,177,429.18	558,753.48	1,851,312.55	7,918,592.19
Cash Available After Transfer		1,592,541.75	500,000.00	1,238,555.23	2,177,429.18	335,265.88	-	5,843,792.04



Successor Agency to the Redevelopment Agency of the City of Placentia

AGENDA REPORT

TO: SUCCESSOR AGENCY

VIA: ACTING CITY ADMINISTRATOR/EXECUTIVE DIRECTOR

FROM: SUCCESSOR AGENCY STAFF

DATE: MARCH 3, 2015

SUBJECT: **RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS 15-16A) FOR JULY 1, 2015 THROUGH DECEMBER 31, 2015**

FISCAL
IMPACT: EXPENDITURES: RPTTF \$ 721,658
ACA \$ 125,000

SUMMARY:

Pursuant to Health and Safety Code ("HSC") 34177 (I), Successor Agencies are required to prepare and submit a Recognized Obligation Payment Schedule ("ROPS") detailing each enforceable obligation that requires property tax revenue to satisfy debt of the former Redevelopment Agency for a six-month reporting period. This action respectfully requests the Successor Agency's review and approval of the ROPS 15-16A, which covers the six-month reporting period of July 1, 2015 through December 31, 2015.

RECOMMENDATION:

It is recommended that the City Council, acting in its sole capacity as the Successor Agency to the Redevelopment Agency of the City of Placentia, take the following action:

1. Approve Resolution RSA-2015-____, A Resolution of the City Council of the City of Placentia, California, Acting as the Successor Agency to the Redevelopment Agency of the City of Placentia, Approving and Adopting the Recognized Obligation Payment Schedule for the period of July 1, 2015 through December 31, 2015 (ROPS 15-16A).

DISCUSSION:

Pursuant to HSC 34177 (I), the Successor Agency is required to prepare a ROPS that identifies the enforceable obligations of the former Redevelopment Agency and the sources of funds for the repayments. ROPS 15-16A, covering the period of July 1, 2015 through December 31, 2015, must be approved by the Oversight Board and submitted to the State Department of Finance ("DOF") no later than March 3, 2015. Pursuant to Health and Safety Code 34177(m), the DOF has 45 days from submission after Oversight Board approval to review the ROPS and object to any enforceable obligations. If the ROPS is not submitted by the deadline, the City is

1.f.

March 3, 2015

subject to a \$10,000 fine for every day the ROPS is late and the administrative cost allowance for the Successor Agency is reduced by 25% after 10 days.

At this time, Staff has prepared the ROPS 15-16A for the Successor Agency's review and approval.

FISCAL IMPACT:

Proposed expenditures from the Redevelopment Property Tax Trust Fund ("RPTTF") are \$721,658. Expenditures paid from the RPTTF but through the Administrative Cost Allocation ("ACA") total \$125,000 and represent half of the \$250,000 allocation the Successor Agency is allowed each fiscal year.

Prepared by:

Reviewed and approved:



FOR B. MONCRIEF

Brian Moncrief,
Staff to Successor Agency



Damien Arrula,
Acting City Administrator/Executive Director

Attachments:

1. Resolution RSA-2015- ____, A Resolution of the City Council of the City of Placentia, California, Acting as the Successor Agency to the Redevelopment Agency of the City of Placentia, approving and adopting the recognized obligation payment schedule for the period of July 1, 2015 to December 31, 2015.
2. Recognized Obligation Payment Schedule for July 1, 2015 through December 31, 2015 (ROPS 15-16A).

RESOLUTION NO. RSA-2015-XXX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PLACENTIA, CALIFORNIA, ACTING AS THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF PLACENTIA, APPROVING AND ADOPTING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD OF JULY 1, 2015 TO DECEMBER 31, 2015 (ROPS 15-16A).

A. Recitals.

(i). On December 29, 2011, the California Supreme Court delivered its decision in *California Redevelopment Association v. Matosantos*, finding ABx1 26 ("Dissolution Act") largely constitutional.

(ii). The Dissolution Act and the California Supreme Court's decision in *California Redevelopment Association v. Matosantos*, all California redevelopment agencies, including the Redevelopment Agency for the City of Placentia ("former Agency"), were dissolved on February 1, 2012.

(iii). On January 17, 2012, the Placentia City Council adopted Resolution No. R-2012-03 accepting for the City, the role of Successor Agency to the former Redevelopment Agency ("Successor Agency").

(iv). California Health and Safety Code § 34177 provides that before each six (6) month fiscal period, successor agencies to former redevelopment agencies must prepare a Recognized Obligation Payment Schedule ("ROPS") for the enforceable obligations of a former redevelopment agency. The next six (6) month period for which a ROPS is required is the period that commences July 1, 2015 and ends December 31, 2015 ("ROPS 15-16A").

(v). The City Council, in its capacity as the Successor Agency, desires to adopt this Resolution approving the ROPS 15-16A in accordance with California Health and Safety Code § 34177, which covers the six (6) month fiscal period that commences July 1, 2015 and ends December 31, 2015.

(vi). All legal prerequisites to the adoption of this Resolution have occurred.

B. Resolution.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF PLACENTIA, CALIFORNIA, ACTING AS THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF PLACENTIA, DOES HEREBY FIND, DETERMINE AND RESOLVE AS FOLLOWS:

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

2. The City Council, acting in its capacity as the Successor Agency, approves and authorizes transmittal of the draft ROPS 15-16A, covering the period of July 1, 2015 through December 31, 2015, in substantially the form attached hereto as Exhibit "A", as required by State law.

3. In retaining the responsibilities of the Redevelopment Agency of the City of Placentia as provided in California Health and Safety Code § 34177, the City Council expressly determines, recognizes, reaffirms, and ratifies the statutory limitation on the City and the City Council's liability in retaining the responsibilities of the Redevelopment Agency of the City of Placentia under AB X1 26 and AB 1484. Nothing in this Resolution shall be construed as a commitment, obligation, or debt of the City or any resources, funds, or assets of the City to fund the City's service as the Successor Agency to the Redevelopment Agency of the City of Placentia as provided in this Resolution.

4. The City Administrator, or his or her designee, hereby is authorized and directed to submit the ROPS 15-16A set forth in Exhibit "A" to the Oversight Board for approval and transmittal to all required County and State agencies as well as to post the ROPS 15-16A on the Successor Agency's website.

PASSED, APPROVED and ADOPTED this 3rd day of March, 2015.

Chad P. Wanke, Chairman

Attest:

Patrick J. Melia, Secretary

I, Patrick J. Melia, Secretary of the Successor Agency to the Redevelopment Agency of the City of Placentia do hereby certify that the foregoing Resolution No. RSA-2015-XXX was adopted at a regular meeting of the City Council acting as the Successor Agency to the Redevelopment Agency of the City of Placentia held on the 3rd day of March, 2015 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Patrick J. Melia,
Secretary

Approved as to Form:

Andrew V. Arczynski,
General Counsel

Exhibit A

Recognized Obligation Payment Schedule for July 1, 2015 to
December 31, 2015 (ROPS 15-16A)

Recognized Obligation Payment Schedule (ROPS 15-16A) - Summary

Filed for the July 1, 2015 through December 31, 2015 Period

Name of Successor Agency: Placentia
 Name of County: Orange

Current Period Requested Funding for Outstanding Debt or Obligation		Six-Month Total
Enforceable Obligations Funded with Non-Redevelopment Property Tax Trust Fund (RPTTF) Funding		
A	Sources (B+C+D):	\$ 515,000
B	Bond Proceeds Funding (ROPS Detail)	-
C	Reserve Balance Funding (ROPS Detail)	515,000
D	Other Funding (ROPS Detail)	-
E	Enforceable Obligations Funded with RPTTF Funding (F+G):	\$ 846,658
F	Non-Administrative Costs (ROPS Detail)	721,658
G	Administrative Costs (ROPS Detail)	125,000
H	Current Period Enforceable Obligations (A+E):	\$ 1,361,658

Successor Agency Self-Reported Prior Period Adjustment to Current Period RPTTF Requested Funding		
I	Enforceable Obligations funded with RPTTF (E):	846,658
J	Less Prior Period Adjustment (Report of Prior Period Adjustments Column S)	-
K	Adjusted Current Period RPTTF Requested Funding (I-J)	\$ 846,658

County Auditor Controller Reported Prior Period Adjustment to Current Period RPTTF Requested Funding		
L	Enforceable Obligations funded with RPTTF (E):	846,658
M	Less Prior Period Adjustment (Report of Prior Period Adjustments Column AA)	-
N	Adjusted Current Period RPTTF Requested Funding (L-M)	846,658

Certification of Oversight Board Chairman:
 Pursuant to Section 34177 (m) of the Health and Safety code, I hereby certify that the above is a true and accurate Recognized Obligation Payment Schedule for the above named agency.

Ed Garcia Board Chairman
 Name
 /s/ _____
 Signature

 Date

Recognized Obligation Payment Schedule (ROPS 15-16A) - ROPS Detail
 July 1, 2015 through December 31, 2015
 (Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P						
																Item #	Project Name / Debt Obligation	Obligation Type	Contract/Agreement Execution Date	Contract/Agreement Termination Date	Payee
															Funding Source						
															Non-Redevelopment Property Tax Trust Fund (Non-RPTTF)						
															Bond Proceeds	Reserve Balance	Other Funds	Non-Admin	Admin		
4	2002 COPIs City Reimbursement	Miscellaneous	11/7/2003	1/1/2028	City of Placencia	Amended & Restated Reimbursement	Merged	\$ 30,892,116	N				\$ 721,658	\$ 125,000	\$ 1,361,658						
6	132 Crowther Building	Miscellaneous	3/24/2010	4/30/2017	Keller Williams/Assignee	Lease payment for 132 Crowther	Merged	4,925,000	Y				354,320		\$ 354,320						
7	132 Crowther Building	Miscellaneous	3/24/2010	4/30/2017	DWWP, LLC/Assignee	Lease payment	Merged		Y						\$						
9	Trustee Fees	Fees	7/1/2014	6/30/2015	US Bank	Trustee Fees for US Bank bond proceed holder	Merged	95,000	N				6,550		\$ 6,550						
11	Property Tax Administration	Fees	7/1/2014	6/30/2015	HdL Coren & Cone	Property Tax Financial Analysis- Required for Continuing Disclosure operations	Merged	14,000	N						\$						
15	Administrative Overhead	Admin Costs	7/1/2015	6/30/2016	City of Placencia	Allocated overhead for SA/CB	Merged	4,500,000	N					125,000	\$ 125,000						
19	Bond Administration	Fees	8/15/2008	12/31/2017	Haimel & Company	Continuing disclosure 2013 Bonds	Merged	45,000	N				2,500		\$ 2,500						
25	2013 Tax Allocation Refund Bond	Re-funding Bonds Issued After 6/27/12	12/3/2013	8/1/2032	US Bank	2013 Tax Allocation Refund Bond	Merged	19,104,438	N		515,000		253,288		\$ 768,288						
30	Loan Agreement between City of Placencia and Successor Agency (Reso #05-2014-01)	City/Country Loans	1/8/2014	1/8/2018	City of Placencia	Cashflow Loan from City to Successor Agency	Merged	1,265,870	N				125,000		\$ 125,000						
31	Checking Account for SA	Miscellaneous	7/1/2014	8/1/2032	Successor Agency	Supplies checking account for SA	Merged	35,000	N						\$						
32	2013 Tax Allocation Refund Bond	Reserves	12/3/2013	8/1/2032	US Bank	2013 Bond Debt Service Reserve	Merged	525,000	N						\$						
34	Loan Agreement between City of Placencia and Successor Agency	City/Country Loans	7/1/2014	8/1/2032	City of Placencia	Cashflow Loan from City to Successor Agency	Merged	146,808	N						\$						
35									N						\$						
36									N						\$						
37									N						\$						
38									N						\$						
39									N						\$						
40									N						\$						
41									N						\$						
42									N						\$						
43									N						\$						
44									N						\$						
45									N						\$						
46									N						\$						
47									N						\$						

Recognized Obligation Payment Schedule (ROPS 15-16A) - Report of Cash Balances

(Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I						
									Fund Sources					
									Bond Proceeds		Reserve Balance		Other	RPTTF
Bonds Issued on or before 12/31/10	Bonds Issued on or after 01/01/11	Prior ROPS period balances and DDR balances retained	Prior ROPS RPTTF distributed as reserve for future period(s)	Rent, Grants, Interest, Etc.	Non-Admin and Admin									
Cash Balance Information by ROPS Period														
ROPS 14-15A Actuals (07/01/14 - 12/31/14)														
1	Beginning Available Cash Balance (Actual 07/01/14)	646,220	-	-	-	-	-	-						
2	Revenue/Income (Actual 12/31/14) RPTTF amounts should tie to the ROPS 14-15A distribution from the County Auditor-Controller during June 2014					334,952	752,964							
3	Expenditures for ROPS 14-15A Enforceable Obligations (Actual 12/31/14) RPTTF amounts, 1-3 plus H4 should equal total reported actual expenditures in the Report of PPA, Columns L and Q													
4	Retention of Available Cash Balance (Actual 12/31/14) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)	646,220				334,952	752,964							
5	ROPS 14-15A RPTTF Prior Period Adjustment RPTTF amount should tie to the self-reported ROPS 14-15A PPA in the Report of PPA, Column S													
6	Ending Actual Available Cash Balance C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 - 5)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -						
ROPS 14-15B Estimate (01/01/15 - 06/30/15)														
7	Beginning Available Cash Balance (Actual 01/01/15) (C, D, E, G = 4 + 6, F = H4 + F4 + F6, and H = 5 + 6)	\$ 646,220	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -						
8	Revenue/Income (Estimate 06/30/15) RPTTF amounts should tie to the ROPS 14-15B distribution from the County Auditor-Controller during January 2015							1,086,724						
9	Expenditures for ROPS 14-15B Enforceable Obligations (Estimate 06/30/15)								1,086,724					
10	Retention of Available Cash Balance (Estimate 06/30/15) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)													
11	Ending Estimated Available Cash Balance (7 + 8 - 9 - 10)	\$ 646,220	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -						

Pursuant to Health and Safety Code section 34177 (l), Redevelopment Property Tax Trust Fund (RPTTF) may be listed as a source of payment on the ROPS, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation. For tips on how to complete the Report of Cash Balances Form, see https://rad.dof.ca.gov/rad-sa/pdf/Cash_Balance_Agency_Tips_Sheet.pdf.



Placentia City Council

AGENDA REPORT

TO: CITY COUNCIL

VIA: DIRECTOR OF ADMINISTRATIVE SERVICES

FROM: ACTING CITY ADMINISTRATOR

DATE: MARCH 3, 2015

SUBJECT: **APPOINTMENTS TO CITIZENS FISCAL SUSTAINABILITY TASK FORCE**

FISCAL
IMPACT: N/A

SUMMARY:

On December 16, 2014 City Council authorized the formation of a Citizens Fiscal Sustainability Task Force (the "Task Force") to assist the City in identifying long-term solutions toward fiscal stability, examine the City's revenue structure and structural budget deficit, and make recommendations for creating new revenues and/or reducing costs. The Task Force is to be comprised of seven (7) members appointed at-large.

RECOMMENDATION:

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

1. Make appointments of seven (7) members to the Citizens Fiscal Sustainability Task Force.

DISCUSSION:

At their meeting of January 20, 2015, City Council approved the process for appointment to the Task Force which included accepting applications from interested citizens, conducting interviews, and making appointments at a regularly scheduled City Council meeting in March 2015. Notice of the Task Force was posted on the City's website and announced in the OC Register. Applications were accepted from January 21st through February 25th. A total of twenty-two (22) applications from the following individuals were received within the filing deadline:

- John Adger
- James J. Aurelio
- Phillip J. Batiste
- Jeff H. Buchanan
- Glenn R. Casterline
- Meredith Castillo
- Joshua D. Correa
- Raul C. Davis
- Dwayne C. DeRose
- John G. Hoovers
- Bruce M. Hunt
- Laurence M. Lackmann
- Delphine M. Larson
- Richard T. Lightfoot Jr.

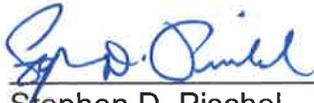
4.a.

March 3, 2015

- Linda C. Lucio
- Robert S. McKinnell
- Blake Montero
- Ira J. Newman
- Walt E. Plegel
- Terry N. Tett
- Vic J. Tomazic
- Lawrence J. Valdez

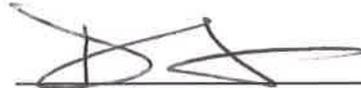
The City Council is scheduled to conduct interviews in open session with the twenty-two (22) applicants just prior to the regularly scheduled City Council meeting on March 3rd at 4:00 p.m., followed by appointments of the seven (7) members to the Task Force during the regular City Council meeting at 7:00 p.m.

Prepared by:



Stephen D. Pischel
Director of Administrative Services

Reviewed and approved:



Damien R. Arrula
Acting City Administrator



Placentia City Council

AGENDA REPORT

TO: CITY COUNCIL

VIA: ACTING CITY ADMINISTRATOR

FROM: CHIEF FINANCIAL OFFICER

DATE: MARCH 3, 2015

SUBJECT: **PRESENTATION OF THE COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE PERIOD ENDING JUNE 30, 2014**

FISCAL
IMPACT: NONE

SUMMARY:

The annual audit of the City's financial records has been completed by the City's audit firm, Haskell and White, L.L.P. Part of the audit contract includes the completion of the Comprehensive Annual Financial Report (CAFR) in concert with staff's assistance. The financial statements have been reviewed by staff and the Financial Audit Oversight Committee (FAOC) at their meeting of February 19, 2015 and final comments have been included within the CAFR as presented. The FAOC recommends that the City Council receive and file the CAFR for the period ending June 30, 2014.

RECOMMENDATION:

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

1. Receive and file the Comprehensive Annual Financial Report for the period ending June 30, 2014 as recommended by the Financial Audit Oversight Committee.

DISCUSSION:

Each year the City has an external audit performed by an independent auditing firm. At the conclusion of the audit process, the auditors, in concert with the City's Finance Department, complete the CAFR. This report has been prepared in conformance with the Governmental Accounting Standards Board Summary of Statement No. 34. As a result, the report format includes standardized reporting information such as the Management Discussion and Analysis, Required Supplementary Information and Government-wide Financial Statements, including the Statement of Net Position and Statement of Activities.

Also included in the report is the Independent Auditors' Report. In the opinion of the auditors, Haskell and White, L.L.P., the financial statements are presented fairly in all material respects. The CAFR does indicate that the auditors have expressed their doubt about the City's ability to continue as a going concern. As noted in the Management Discussion and Analysis and in Note

4.b.

March 3, 2015

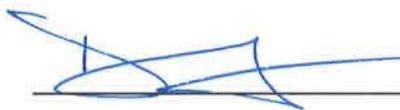
1-B, the City Council is addressing this issue through a series of options and the formation of a Citizens Fiscal Sustainability Task Force, which will forward their recommendations to the City Council by May 15, 2015.

The audit of the City's financial records was completed in accordance with generally accepted auditing standards applicable to financial audits contained in Government Audit Standards issued by the Government Accountability Office.

The CAFR was reviewed and discussed by the FAOC at its meeting on February 19, 2015. At that meeting the FAOC recommended that the City Council receive and file the CAFR at the March 3, 2013 City Council meeting.

Prepared by:

Reviewed and approved:



Linda G. Magnuson
Chief Financial Officer

Damien R. Arrula
Acting City Administrator

Attachment:

1. Comprehensive Annual Financial Report for Year ended June 30, 2014

**CITY OF PLACENTIA, CALIFORNIA
COMPREHENSIVE ANNUAL
FINANCIAL REPORT
For the Fiscal Year Ended June 30, 2014**

Prepared by the Finance Department of the
City of Placentia

CITY OF PLACENTIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
JUNE 30, 2014

TABLE OF CONTENTS

	PAGE
INTRODUCTORY SECTION	
Table of Contents	i
Letter of Transmittal	iv
Certificate of Achievement in Excellence in Financial Reporting	viii
Principal Officials	ix
Organizational Chart	x
 FINANCIAL SECTION	
Independent Auditors' Report	1-3
Management's Discussion and Analysis (Required Supplemental Information)	4-16
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Position	17
Statement of Activities	18-19
Fund Financial Statements	
Governmental Funds	20
Balance Sheet	21-22
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	23
Statement of Revenues, Expenditures and Changes in Fund Balances	24-25
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance to the Statement of Activities	26
Proprietary Funds	27
Statement of Net Position	28-29
Statement of Revenues, Expenses, and Changes in Net Position	30-31
Statement of Cash Flows	32-33
Fiduciary Funds	34
Statement of Fiduciary Net Position	35
Statement of Changes in Fiduciary Net Position – Trust Fund	36
Notes to Basic Financial Statements	37-74
Required Supplementary Information	
Schedule of Funding Progress for OPEB	75
Major Funds	76
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual: General Fund	77

CITY OF PLACENTIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
JUNE 30, 2014

TABLE OF CONTENTS, CONTINUED

FINANCIAL SECTION, (Continued)	PAGE
Housing Successor Agency Fund	78
Note to Required Supplementary Information	79
Supplementary Statements and Schedules	
Non-Major Governmental Funds	80-81
Combining Balance Sheet	82-85
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	86-89
Schedule of Revenues, Expenditures, and Changes in Fund Balance	
- Budget and Actual	
Miscellaneous Grant Fund	90
Park Development Fund	91
Street Lighting Fund	92
Measure M Fund	93
Storm Drain Construction Fund	94
Thoroughfare Construction Fund	95
Asset Seizure Fund	96
Traffic Offender Fund	97
Supplemental Law Enforcement Service Fund	98
Air Quality Improvement Fund	99
Landscape Maintenance District 92-1 Fund	100
Housing and Community Development Fund	101
Utility Users Tax Fund	102
Gasoline Tax Fund	103
2011 Gas Tax COP Fund	104
City Capital Projects	105
Internal Service Funds	106
Combining Statement of Fund Net Assets	107
Combining Statement of Revenues, Expenses and Changes in Fund Net Assets	108
Combining Statement of Cash Flows	109-110
Agency Funds	111
Combining Statement of Assets and Liabilities	112
Combining Statement of Changes in Assets and Liabilities	113

CITY OF PLACENTIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
JUNE 30, 2014

TABLE OF CONTENTS, CONTINUED

STATISTICAL SECTION (UNAUDITED)	PAGE
Net Position by Component – Last Ten Fiscal Years	114
Changes in Net Position – Last Ten Fiscal Years	115-116
Fund Balances of Governmental Funds – Last Ten Fiscal Years	117
Changes in Fund Balances of Governmental Funds – Last Ten Fiscal Years	118-119
General Governmental Tax Revenue by Source – Last Ten Fiscal Years	120
Assessed Value of Taxable Property – Last Ten Fiscal Years	121
Direct and Overlapping Property Tax Rates – Last Ten Fiscal Years	122
Principal Property Taxpayers – Current Year and Nine Years Ago	123
Property Tax Levies and Collections – Last Ten Fiscal Years	124
Ratio of Outstanding Debt by Type – Last Ten Fiscal Years	125
Direct and Overlapping Governmental Activity Debt – As of June 30, 2014	126
Legal Debt Margin Information – Last Ten Fiscal Years	127
Demographic and Economic Statistics – Last Ten Calendar Years	128
Taxable Sales by Category - Last Ten Calendar Years	129
Budgeted Full-Time Employees by Department – Last Ten Fiscal Years	130
Operation Indicators by Function/Program – Last Ten Fiscal Years	131
Capital Assets Statistics by Function/Program – Last Ten Fiscal Years	132

(This page intentionally left blank)

The People are the City

Mayor

CHAD P. WANKE

Mayor Pro Tem

JEREMY B. YAMAGUCHI

Councilmembers:

CRAIG S. GREEN

SCOTT W. NELSON

CONSTANCE M. UNDERHILL



City Clerk:

PATRICK J. MELIA

City Administrator

TROY L. BUTZLAFF, ICMA-CM

401 East Chapman Avenue – Placentia, California 92870

February 26, 2015

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

It is our pleasure to present the Comprehensive Annual Financial Report (CAFR) of the City of Placentia (“City”) for the fiscal year ended June 30, 2014. Responsibility for the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. It is our opinion that the data is accurate in all material aspects, is presented in a manner designed to fairly set forth the financial position and results of the operations of the City, and contains all disclosures necessary to enable the reader to gain an understanding of the City’s financial affairs.

The financial statements have been prepared in accordance with generally accepted accounting principles (GAAP) as promulgated by the Government Accounting Standards Board (GASB). This report consists of management’s representations concerning the finances of the City of Placentia, California. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed both to protect the City’s assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City’s financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City’s comprehensive framework of internal controls have been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City’s financial statements have been audited by Haskell & White LLP, a public accounting firm fully licensed and qualified to perform audits of local governments within the State of California. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Placentia, California for the fiscal year ended June 30, 2014, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Placentia, California’s financial statements for the fiscal year ended June 30, 2014, are fairly presented in conformity with GAAP. However, the report from our independent auditors contains an emphasis of a matter paragraph regarding our ability to continue as a going concern. The independent auditor’s report is presented as the first component of the financial section of this report.

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

Profile of the City of Placentia

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

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

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

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

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

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

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

For fiscal year 2013-14, general fund revenues and transfers in approximated \$29.4 million. The top three individual revenue sources, property taxes, sales taxes and sales tax in lieu and utility user's tax represent 68% of all general fund revenues and transfers in. Tax revenues in total, including business licenses, franchise fees and other taxes represent nearly 83% of all general fund revenues while only 17% is generated by other revenue sources.

General fund expenditures and transfers-out in fiscal year 2013-14 were budgeted at \$30.4 million with \$30.3 million expended. Personnel costs, which include salaries and benefits, represent 48.4% of the amount spent. Operational costs, which include materials, services and supplies, account for 49.9% while capital outlay and debt service costs account for 1.7%.

Factors Affecting Financial Condition

Local Economy: The general fund revenue outlook for the long-term future of the City is difficult to predict. A modest recovery of the housing market has provided little tax growth to the City. The City experienced a 3.6% growth in property tax in fiscal year 2013-14. According to the County Assessor, property assessed values have been leveling off and a slight increase is expected for fiscal year 2014-15. As the City's single largest revenue source, this has resulted in an increase of revenue of about \$415,000 since fiscal year 2012-13. Sales tax revenue declined by 26% from 2007-08 to 2009-10, largely due to lagging automobile sales, along with business-to-business, construction, and other retail sectors. Sales tax revenue is slowly making a comeback and finally exceeded the 2009-10 level by showing a growth of nearly 6% in fiscal year 2013-14. With the City's emphasis on economic development, staff anticipates moderate growth in sales tax revenue for the foreseeable future.

Long-term Perspective: Prolonged recessionary pressures and the sustained impact of State takeaways influence the City in both the short and long term. This in addition to increasing retirement costs, debt service obligations and the limited ability to raise revenue has caused the City to question its continued viability. The City has been prudent with its financial resources and has contained costs by implementing both structural and one-time budget savings. Nonetheless, the economy continues to be tenuous and the future is difficult to predict. This perspective is reinforced by recent volatility in the economy.

As with past economic downturns, the City has been taking steps to align expenses and revenues through service and program cuts, revenue enhancements, and employee compensation savings. The FY2014-15 budget originally projected a deficit of \$1.7 million. Through a variety of staff and service reductions and one-time cost savings the City was able to balance its budget. The predictions for the FY15-16 budget look even more grim with a \$2.3 million deficit being forecasted.

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

Organizational Health and Fiscal Stability: In addition to controlling costs and finding new ways to deliver public services, the City retained the services of Management Partners to develop a budget stabilization plan to help the City become fiscally sustainable for many years to come. The report stated that the City's fiscal sustainability would require both increases in revenues and decreases in expenditures.

Finally, the City has prepared a Seven Year Capital Improvement Program which serves as a guide for the efficient and effective planning of public improvements and facilities. The 2014-2021 Capital Improvement, which is updated annually, consists of 144 projects with a total estimated cost of \$263 million. A total of 43 projects totaling just over \$4.7 million are scheduled to be completed or started in fiscal year 2014-15.

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

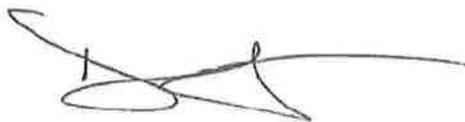
Budgetary Controls: The City maintains budgetary controls at the individual fund level. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Council. The budget includes estimated revenues and appropriations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

Awards and Acknowledgments

Awards: The Government Finance Officers Association of the United States and Canada (GFOA) awards a Certificate of Achievement for Excellence in Financial Reporting to government units that publish an easily readable and efficiently organized comprehensive annual financial report. A Certificate of Achievement is valid for a period of one year only. The City received this award for the fiscal year ended June 30, 2013. We believe our current comprehensive annual financial report meets the required criteria, unfortunately due to timing, we will not be submitting for the award this year.

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

Respectfully submitted,



Damien R. Arrula
Acting City Administrator

Respectfully submitted,



Linda G. Magnuson
Chief Financial Officer



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Placentia
California**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2013

Executive Director/CEO

(This page intentionally left blank)

**CITY OF PLACENTIA
PRINCIPAL OFFICIALS**

June 30, 2014

CITY COUNCIL

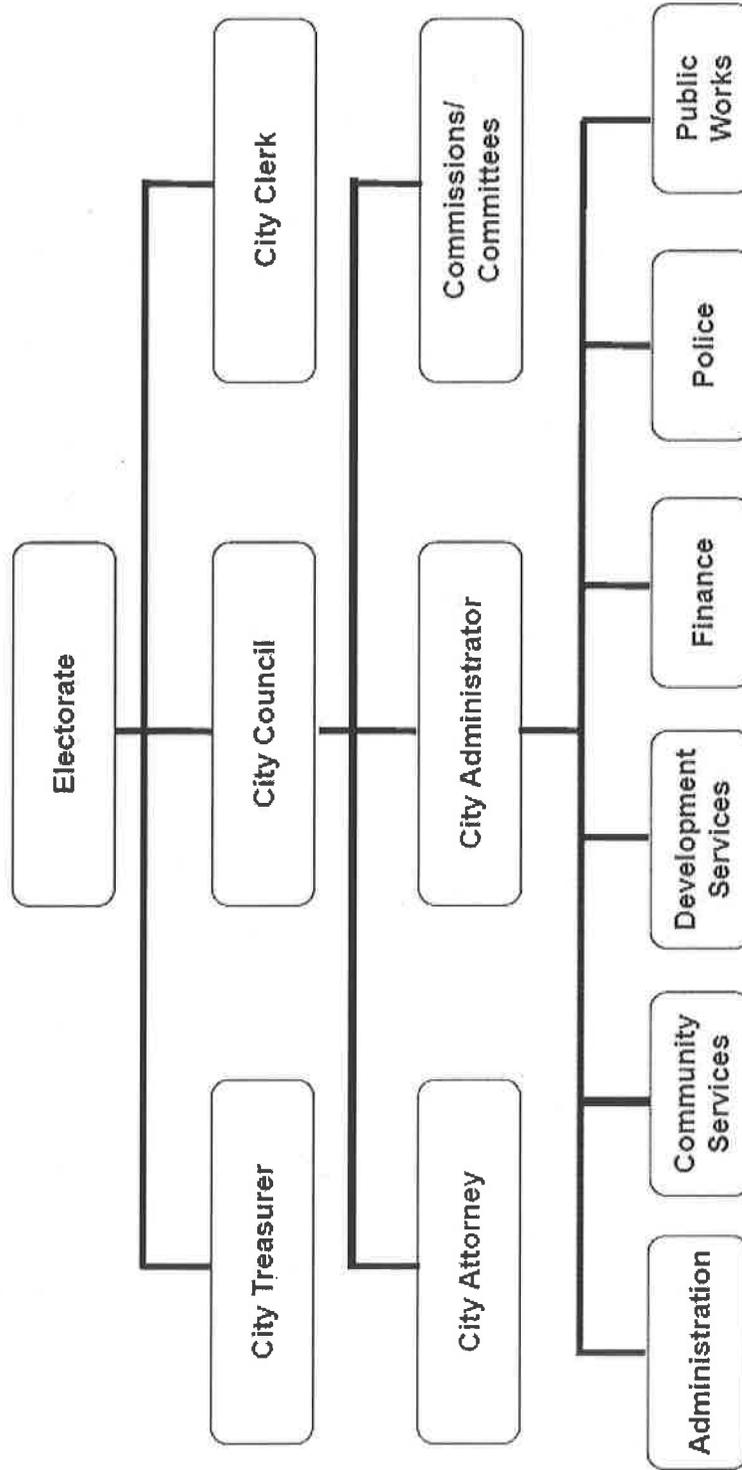
Scott Nelson	Mayor
Joseph V. Aguirre	Mayor Pro Tem
Jeremy B. Yamaguchi	Councilmember
Chad P. Wanke	Councilmember
Constance Underhill	Councilmember

CITY OFFICIALS

Craig S. Green	City Treasurer
Patrick J. Melia	City Clerk
Troy Butzlaff, ICMA-CM	City Administrator
Damien Arrula	Assistant City Administrator
Andrew V. Arczynski	City Attorney
Stephen D. Pischel	Director of Administrative/ Community Services
Linda Magnuson	Chief Financial Officer
Rick Hicks	Police Chief



PLACENTIA MUNICIPAL ORGANIZATION



300 SPECTRUM CENTER DRIVE
SUITE 300 • IRVINE, CA 92618
949.450.6200 FAX 949.450.6201
www.hwcpa.com



9171 TOWNE CENTRE DRIVE
SUITE 190 • SAN DIEGO, CA 92122
858.249.7444 FAX 858.249.7445
www.hwcpa.com

The Value of Experience



INDEPENDENT AUDITORS' REPORT

To the City Council
City of Placentia, California

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Placentia, California (the "City"), as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

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 as of June 30, 2014, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4 through 16 and 75 through 113 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements.

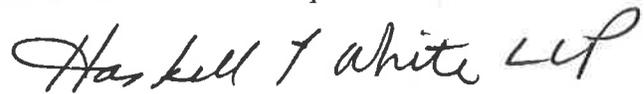
The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards

generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Emphasis of a Matter Regarding Going Concern

The accompanying financial statements have been prepared assuming that the City of Placentia, California, will continue as a going concern. As discussed in Note 1.B to the financial statements, the City has a history of balancing its budget through one-time revenue sources, projections of structural deficits for the next several fiscal years absent corrective actions, limited ability to identify and raise revenues without voter approval, deferred infrastructural maintenance and/or replacement requirements that will require expenditures in the near-term and significant, increasing unfunded pension obligations. These conditions raise substantial doubt about its ability to continue as a going concern. Management's plans regarding those matters also are described in Note 1.B. The financial statements do not include any adjustments that might result from the outcome of this uncertainty. Our opinion is not modified with respect to this matter.



HASKELL & WHITE LLP

Irvine, California
February 26, 2015

CITY OF PLACENTIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

This discussion and analysis section of the City of Placentia's ("City") comprehensive annual financial report provides a narrative overview of the City's financial activities for the fiscal year ended June 30, 2014. This information should be read in conjunction with the basic financial statements and the notes, which accompany the basic financial statements.

FINANCIAL HIGHLIGHTS

- The City has been faced with financial hardships over the past several years. The continued rise in retirement costs, contract costs, aging infrastructure and inability to raise revenue has placed a significant stress on the City's finances which has caused a going concern finding to be placed on the City's financial situation by the City's audit firm.
- The City's net position which is the amount by which total assets exceed total liabilities equals \$78,960,754. The governmental activities had a net position of \$67,880,860 and business-type activities had \$11,079,894.
- The City's total net position increased by \$116,513 over prior year totals. Of this amount, governmental activities contributed an additional \$196,794 while the City's business-type activities decreased by \$80,281.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$9,091,430.
- At the end of the current fiscal year, general fund total fund balance was \$4,889,797, or 19.6 percent of general fund expenditures, not including transfers, for the fiscal year. Of this amount \$1,000,777 was unassigned.
- The general fund expenditures exceeded revenues, including transfers, by \$863,185.
- Due to debt retirement the City's long term debt decreased \$749,729 to \$12,767,443.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

This section of the management's discussion and analysis is intended to introduce and explain the basic financial statements. The report also includes supplementary information which is intended to furnish additional detail to support the basic financial statements themselves.

CITY OF PLACENTIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Government-wide Financial Statements

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

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

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

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

Fund Financial Statements

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

- **Governmental Funds**

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

CITY OF PLACENTIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

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

- **Proprietary Funds**

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

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

- **Fiduciary Funds**

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

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

Notes to the Financial Statements

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

CITY OF PLACENTIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Other Information

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Position

The statement of net position can serve as a useful indicator of the City's financial position. The City's net position at June 30, 2014 is \$78,960,754. Following is a condensed version of the government-wide statement of net position.

Statement of Net Position						
	Governmental Activities		Business-type Activities		Total	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
ASSETS						
Cash and Investments	\$ 6,780,740	\$ 8,079,663	\$ 2,531,799	\$ 1,624,205	\$ 9,312,539	\$ 9,703,868
Other Assets	7,641,696	5,015,776	(2,445,670)	(2,046,872)	5,196,026	2,968,904
Capital Assets	81,451,545	83,756,721	11,759,717	12,274,817	93,211,262	96,031,538
Total Assets	<u>\$ 95,873,981</u>	<u>\$ 96,852,160</u>	<u>\$ 11,845,846</u>	<u>\$ 11,852,150</u>	<u>\$ 107,719,827</u>	<u>\$ 108,704,310</u>
LIABILITIES						
Current Liabilities	\$ 4,592,146	\$ 5,083,832	\$ 705,312	\$ 612,145	\$ 5,297,458	\$ 5,695,977
Long-Term Liabilities	23,400,975	24,084,262	60,640	79,830	23,461,615	24,164,092
Total Liabilities	<u>\$ 27,993,121</u>	<u>\$ 29,168,094</u>	<u>\$ 765,952</u>	<u>\$ 691,975</u>	<u>\$ 28,759,073</u>	<u>\$ 29,860,069</u>
NET POSITION						
Net Investment in Capital Assets	\$ 72,289,432	\$ 73,580,798	\$ 11,759,717	\$ 12,274,817	\$ 84,049,149	\$ 85,855,615
Restricted	2,929,902	3,629,578	-	-	2,929,902	3,629,578
Unrestricted	(7,338,474)	(9,526,310)	(679,823)	(1,114,642)	(8,018,297)	(10,640,952)
Total Net Position	<u>\$ 67,880,860</u>	<u>\$ 67,684,066</u>	<u>\$ 11,079,894</u>	<u>\$ 11,160,175</u>	<u>\$ 78,960,754</u>	<u>\$ 78,844,241</u>

CITY OF PLACENTIA

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

The City's net position is attributable to its investment in capital assets. Without its investment in capital assets the City's net position would be a negative \$5,088,395. The majority of the liabilities are certificates of participation.

Change in Net Position

The change in net position table illustrates the increases or decreases in net assets of the City from its operating activities. Governmental activities net position shows an increase of \$196,794 while Business-type shows a decrease of \$80,281, resulting in a net increase of \$116,513 in the City's net position at June 30, 2014. This is illustrated in the following table.

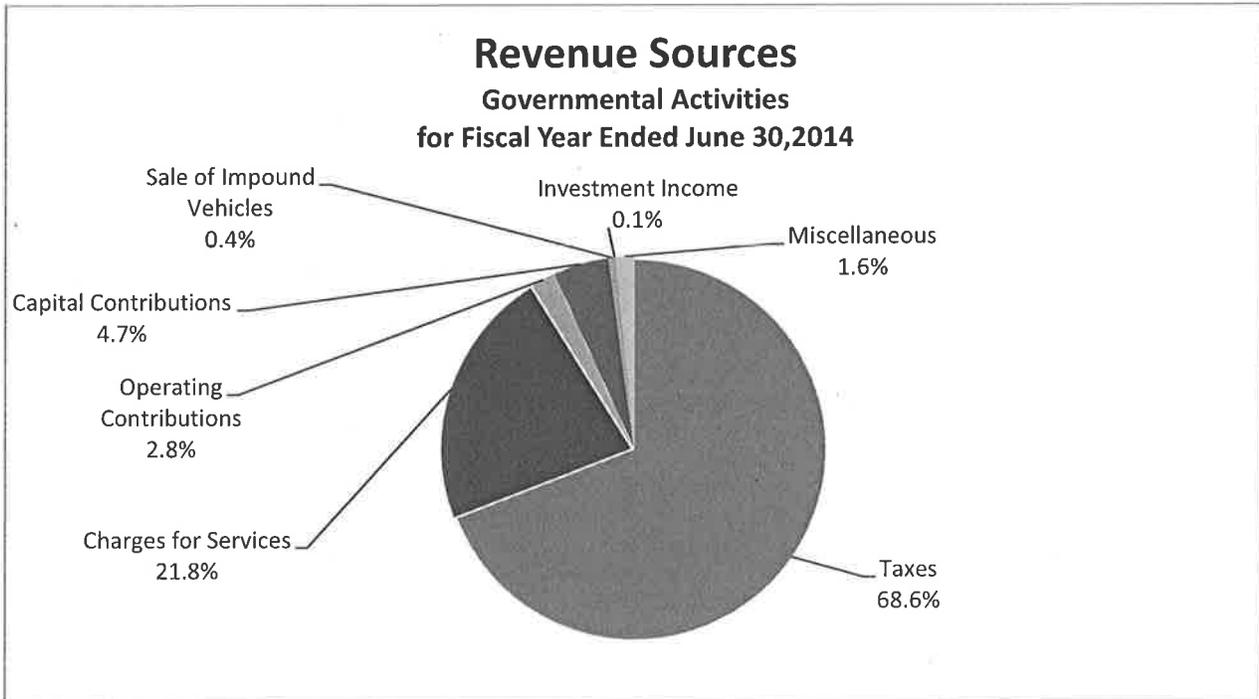
	Change in Net Position					
	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
REVENUES						
Program Revenues:						
Charges for Services	\$ 7,518,906	\$ 5,693,967	\$ 3,867,733	\$ 3,960,052	11,386,639	\$ 9,654,019
Operating contributions and grants	964,070	1,656,001	-	-	964,070	1,656,001
Capital contributions and grants	1,634,268	1,256,352	-	-	1,634,268	1,256,352
General Revenue						
Taxes	23,710,700	22,955,064	-	-	23,710,700	22,955,064
Sale of impound vehicles	150,700	208,943	-	-	150,700	208,943
Investment income	24,537	161,722	1,986	5,495	26,523	167,217
Miscellaneous	554,384	2,604,458	75,000	75,000	629,384	2,679,458
Total revenues	\$ 34,557,565	\$ 34,536,507	\$ 3,944,719	\$ 4,040,547	\$ 38,502,284	\$ 38,577,054
EXPENSES						
General government	\$ 9,680,844	\$ 10,382,996	\$ -	\$ -	\$ 9,680,844	\$ 10,382,996
Public safety	16,921,336	16,965,096	-	-	16,921,336	16,965,096
Public works	5,665,194	6,417,458	-	-	5,665,194	6,417,458
Community services	1,412,879	1,011,063	-	-	1,412,879	1,011,063
Interest on long-term debt	685,011	673,596	-	-	685,011	673,596
Refuse	-	-	2,949,889	2,933,438	2,949,889	2,933,438
Compressed natural gas	-	-	-	137,066	-	137,066
Sewer maintenance	-	-	1,070,618	1,143,607	1,070,618	1,143,607
Total Expenses	\$ 34,365,264	\$ 35,450,209	\$ 4,020,507	\$ 4,214,111	\$ 38,385,771	\$ 39,664,320
Increase in net position before transfers	\$ 192,301	\$ (913,702)	(75,788)	\$ (173,564)	\$ 116,513	\$ (1,087,266)
Transfers	4,493	2,827,679	(4,493)	(478,392)	-	2,349,287
Change in net position	\$ 196,794	\$ 1,913,977	\$ (80,281)	\$ (651,956)	\$ 116,513	\$ 1,262,021
Net position, beginning of year	\$ 67,684,066	\$ 65,770,089	11,160,175	\$ 11,812,131	\$ 78,844,241	\$ 77,582,220
Net position, end of year	\$ 67,880,860	\$ 67,684,066	11,079,894	\$ 11,160,175	\$ 78,960,754	\$ 78,844,241

CITY OF PLACENTIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Governmental activities contributed \$196,794 to the increase in net position. The revenue associated with governmental activities was \$34,557,565 which is \$21,058 more than the previous year. The following chart shows the components of the revenue received as a result of Governmental activities:



The Charges for Services revenue increased this year due to several factors. Business license revenues were much higher due to increased enforcement. Development related revenue increased due to new housing tracts and an improved economy. This fiscal year the City also instituted a new public safety mitigation fee which added to the increase in this revenue category.

Revenue received from taxes makes up a majority of the City's revenue derived from governmental activities. This fiscal year tax revenue increased due primarily to an improving economy. Property values are recovering resulting in an increase in property tax revenue of 3.6%. Sales tax revenue showed an increase of 6%.

Capital contributions and grant revenue were higher this fiscal year due to the receipt of grant funds reimbursing the City for capital improvement project expenditures.

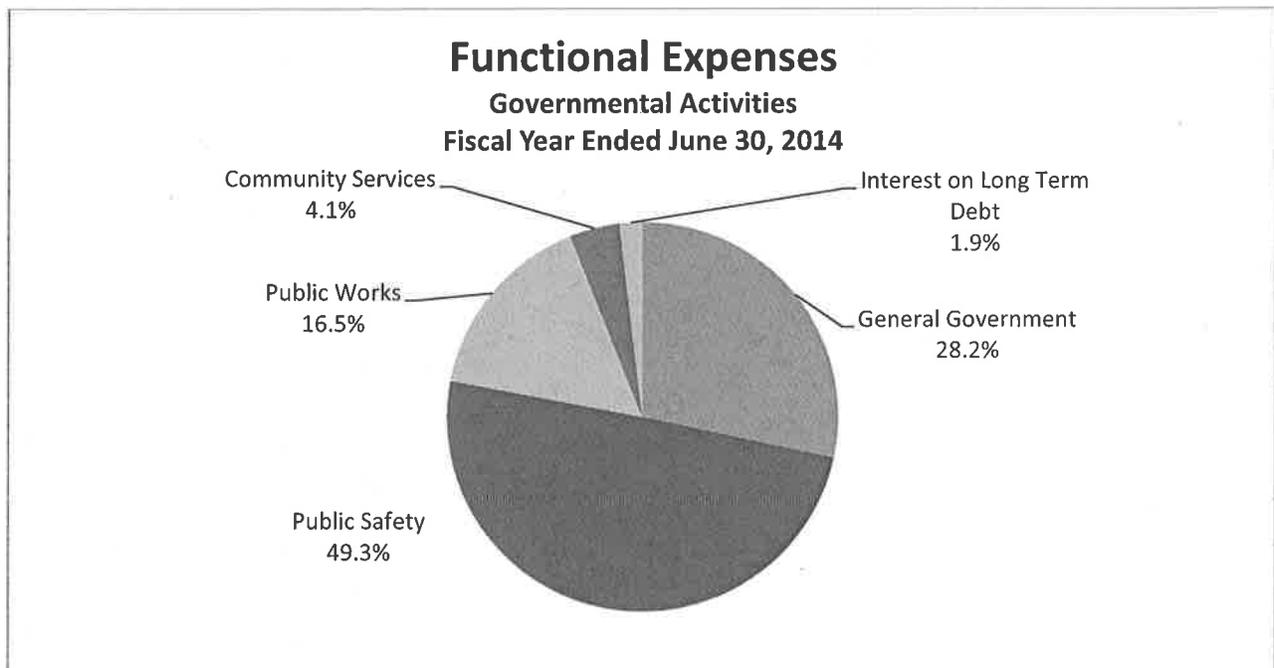
Miscellaneous revenue was much less than what was received in the previous fiscal year. During fiscal year 2012-13, the City received one-time lawsuit settlements of over \$2 million dollars.

CITY OF PLACENTIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

The expenses associated with governmental activities in fiscal year 2013-14 were reduced by \$1,084,945 from those in the previous fiscal year. The major reductions were in the General Government and Public Works categories. General Government's expenses were primarily lower due to the lower worker's compensation and liability claims during the year and a decrease in the reserves held for future claims. In addition there were also staff vacancies and reductions in the workforce. Public Works expenses were less due the completion of a major street improvement project the prior year. The total cost of all City programs and services during fiscal year ended June 30, 2014 was \$34,365,264 for governmental activities. Public safety was the largest portion, accounting for 49.3% of this total while general government accounted for 28.2% and public works accounted for 16.5%.



Business-type activities had an \$80,281 decrease in net assets. The City is continuing investigate ways to reduce operating expenses and find other revenue opportunities.

FINANCIAL ANALYSIS OF THE CITY'S MAJOR FUNDS

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

Governmental Funds

The focus of the City's governmental funds is to provide information on near term inflows, outflows and balance of spendable resources. Such information is useful in assessing the City's financing

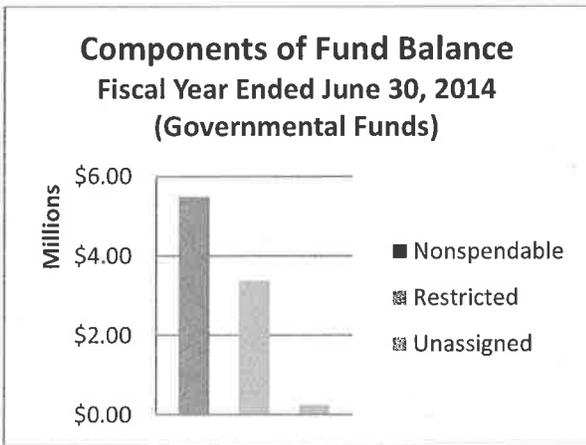
CITY OF PLACENTIA

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

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

requirements. In particular, the assigned fund balance and unassigned fund balance may serve as a useful measurement of the government's net resources available for spending at the end of the fiscal year. The unassigned fund balance represents the portion of fund balance that has not yet been limited to use for a particular purpose by either an external party, the City of Placentia itself, or anyone delegated authority to assign resources for use for particular purposes by the City of Placentia's City Council.

As of the end of the current fiscal year, the City's governmental funds reported a combined ending fund balance of \$9,091,430, a decrease of \$131,044 from the prior year.



\$5,481,849 constitutes nonspendable fund balance, which is not available for spending because it is either (1) in a nonspendable form, such as prepaid items, land for resale, inventories of supplies, loans receivable; or (2) legally contractually required to be maintained.

The restricted fund balance of \$3,368,925 also reflects constraints on the use of resources that are either (1) externally imposed by creditors, such as stated in the debt covenants, grantors contributors, laws or regulations of other

governments; or (2) imposed by law through constitutional provisions or enabling legislation.

The City Council, as the City's highest level of decision-making authority, may commit fund balance for specific purposes pursuant to constraints imposed by formal actions taken, such as an ordinance or resolution. These committed amounts are classified as committed fund balance. Currently, the City has not taken such action and therefore there are no funds classified as committed fund balance as of June 30, 2014.

As of June 30, 2014, the City had no assigned fund balance.

The unassigned fund balance of \$240,656 represents the portion of fund balance that is not considered nonspendable, restricted committed or assigned. General fund's unassigned fund balance is \$1,000,777 which is offset by the other governmental funds combined negative unassigned fund balances of \$760,121.

The general fund is the main operating fund of the City. As of June 30, 2014, fund balance of the general fund was \$4,889,797, which is a decrease of \$863,185 from prior year. The continual decrease and future anticipated decrease in general fund balance reserves is one of the reasons for the City's

CITY OF PLACENTIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

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

auditors to issue the previously mentioned going concern finding. The decrease in fund balance was primarily due to the transfer of funds from the general fund to the City's street lighting assessment district. Due to rising costs and the inability to raise assessments in the district the street lighting assessment district has had a shortfall in which it was anticipated that the City's general fund would cover. Over the past several years this transfer had not been made, so rather than allowing the deficit to continue to grow it was decided to make the correction and transfer funds (\$830,663) to cover the deficit in the street lighting district fund.

The City's capital projects fund, a major fund, had a change in fund balance of \$803,086. This increase is due to the collection of funds to reimburse the City for the construction of capital improvement projects in the previous fiscal year. Most of the City's capital improvement program is reliant on outside funding sources in which the City receives reimbursement after funds have been expended. This year the City didn't have as many of those projects outstanding as in the previous year.

Proprietary Funds

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

The City's major proprietary funds are the refuse fund, compressed natural gas fund and sewer maintenance fund. Net assets of the refuse fund, compressed natural gas fund and sewer maintenance fund at the end of the fiscal year amounted to \$11,079,894. Net assets in the Proprietary fund decreased \$80,281 from the previous year.

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

GENERAL FUND BUDGETARY HIGHLIGHTS

During the year there were no adjustments made to the estimated budgeted general fund revenue amounts while appropriations increased by \$372,880. There were also budget transfers made between accounts on an as needed basis. The increase in the budget was primarily due to unanticipated staff departures and vacancies resulting in the need for additional appropriations for overtime and leave balance payments. There were also various unanticipated expenditures which required appropriation. Per City policy these additional appropriations were approved by the City Council.

General fund revenues including transfers in totaled \$29,418,545. The total revenue and transfers in were lower than their adjusted budget amounts by \$1,011,200 (3.4%). Transfers in was the main contributor to this variance. The reason that the transfer in amount was less than anticipated is due to the lack of funds available for transfer from the gas tax to reimburse the general fund for street

CITY OF PLACENTIA

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

GENERAL FUND BUDGETARY HIGHLIGHTS (CONTINUED)

maintenance expenditures. Budgeting of anticipated one time revenue which was not received also contributed to the revenue shortfall as reflected in the Miscellaneous Revenue category.

General fund expenditures including transfers out for the current fiscal year totaled \$30,281,730 which is \$520,895 (1.7%) less than the amount budgeted. The savings was primarily due to staff vacancies and the implementation of cost savings measures where possible. As mentioned earlier, transfers out included a transfer to the City's street lighting assessment district. This assessment district has been operating at a deficit for several years with the understanding that the district would be subsidized by the general fund. This fiscal year it was decided that the deficit that had built up over the years should be addressed resulting in a transfer of \$830,663. Without this transfer the budget savings would have been significantly higher.

The City ended the year with a decrease in fund balance for the general fund of \$863,185 which brings the total fund balance to \$4,889,610.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

CAPITAL ASSETS						
	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Land	\$ 23,381,937	\$ 24,996,741	\$ -	\$ -	\$ 23,381,937	\$ 24,996,741
Land - Right of way	258,822	258,822	-	-	258,822	258,822
Infrastructure - trees	3,114,540	3,114,540	-	-	3,114,540	3,114,540
Construction in progress:						
Streets Network	1,992,310	1,560,093	-	-	1,992,310	1,560,093
Structures & Improvements	8,214,067	8,416,318	11,759,717	12,274,817	19,973,784	20,691,135
Equipment	872,098	1,111,447	-	-	872,098	1,111,447
Land Improvements	52,626	-	-	-	52,626	-
Infrastructure - streets network	29,246,443	29,230,391	-	-	29,246,443	29,230,391
Infrastructure - street appurtenances	11,620,659	12,206,809	-	-	11,620,659	12,206,809
Infrastructure - storm drain	2,698,043	2,861,561	-	-	2,698,043	2,861,561
Total Net Assets	\$ 81,451,545	\$ 83,756,722	\$ 11,759,717	\$ 12,274,817	\$ 93,211,262	\$ 96,031,539

CITY OF PLACENTIA

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

CAPITAL ASSETS AND DEBT ADMINISTRATION (CONTINUED)

The City's investment in capital assets for its governmental and business-type activities as of June 30, 2014, totaled \$93,211,262, net of depreciation which was \$2,820,277 less than the previous year. \$1,948,103 of this decrease is due to the reclassification of land held for resale. Previously this land had been reflected in the City's fixed assets. With the changes in the state law, land owned by the Housing Successor Agency must be sold or disposed of and therefore should be shown as land held for resale. The balance of the reduction in the value of the City's net assets is primarily due to depreciation. These assets include buildings, infrastructure, land, machinery and equipment, park facilities, vehicles, and construction in process. During the fiscal year the City purchased two pieces of land. The first is a small lot which is being held for future use. The second piece is the purchase of property on Bradford Ave. This property is a part of the alleyway improvements and will also provide some additional parking in the City's downtown area.

Infrastructure additions included improvements made to Valencia Avenue, Rose Drive, intersection improvements of Rose Drive at Yorba Linda Blvd and Madison at Kraemer, various median ADA and pedestrian improvements. There were several projects in progress at the end of the year. These include but are not limited to several Metrolink Station projects, the Richfield Road widening, grade separation projects, Bastanchury Road improvements and City Council chambers remodel.

For further detailed information see Note 6, Capital Assets.

Debt Administration

At the end of the current fiscal year, the City had long term debt outstanding of \$12,767,443. This debt consists of Certificates of Participation, Bonds, Advances and Capital Leases. Details of each of these obligations are included in the notes. The primary change in total debt outstanding was a result of the City paying down the principal balances.

LONG-TERM DEBT & OBLIGATIONS		
Long-Term Debt	<u>2014</u>	<u>2013</u>
Certificates of participation	\$9,146,960	\$9,571,602
Lease revenue bonds	3,579,342	3,870,428
Capital leases	41,141	75,142
	<u>12,767,443</u>	<u>13,517,172</u>
Obligations		
Compensated absences	2,225,046	2,256,098
OCTA Advance	3,805,291	3,991,183
Net OPEB obligations	2,583,692	2,198,487
Claims Payable - General Liability	2,080,143	2,121,322
	<u>23,461,615</u>	<u>24,084,262</u>
Total	<u>\$23,461,615</u>	<u>\$24,084,262</u>

CITY OF PLACENTIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

CAPITAL ASSETS AND DEBT ADMINISTRATION (CONTINUED)

Under requirements of the State of California, the City's legal debt limit is 3.75% of its total assessed value. This limit is generally not applicable to bonds paid from enterprise funds, other lease revenue bonds, capital leases, compensated absences and outstanding claims. Accordingly, the debt limit at June 30, 2014 is \$201.6 million and is available for future general obligation debt issues.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

Like so many other cities across the nation, the City of Placentia has faced increased financial hardship due to declining economic conditions driven by a downturn in housing, reduced consumer spending, and rising unemployment. Although the economy is recovering, revenue has not kept pace with the increasing retirement costs, health care, insurance and utilities. In the past, the City has had several one-time solutions to cover expenditures which are no longer a possibility. Unlike the federal and state governments the City cannot simply raise taxes to meet these challenges since they are unable to raise taxes without voter approval. These factors have caused the City's audit firm to issue a going concern finding.

In response to this finding the City Council has decided to form a Citizens Fiscal Sustainability Task Force which will consist of seven City Council appointed members. This task force will be presented with the City's financial situation. They will be presented with the various options discussed and partially implemented by the City Council. These options include but are not limited to:

- Increased economic development
- Pursuit of outdoor advertising opportunities
- Partnerships with other agencies for shared police department command and dispatch
- Grants
- Public works privatization
- Review of City property to ensure the City is using it to its maximum extent, including identifying possible cell tower sights and leasing opportunities

In addition the task force will be asked to consider the viability of putting various tax measures on the ballot. These tax measures all of which are estimated to gross \$3 to \$5 million annually include raising the Utility Users' Tax from 3.5% to 7% - 10%; raising Sales/Use Tax by ½ to 1 cent, and creating a citywide Public Safety Assessment District with an annual fee of \$170 to \$225 per residence.

It is anticipated that the task force will complete their study and have their findings by May 15, 2015. At that time the City Council will consider their findings and make the decisions necessary to move toward fixing the City's structural deficit.

To highlight the City's efforts in solving the projected deficits for the fiscal year ended June 30, 2015, various cost savings measures were implemented to balance the budget. This included:

CITY OF PLACENTIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS (CONTINUED)

- Reductions in personnel costs by converting positions from full time to part time, hiring delays, leaving certain positions unfunded and reducing overtime budgets – implemented in fiscal year 2013-14, this continues in fiscal year 2014-15.
- Reductions in the Worker's Compensation and Liability reserves – to be implemented in fiscal year 2014-15.
- Reductions in employee benefits including having employees pay a portion of their retirement costs - partially implemented in fiscal year 2012-13 and completed in fiscal year 2014-15 .
- Reviewing various contract services and making reductions where possible – this has been ongoing for several years and will continue in the future.
- Reductions throughout including but not limited to meetings & conferences, memberships, fuel, litigation services and recreation programs – ongoing but additional reductions were implemented with the fiscal year 2014-15 budget.

The City will continue to take a very hard look at all expenses and reduce costs wherever possible. Additional revenue enhancements and budget saving measures will have to be given serious consideration if the City is to overcome this deficit and position itself for a better fiscal future.

The fiscal year 2014-15 General Fund budget is balanced and anticipates revenue and expenditures of \$29.8 million.

By any standard, it is a challenge to operate the City. This is a very aggressive program of work that will challenge the capacity of staff and the City Council to accomplish under the reduced expenditure guidelines.

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

- Unemployment rate continues to slowly drop compared to prior years.
- Commercial real estate continues to show signs of recovery.
- Sales tax revenue will continue to grow by an estimated 2%; and
- Property tax revenues will grow by an estimated 1%.
- Key sectors of the local economy are showing signs of continued growth.

REQUESTS FOR INFORMATION

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

(This page intentionally left blank)

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

CITY OF PLACENTIA
STATEMENT OF NET POSITION
JUNE 30, 2014

	Governmental Activities	Business-type Activities	Total
ASSETS			
Current assets:			
Cash and investments	\$ 5,857,086	\$ 2,531,799	\$ 8,388,885
Cash and investments with fiscal agent	923,654	-	923,654
Receivables:			
Accounts (net of allowance for uncollectibles)	698,007	115,973	813,980
Taxes	1,898,213	40,297	1,938,510
Interest	5,051	-	5,051
Internal balances	2,601,940	(2,601,940)	-
Loans receivable	87,749	-	87,749
Deposits	109,967	-	109,967
Inventory of supplies	27,504	-	27,504
Land held for resale	1,948,103	-	1,948,103
Total Current Assets	<u>14,157,274</u>	<u>86,129</u>	<u>14,243,403</u>
Noncurrent assets:			
Deferred costs of issuance	265,162	-	265,162
Capital Assets:			
Non-depreciable capital assets	28,747,609	-	28,747,609
Depreciable capital assets, net of accumulated depreciation	52,703,936	11,759,717	64,463,653
Total Capital Assets	<u>81,451,545</u>	<u>11,759,717</u>	<u>93,211,262</u>
Total Assets	<u>95,873,981</u>	<u>11,845,846</u>	<u>107,719,827</u>
LIABILITIES			
Current liabilities:			
Accounts payable	1,333,496	673,272	2,006,768
Payroll payable	353,441	9,583	363,024
Interest payable	158,541	-	158,541
Unearned revenue	-	-	-
Insurance claims payable, current	1,187,672	-	1,187,672
Compensated absences, current	809,267	22,457	831,724
Long-term debt, current	749,729	-	749,729
Total Current Liabilities	<u>4,592,146</u>	<u>705,312</u>	<u>5,297,458</u>
Noncurrent liabilities:			
Insurance claims payable	2,080,143	-	2,080,143
Compensated absences	2,164,406	60,640	2,225,046
Net OPEB obligation	2,583,692	-	2,583,692
OCTA advance	3,805,291	-	3,805,291
Long-term debt	12,767,443	-	12,767,443
Total Noncurrent Liabilities	<u>23,400,975</u>	<u>60,640</u>	<u>23,461,615</u>
Total Liabilities	<u>27,993,121</u>	<u>765,952</u>	<u>28,759,073</u>
NET POSITION			
Net investment in capital assets	72,289,432	11,759,717	84,049,149
Restricted:			
Special revenue	1,189,581	-	1,189,581
Capital projects	1,740,321	-	1,740,321
Total restricted	<u>2,929,902</u>	<u>-</u>	<u>2,929,902</u>
Unrestricted	<u>(7,338,474)</u>	<u>(679,823)</u>	<u>(8,018,297)</u>
Total Net Position	<u>\$ 67,880,860</u>	<u>\$ 11,079,894</u>	<u>\$ 78,960,754</u>

See accompanying notes to basic financial statements

CITY OF PLACENTIA

**STATEMENT OF ACTIVITIES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2014**

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Contributions	Capital Contributions
Governmental Activities				
General government	\$ 9,680,844	\$ 2,408,046	\$ -	\$ -
Public safety	16,921,336	1,282,134	161,215	-
Public works	5,665,194	3,238,463	802,855	1,634,268
Community services	1,412,879	590,263	-	-
Interest on long-term debt	685,011	-	-	-
Total Governmental Activities	<u>34,365,264</u>	<u>7,518,906</u>	<u>964,070</u>	<u>1,634,268</u>
Business-type Activities				
Refuse	2,949,889	2,864,929	-	-
Compressed natural gas	-	118,708	-	-
Sewer maintenance	1,070,618	884,096	-	-
Total Business-Type Activities	<u>4,020,507</u>	<u>3,867,733</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 38,385,771</u>	<u>\$ 11,386,639</u>	<u>\$ 964,070</u>	<u>\$ 1,634,268</u>
General Revenues				
Taxes:				
Property taxes				
Sales and use taxes				
Utility users tax				
Real property transfer tax				
Transient occupancy tax				
Franchise taxes				
Other taxes				
Sale of impound vehicles				
Investment income				
Other				
Transfers in and out				
Total General Revenues and Transfers				
Change in Net Position				
Net Position at Beginning of Year				
Net Position at End of Year				

See accompanying notes to basic financial statements

(Net Expense) Revenue and Changes in Net Position

<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>	<u>Total</u>
\$ (7,272,798)	\$ -	\$ (7,272,798)
(15,477,987)	-	(15,477,987)
10,392	-	10,392
(822,616)	-	(822,616)
(685,011)	-	(685,011)
<u>(24,248,020)</u>	<u>-</u>	<u>(24,248,020)</u>
-	(84,960)	(84,960)
-	118,708	118,708
-	(186,522)	(186,522)
<u>-</u>	<u>(152,774)</u>	<u>(152,774)</u>
<u>(24,248,020)</u>	<u>(152,774)</u>	<u>(24,400,794)</u>
11,804,238	-	11,804,238
5,847,742	-	5,847,742
2,799,848	-	2,799,848
186,353	-	186,353
775,422	-	775,422
2,228,157	-	2,228,157
68,940	-	68,940
150,700	-	150,700
24,537	1,986	26,523
554,384	75,000	629,384
4,493	(4,493)	-
<u>24,444,814</u>	<u>72,493</u>	<u>24,517,307</u>
196,794	(80,281)	116,513
67,684,066	11,160,175	78,844,241
<u>\$ 67,880,860</u>	<u>\$ 11,079,894</u>	<u>\$ 78,960,754</u>

See accompanying notes to basic financial statements

FUND FINANCIAL STATEMENTS

CITY OF PLACENTIA
GOVERNMENTAL FUNDS
JUNE 30, 2014

GENERAL FUND

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

SPECIAL REVENUE FUNDS

The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than trusts for individuals, private organizations, or other governments or for major capital projects) that are legally restricted to expenditure for specified purposes. The following Special Revenue Fund has been classified as major in the accompanying financial statements:

Housing Successor Agency– This fund is used to account for balance of the former low and moderate income housing funds of the former Placentia Redevelopment Agency and revenues and expenditures related to such housing projects and programs.

CAPITAL PROJECTS FUNDS

The Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities other than those financed by Proprietary Fund Types. The following Capital Projects fund has been classified as major in the accompanying fund financial statements:

City Capital Projects Fund – Used to account for financing and construction within the boundaries of the City.

CITY OF PLACENTIA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2014

	<u>General</u>	<u>Special Revenue</u>
	<u>Fund</u>	<u>Housing Successor Agency</u>
ASSETS		
Cash and investments	\$ 539,639	\$ -
Cash and investments with fiscal agent	439,023	-
Accounts receivable	126,528	58,274
Taxes receivable	1,534,603	-
Interest receivable	5,051	-
Due from other funds	3,445,997	-
Loans receivable	4,000	83,749
Land held for resale	-	1,948,103
Total Assets	\$ 6,094,841	\$ 2,090,126
 LIABILITIES		
Accounts payable	\$ 530,377	\$ 1,997
Payroll payable	342,000	-
Due to other funds	-	412,503
Deferred inflow of resources:		
Unavailable revenues	332,667	-
Total Liabilities	1,205,044	414,500
 FUND BALANCE		
Nonspendable	3,449,997	2,031,852
Restricted	439,023	-
Unassigned	1,000,777	(356,226)
Total Fund Balances	4,889,797	1,675,626
Total Liabilities and Fund Balances	\$ 6,094,841	\$ 2,090,126

See accompanying notes to basic financial statements.

<u>Capital Projects</u>		
<u>City Projects</u>	<u>Non-Major</u>	<u>Total</u>
<u>Fund</u>	<u>Governmental</u>	<u>Governmental</u>
	<u>Funds</u>	<u>Funds</u>
\$ -	\$ 2,188,255	\$ 2,727,894
-	484,631	923,654
391,711	119,637	696,150
-	363,610	1,898,213
-	-	5,051
-	-	3,445,997
-	-	87,749
-	-	1,948,103
<u>\$ 391,711</u>	<u>\$ 3,156,133</u>	<u>\$ 11,732,811</u>
\$ 366,051	\$ 217,478	\$ 1,115,903
-	6,754	348,754
361,932	69,622	844,057
-	-	332,667
<u>727,983</u>	<u>293,854</u>	<u>2,641,381</u>
-	-	5,481,849
-	2,929,902	3,368,925
(336,272)	(67,623)	240,656
<u>(336,272)</u>	<u>2,862,279</u>	<u>9,091,430</u>
<u>\$ 391,711</u>	<u>\$ 3,156,133</u>	<u>\$ 11,732,811</u>

See accompanying notes to basic financial statements.

CITY OF PLACENTIA

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2014**

Fund Balances of Governmental Funds	\$ 9,091,430
<p>Amounts reported for governmental activities in the Statement of Net Position are different because:</p>	
<p>Capital assets used in governmental activities are not financial resources and, therefore, were not reported in the funds:</p>	
Governmental activities	81,323,740
Internal service funds capital assets allocated to governmental activities	127,805
<p>Long-term liabilities, including insurance claims payable, applicable to governmental activities are not due and payable in the current period and, accordingly, are not reported as governmental fund liabilities. All liabilities (both current and long-term) are reported in the Statement of Net Position.</p>	
Governmental activities	(13,517,172)
Compensated absences	(2,973,673)
OCTA advance	(3,805,291)
Internal service funds	(3,267,815)
<p>Post employment benefits are paid on a pay-as-you-go basis which differs from the actuarially determined Annual Required Contribution ("ARC").</p>	(2,583,692)
Unamortized issuance costs on certificates of participation	265,162
<p>Accrued interest payable for the current portion of interest due on long-term liabilities has not been reported in the governmental funds.</p>	(158,541)
<p>Deferred revenue balances relating to certain loans receivable and accounts receivable are not reported as liabilities in the Statement of Net Assets since revenue recognition is not based upon measurable and available criteria.</p>	332,667
<p>The Internal Service Funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the Internal Service Funds must be added to the Statement of Net Assets.</p>	<u>3,046,240</u>
Net Assets of Governmental Activities	<u>\$ 67,880,860</u>

See accompanying notes to basic financial statements.

(This page intentionally left blank)

CITY OF PLACENTIA

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Special Revenue</u>		<u>Capital Projects</u>
	<u>General Fund</u>	<u>Housing Successor Agency</u>	<u>City Capital Projects</u>
REVENUES:			
Taxes:			
Property taxes	\$ 11,804,238	\$ -	\$ -
Sales and use taxes	5,847,742	-	-
Other taxes	3,338,556	-	-
Intergovernmental	58,058	-	851,000
Licenses and permits	1,618,068	-	-
Fines and forfeitures	459,123	-	-
Investment income (loss)	206,104	-	-
Charges for services	1,189,249	57,750	-
Lease revenue	1,015,157	21,041	-
Miscellaneous	555,952	-	95,068
Total Revenues	<u>26,092,247</u>	<u>78,791</u>	<u>946,068</u>
EXPENDITURES:			
Current:			
General government	4,077,843	51,275	82,973
Public safety	16,672,410	-	-
Public works	2,440,706	-	2,030,058
Community development	1,277,848	-	-
Capital outlay	-	-	24,254
Debt Service:			
Principal	200,000	-	313,194
Interest	308,625	-	-
Total Expenditures	<u>24,977,432</u>	<u>51,275</u>	<u>2,450,479</u>
Excess (Deficiency) or Revenues Over (Under) Expenditures	<u>1,114,815</u>	<u>27,516</u>	<u>(1,504,411)</u>
OTHER FINANCING SOURCES (USES):			
Transfers in	3,326,298	-	2,307,497
Transfers out	(5,304,298)	-	-
Total Other Financing Sources (Uses)	<u>(1,978,000)</u>	<u>-</u>	<u>2,307,497</u>
Net Change in Fund Balances	(863,185)	27,516	803,086
Fund Balances, Beginning of Year	5,752,982	1,648,110	(1,139,358)
Fund Balances, End of Year	<u>\$ 4,889,797</u>	<u>\$ 1,675,626</u>	<u>\$ (336,272)</u>

See accompanying notes to basic financial statements.

Non-Major Governmental Funds	Total Governmental Funds
\$ -	\$ 11,804,238
-	5,847,742
2,799,848	6,138,404
2,886,147	3,795,205
-	1,618,068
116,070	575,193
3,461	209,565
664,662	1,911,661
-	1,036,198
400,150	1,051,170
<u>6,870,338</u>	<u>33,987,444</u>
199,514	4,411,605
186,715	16,859,125
1,008,724	5,479,488
135,031	1,412,879
55,234	79,488
436,116	949,310
306,558	615,183
<u>2,327,892</u>	<u>29,807,078</u>
<u>4,542,446</u>	<u>4,180,366</u>
1,364,671	6,998,466
<u>(6,005,578)</u>	<u>(11,309,876)</u>
<u>(4,640,907)</u>	<u>(4,311,410)</u>
(98,461)	(131,044)
2,960,740	9,222,474
<u>\$ 2,862,279</u>	<u>\$ 9,091,430</u>

See accompanying notes to basic financial statements.

CITY OF PLACENTIA

**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2014**

Net Change in Fund Balances - Total Governmental Funds \$ (131,044)

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

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. As a result, fund balances decrease by the amount of financial resources expended, whereas net assets decrease by the amount of depreciation expense charged for the year.

Capital outlay	2,068,436
Depreciation expense, net of disposals	(2,353,493)

Post employment benefits are paid on a pay-as-you-go basis which differs from the actuarially determined Annual Required Contribution (ARC). (385,205)

Repayment of long-term debt principal is an expenditure in the governmental funds and, thus, has the effect of reducing the fund balances because current financial resources have been used. For the City as a whole, however, the principal payments reduce the liabilities in the Statement of Net Assets and do not result in an expense in the Statement of Activities. 1,135,202

Accrued interest expense related to long-term liabilities. This amount is the difference between the amount of interest paid and the amount of interest incurred on long-term liabilities. 16,575

Compensated absences expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. 306,134

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

Amortization of debt discounts	(8,914)
Amortization of debt issuance costs	(27,131)
Amortization of deferred refunding charge	(50,358)

Certain loans and grants receivable that have been accrued but not collected are reflected as deferred revenue in the governmental funds. However, earned revenue is recognized in the Statement of Activities, regardless of when the receivables were collected. (24,682)

Internal Service Funds are used by management to charge the costs of certain activities to individual funds. The net revenues (expenses) of the Internal Service Funds are reported with governmental activities. (428,705)

Other 79,979

Change in Net Assets of Governmental Activities \$ 196,794

See accompanying notes to basic financial statements.

CITY OF PLACENTIA
PROPRIETARY FUNDS
JUNE 30, 2014

MAJOR ENTERPRISE FUNDS

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

The following Enterprise Funds have been classified as major funds:

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

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

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

INTERNAL SERVICE FUNDS

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

CITY OF PLACENTIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2014

	Business-type Activities		
	Refuse	CNG	Sewer Maintenance
ASSETS			
Current assets:			
Cash and investments	\$ 84,332	\$ 460,216	\$ 1,987,251
Accounts receivable	-	23,537	92,436
Taxes receivable	40,297	-	-
Due from other funds	-	-	161,932
Deposits	-	-	-
Inventory of supplies	-	-	-
Total Current Assets	124,629	483,753	2,241,619
Noncurrent assets:			
Capital assets, net of accumulated depreciation	-	-	11,759,717
Total Assets	124,629	483,753	14,001,336
LIABILITIES			
Current liabilities:			
Accounts payable	637,670	-	35,602
Payroll payable	3,560	-	6,023
Due to other funds	2,763,872	-	-
Compensated absences, current	7,734	-	13,391
Insurance claims payable, current	-	-	-
Total Current Liabilities	3,412,836	-	55,016
Noncurrent Liabilities:			
Compensated absences	22,686	-	39,286
Total Noncurrent Liabilities	22,686	-	39,286
Total Liabilities	3,435,522	-	94,302
NET POSITION			
Net investment in capital assets	-	-	11,759,717
Unrestricted	(3,310,893)	483,753	2,147,317
Total Net Position	\$ (3,310,893)	\$ 483,753	\$ 13,907,034

See accompanying notes to basic financial statements.

Business-type Activities	Governmental Activities
Total	Internal Service Funds
\$ 2,531,799	\$ 3,129,192
115,973	1,857
40,297	-
161,932	-
-	109,967
-	27,504
<u>2,850,001</u>	<u>3,268,520</u>
<u>11,759,717</u>	<u>127,805</u>
<u>14,609,718</u>	<u>3,396,325</u>
673,272	217,593
9,583	4,687
2,763,872	-
21,125	-
-	-
<u>3,467,852</u>	<u>222,280</u>
<u>61,972</u>	<u>-</u>
<u>61,972</u>	<u>-</u>
<u>3,529,824</u>	<u>222,280</u>
11,759,717	127,805
(679,823)	3,046,240
<u>\$ 11,079,894</u>	<u>\$ 3,174,045</u>

See accompanying notes to basic financial statements.

CITY OF PLACENTIA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2014

	Business-type Activities		
	Refuse	CNG	Sewer Maintenance
OPERATING REVENUES			
Reimbursements	\$ -	\$ 118,708	\$ -
Charges for services:			
Landfill	359,025	-	-
Contractor	2,505,904	-	-
Natural gas sales	-	-	-
Service charges	-	-	883,792
Miscellaneous	-	-	304
Total Operating Revenues	<u>2,864,929</u>	<u>118,708</u>	<u>884,096</u>
OPERATING EXPENSES			
Administration	136,124	-	59,396
Reinsurance premiums	-	-	-
Claims	-	-	-
Medical and dental premiums	-	-	-
Liability insurance premiums	-	-	-
Maintenance	254,981	-	496,122
Depreciation expense	-	-	515,100
Landfill and contractor charges	2,558,784	-	-
Total Operating Expenses	<u>2,949,889</u>	<u>-</u>	<u>1,070,618</u>
Operating Loss	<u>(84,960)</u>	<u>118,708</u>	<u>(186,522)</u>
NON-OPERATING REVENUES (EXPENSES)			
Lease revenue	-	75,000	-
Investment income	-	630	1,356
Total Non-Operating Revenues	<u>-</u>	<u>75,630</u>	<u>1,356</u>
Income (loss) before transfers	<u>(84,960)</u>	<u>194,338</u>	<u>(185,166)</u>
Transfers in	-	-	-
Transfers out	-	-	(4,493)
Total transfers	<u>-</u>	<u>-</u>	<u>(4,493)</u>
Change in Net Position	(84,960)	194,338	(189,659)
Fund Net Position at Beginning of Year	(3,225,933)	289,415	14,096,693
Fund Net Position at End of Year	<u>\$ (3,310,893)</u>	<u>\$ 483,753</u>	<u>\$ 13,907,034</u>

See accompanying notes to basic financial statements.

Business-type Activities	Governmental Activities
Total	Internal Service Funds
\$ 118,708	\$ 54,334
359,025	-
2,505,904	-
-	-
883,792	-
304	142
<u>3,867,733</u>	<u>54,476</u>
195,520	2,660,342
-	107,859
-	343,408
-	943,369
-	592,602
751,103	-
515,100	151,504
2,558,784	-
<u>4,020,507</u>	<u>4,799,084</u>
<u>(152,774)</u>	<u>(4,744,608)</u>
75,000	-
1,986	-
<u>76,986</u>	<u>-</u>
<u>(75,788)</u>	<u>(4,744,608)</u>
-	4,315,903
(4,493)	-
<u>(4,493)</u>	<u>4,315,903</u>
(80,281)	(428,705)
11,160,175	3,602,750
<u>\$ 11,079,894</u>	<u>\$ 3,174,045</u>

See accompanying notes to basic financial statements.

CITY OF PLACENTIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2014

	Business-type Activities		
	Refuse	CNG	Sewer Maintenance
Cash Flows from Operating Activities:			
Cash received from customers	\$ 2,860,204	\$ 235,917	\$ 894,744
Cash payments to suppliers for goods and services	(2,530,934)	-	(281,243)
Cash payments to employees	(234,119)	-	(310,134)
Net Cash Provided By (used for) Operating Activities	<u>95,151</u>	<u>235,917</u>	<u>303,367</u>
Cash Flows from Non-Capital Financing Activities:			
Cash received from other funds	-	-	-
Cash paid to other funds	(10,819)	-	281,992
Net Cash Provided By (used for) Non-Capital Financing Activities	<u>(10,819)</u>	<u>-</u>	<u>281,992</u>
Cash Flows used for Capital Financing Activities:			
Acquisition of equipment	-	-	-
Cash Flows from Investing Activities:			
Interest received on investments	-	630	1,356
Net Increase (Decrease) in Cash and Cash Equivalents	84,332	236,547	586,715
Cash and Cash Equivalents at Beginning of Year	-	223,669	1,400,536
Cash and Cash Equivalents at End of Year	<u>\$ 84,332</u>	<u>\$ 460,216</u>	<u>\$ 1,987,251</u>
Reconciliation of Operating Loss to Net Cash Provided by (Used for) Operating Activities:			
Operating loss	\$ (84,960)	\$ 118,708	\$ (186,522)
Adjustments to reconcile operating income to net cash provided by (used for) operating activities:			
Depreciation	-	-	515,100
Nonoperating revenue	-	-	-
(Increase) decrease in accounts receivable	(4,725)	117,209	10,648
(Increase) decrease in due from other governments	-	-	-
(Increase) decrease in deposits	-	-	-
(Increase) decrease in inventory of supplies	-	-	-
Increase (decrease) in accounts payable	210,340	-	(23,028)
Increase (decrease) in payroll payable	(2,746)	-	(2,631)
Increase (decrease) in deferred revenue	-	-	-
Increase (decrease) in compensated absences payable	(22,758)	-	(10,200)
Increase (decrease) in insurance claims payable	-	-	-
Total Adjustments	<u>180,111</u>	<u>117,209</u>	<u>489,889</u>
Net Cash Provided By (Used for) Operating Activities	<u>\$ 95,151</u>	<u>\$ 235,917</u>	<u>\$ 303,367</u>

See accompanying notes to basic financial statements.

Business-type Activities	Governmental Activities
Total	Internal Service Funds
\$ 3,990,865	\$ 42,880
(2,812,177)	(4,216,883)
(544,253)	(524,345)
<u>634,435</u>	<u>(4,698,348)</u>
-	4,315,903
<u>271,173</u>	-
271,173	4,315,903
-	-
1,986	-
907,594	(382,445)
1,624,205	3,511,637
<u>\$ 2,531,799</u>	<u>\$ 3,129,192</u>
<u>\$ (152,774)</u>	<u>\$ (4,744,608)</u>
515,100	151,504
-	-
123,132	(1,790)
-	-
-	(9,806)
-	20,968
187,312	(108,764)
(5,377)	(5,852)
-	-
(32,958)	-
-	-
<u>787,209</u>	<u>46,260</u>
<u>\$ 634,435</u>	<u>\$ (4,698,348)</u>

See accompanying notes to basic financial statements.

CITY OF PLACENTIA

FIDUCIARY FUNDS

JUNE 30, 2014

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

RDA Successor Agency Private Purpose Trust Fund ("RDA Successor Agency") is used to account for monies received from the Orange County Auditor Controller for the repayment of the enforceable obligations of the former Placentia Redevelopment Agency. These funds are restricted for the sole purpose of payment of items on an approved Recognized Obligation Payment Schedule ("ROPS"). See Note 21 for more details.

CITY OF PLACENTIA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2014

	<u>Agency Funds</u>	<u>RDA Successor Agency Fund</u>
ASSETS		
Cash and investments	\$ 3,828,644	\$ (235,793)
Cash and investments with fiscal agent	1,904,743	1,095,565
Taxes receivable	26,207	-
Cost of issuance of bonds, net	-	301,120
Total Assets	5,759,594	1,160,892
LIABILITIES		
Accounts payable	-	8,568
Interest payable	-	214,865
Due to other governments	165,167	991,314
Deposits payable	5,594,427	-
Long-term liabilities:		
Due within one year	-	455,000
Due in more than one year	-	12,665,000
Total Liabilities	5,759,594	14,334,747
Net position		
Held in trust for the retirement of obligations of the former Placentia Redevelopment Agency (Note 22)	\$ -	\$ (13,173,855)

See accompanying notes to basic financial statements.

CITY OF PLACENTIA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CITY OF PLACENTIA AS RDA SUCCESSOR
AGENCY PRIVATE PURPOSE TRUST FUND
FOR THE YEAR ENDED JUNE 30, 2014

	RDA Successor Agency Private Purpose Trust Fund
Additions	
Property taxes	\$ 1,989,049
Investment income	15,700
Lease revenue	993,986
Total Additions	<u>2,998,735</u>
Deductions	
Program expenses of the former redevelopment agency	1,859,508
General government	78,594
Interest and fiscal agency expenses of former redevelopment agency	1,042,323
Total Deductions	<u>2,980,425</u>
Change in net position	18,310
Net position - beginning	<u>(13,192,165)</u>
Net position - ending	<u>\$ (13,173,855)</u>

See accompanying notes to basic financial statements.

CITY OF PLACENTIA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

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

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

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

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

Brief description of the City’s blended component unit is as follows:

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

Since the City Council serves as the governing board for this component unit, they are considered to be a blended component unit.

The Public Financing Authority did not have any financial activity during the 2013-2014 fiscal year, and therefore, is not presented in the financial statements.

CITY OF PLACENTIA

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Economic Factors and Budgeting Process

The City has a history of balancing its budget through one-time revenue sources, projections of structural deficits for the next several fiscal years absent corrective actions, limited ability to identify and raise revenues without voter approval, deferred infrastructural maintenance and/or replacement requirements that will require expenditures in the near-term and significant, increasing unfunded pension obligations. These conditions raise substantial doubt about its ability to continue as a going concern.

In response to this finding the City Council has decided to form a Citizens Fiscal Sustainability Task Force which will consist of seven City Council appointed members. This task force will be presented with the City's financial situation. They will be presented with the various options discussed and partially implemented by the City Council. These options include but are not limited to:

- Increased economic development
- Pursuit of outdoor advertising opportunities
- Partnerships with other agencies for shared police department command and dispatch
- Grants
- Public works privatization
- Review of City property to ensure the City is using it to its maximum extent, including identifying possible cell tower sights and leasing opportunities

In addition the task force will be asked to consider the viability of putting various tax measures on the ballot. These tax measures all of which are estimated to gross \$3 to \$5 million annually include raising the Utility Users' Tax from 3.5% to 7% - 10%; raising Sales/Use Tax by ½ to 1 cent, and creating a citywide Public Safety Assessment District with an annual fee of \$170 to \$225 per residence.

It is anticipated that the task force will complete their study and have their findings by May 15, 2015. At that time the City Council will consider their findings and make the decisions necessary to move toward fixing the City's structural deficit.

The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

C. Fund Types

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

Governmental Fund Types

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

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than trusts for individuals, private organizations, or other governments or for major capital projects) that are legally restricted to expenditure for specified purposes.

CITY OF PLACENTIA

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Fund Types (continued)

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

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

Proprietary Fund Types

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

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

Fiduciary Fund Types

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

The Placentia Redevelopment Agency was established on December 7, 1982, pursuant to the State of California Health and Safety Code Section 33000 entitled, "Community Redevelopment Law." Although it was a legally separate entity from the City, the Redevelopment Agency was reported as if it were part of the City because of its purpose was to encourage private redevelopment of property and to rehabilitate areas suffering from economic blight within the territorial limits of the City. The Redevelopment Agency was dissolved on February 1, 2012, resulting in all assets and liabilities being transferred to the RDA Successor Agency. See Note 21 for further discussion.

CITY OF PLACENTIA

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting

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

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

Financial reporting is based upon all GASB pronouncements.

Government–Wide Financial Statements

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

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

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

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

CITY OF PLACENTIA

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting (continued)

Fund Financial Statements

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

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

Governmental Funds

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

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

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

CITY OF PLACENTIA

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014

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

D. Measurement Focus and Basis of Accounting (Continued)

Governmental Funds (Continued)

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

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

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

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

Proprietary Funds

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

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

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

CITY OF PLACENTIA

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014

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

E. Major Funds

The City reports the following major governmental funds:

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

Housing Successor Agency– This fund is used to account for balance of the former low and moderate income housing funds of the former Placentia Redevelopment Agency and revenues and expenditures related to such housing projects and programs.

The City reports the following major capital projects fund:

City Capital Projects Fund – Used to account for financing and construction within the boundaries of the City.

The City reports the following major enterprise funds:

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

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

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

CITY OF PLACENTIA

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014**

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

F. Cash and Investments

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

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

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

G. Cash Equivalents

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

H. Inventory of Supplies

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

I. Deferred Costs of Issuance and Amortization of Discounts

Deferred costs of issuance represent bond issue costs and underwriter's discounts incurred with the issuance of long term debt obligations. Costs of \$265,162, net of accumulated amortization, are reflected on the Statement of Net Assets. Deferred financing costs are being amortized on a straight-line basis over the life of the related debt. Amortization expense of \$27,130 for the fiscal year ended June 30, 2014 has been included in the General Government activity within the Statement of Activities.

CITY OF PLACENTIA

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Capital Assets

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

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

K. Compensated Absences

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

Under GASB Statement No. 16, a liability is recorded for unused sick leave balances only to the extent that it is probable that the unused balances will result in termination payments. This is estimated by including in the liability the unused balances of employees currently entitled to receive termination payment, as well as those who are expected to become eligible to receive termination benefits as a result of continuing their employment with the City. Other amounts of unused sick leave are excluded from the liability since their payment is contingent solely upon the occurrence of a future event (illness) which is outside the control of the City and the employee.

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

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

CITY OF PLACENTIA

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Interest Payable

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

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

M. Deferred Inflow of Resources

Deferred inflow of resources represents receivables at year-end that will not be collected soon enough to finance current year expenditures, and grant reimbursement revenue received in advance of the recognition of related fund expenditure. The General Fund reported \$332,667 of unavailable revenue.

N. Long-Term Obligations

In the Government-Wide Financial Statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities Statement of Net Assets. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt using the effective interest method.

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

O. Property Taxes

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

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

P. Interfund Transfers, Administrative and Overhead Charges

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

CITY OF PLACENTIA

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Q. Net Position

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

Net investment in capital assets – This amount consists of capital assets net of accumulated depreciation and reduced by outstanding debt that attributed to the acquisition, construction, or improvement of the assets.

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

Unrestricted Net Position – This amount is all net assets that do not meet the definition of “invested in capital assets, net of related debt” or “restricted net assets”. This amount may be a deficit to the extent that a government has elected to fund certain long-term liabilities as they come due rather than when they are incurred.

R. Fund Balances

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

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

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

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

Assigned – Assigned fund balances encompass the portion of net fund resources reflecting the government’s intended use of resources. Assignment of resources can be done by the highest level of decision making or by a committee or official designated for that purpose. The City Council has authorized the City Administrator and the Chief Financial Officer for that purpose. A formal notice from either official is required to assign a fund balance. There are no committed fund balances as of June 30, 2014.

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

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

CITY OF PLACENTIA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

S. Use of Estimates

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

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

Debt service for the outstanding 2003 Certificates of Participation (“COP”) is funded from rents paid by the City to the RDA Successor Agency based upon an agreement dated May 1, 2003. This agreement specifies that based upon a previous resolution, construction of the 1994 Project was of benefit to the amended project area. Accordingly it was subsequently determined that 87.52 percent of the additional capital improvements and facilities and related costs funded as part of the May 2003 Project and the November 2003 Project are of substantial benefit to the project area. The City has covenanted to make rental payments for the full amount of the debt service payment; and the RDA Successor Agency has covenanted to reimburse the City of the 87.52 percent of the debt service payment. As more fully described at Note 22, the Placentia Redevelopment Agency was dissolved as of February 1, 2012, the assets and liabilities of the former Placentia Redevelopment Agency were transferred to the RDA Successor Agency. The full amount of the 2003 COP debt is included in the Government-Wide Statement of Net Assets (Note 8). The City will continue to be reimbursed annually by the RDA Successor Agency for its 87.52 percent of the debt service payment.

U. Rental Properties

The RDA Successor Agency owns several properties which it rents on a temporary basis until the original projects begin construction. Additionally, the RDA Successor Agency collects rental income on properties owned by the City as the intent of Management was that the RDA Successor Agency receives the rental benefits of those properties until such time construction projects begin. Before the dissolution of the former Placentia Redevelopment Agency at February 1, 2012, rental income was presented as lease revenue in the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance. After the dissolution of the former redevelopment agency, rental income for the Low and Moderate Income Housing fund is presented in the Housing Successor Agency fund and rental income for other redevelopment funds are presented in the RDA Successor Agency Private Trust fund. See Note 22 for more details.

V. Future Accounting Pronouncements

The City is currently reviewing its accounting practices to determine the potential impacts on the financial statements for the following GASB Statements:

GASB Statement No. 68, Accounting and Financial Reporting for Pension; an amendment of GASB Statement No. 27. This Statement replaces the requirements of Statement No. 27 and No. 50 related to pension plans that are administered through trusts or equivalent arrangements. The requirements of Statements No. 27 and No. 50 remain applicable for pensions that are not administered as trusts or equivalent arrangements. The requirements of this Statement are effective for financial statements for fiscal years beginning after June 15, 2014. Refer to Note 14 for proforma effects of adoption of GASB Statement No. 68.

CITY OF PLACENTIA

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

V. Future Accounting Pronouncements (Continued)

GASB Statement No. 69, Government Combinations and Disposals of Government Operations. This Statement establishes accounting and financial reporting standards for mergers, acquisitions, and transfers of operations (i.e., government combinations). The Statement also provides guidance on how to determine the gain or loss on a disposal of government operations. This Statement applies to all state and local governmental entities. The requirements of this Statement should be applied prospectively and are effective for government combinations and disposals of government operations occurring in financial reporting periods beginning after December 15, 2013.

GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date, an amendment of GASB Statement No. 68. This Statement should be applied simultaneously with GASB Statement No. 68.

W. Subsequent Events

The city has evaluated subsequent events through February 26, 2015, the date the financial statements were available to be issued.

NOTE 2 – CASH AND INVESTMENTS

Cash and investments as of June 30, 2014, are classified as follows:

Statement of Net Position:

Governmental Activities:

Cash and investments	\$ 5,857,086
Cash and investments held with fiscal agent	923,654

Business-Type Activities:

Cash and investments	2,531,799
----------------------	-----------

Fiduciary Funds Statement of Assets and Liabilities:

Cash and investments	3,592,851
Cash and investments held with fiscal agent	3,000,308

Total Cash and Investments	\$ 15,905,698
----------------------------	---------------

Cash and investments as of June 30, 2014 consisted of the following:

Petty cash	\$ 17,790
Demand deposits	384,821
Total Cash	402,611

Investments	11,579,125
-------------	------------

Investments held with fiscal agent	3,923,962
------------------------------------	-----------

Total Investments	15,503,087
-------------------	------------

Total Cash and Investments	\$ 15,905,698
----------------------------	---------------

CITY OF PLACENTIA

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014**

NOTE 2 – CASH AND INVESTMENTS (Continued)

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

Statement of Net Position:	
Cash and investments	\$ 8,388,885
Cash and investments with fiscal agent	923,654
Fiduciary Funds Statement of Assets and Liabilities:	
Cash and investments	3,592,851
Cash and investments with fiscal agent	3,000,308
Total Cash and Investments	\$15,905,698

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

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

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

Investment Authorized by Debt Agreements

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

CITY OF PLACENTIA

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014**

NOTE 2 – CASH AND INVESTMENTS (Continued)

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

Disclosures Relating to Interest Rate Risk

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

Investment Type	Fair Value	Maturity	
		12 Months or Less	Greater Than 12 Months
<i>Cash and investments:</i>			
Local Agency Investment Fund	\$11,579,125	\$11,579,125	\$ -
<i>Cash and investments with fiscal agents:</i>			
Money market mutual funds	3,352,462	3,352,462	-
Investment agreement	571,500	-	571,500
	<u>\$15,503,087</u>	<u>\$14,931,587</u>	<u>\$ 571,500</u>

Disclosure Relating to Credit Risk

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

CITY OF PLACENTIA

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014**

NOTE 2 – CASH AND INVESTMENTS (Continued)

Investment Type	Fair Value	Minimum Legal Rating	Ratings	
			AAA	Unrated
<i>Cash and investments:</i>				
Local Agency Investment Fund	\$ 11,579,125	N/A	\$ -	\$11,579,125
<i>Cash and investments with fiscal agents:</i>				
Money market mutual funds	3,352,462	AAA	3,352,462	-
Investment agreement	571,500	N/A	-	571,500
	<u>\$ 15,503,087</u>		<u>\$ 3,352,462</u>	<u>\$12,150,625</u>

Concentration of Credit Risk

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

Custodial Credit Risk

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

The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110 percent of the total amount deposited by the public agencies. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150 percent of the secured public deposits. At June 30, 2014, the balances held in bank accounts collateralized by the pledging financial institution, but not in the City's name, were in excess of federal depository insurance limits.

Investment in State Investment Pool

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

CITY OF PLACENTIA

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014**

NOTE 2 – CASH AND INVESTMENTS (Continued)

Investment in State Investment Pool (Continued)

The total amount invested by all public agencies in LAIF as of June 30, 2014 was \$21.1 billion. LAIF is part of the California Pooled Money Investment Account (PMIA), which at June 30, 2014 had a balance of \$64.8 billion, of that amount, 53.82% was invested in treasury bills and treasury notes. The weighted average maturity of PMIA investments was 232 days as of June 30, 2014. The LAIF rate of return for the year ending June 30, 2014 was 0.228 percent.

NOTE 3 – INTERFUND TRANSACTIONS

Due To/From Other Funds

Due to Other Funds	Due From Other Funds		Total
	Governmental Funds	Proprietary Funds	
	General Fund	Sewer Maintenance	
Governmental Funds:			
Housing Successor Agency	\$ 412,503	\$ -	\$ 412,503
City Capital Projects	200,000	161,932	361,932
Housing and Community Development	69,622	-	69,622
Proprietary Funds:			
Refuse	2,763,872	-	2,763,872
Total	\$ 3,445,997	\$ 161,932	\$ 3,607,929

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

The amount due from the refuse fund to the general fund represents franchise fees collected by the refuse fund, but not remitted to the general fund in prior periods. Terms of a reimbursement agreement require the repayment of the franchise fees over a 10 year period at \$300,000 annually, when funds are available. For the year ended June 30, 2014, there was a lack of available cash in the refuse fund therefore no funds were remitted to the general fund.

CITY OF PLACENTIA

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014**

NOTE 3 – INTERFUND TRANSACTIONS (Continued)

Interfund Transfers

Transfers-Out	Transfers-In				Total
	Governmental Funds		Non-Major Governmental Funds	Proprietary Funds	
	General Fund	City Projects Fund		Internal Service Funds	
Governmental Funds:					
General Fund	\$ -	\$ 106,324	\$ 882,071	\$ 4,315,903	\$ 5,304,298
Non-Major Governmental Funds	3,326,298	2,196,681	482,600	-	6,005,579
Proprietary Funds:					
Sewer Maintenance	-	4,492	-	-	4,492
Total	<u>\$ 3,326,298</u>	<u>\$ 2,307,497</u>	<u>\$ 1,364,671</u>	<u>\$ 4,315,903</u>	<u>\$ 11,314,369</u>

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

NOTE 4 – LOANS RECEIVABLE

Loans receivable consisted of the following:

The Placentia Redevelopment Agency entered into an owner participation agreement dated January 5, 2001. Pursuant to that agreement, the Agency loaned \$150,000 to a businessman in Placentia. The term of the loan is 30 years and does not bear interest, except upon default. The loan was recorded in the Low and Moderate Housing Fund. Upon the dissolution of the Redevelopment Agency at February 1, 2012, the outstanding loan receivable balance was transferred to the Housing Successor Fund. During 2014, the City received \$7,309 in principal payments. The ending Loan Receivable at June 30, 2014 is \$83,749.

\$ 83,749

During 2006, the City provided three down-payment assistance loans in the amount of \$18,000, for a total of \$54,000, to employees as part of an incentive program. The loans do not accrue any interest and 1/10th of the loan is forgiven annually. During 2014, \$2,000 was forgiven by the City. The ending balance is \$4,000 as of June 30, 2014.

4,000

\$ 87,749

CITY OF PLACENTIA

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014**

NOTE 5 – HOUSING AND URBAN DEVELOPMENT LOAN PROGRAM

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

In prior years the City HUD funds available with the County of Orange to provide housing rehabilitation loans to eligible applicants. This program is no longer active and has no outstanding loans. At June 30, 2014, the fund reflected the following balance:

Cash in interest bearing account	<u>\$ 165,167</u>
----------------------------------	-------------------

CITY OF PLACENTIA

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014

NOTE 6 – CAPITAL ASSETS

A summary of capital asset activity for the year ended June 30, 2014, is as follows:

Governmental Activities:	Balance at July 1, 2013	Additions	Deletions	Reclassify Land Held for Resale	Balance at June 30, 2014
Capital Assets Not Being Depreciated:					
Land	\$ 24,996,741	\$ 333,299	\$ -	\$ (1,948,103)	\$ 23,381,937
Land-Right of Way	258,822	-	-	-	258,822
Infrastructure-Trees	3,114,540	-	-	-	3,114,540
Construction in Progress:					
Streets network	1,560,093	1,670,821	(1,238,604)	-	1,992,310
Total Capital Assets Not Being Depreciated	<u>29,930,196</u>	<u>2,004,120</u>	<u>(1,238,604)</u>	<u>(1,948,103)</u>	<u>28,747,609</u>
Capital Assets, Being Depreciated:					
Structures and improvements	12,435,732	48,656	-	-	12,484,388
Equipment	4,987,697	90,586	(348,174)	-	4,730,109
Land improvements	85,589	53,217	-	-	138,806
Infrastructure-streets network	43,376,190	1,189,949	-	-	44,566,139
Infrastructure-street appurtenances	22,360,733	-	-	-	22,360,733
Infrastructure-storm drain	8,175,890	-	-	-	8,175,890
Total Capital Assets Being Depreciated	<u>91,421,831</u>	<u>1,382,408</u>	<u>(348,174)</u>	<u>-</u>	<u>92,456,065</u>
Less Accumulated Depreciation for:					
Structures and improvements	(4,019,414)	(250,907)	-	-	(4,270,321)
Equipment	(3,876,250)	(329,935)	348,174	-	(3,858,011)
Land improvements	(85,589)	(591)	-	-	(86,180)
Infrastructure-streets network	(14,145,799)	(1,173,897)	-	-	(15,319,696)
Infrastructure-street appurtenances	(10,153,924)	(586,150)	-	-	(10,740,074)
Infrastructure-storm drain	(5,314,329)	(163,518)	-	-	(5,477,847)
Total Accumulated Depreciation	<u>(37,595,305)</u>	<u>(2,504,998)</u>	<u>348,174</u>	<u>-</u>	<u>(39,752,129)</u>
Total Capital Assets, Being Depreciated, Net	<u>53,826,526</u>	<u>(1,122,590)</u>	<u>-</u>	<u>-</u>	<u>52,703,936</u>
Governmental Activities Capital Assets, Net	<u>\$ 83,756,722</u>	<u>\$ 881,530</u>	<u>\$ (1,238,604)</u>	<u>\$ (1,948,103)</u>	<u>\$ 81,451,545</u>

CITY OF PLACENTIA

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014**

NOTE 6 – CAPITAL ASSETS (continued)

A summary of capital asset activity for the year ended June 30, 2014, is as follows:

<u>Business Type Activities:</u>	<u>Balance at July 1, 2013</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at June 30, 2014</u>
Sewer				
Capital Assets Being Depreciated:				
Structures and improvements	\$28,155,969	\$ -	\$ -	\$ 28,155,969
Less Accumulated Depreciation for:				
Structures and improvements	<u>(15,881,152)</u>	<u>(515,100)</u>	<u>-</u>	<u>(16,396,252)</u>
Sewer Capital Assets, Net	<u>\$12,274,817</u>	<u>\$ (515,100)</u>	<u>\$ -</u>	<u>\$ 11,759,717</u>
Compressed Natural Gas (CNG):				
Capital Assets Being Depreciated:				
Equipment	\$ 790,326	\$ -	\$ -	\$ 790,326
Less Accumulated Depreciation for:				
Equipment	<u>(790,326)</u>	<u>-</u>	<u>-</u>	<u>(790,326)</u>
CNG Capital Assets, Net	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Business-type Activities Total Capital	<u>\$12,274,817</u>	<u>\$ (515,100)</u>	<u>\$ -</u>	<u>\$ 11,759,717</u>

Depreciation expense was charged to functions for the year ended June 30, 2014, as follows:

Governmental Activities:	
General government	\$ 263,257
Public safety	62,211
Public works	2,028,026
Internal service funds	151,504
Total Depreciation Expense	<u>\$ 2,504,998</u>
Business-type Activities:	
Compressed natural gas	\$ -
Sewer	515,100
Total Depreciation Expense	<u>\$ 515,100</u>

NOTE 7 – OCTA ADVANCE

On February 16, 2010, the City entered into a cooperative agreement with the Orange County Transportation Authority (“OCTA”). Terms of the cooperative agreement required OCTA to repay CalTrans \$1.5 million for previously disallowed costs in exchange for the City’s support of OCTA’s direction to CalTrans for any eligible project in Orange County. In addition, OCTA advanced the City \$4.1 million of future Measure M (M2) funds. Principal and accrued but unpaid interest payments commenced bi-monthly beginning July 1, 2011, and are made from future M2 funds over approximately 19 years. Interest is equal to the yield on OCTA’s short-term investment portfolio, and resets annually on June 30. During the fiscal year there was a total of \$738,629 Measure M2 Turnback funds due to the City. Of that amount \$474,799 was received by the City and \$263,830 was applied by OCTA to the outstanding principal and interest related to the advance. Of this amount \$226,116 was applied toward the advance and \$37,714 was interest. The advance is a long-term liability of a governmental fund. Therefore, the liability is recognized on the Statement of Net Assets. The outstanding principal and accrued interest was \$3,805,291 as of June 30, 2014.

CITY OF PLACENTIA

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014

NOTE 8 – LONG-TERM DEBT

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

	Balance at July 1, 2013	Additions	Retirements	Balance at June 30, 2014	Portion Due Within One Year	Portion Due Beyond One Year
Certificates of Participation:						
2003 Certificates of Participation	\$ 5,665,000	\$ -	\$ (740,000)	\$ 4,925,000	\$ 260,000	\$ 4,665,000
2003 Certificates of Participation Deferred Refunding Charge	(605,917)	-	41,788	(564,129)	(41,788)	(522,341)
2011 Gas Tax Certificates of Participation	5,565,000	-	(210,000)	5,355,000	215,000	5,140,000
2011 Gas Tax Certificate of Participation - Deferred Refunding Charge	(152,839)	-	8,570	(144,269)	(8,570)	(135,699)
Total Certificates of Participation	10,471,244	-	(899,642)	9,571,602	424,642	9,146,960
Bonds & Notes:						
2009 Lease Revenue Bond	4,115,000	-	(200,000)	3,915,000	300,000	3,615,000
2009 Lease Rev Bond - Discount	(53,486)	-	8,914	(44,572)	(8,914)	(35,658)
Total Bonds & Notes	4,061,514	-	(191,086)	3,870,428	291,086	3,579,342
Capital Leases:						
Capital Lease - Phone System Upgrade	108,018	-	(32,876)	75,142	34,001	41,141
Capital Lease - Mobile Command Unit	80,644	-	(80,644)	-	-	-
Total Capital Leases	188,662	-	(113,520)	75,142	34,001	41,141
Total Long Term Debt	\$ 14,721,420	\$ -	\$ (1,204,248)	\$ 13,517,172	\$ 749,729	\$ 12,767,443

2003 Refunding and Improvement Project Certificates of Participation

On November 13, 2003, the City issued certificates of participation in the amount of \$11,145,000 to (a) refinance certain obligations relating to the Placentia Redevelopment Agency's 2003 Refunding Certificates of Participation ("2003 Financing Project"), which were originally issued at \$3,800,000, of which \$4,925,000 remains outstanding, (b) refinance certain obligations relating to the City's 2001 Certificates of Participation ("Traffic Circulation Project") and (c) finance and refinance certain capital improvements in the City. The certificates are in denominations of \$5,000 each and bear interest ranging from 2 to 4.4 percent.

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

Principal is payable annually on January 1. Interest is payable semiannually on January 1 and July 1 commencing July 1, 2004. The required reserve for the certificates was fully funded as of June 30, 2014.

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

CITY OF PLACENTIA

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014**

NOTE 8 – LONG-TERM DEBT (Continued)

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

The certificates are reported in the Statement of Net Assets net of the deferred refunding charge in the amount of \$564,129 as of June 30, 2014. The deferred refunding charge is amortized over the life of the debt. Amortization expense for the year ended June 30, 2014 was \$41,788.

On April 17, 2007, the City Council of the City of Placentia and the Board of Directors of the Placentia Redevelopment Agency approved a reimbursement agreement between the City and the Placentia Redevelopment Agency. This agreement provides that the Placentia Redevelopment Agency will reimburse the City for a portion of the lease payment paid by the City to the Placentia Redevelopment Agency, with respect to the 2003 Certificates of Participation. The portion reimbursed (87.52 percent) is based upon the portion of the capital improvements and improved facilities benefiting from the original proceeds of the related debt issue that were within the confines of the redevelopment project area. The amount of certificates outstanding as of June 30, 2014, was \$614,640, which represents the City's share of 12.48 percent.

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

The annual debt service requirements are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 260,000	\$ 224,386	\$ 484,386
2016	275,000	213,986	488,986
2017	285,000	202,986	487,986
2018	295,000	191,230	486,230
2019	310,000	178,693	488,693
2020-2024	1,760,000	670,768	2,430,768
2025-2028	1,740,000	211,375	1,951,375
Total	<u>\$ 4,925,000</u>	<u>\$ 1,893,424</u>	<u>\$ 6,818,424</u>

2011 Gas Tax Certificates of Participation

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

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

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

CITY OF PLACENTIA

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014

NOTE 8 – LONG-TERM DEBT (Continued)

2011 Gas Tax Certificates of Participation (Continued)

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

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

Optional Prepayment

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

Mandatory Prepayment of Certificates Upon Acceleration

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

Mandatory Sinking Fund Prepayment

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

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

CITY OF PLACENTIA

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014**

NOTE 8 – LONG-TERM DEBT (Continued)

2011 Gas Tax Certificates of Participation (continued)

Mandatory Sinking Fund Prepayment (Continued)

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

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

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

The annual debt service requirements are as follows:

Year Ending June 30,	Principal	Interest	Total
2015	\$ 215,000	\$ 262,544	\$ 477,544
2016	225,000	253,944	478,944
2017	235,000	244,944	479,944
2018	245,000	235,544	480,544
2019	255,000	225,744	480,744
2020-2024	1,445,000	952,575	2,397,575
2025-2029	1,850,000	553,900	2,403,900
2030-2031	885,000	73,700	958,700
Total	\$ 5,355,000	\$ 2,802,895	\$ 8,157,895

CITY OF PLACENTIA

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014**

NOTE 8 – LONG-TERM DEBT (Continued)

2013 Tax Allocation Refunding Bonds

On December 1, 2013, the Successor Agency to the Redevelopment Agency of the City of Placentia issued a tax allocation refunding bond (“TARB”) in the amount of \$13,120,000. Proceeds of the bond were used to refund the 2002 Series A & Series B Tax Allocation Bonds and the 2009 Subordinate Tax Allocation Note. The bond proceeds, together with other funds deposited from reserves, redeemed the 2002 Series A outstanding principal of \$2,445,000, the 2002 Series B outstanding principal of \$3,670,000, and the 2009 Subordinate TAN outstanding principal of \$6,850,000. In lieu of funding the Reserve Account with proceeds of the Bonds, the Successor Agency has determined to purchase a Municipal Bond Debt Service Reserve Insurance Policy issued by the Insurer.

The bond is a special obligation of the Successor Agency. The bond does not constitute a debt or liability of the City of Placentia, County of Orange, State of California or of any political subdivision thereof, other than the Successor Agency. The Successor Agency shall only be obligated to pay the principal of the bond, or interest thereon, from the funds described within the Official Statement. Neither the faith and credit nor the taxing power of the City of Placentia, the County of Orange, the State of California or any of its political subdivisions is pledged to the payment of the principal of or the interest on the bond. The Successor Agency has no taxing power. As of June 30, 2014, the outstanding principal on this bond is \$13,120,000.

Debt Related Pledge of Revenue

The RDA Successor Agency has pledged a portion of future tax increment revenues to repay the 2013 TARB as the source of repayment of this debt. Tax increment revenues were projected to produce a certain percentage of the debt service requirements over the life of the debt. Due to the dissolution of the former Placentia Redevelopment Agency, the pledged revenue is deposited to the County of Orange Redevelopment Property Tax Trust Fund (“RPTTF”). The County forwards the City funds to pay these recognized obligations. See Note 22 for more details.

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

	Remaining Debt Service	Debt Service in 2014	
		Principal	Interest
RDA Successor Agency Private Purpose Trust Fund:			
2013 Tax Allocation Refunding Bond	\$ 13,120,000	\$ -	\$ 83,081
2002 Tax Allocation Bonds Series A	-	2,515,000	135,147
2002 Tax Allocation Bonds Series B	-	3,775,000	219,638
2009 Subordinated Tax Allocation Bonds	-	6,850,000	530,875
	\$ 13,120,000	\$ 13,140,000	\$ 968,741

CITY OF PLACENTIA

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014**

NOTE 8 – LONG-TERM DEBT (Continued)

2009 Lease Revenue Bonds

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

The annual debt service requirements are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 300,000	\$ 293,625	\$ 593,625
2016	525,000	271,125	796,125
2017	830,000	231,750	1,061,750
2018	1,025,000	169,500	1,194,500
2019	1,235,000	92,625	1,327,625
Total	<u>\$ 3,915,000</u>	<u>\$ 1,058,625</u>	<u>\$ 4,973,625</u>

The Bonds will be secured by a first pledge of security interest in and lien on all of the lease payments received with respect to the Placentia City Hall (the “Leased Property”). The Authority has, pursuant to the Assignment Agreement, assigned all of its rights under the Lease Agreement including its rights to receive Lease Payments from the City and its remedies to the trustee for the benefit of the owners of the Bonds. The City is required to pay the Authority specified amounts for use of the Leased Property, which are equal to the principal of and interest due with respects to the Bonds. The lease payments are calculated to be sufficient to pay, when due, the annual principal and interest on the bonds.

Capital Leases:

Phone System

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

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

CITY OF PLACENTIA

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014**

NOTE 8 – LONG-TERM DEBT (Continued)

Phone System (continued)

The future minimum lease obligations for the capital lease payable as of June 30, 2014, are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 34,001	\$ 2,010	\$ 36,011
2016	35,165	846	36,011
2017	5,976	25	6,001
Total	<u>\$ 75,142</u>	<u>\$ 2,881</u>	<u>\$ 78,023</u>

NOTE 9 – DEBT WITHOUT GOVERNMENT COMMITMENT

Special Assessment Bonds Payable:

1996 and 2001 Special Tax Revenue Bond

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

2009 Special Tax Revenue Refunding Bonds

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

CITY OF PLACENTIA

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014**

NOTE 10 – COMPENSATED ABSENCES

A summary of changes in compensated absences is as follows:

	Balance at July 1, 2013	Additions	Retirements	Balance at June 30, 2014	Portion Due Within One Year	Portion Due Beyond One Year
Governmental Activities	\$ 3,279,807	\$ 1,081,132	\$ (1,387,266)	\$ 2,973,673	\$ 809,267	\$ 2,164,406
Business-type Activities	116,055	33,437	(66,395)	83,097	22,457	60,640
Total	<u>\$ 3,395,862</u>	<u>\$ 1,114,569</u>	<u>\$ (1,453,661)</u>	<u>\$ 3,056,770</u>	<u>\$ 831,724</u>	<u>\$ 2,225,046</u>

NOTE 11 – LEASE RECEIVABLE AND PAYABLE

As more fully described at Note 1 and Note 8, the City has covenanted to make payments for the full amount of the 2003 Certificates of Participation (“COP”) debt service payment and the RDA Successor Agency has covenanted to reimburse the City for the 87.52 percent of the debt service payment. The full amount of the 2003 COP debt is included in the Government-Wide Statement of Net Assets. The following table shows the amounts expected to be reimbursed by the RDA Successor Agency as of June 30, 2014:

Year Ending June 30,	Lease
2015	\$ 423,935
2016	427,961
2017	427,086
2018	425,549
2019	427,704
2020-2024	2,127,407
2025-2028	1,707,842
Total future minimum lease payments to be received	<u>5,967,484</u>
Less: unearned interest income	<u>(1,657,124)</u>
Total	<u>\$ 4,310,360</u>

CITY OF PLACENTIA

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014

NOTE 12 – FUND BALANCES

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

	General Fund	Housing Successor Agency	City Capital Project	Non-Major Governmental Funds	Total Governmental Funds
Nonspendable:					
Due from other funds	\$ 3,445,997	\$ -	\$ -	\$ -	\$ 3,445,997
Loans receivable	4,000	83,749	-	-	87,749
Land held for resale	-	1,948,103	-	-	1,948,103
Total nonspendable	<u>3,449,997</u>	<u>2,031,852</u>	<u>-</u>	<u>-</u>	<u>5,481,849</u>
Restricted:					
Grants	-	-	-	246,265	246,265
Debt service	439,023	-	-	485,134	924,157
Measure M	-	-	-	393,206	393,206
Asset seizure	-	-	-	350,752	350,752
Traffic offender	-	-	-	40,261	40,261
Air quality	-	-	-	229,737	229,737
Utility users tax	-	-	-	223,787	223,787
Gas tax	-	-	-	545,649	545,649
Storm Drain Construction	-	-	-	42,879	42,879
Thoroughfare Constructions	-	-	-	37,918	37,918
Park Development	-	-	-	89,541	89,541
Supplemental Law Enforcement	-	-	-	106	106
Landscape Maintenance	-	-	-	244,667	244,667
Total restricted	<u>439,023</u>	<u>-</u>	<u>-</u>	<u>2,929,902</u>	<u>3,368,925</u>
Unassigned	<u>1,000,777</u>	<u>(356,226)</u>	<u>(336,272)</u>	<u>(67,623)</u>	<u>240,656</u>
	<u>\$ 4,889,797</u>	<u>\$ 1,675,626</u>	<u>\$ (336,272)</u>	<u>\$ 2,862,279</u>	<u>\$ 9,091,430</u>

CITY OF PLACENTIA

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014**

NOTE 13 – OTHER REQUIRED INDIVIDUAL FUND DISCLOSURE

Expenditures in excess of appropriations: Expenditures for the year ended June 30, 2014 exceeded the appropriations of the following funds:

Fund	Budget	Actual	Appropriations
<i>Governmental Funds:</i>			
Major funds:			
Housing Successor Agency	\$ -	\$ 51,275	\$ (51,275)
Non-major governmental funds:			
2011 Gas Tax COP	480,344	481,957	(1,613)

Accumulated fund deficits/net assets: The following funds had deficit fund balances or deficit net assets at June 30, 2014:

Fund	Deficit Fund Balance/ Net Assets
<i>Governmental Funds:</i>	
Major funds:	
City Capital Projects	336,272
Nonmajor special revenue funds:	
Street lighting	29,236
Housing and community development	38,387
<i>Proprietary Funds:</i>	
Refuse	3,310,893

NOTE 14 – POSTEMPLOYMENT BENEFITS

Post-Employment Health Care Benefits

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

CITY OF PLACENTIA

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014**

NOTE 14 – POSTEMPLOYMENT BENEFITS (Continued)

Plan description

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

Eligibility

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

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

Membership of the plan consisted of the following at June 30, 2014:

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

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

Funding Policy

The City’s current contribution is paid on a pay-as-you-go basis. Benefits provided to retirees vary based on employment date and unit. Tier II retirees choosing to participate in the post-retirement medical benefit program are responsible for the premium costs in excess of the City’s monthly contribution of \$115. For the year-ended June 30, 2014, the City paid \$1,040,718 towards their post-employment health care benefits. Current active employees are not required to contribute any portion towards these benefits.

Annual OPEB Cost and Net OPEB Obligation

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

CITY OF PLACENTIA

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014**

NOTE 14 – POSTEMPLOYMENT BENEFITS (Continued)

Annual OPEB Cost and Net OPEB Obligation (continued)

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

	Placentia City Employee Association	Placentia Police Officers Association	Police Management	Management and Mid-Management	Total
Balance at July 1, 2013	\$ 705,111	\$ 370,771	\$ 1,074,922	\$ 47,683	\$ 2,198,487
Annual required contribution	556,755	246,732	365,144	268,973	1,437,604
Interest on net OPEB obligation	28,204	14,831	42,997	1,907	87,939
Annual required contribution adjustment	(31,950)	(16,801)	(48,708)	(2,161)	(99,620)
Contributions made	(438,818)	(120,726)	(195,579)	(285,595)	(1,040,718)
Balance at June 30, 2014	<u>\$ 819,302</u>	<u>\$ 494,807</u>	<u>\$ 1,238,776</u>	<u>\$ 30,807</u>	<u>\$ 2,583,692</u>

The City’s annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2014 and the preceding years were as follows:

Year Ended June 30,	Annual OPEB Cost	Percentage of Annual OPEB Costs Contributed	Net OPEB Obligation
2012	\$ 1,318,878	71.1%	\$ 1,876,107
2013	1,375,364	76.6%	2,198,487
2014	1,425,923	73.0%	2,583,692

Funding Status and Progress

As of July 1, 2013, the most recent valuation date, the actuarial accrued liability for benefits was \$24.6 million, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (“UAAL”) of \$24.6 million and a funded ratio (actuarial value of assets as a percentage of the actuarial accrued liability) of 0 percent. The covered payroll (annual payroll of active employees) was \$8.1 million and the ratio of the UAAL to the covered payroll was 302.1 percent. The actuarial accrued liability at June 30, 2014 was \$24,588,803. The City is evaluating its options in developing a funding policy for its OPEB obligations.

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

CITY OF PLACENTIA

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014**

NOTE 14 – POSTEMPLOYMENT BENEFITS (Continued)

As discussed in Note 1.V, GASB 68 will require the OPEB obligation to be reflected as a liability in the government wide balance sheet effective June 30, 2015. The table below reflects a proforma presentation as if the liability were recorded as of the balance sheet date of June 30, 2014.

	Actual June 30, 2014	Adjustment	Proforma June 30, 2014
Total Assets	<u>\$ 107,719,827</u>	<u>\$ -</u>	<u>\$ 107,719,827</u>
Total Liabilities	<u>28,759,073</u>	<u>24,588,803</u>	<u>53,347,876</u>
Net investment in capital assets	84,049,149	-	84,049,149
Total Restricted	2,929,902	-	2,929,902
Unrestricted	<u>(8,018,297)</u>	<u>(24,588,803)</u>	<u>(32,607,100)</u>
Total Net Position	<u><u>\$ 78,960,754</u></u>	<u><u>\$ (24,588,803)</u></u>	<u><u>\$ 54,371,951</u></u>

Actuarial Methods and Assumptions

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

The actuarial cost method used for determining the benefit obligations is the Entry Age Normal Cost Method. The actuarial assumptions included a 4 percent investment rate of return, which is based on assumed long-term investment returns on the City’s assets, as appropriate, and an annual healthcare cost trend rate of 8 percent in 2014, and decreasing by 1/2 percent until 2024 (4.5 percent) thereafter. All rates included a 4.5 percent inflation assumption. The UAAL is being amortized as a level percentage of projected payroll over 26 years. It is assumed the City’s payroll will increase 3.25 percent per year.

NOTE 15 – INSURANCE

Description of self-insurance pool pursuant to Joint Powers Agreement

Self-insurance program of the PARSAC

The City is a member of the Public Agency Risk Sharing Authority of California (“PARSAC”). The PARSAC is composed of 36 California public entities and is organized under a joint powers agreement pursuant to California Government Code Section 6500, et seq. The purpose of the PARSAC is to arrange and administer programs for the pooling of self-insured losses, to purchase excess insurance or reinsurance, and to arrange for group-purchased insurance for property and other coverages. Each member government has an elected official as its representative on the Board of Directors. Officers are elected annually by the Board members.

CITY OF PLACENTIA

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014**

NOTE 15 – INSURANCE (Continued)

General liability

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

Other Insurance Coverage

Due to the high cost of earthquake insurance, the City remained self-insured for this coverage. The City is also self-insured up to a total of \$250,000 workers’ compensation and has obtained independent provider coverage for a total of \$5,000,000 in workers’ compensation insurance. The City has Public Employee Dishonesty Bond insurance which includes all employees (including elected officials) for coverage of \$1,000,000.

Adequacy of Protection

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

At June 30, 2014, \$3,267,815 has been accrued for self-insurance losses. The amount represents an estimate of the amounts to be paid for claims reported through June 30, 2014 and claims which have been incurred but not reported as of June 30, 2014. While the ultimate amount of losses incurred through June 30, 2014 is dependent on future developments, based upon information from the City Attorney, the City’s claims administrators and others involved in the administration of the programs, City management believes the accrual is adequate to cover such losses. A reconciliation of changes in aggregate liabilities for claims filed in the current and prior fiscal years is as follows:

	Actual and Estimated Claims Incurred	Payments Made for Current and Prior Year Claims	Balance at June 30, 2014	Portion Due Within One Year	Portion Due Beyond One Year
Balance at July 1, 2013	\$ 935,258	\$ (621,538)	\$ 3,267,815	\$ 1,187,672	\$ 2,080,143

CITY OF PLACENTIA

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014**

NOTE 16 – DEFINED BENEFIT PENSION PLAN (PERS)

Plan Description

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

Funding Policy

The City and participants contribute to the CalPERS; participants are required to contribute 7 percent of their annual covered payroll. During 2013-2014, the City contributed the 9 percent on behalf of Safety Employees, and management and mid-management paid their required 7 percent. The City of Placentia is also required to contribute the actuarially determined remaining amounts necessary to fund the benefits for its members. The actuarial methods and assumptions used are those adopted by the CalPERS Board of Administration. The required employer contribution rate for fiscal year 2013-2014 was 10.781 percent for miscellaneous employees and 49.161 percent for the safety plan. The contribution requirements of the plan members are established by State statute and the employer contribution rate is established and may be amended by CalPERS. Benefit provisions and all other requirements are established by State statute and city contracts with employee bargaining groups.

Annual Pension Cost

Three-Year Trend Information

Safety Plan

Year Ended June 30,	Annual Pension Cost (Employer Contribution)	Percentage of APC Contributed	Net Pension Obligation
2012	\$ 1,938,204	100%	-
2013	\$ 2,156,285	100%	-
2014	\$ 2,167,548	100%	-

Miscellaneous Plan

Year Ended June 30,	Annual Pension Cost (Employer Contribution)	Percentage of APC Contributed	Net Pension Obligation
2012	\$ 409,534	100%	-
2013	\$ 423,297	100%	-
2014	\$ 400,929	100%	-

CITY OF PLACENTIA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2014

NOTE 17 – DEFERRED COMPENSATION

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

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

NOTE 18 – LITIGATION

The City is presently involved in matters of litigation that have arisen in the normal course of the City’s business. City management believes, based upon consultation with the City Attorney, that these cases, in the aggregate, are not expected to have a material adverse financial impact on the City in excess of the amount accrued as of June 30, 2014.

NOTE 19 – JOINT VENTURE – ORANGE COUNTY FIRE AUTHORITY

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

No determination has been made as to each participant’s proportionate share of fund equity as of June 30, 2014. Upon dissolution of the Fire Authority, all surplus money and property of the Fire Authority will be conveyed or distributed to each member in proportion to all funds provided to the Fire Authority by that member or by the County on behalf of that member during its membership. Separate audited financial statements may be obtained from the Fire Authority at 1 Fire Authority Road, Irvine, California 92602.

NOTE 20 – CONTINGENCIES/COMMITMENTS

Grant Funding

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

CITY OF PLACENTIA

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2014

NOTE 20 – CONTINGENCIES/COMMITMENTS (Continued)

Tax Increment Financing

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

Lease of Property

The former Placentia Redevelopment Agency entered into agreement to lease property with the option to purchase 132 E. Crowther Avenue. A third party private investor purchased the property from the seller. During escrow a lease agreement was entered into where the Placentia Redevelopment Agency paid an initial \$400,000 non-refundable purchase option. Upon dissolution of the Placentia Redevelopment Agency, the RDA Successor Agency, through an enforceable obligation, will lease the property from the investor for \$12,500 per month. The term of the lease agreement is five years, commencing on March 16, 2010, with an option for two additional one year periods. The State Department of Finance has found the lease agreement to be an enforceable obligation of the RDA Successor Agency.

NOTE 21 – SUCCESSOR AGENCY TO THE FORMER PLACENTIA REDEVELOPMENT AGENCY

On December 29, 2011, the Supreme Court of the State of California upheld the enforceability of legislation that provides for the dissolution of California redevelopment agencies. As a result of the ruling, the dissolution of California Redevelopment Agencies was effective as of February 1, 2012.

The Placentia former redevelopment agency was presented as a blended component unit within the financial statements. After the date of dissolution, the assets and activities of the dissolved Placentia Redevelopment Agency are reported in a fiduciary fund (RDA Successor Agency private-purpose trust fund) in the financial statements of the City.

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

As previously mentioned in Note 8, the Successor Agency issued the 2013 Tax Allocation Refunding Bond (“TARB”) in December 2013. This action refunded the 2002 Tax Allocation Bonds Series A & B and the 2009 Tax Allocation Note. The total principal outstanding at June 30, 2014 is \$13,120,000.

(This page intentionally left blank)

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF PLACENTIA

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS FOR OPEB
FOR THE YEAR ENDED JUNE 30, 2014**

The following schedule summarizes the City of Placentia's funding progress for OPEB:

Actuarial Valuation Date	Actuarial Value of Assets (A)	Actuarial Accrued Liability (B)	Unfunded Actuarial Accrued Liability (UAAL) (B-A)	Funded Ratio (A/B)	Covered Payroll (C)	UAAL as a Percentage of Covered Payroll (B-A)/(C)
7/1/2008	\$ -	\$ 24,391,359	\$ 24,391,359	0%	\$ 8,854,045	275%
7/1/2011	-	23,732,646	23,732,646	0%	8,492,592	279%
7/1/2013	-	24,588,803	24,588,803	0%	8,139,414	302%

CITY OF PLACENTIA

MAJOR FUNDS

GENERAL FUND

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

SPECIAL REVENUE FUNDS

The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than trusts for individuals, private organizations, or other governments or for major capital projects) that are legally restricted for specified purposes. The following have been classified as major funds. The budget-actual comparison for this fund has been presented in the accompanying financial statements as *Required Supplementary Information*.

Housing Successor Agency– This fund is used to account for balance of the former low and moderate income housing funds of the former Placentia Redevelopment Agency and revenues and expenditures related to such housing projects and programs.

CITY OF PLACENTIA

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		
REVENUES				
Taxes:				
Property taxes	\$ 11,514,000	11,514,000	\$ 11,804,238	\$ 290,238
Sales and use taxes	5,757,000	5,757,000	5,847,742	90,742
Other taxes	2,981,850	2,981,850	3,338,556	356,706
Intergovernmental	50,000	50,000	58,058	8,058
Licenses and permits	1,498,600	1,498,600	1,618,068	119,468
Fines and forfeitures	618,000	618,000	459,123	(158,877)
Investment income	350,000	350,000	206,104	(143,896)
Charges for services	1,279,500	1,279,500	1,189,249	(90,251)
Lease revenue	869,937	869,937	1,015,157	145,220
Contingent revenue	1,245,982	1,245,982	-	(1,245,982)
Miscellaneous	130,000	130,000	555,952	425,952
Total Revenues	<u>26,294,869</u>	<u>26,294,869</u>	<u>26,092,247</u>	<u>(202,622)</u>
EXPENDITURES				
Current:				
General government	4,127,616	4,173,104	4,077,843	95,261
Public safety	16,524,130	16,786,879	16,672,410	114,469
Public works	2,780,534	2,818,949	2,440,706	378,243
Community development	1,264,105	1,290,333	1,277,848	12,485
Debt Service:				
Principal	508,625	508,625	200,000	308,625
Interest	-	-	308,625	(308,625)
Total Expenditures	<u>25,205,010</u>	<u>25,577,890</u>	<u>24,977,432</u>	<u>600,458</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	<u>1,089,859</u>	<u>716,979</u>	<u>1,114,815</u>	<u>397,836</u>
OTHER FINANCING SOURCES (USES)				
Other financing source-capital lease	-	-	-	-
Transfers in	4,134,876	4,134,876	3,326,298	(808,578)
Transfers out	(5,224,735)	(5,224,735)	(5,304,298)	(79,563)
Total Other Financing Sources (Uses)	<u>(1,089,859)</u>	<u>(1,089,859)</u>	<u>(1,978,000)</u>	<u>(888,141)</u>
Not Change in Fund Balance		(372,880)	(863,185)	(490,305)
Fund Balance, Beginning of Year	5,752,982	5,752,982	5,752,982	-
Fund Balance, End of Year	<u>\$ 5,752,982</u>	<u>\$ 5,380,102</u>	<u>\$ 4,889,797</u>	<u>\$ (490,305)</u>

CITY OF PLACENTIA

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
HOUSING SUCCESSOR AGENCY FUND
YEAR ENDED JUNE 30, 2014

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
REVENUES			
Investment income	\$ 6,000	\$ -	\$ (6,000)
Lease revenue	38,000	21,041	(16,959)
Miscellaneous	-	57,750	57,750
Total Revenues	<u>44,000</u>	<u>78,791</u>	<u>34,791</u>
EXPENDITURES			
Current			
General government	-	51,275	(51,275)
Total Expenditures	<u>-</u>	<u>51,275</u>	<u>(51,275)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>44,000</u>	<u>27,516</u>	<u>(16,484)</u>
Net Change in Fund Balance	44,000	27,516	(16,484)
Fund Balance, Beginning of Year	<u>1,648,110</u>	<u>1,648,110</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 1,692,110</u>	<u>\$ 1,675,626</u>	<u>\$ (16,484)</u>

CITY OF PLACENTIA

**NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2014**

NOTE 1 – BUDGETARY CONTROL AND ACCOUNTING

The City prepares its budgets on the basis of estimated actual revenues and expenditures and, accordingly, the budget amounts included in the accompanying financial statements are presented on a basis substantially consistent with generally accepted accounting principles. Encumbrance accounting is utilized during the fiscal year, whereby purchase orders, contracts and other commitments are recorded in order to control appropriations. However, at fiscal year end all appropriations lapse. Accordingly, encumbrances are cancelled and generally are re-appropriated as part of the following year's budget. Encumbrances are not included in reported expenditures.

Annual budgets are adopted for the General, Special Revenue, Debt Service, and Capital Projects Funds. The City Council approves total budgeted appropriations and any amendments to appropriations throughout the year.

The budgetary level of control for all governmental fund types is the fund level. The City Administrator has the discretion to transfer appropriations between departments within a fund, but transfers between funds must be approved by City Council.

SUPPLEMENTARY STATEMENTS AND SCHEDULES

(This page intentionally left blank)

CITY OF PLACENTIA
NON-MAJOR GOVERNMENTAL FUNDS

Special Revenue Funds:

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

Park Development Fund – Used to account for the construction and equipment of parks within the City. Revenues for this fund are derived from developer fees paid in lieu of park land dedications.

Street Lighting Fund – The Special Street Lighting District established the street lighting fund in certain areas of the City not covered by the County Lighting District. The revenue source is a special assessment on property owners.

Measure M Fund – Revenues for this fund are derived from the one-half cent sales tax approved by Orange County voters in November 1990. Monies must be expended for countywide transportation improvements.

Sewer Construction Fund – Used to account for construction of sewers throughout the City. Revenues for this fund are derived from an acreage fee placed on developers at time of development.

Storm Drain Construction Fund – Used to account for the construction of storm drains throughout the City. Revenues for this fund are derived from an acreage fee placed on developers at time of development.

Thoroughfare Construction Fund – Used to account for the construction of traffic signals, bridges and culverts. Revenues for this fund are derived from an acreage fee placed on the developer at time of development.

Undergrounding Utilities Fund – Used to account for the construction of underground utilities within designated areas. Revenues for this fund are derived from monies paid by developers and property owners at time of development. An annual budget is not adopted for this fund since revenues cannot be anticipated.

Asset Seizure Fund – This fund can only be used for the City's K-9 program, the City's contribution to the D.A.R.E. program (Drug Awareness Resistance Education) and for salaries of narcotic enforcement investigators. Revenues for this fund are derived from the City's share of forfeited assets attributed to narcotics dealing.

Traffic Offender Fund – Used to account for collection and disbursement of fees collected from impounding of vehicles. Revenues received must generally be expended for law enforcement activities.

Supplemental Law Enforcement Fund – Used to account for monies received from the County of Orange pursuant to Assembly Bill 3229. These funds must be utilized for front-line municipal police services.

Air Quality Fund – Used to account for monies received from the South Coast Air Quality Management District pursuant to Assembly Bill 2766 to reduce air pollution from mobile sources. Revenues for this fund are derived from motor vehicle registration fees.

Landscape Maintenance District 92-1 – Special landscape maintenance district established this fund to provide for the maintenance, operation, and administration of landscape improvements in certain areas of the City. The revenue source is a special assessment on property owners.

CITY OF PLACENTIA

NON-MAJOR GOVERNMENTAL FUNDS

Special Revenue Funds (continued):

Housing and Community Development Fund – Used to account for Federal grants received for housing and community development. Revenues for this fund are derived from Federal grants for neighborhood rehabilitation in the deteriorating sections of the City.

Utility Users Tax Fund – Used at Council direction and can be used to pay civic center/police station bond debt service payments, capital equipment replacement, special capital projects or general City operations support. Revenues for this fund are derived from a 3.5 percent user's tax on electricity, telephone, gas, and cable TV.

Gasoline Tax Fund – Used to account for funds collected under Sections 2105, 2106, 2107 and 2107.5 of the Streets and Highways Code which are distributed to cities, primarily on the basis of population, and are deposited into the Gasoline Tax Fund. Monies so received must generally be expended for the construction and maintenance of the State approved "Select aid system of Streets."

Debt Service Fund:

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

Capital Projects Fund:

City Capital Projects Fund – Used to account for financing and construction within the boundaries of the City.

CITY OF PLACENTIA
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2014

	Special Revenue				
	Miscellaneous Grants	Park Development	Street Lighting	Measure M	Storm Drain Construction
ASSETS					
Cash and investments	\$ 243,817	\$ 89,541	\$ -	\$ 311,214	\$ 42,879
Cash and investments with fiscal agent	-	-	-	-	-
Accounts receivable	55,938	-	-	-	-
Taxes receivable	-	-	1,182	81,992	-
Total Assets	<u>\$ 299,755</u>	<u>\$ 89,541</u>	<u>\$ 1,182</u>	<u>\$ 393,206</u>	<u>\$ 42,879</u>
LIABILITIES					
Accounts payable	\$ 49,386	\$ -	\$ 30,418	\$ -	\$ -
Payroll payable	4,104	-	-	-	-
Due to other funds	-	-	-	-	-
Total Liabilities	<u>53,490</u>	<u>-</u>	<u>30,418</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted	246,265	89,541	-	393,206	42,879
Unassigned	-	-	(29,236)	-	-
Total Fund Balances	<u>246,265</u>	<u>89,541</u>	<u>(29,236)</u>	<u>393,206</u>	<u>42,879</u>
Total Liabilities and Fund Balances	<u>\$ 299,755</u>	<u>\$ 89,541</u>	<u>\$ 1,182</u>	<u>393,206</u>	<u>\$ 42,879</u>

Special Revenue

Thoroughfare Construction	Asset Seizure	Traffic Offender Fund	Supplemental Law Enforcement	Air Quality
\$ 37,918	\$353,904	\$ 39,832	\$ 106	\$ 213,017
-	-	429	-	-
-	-	-	-	16,720
<u>\$ 37,918</u>	<u>\$353,904</u>	<u>\$ 40,261</u>	<u>\$ 106</u>	<u>\$ 229,737</u>
-	\$ 3,152	-	-	-
-	-	-	-	-
-	<u>3,152</u>	-	-	-
-	-	-	-	-
37,918	350,752	40,261	106	229,737
-	-	-	-	-
<u>37,918</u>	<u>350,752</u>	<u>40,261</u>	<u>106</u>	<u>229,737</u>
<u>\$ 37,918</u>	<u>\$353,904</u>	<u>\$ 40,261</u>	<u>\$ 106</u>	<u>\$ 229,737</u>

CITY OF PLACENTIA

**COMBINING BALANCE SHEET (CONTINUED)
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2014**

Special Revenue			
Landscape Maintenance District 92-1	Housing and Community Development	Utility Users Tax	Gasoline Tax
\$ 346,481	\$ -	\$ -	\$ 509,043
-	-	-	-
-	63,270	-	-
3,323	-	223,787	36,606
<u>\$ 349,804</u>	<u>\$ 63,270</u>	<u>\$ 223,787</u>	<u>\$ 545,649</u>
\$ 102,487	\$ 32,035	\$ -	\$ -
2,650	-	-	-
-	69,622	-	-
<u>105,137</u>	<u>101,657</u>	<u>-</u>	<u>-</u>
-	-	-	-
244,667	-	223,787	545,649
-	(38,387)	-	-
<u>244,667</u>	<u>(38,387)</u>	<u>223,787</u>	<u>545,649</u>
<u>\$ 349,804</u>	<u>\$ 63,270</u>	<u>\$ 223,787</u>	<u>\$ 545,649</u>

<u>Debt Service</u>	
<u>2011 Gas Tax Fund</u>	<u>Total Non-Major Governmental Funds</u>
\$ 503	\$ 2,188,255
484,631	484,631
-	119,637
-	363,610
<u>\$ 485,134</u>	<u>\$ 3,156,133</u>
\$ -	\$ 217,478
-	6,754
-	69,622
<u>-</u>	<u>293,854</u>
-	-
485,134	2,929,902
-	(67,623)
<u>485,134</u>	<u>2,862,279</u>
<u>\$ 485,134</u>	<u>\$ 3,156,133</u>

CITY OF PLACENTIA

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2014**

	Special Revenue				
	Miscellaneous Grants	Park Development	Street Lighting	Measure M	Storm Drain Construction
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	248,267	-	-	738,629	-
Fines and forfeitures	-	-	-	-	-
Investment income	-	96	-	510	73
Charges for services	-	123,352	135,177	-	-
Miscellaneous	400,000	-	-	-	-
Total Revenues	<u>648,267</u>	<u>123,448</u>	<u>135,177</u>	<u>739,139</u>	<u>73</u>
EXPENDITURES					
Current:					
General government	196,401	-	-	-	-
Public safety	153,070	-	-	-	-
Public works	115,417	-	364,625	-	-
Community development	31	-	-	-	-
Capital Outlay	-	-	-	-	-
Debt Service:					
Principal	-	-	-	226,116	-
Interest	-	-	-	37,714	-
Total Expenditures	<u>464,919</u>	<u>-</u>	<u>364,625</u>	<u>263,830</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>183,348</u>	<u>123,448</u>	<u>(229,448)</u>	<u>475,309</u>	<u>73</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	51,408	-	830,663	-	-
Transfers out	(317,810)	(42,176)	-	(565,723)	-
Total Other Financing Sources (Uses)	<u>(266,402)</u>	<u>(42,176)</u>	<u>830,663</u>	<u>(565,723)</u>	<u>-</u>
Net Change in Fund Balances	(83,054)	81,272	601,215	(90,414)	73
Fund Balances, Beginning of Year	329,319	8,269	(630,451)	483,620	42,806
Fund Balances, End of Year	<u>\$ 246,265</u>	<u>\$ 89,541</u>	<u>\$ (29,236)</u>	<u>\$ 393,206</u>	<u>\$ 42,879</u>

Special Revenue

Thoroughfare Construction	Undergrounding Utilities	Asset Seizure	Traffic Offender Fund	Supplemental Law Enforcement	Air Quality
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	103,157	64,226
64	-	116,070	60	106	353
-	-	-	8,145	-	-
<u>64</u>	<u>-</u>	<u>116,705</u>	<u>8,205</u>	<u>103,263</u>	<u>64,579</u>
-	-	-	-	-	-
-	-	33,645	-	-	5,637
-	-	-	-	-	-
-	-	55,234	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>88,879</u>	<u>-</u>	<u>-</u>	<u>5,637</u>
<u>64</u>	<u>-</u>	<u>27,826</u>	<u>8,205</u>	<u>103,263</u>	<u>58,942</u>
-	-	-	-	-	-
-	(39)	(45,279)	-	(103,157)	(20,091)
-	(39)	(45,279)	-	(103,157)	(20,091)
64	(39)	(17,453)	8,205	106	38,851
37,854	39	368,205	32,056	-	190,886
<u>\$ 37,918</u>	<u>\$ -</u>	<u>\$ 350,752</u>	<u>\$ 40,261</u>	<u>\$ 106</u>	<u>\$ 229,737</u>

CITY OF PLACENTIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
(CONTINUED)
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2014

	Special Revenue			
	Landscape Maintenance District 92-1	Housing and Community Development	Utility Users Tax	Gasoline Tax
REVENUES				
Taxes	\$ -	\$ -	\$ 2,799,848	\$ -
Intergovernmental	-	135,000	-	1,596,868
Fines and forfeitures	-	-	-	-
Investment income	592	-	-	464
Charges for services	397,988	-	-	-
Miscellaneous	150	-	-	-
Total Revenues	<u>398,730</u>	<u>135,000</u>	<u>2,799,848</u>	<u>1,597,332</u>
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	523,045	-	-	-
Community development	-	135,000	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	<u>523,045</u>	<u>135,000</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(124,315)</u>	<u>-</u>	<u>2,799,848</u>	<u>1,597,332</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	(3,223,101)	(1,688,202)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(3,223,101)</u>	<u>(1,688,202)</u>
Net Change in Fund Balances	(124,315)	-	(423,253)	(90,870)
Fund Balances, Beginning of Year	368,982	(38,387)	647,040	636,519
Fund Balances, End of Year	<u>\$ 244,667</u>	<u>\$ (38,387)</u>	<u>\$ 223,787</u>	<u>\$ 545,649</u>

<u>Debt Service</u>	
<u>2011 Gas Tax COP</u>	<u>Total Non-Major Governmental Funds</u>
\$ -	\$ 2,799,848
-	2,886,147
-	116,070
508	3,461
-	664,662
-	400,150
<u>508</u>	<u>6,870,338</u>
3,113	199,514
-	186,715
-	1,008,724
-	135,031
-	55,234
210,000	436,116
268,844	306,558
<u>481,957</u>	<u>2,327,892</u>
<u>(481,449)</u>	<u>4,542,446</u>
482,600	1,364,671
-	(6,005,578)
<u>482,600</u>	<u>(4,640,907)</u>
1,151	(98,461)
483,983	2,960,740
<u>\$ 485,134</u>	<u>\$ 2,862,279</u>

(This page intentionally left blank)

CITY OF PLACENTIA

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
MISCELLANEOUS GRANT FUND
YEAR ENDED JUNE 30, 2014**

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
REVENUES			
Intergovernmental	\$ 2,568,085	\$ 248,267	\$ (2,319,818)
Miscellaneous	-	400,000	400,000
Total Revenues	<u>2,568,085</u>	<u>648,267</u>	<u>(1,919,818)</u>
EXPENDITURES			
Current:			
General government	196,500	196,401	99
Public safety	147,240	153,070	(5,830)
Public works	157,275	115,417	41,858
Community development	-	31	(31)
Total Expenditures	<u>501,015</u>	<u>464,919</u>	<u>36,096</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>2,067,070</u>	<u>183,348</u>	<u>(1,883,722)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	51,408	51,408
Transfers out	(2,703,085)	(317,810)	2,385,275
Total Other Financing Sources (Uses)	<u>(2,703,085)</u>	<u>(266,402)</u>	<u>2,436,683</u>
Net Change in Fund Balance	(636,015)	(83,054)	552,961
Fund Balance, Beginning of Year	329,319	329,319	-
Fund Balance, End of Year	<u>\$ (306,696)</u>	<u>\$ 246,265</u>	<u>\$ 552,961</u>

CITY OF PLACENTIA

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
PARK DEVELOPMENT FUND
YEAR ENDED JUNE 30, 2014**

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
REVENUES			
Investment income	\$ -	\$ 96	\$ 96
Charges for services	-	123,352	123,352
Total Revenues	<u>-</u>	<u>123,448</u>	<u>123,448</u>
OTHER FINANCING SOURCES (USES)			
Transfers Out	(48,500)	(42,176)	6,324
Total Other Financing Sources	<u>(48,500)</u>	<u>(42,176)</u>	<u>6,324</u>
Net Change in Fund Balance	(48,500)	81,272	129,772
Fund Balance, Beginning of Year	8,269	8,269	-
Fund Balance, End of Year	<u>\$ (40,231)</u>	<u>\$ 89,541</u>	<u>\$ 129,772</u>

CITY OF PLACENTIA

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
STREET LIGHTING FUND
YEAR ENDED JUNE 30, 2014

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
REVENUES			
Charges for services	\$ 138,000	\$ 135,177	\$ (2,823)
Total Revenues	<u>138,000</u>	<u>135,177</u>	<u>(2,823)</u>
EXPENDITURES			
Current:			
Public Works	379,700	364,625	15,075
Total Expenditures	<u>379,700</u>	<u>364,625</u>	<u>15,075</u>
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	<u>(241,700)</u>	<u>(229,448)</u>	<u>12,252</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	830,663	830,663
Total Other Financing Sources	<u>-</u>	<u>830,663</u>	<u>830,663</u>
Net Change in Fund Balance	(241,700)	601,215	842,915
Fund Balance, Beginning of Year	(630,451)	(630,451)	-
Fund Balance, End of Year	<u>\$ (872,151)</u>	<u>\$ (29,236)</u>	<u>\$ 842,915</u>

CITY OF PLACENTIA

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
MEASURE M FUND
YEAR ENDED JUNE 30, 2014

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
REVENUES			
Intergovernmental	\$ 470,000	\$ 738,629	\$ 268,629
Investment income	-	510	510
Total Revenues	470,000	739,139	269,139
EXPENDITURES			
Debt Service:			
Principal	-	226,116	(226,116)
Interest	-	37,714	(37,714)
Total Expenditures	-	263,830	(263,830)
Excess (deficiency) of revenues over (under) expenditures	470,000	475,309	532,969
OTHER FINANCING SOURCES (USES)			
Transfers out	(530,085)	(565,723)	(35,638)
Total Other Financing Sources (Uses)	(530,085)	(565,723)	(35,638)
Net Change in Fund Balance	(60,085)	(90,414)	(30,329)
Fund Balance, Beginning of Year	483,620	483,620	-
Fund Balance, End of Year	\$ 423,535	\$ 393,206	\$ (30,329)

CITY OF PLACENTIA

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
STORM DRAIN CONSTRUCTION FUND
YEAR ENDED JUNE 30, 2014**

	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES			
Investment income	\$ -	\$ 73	\$ 73
Total Revenues	<u>-</u>	<u>73</u>	<u>73</u>
 Net Change in Fund Balance	-	73	73
 Fund Balance, Beginning of Year	42,806	42,806	-
Fund Balance, End of Year	<u>\$ 42,806</u>	<u>\$ 42,879</u>	<u>\$ 73</u>

CITY OF PLACENTIA

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
THOROUGHFARE CONSTRUCTION FUND
YEAR ENDED JUNE 30, 2014

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
REVENUES			
Investment income	\$ -	\$ 64	\$ 64
Total Revenues	<u>-</u>	<u>64</u>	<u>64</u>
Net Change in Fund Balance	-	64	64
Fund Balance, Beginning of Year	<u>37,854</u>	<u>37,854</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 37,854</u>	<u>\$ 37,918</u>	<u>\$ 64</u>

CITY OF PLACENTIA

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ASSET SEIZURE FUND
YEAR ENDED JUNE 30, 2014**

	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES			
Fines and forfeitures	\$ -	\$ 116,070	\$ 116,070
Investment income	<u>500</u>	<u>635</u>	<u>135</u>
Total Revenues	<u>500</u>	<u>116,705</u>	<u>116,205</u>
EXPENDITURES			
Current:			
Public safety	47,000	33,645	13,355
Capital outlay	<u>66,871</u>	<u>55,234</u>	<u>11,637</u>
Total Expenditures	<u>113,871</u>	<u>88,879</u>	<u>24,992</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(113,371)</u>	<u>27,826</u>	<u>141,197</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	<u>(273,000)</u>	<u>(45,279)</u>	<u>227,721</u>
Total Other Financing Sources (Uses)	<u>(273,000)</u>	<u>(45,279)</u>	<u>227,721</u>
 Net Change in Fund Balance	 (386,371)	 (17,453)	 368,918
 Fund Balance, Beginning of Year	 <u>368,205</u>	 <u>368,205</u>	 <u>-</u>
Fund Balance, End of Year	<u>\$ (18,166)</u>	<u>\$ 350,752</u>	<u>\$ 368,918</u>

CITY OF PLACENTIA

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
TRAFFIC OFFENDER FUND
YEAR ENDED JUNE 30, 2014

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
REVENUES			
Investment income	\$ -	\$ 60	\$ 60
Charges for services	13,500	8,145	(5,355)
Total Revenues	<u>13,500</u>	<u>8,205</u>	<u>(5,295)</u>
 Net Change in Fund Balance	 13,500	 8,205	 (5,295)
 Fund Balance, Beginning of Year	 32,056	 32,056	 -
Fund Balance, End of Year	<u>\$ 45,556</u>	<u>\$ 40,261</u>	<u>\$ (5,295)</u>

CITY OF PLACENTIA

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SUPPLEMENTAL LAW ENFORCEMENT SERVICE FUND
YEAR ENDED JUNE 30, 2014**

	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES			
Intergovernmental	\$ 92,000	\$ 103,157	\$ 11,157
Investment income	-	106	106
Total Revenues	<u>92,000</u>	<u>103,263</u>	<u>11,263</u>
 OTHER FINANCING SOURCES (USES)			
Transfers out	-	(103,157)	(103,157)
Total Other Financing Sources (Uses)	<u>-</u>	<u>(103,157)</u>	<u>(103,157)</u>
Net Change in Fund Balance	92,000	106	(91,894)
Fund Balance, Beginning of Year	-	-	-
Fund Balance, End of Year	<u>\$ 92,000</u>	<u>\$ 106</u>	<u>\$ (91,894)</u>

CITY OF PLACENTIA

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
AIR QUALITY IMPROVEMENT FUND
YEAR ENDED JUNE 30, 2014

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
REVENUES			
Intergovernmental	\$ 60,000	\$ 64,226	\$ 4,226
Investment income	-	353	353
Total Revenues	<u>60,000</u>	<u>64,579</u>	<u>4,579</u>
EXPENDITURES			
Public works	15,000	5,637	9,363
Total Expenditures	<u>15,000</u>	<u>5,637</u>	<u>9,363</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>45,000</u>	<u>58,942</u>	<u>13,942</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	(96,180)	(20,091)	76,089
Total Other Financing Sources (Uses)	<u>(96,180)</u>	<u>(20,091)</u>	<u>76,089</u>
Net Change in Fund Balance	(51,180)	38,851	90,031
Fund Balance, Beginning of Year	190,886	190,886	-
Fund Balance, End of Year	<u>\$ 139,706</u>	<u>\$ 229,737</u>	<u>\$ 90,031</u>

CITY OF PLACENTIA

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
LANDSCAPE MAINTENANCE DISTRICT 92-1 FUND
YEAR ENDED JUNE 30, 2014

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
REVENUES			
Investment income	\$ -	\$ 592	\$ 592
Charges for services	396,000	398,138	2,138
Total Revenues	<u>396,000</u>	<u>398,730</u>	<u>2,730</u>
EXPENDITURES			
Current:			
Public works	566,799	523,045	43,754
Total Expenditures	<u>566,799</u>	<u>523,045</u>	<u>43,754</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(170,799)</u>	<u>(124,315)</u>	<u>46,484</u>
Net Change in Fund Balance	(170,799)	(124,315)	46,484
Fund Balance, Beginning of Year	368,982	368,982	-
Fund Balance, End of Year	<u>\$ 198,183</u>	<u>\$ 244,667</u>	<u>\$ 46,484</u>

CITY OF PLACENTIA

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
HOUSING AND COMMUNITY DEVELOPMENT FUND
YEAR ENDED JUNE 30, 2014

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
REVENUES			
Intergovernmental	\$ -	\$ 135,000	\$ 135,000
Total Revenues	<u>-</u>	<u>135,000</u>	<u>135,000</u>
EXPENDITURES			
Current:			
Community development	135,000	135,000	-
Total Expenditures	<u>135,000</u>	<u>135,000</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(135,000)</u>	<u>-</u>	<u>135,000</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	135,000	-	(135,000)
Total Other Financing Sources (Uses)	<u>135,000</u>	<u>-</u>	<u>(135,000)</u>
Net Change in Fund Balance	-	-	-
Fund Balance, Beginning of Year	(38,387)	(38,387)	-
Fund Balance, End of Year	<u>\$ (38,387)</u>	<u>\$ (38,387)</u>	<u>\$ -</u>

CITY OF PLACENTIA

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
UTILITY USERS TAX FUND
YEAR ENDED JUNE 30, 2014**

	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
REVENUES			
Taxes:			
Other taxes	<u>\$ 2,909,676</u>	<u>\$ 2,799,848</u>	<u>\$ (109,828)</u>
Total Revenues	<u>2,909,676</u>	<u>2,799,848</u>	<u>(109,828)</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	<u>(2,849,676)</u>	<u>(3,223,101)</u>	<u>(373,425)</u>
Total Other Financing Sources (Uses)	<u>(2,849,676)</u>	<u>(3,223,101)</u>	<u>(373,425)</u>
Net Change in Fund Balance	60,000	(423,253)	(483,253)
Fund Balance, Beginning of Year	<u>647,040</u>	<u>647,040</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 707,040</u>	<u>\$ 223,787</u>	<u>\$ (483,253)</u>

CITY OF PLACENTIA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
GASOLINE TAX FUND
YEAR ENDED JUNE 30, 2014

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
REVENUES			
Intergovernmental	\$ 1,457,500	\$ 1,596,868	\$ 139,368
Investment income	-	464	464
Total Revenues	<u>1,457,500</u>	<u>1,597,332</u>	<u>139,832</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	<u>(1,754,844)</u>	<u>(1,688,202)</u>	66,642
Total Other Financing Sources (Uses)	<u>(1,754,844)</u>	<u>(1,688,202)</u>	<u>66,642</u>
Net Change in Fund Balance	(297,344)	(90,870)	206,474
Fund Balance, Beginning of Year	<u>636,519</u>	<u>636,519</u>	-
Fund Balance, End of Year	<u>\$ 339,175</u>	<u>\$ 545,649</u>	<u>\$ 206,474</u>

CITY OF PLACENTIA

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
2011 GAX TAX COP FUND
YEAR ENDED JUNE 30, 2014

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
REVENUES			
Investment income	\$ 1,500	\$ 508	\$ (992)
Total Revenues	<u>1,500</u>	<u>508</u>	<u>(992)</u>
EXPENDITURES			
Current:			
General government	1,500	3,113	(1,613)
Debt Service:			
Principal	210,000	210,000	-
Interest	268,844	268,844	-
Total Expenditures	<u>480,344</u>	<u>481,957</u>	<u>(1,613)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(478,844)</u>	<u>(481,449)</u>	<u>(2,605)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	480,344	482,600	2,256
Transfers out	-	-	-
Total Other Financing Sources (Uses)	<u>480,344</u>	<u>482,600</u>	<u>2,256</u>
Net Change in Fund Balance	1,500	1,151	(349)
Fund Balance, Beginning of Year	483,983	483,983	-
Fund Balance, End of Year	<u>\$ 485,483</u>	<u>\$ 485,134</u>	<u>\$ (349)</u>

CITY OF PLACENTIA

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CITY CAPITAL PROJECTS
YEAR ENDED JUNE 30, 2014

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
REVENUES			
Intergovernmental	\$ -	\$ 851,000	851,000
Miscellaneous	-	95,068	95,068
Total Revenues	<u>-</u>	<u>946,068</u>	<u>946,068</u>
EXPENDITURES			
Current:			
General government	80,000	82,973	(2,973)
Public works	5,209,748	2,030,058	3,179,690
Capital outlay	1,309,394	337,448	971,946
Total Expenditures	<u>6,599,142</u>	<u>2,450,479</u>	<u>4,148,663</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(6,599,142)</u>	<u>(1,504,411)</u>	<u>5,094,731</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	5,404,485	2,307,497	(3,096,988)
Total Other Financing Sources (Uses)	<u>5,404,485</u>	<u>2,307,497</u>	<u>(3,096,988)</u>
Net Change in Fund Balance	(1,194,657)	803,086	1,997,743
Fund Balance, Beginning of Year	(1,139,358)	(1,139,358)	-
Fund Balance, End of Year	<u>\$ (2,334,015)</u>	<u>\$ (336,272)</u>	<u>\$ 1,997,743</u>

CITY OF PLACENTIA

INTERNAL SERVICE FUNDS

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

Risk Management Fund – To account for payments made for insurance services relative to workers' compensation, unemployment, and general liability.

Health and Welfare Fund – To account for payments made for insurance services relative to health and welfare.

Equipment Replacement Fund – To account for the acquisition of vehicles and other significant equipment, and to accumulate funds for equipment replacement.

Information Technology Fund – To account for the acquisition of computers and other technological equipment, and to accumulate funds for equipment replacement.

Citywide Services Fund – To account for reprographics, vehicle maintenance, and building maintenance.

CITY OF PLACENTIA

INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF FUND NET ASSETS
JUNE 30, 2014

	<u>Risk Management</u>	<u>Health and Welfare</u>	<u>Equipment Replacement</u>	<u>Information Technology</u>	<u>Citywide Services</u>	<u>Total</u>
ASSETS						
Current Assets						
Cash and investments	\$ 2,630,952	\$ -	\$ 56,180	\$ 77,736	\$ 364,324	\$ 3,129,192
Accounts receivable	1,600	190	-	-	67	1,857
Deposits	85,803	24,164	-	-	-	109,967
Inventory of supplies	-	-	-	-	27,504	27,504
Total Current Assets	<u>2,718,355</u>	<u>24,354</u>	<u>56,180</u>	<u>77,736</u>	<u>391,895</u>	<u>3,268,520</u>
Noncurrent assets						
Equipment, net of accumulated depreciation	-	-	107,065	18,014	2,726	127,805
Total Assets	<u>2,718,355</u>	<u>24,354</u>	<u>163,245</u>	<u>95,750</u>	<u>394,621</u>	<u>3,396,325</u>
LIABILITIES						
Current Liabilities:						
Accounts payable	32,948	4,632	-	14,876	165,137	217,593
Payroll payable	-	-	-	-	4,687	4,687
Total Current Liabilities	<u>32,948</u>	<u>4,632</u>	<u>-</u>	<u>14,876</u>	<u>169,824</u>	<u>222,280</u>
NET ASSETS						
Invested in capital assets, net of related debt	-	-	107,065	18,014	2,726	127,805
Unrestricted	2,685,407	19,722	56,180	62,860	222,071	3,046,240
Total Net Assets	<u>\$ 2,685,407</u>	<u>\$ 19,722</u>	<u>\$ 163,245</u>	<u>\$ 80,874</u>	<u>\$ 224,797</u>	<u>\$ 3,174,045</u>

CITY OF PLACENTIA

INTERNAL SERVICE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
YEAR ENDED JUNE 30, 2014

	Risk Management	Health and Welfare	Equipment Replacement	Information Technology	Citywide Services	Total
OPERATING REVENUES						
Reimbursements	\$ -	\$ 44,709	\$ 9,625	\$ -	\$ -	\$ 54,334
Miscellaneous	-	-	-	-	142	142
Total Operating Revenues	-	44,709	9,625	-	142	54,476
OPERATING EXPENSES						
Administration	249,658	-	-	312,474	2,098,210	2,660,342
Reinsurance premiums	-	107,859	-	-	-	107,859
Claims	343,408	-	-	-	-	343,408
Medical and dental premiums	-	943,369	-	-	-	943,369
Liability insurance premiums	581,899	10,703	-	-	-	592,602
Depreciation expense	-	-	112,416	33,887	5,201	151,504
Total Operating Expenses	1,174,965	1,061,931	112,416	346,361	2,103,411	4,799,084
Operating Income (Loss) Before Transfers	(1,174,965)	(1,017,222)	(102,791)	(346,361)	(2,103,269)	(4,744,608)
Transfers in	906,277	999,278	-	312,280	2,098,068	4,315,903
Transfers out	-	-	-	-	-	-
Net Income (Loss)	(268,688)	(17,944)	(102,791)	(34,081)	(5,201)	(428,705)
Fund Net Assets at Beginning of Year	2,954,095	37,666	266,036	114,955	229,998	3,602,750
Fund Net Assets at End of Year	\$ 2,685,407	\$ 19,722	\$ 163,245	\$ 80,874	\$ 224,797	\$ 3,174,045

CITY OF PLACENTIA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2014

	<u>Risk Management</u>	<u>Health and Welfare</u>
Cash Flows from Operating Activities:		
Cash received from (paid to) user customers	\$ (3,767)	\$ 36,947
Cash payments to suppliers for goods and services	(989,931)	(1,067,991)
Cash payments to employees	(249,658)	(4,191)
Net Cash Provided by (Used for) Operating Activities	<u>(1,243,356)</u>	<u>(1,035,235)</u>
Cash Flows from Non-Capital Financing Activities:		
Cash received from other funds	906,277	999,278
Net Cash Provided by (Used for) Non-Capital Financing Activities	<u>906,277</u>	<u>999,278</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(337,079)	(35,957)
Cash and Cash Equivalents at Beginning of Year	2,968,031	35,957
Cash and Cash Equivalents at End of Year	<u>\$ 2,630,952</u>	<u>\$ -</u>
Reconciliation of Operating Income (Loss) to Net Cash		
Provided by (Used for) Operating Activities:		
Operating income (loss)	\$ (1,174,965)	\$ (1,017,222)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:		
Depreciation	-	-
(Increase) decrease in accounts receivable	(1,600)	(190)
(Increase) decrease in deposits	(2,167)	(7,572)
(Increase) decrease in inventory of supplies	-	-
Increase (decrease) in accounts payable	(64,624)	(6,060)
Increase (decrease) in payroll payable	-	(4,191)
Total Adjustments	<u>(68,391)</u>	<u>(18,013)</u>
Net Cash Provided By (used for) Operating Activities	<u>\$ (1,243,356)</u>	<u>\$ (1,035,235)</u>

Equipment Replacement	Information Technology	Citywide Services	Total
\$ 9,625	\$ -	\$ 75	\$ 42,880
-	(319,821)	(1,839,140)	(4,216,883)
-	-	(270,496)	(524,345)
<u>9,625</u>	<u>(319,821)</u>	<u>(2,109,561)</u>	<u>(4,698,348)</u>
-	312,280	2,098,068	4,315,903
-	312,280	2,098,068	4,315,903
9,625	(7,541)	(11,493)	(382,445)
46,555	85,277	375,817	3,511,637
<u>\$ 56,180</u>	<u>\$ 77,736</u>	<u>\$ 364,324</u>	<u>\$ 3,129,192</u>
\$ (102,791)	\$ (346,361)	\$ (2,103,269)	\$ (4,744,608)
112,416	33,887	5,201	151,504
-	-	-	(1,790)
-	-	(67)	(9,806)
-	-	20,968	20,968
-	(7,347)	(30,733)	(108,764)
-	-	(1,661)	(5,852)
<u>112,416</u>	<u>26,540</u>	<u>(6,292)</u>	<u>46,260</u>
<u>\$ 9,625</u>	<u>\$ (319,821)</u>	<u>\$ (2,109,561)</u>	<u>\$ (4,698,348)</u>

CITY OF PLACENTIA

AGENCY FUNDS

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

Special Deposits Fund - To account for monies held and disbursed by the City in the capacity of an agent for individuals, developers or other entities.

Community Facilities District Fund - To account for monies held and disbursed by the City in the capacity of an agent for developers or other entities. Also, to account for the collection and payment to the holders of the Community Facilities District 89-1 Special Tax Bonds.

H.C.D. Rehabilitation Loans Fund - To account for monies held and disbursed by the City for the H.C.D. Rehabilitation Loan Program.

CITY OF PLACENTIA

AGENCY FUNDS
 COMBINING STATEMENT OF ASSETS AND LIABILITIES
 JUNE 30, 2014

	Special Deposits	Community Facilities District	H.C.D. Rehabilitation Loans	Total
ASSETS				
Cash and investments	\$ 906,871	\$ 2,756,606	\$ 165,167	\$ 3,828,644
Cash and investments with fiscal agent	-	1,904,743	-	1,904,743
Taxes Receivable	-	26,207	-	26,207
Total Assets	<u>\$ 906,871</u>	<u>\$ 4,687,556</u>	<u>\$ 165,167</u>	<u>\$ 5,759,594</u>
LIABILITIES				
Due to other governments	\$ -	\$ -	\$ 165,167	\$ 165,167
Deposits payable	906,871	4,687,556	-	5,594,427
Total Liabilities	<u>\$ 906,871</u>	<u>\$ 4,687,556</u>	<u>\$ 165,167</u>	<u>\$ 5,759,594</u>

CITY OF PLACENTIA

**AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
YEAR ENDED JUNE 30, 2014**

	Balance July 1, 2013	Additions	Reductions	Balance June 30, 2014
<u>SPECIAL DEPOSITS</u>				
ASSETS				
Cash and investments	\$ 852,567	\$ 902,604	\$ (848,300)	\$ 906,871
Total Assets	\$ 852,567	\$ 902,604	\$ (848,300)	\$ 906,871
LIABILITIES				
Deposits payable	\$ 852,567	\$ 902,604	\$ (848,300)	\$ 906,871
<u>COMMUNITY FACILITIES DISTRICT</u>				
ASSETS				
Cash and investments	\$ 2,605,615	\$ 3,106,012	\$ (2,955,022)	\$ 2,756,605
Cash and investments with fiscal agent	1,880,426	2,961,167	(2,936,850)	1,904,743
Taxes receivable	25,586	26,207	(25,585)	26,208
Total Assets	\$ 4,511,627	\$ 6,093,386	\$ (5,917,457)	\$ 4,687,556
LIABILITIES				
Deposits payable	\$ 4,511,627	\$ 6,093,386	\$ (5,917,457)	\$ 4,687,556
<u>H.C.D. REHABILITATION LOANS</u>				
ASSETS				
Cash and investments	\$ 165,693	\$ 40	\$ (566)	\$ 165,167
Total Assets	\$ 165,693	\$ 40	\$ (566)	\$ 165,167
LIABILITIES				
Due to other governments	\$ 165,693	\$ 40	\$ (566)	\$ 165,167
<u>TOTALS-ALL AGENCY FUNDS</u>				
ASSETS				
Cash and investments	\$ 3,623,875	\$ 4,008,656	\$ (3,803,888)	\$ 3,828,643
Cash and investments with fiscal agent	1,880,426	2,961,167	(2,936,850)	1,904,743
Taxes receivable	25,586	26,207	(25,585)	26,208
Total Assets	\$ 5,529,887	\$ 6,996,030	\$ (6,766,323)	\$ 5,759,594
LIABILITIES				
Due to other governments	\$ 165,693	\$ 40	\$ (566)	\$ 165,167
Deposits payable	5,364,194	6,995,990	(6,765,757)	5,594,427
Total Liabilities	\$ 5,529,887	\$ 6,996,030	\$ (6,766,323)	\$ 5,759,594

(This page intentionally left blank)

STATISTICAL SECTION

(Unaudited)

This part of the City of Placentia's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Financial Trends - These schedules contain information to help the reader to understand how the City's financial performance and well-being have changed over time.

Net Position by Component – Last Ten Fiscal Years	114
Changes in Net Position – Last Ten Fiscal Years	115-116
Fund Balances of Governmental Funds – Last Ten Fiscal Years	117
Changes in Fund Balances of Governmental Funds – Last Ten Fiscal Years	118-119
General Governmental Tax Revenue by Source – Last Ten Fiscal Years	120

Revenue Capacity - These schedules contain information to help the reader assess the City's property tax.

Assessed Value of Taxable Property – Last Ten Fiscal Years	121
Direct and Overlapping Property Tax Rates – Last Ten Fiscal Years	122
Principal Property Taxpayers – Current Year and Nine Years Ago	123
Property Tax Levies and Collections – Last Ten Fiscal Years	124

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

Ratio of Outstanding Debt by Type – Last Ten Fiscal Years	125
Direct and Overlapping Governmental Activity Debt – As of June 30, 2014	126
Legal Debt Margin Information – Last Ten Fiscal Years	127

Demographic and Economic Information - These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Demographic and Economic Statistics – Last Ten Calendar Years	128
Taxable Sales by Category – Last Ten Calendar Years	129

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.

Budgeted Full-time City Employees by Department – Last Ten Fiscal Years	130
Operation Indicators by Function/Program – Last Ten Fiscal Years	131
Capital Assets Statistics by Function/Program – Last Ten Fiscal Years	132

CITY OF PLACENTIA

**Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands)**

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Governmental activities										
Net investment in capital assets	\$ 66,401	\$ 71,954	\$ 82,805	\$ 69,881	\$ 78,071	\$ 58,119	\$ 60,198	\$ 70,726	\$ 78,273	\$ 74,238
Restricted	7,047	7,234	6,104	5,316	7,785	-	8,717	2,981	3,630	2,930
Unrestricted	(25,373)	(14,159)	(20,936)	(20,681)	(38,860)	(9,756)	(12,267)	(7,936)	(14,229)	(9,287)
Total governmental activities net position	48,075	65,029	67,973	54,516	46,996	48,363	56,648	65,771	67,674	67,881
Business-type activities										
Net investment in capital assets	579	535	474	13,725	13,134	12,543	13,277	12,686	12,275	11,760
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	384	1,542	2,603	3,578	2,921	5,076	(1,041)	(874)	(1,115)	(680)
Total business-type activities net position	963	2,077	3,077	17,303	16,055	17,619	12,236	11,812	11,160	11,080
Primary government										
Net investment in capital assets	66,980	72,489	83,279	83,606	91,205	70,662	73,475	83,412	90,548	85,998
Restricted	7,047	7,234	6,104	5,316	7,785	-	8,717	2,981	3,630	2,930
Unrestricted	(24,989)	(12,617)	(18,333)	(17,103)	(35,939)	(4,680)	(13,308)	(8,810)	(15,344)	(9,967)
Total primary government net position	\$ 49,038	\$ 67,106	\$ 71,050	\$ 71,819	\$ 63,051	\$ 65,982	\$ 68,884	\$ 77,583	\$ 78,834	\$ 78,961

Source: City of Placentia, Finance Department

CITY OF PLACENTIA

**Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands)**

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Expenses										
Governmental activities:										
General government	\$ 3,617	\$ 4,117	\$ 1,984	\$ 2,693	\$ 3,801	\$ 8,664	\$ 4,974	\$ 10,833	\$ 10,516	\$ 9,673
Public safety	14,328	16,044	16,342	17,481	17,568	15,770	18,342	16,104	16,965	16,915
Public works	8,910	4,136	8,812	8,435	8,019	4,222	6,466	6,525	6,506	5,720
Community services	2,099	2,091	2,964	3,608	2,820	1,850	1,145	1,034	1,011	1,142
Redevelopment	599	2,109	674	682	1,305	1,755	2,077	658	-	-
SERAF	-	-	-	-	-	843	174	-	-	-
Interest on long-term debt	1,392	1,378	1,357	1,361	1,197	1,718	1,892	1,414	603	667
Total governmental activities	30,945	29,875	32,133	34,260	34,710	34,822	35,070	36,568	35,601	34,117
Business-type activities:										
Refuse	2,107	2,286	2,430	2,599	3,163	2,579	2,779	2,880	2,933	2,950
Compressed natural gas	324	347	363	410	143	425	464	100	137	-
Sewer maintenance	41	214	682	808	928	1,029	1,404	1,114	1,143	1,071
Total business-type activities	2,472	2,847	3,475	3,817	4,234	4,033	4,647	4,094	4,213	4,021
Total primary government expenses	\$ 33,417	\$ 32,722	\$ 35,608	\$ 38,077	\$ 38,944	\$ 38,855	\$ 39,717	\$ 40,662	\$ 39,814	\$ 38,138
Program Revenues										
Governmental activities:										
Charges for services										
General government	\$ 1,584	\$ 1,456	\$ 761	\$ 745	\$ 1,302	\$ 1,556	\$ 3,003	\$ 2,091	\$ 2,268	\$ 2,408
Public safety	795	714	1,085	876	1,116	947	1,740	1,556	1,570	1,282
Public works	420	469	925	1,162	1,280	1,131	1,204	1,548	1,539	3,238
Community Services	468	466	545	660	511	505	427	776	317	590
Operating grants	2,402	-	3,149	3,124	2,425	3,883	2,608	2,137	1,656	700
Capital grants and contributions	423	-	4,234	4,238	3,372	3,377	2,128	1,605	1,256	1,634
Total governmental activities program revenues	6,092	3,105	10,699	10,805	10,006	11,399	11,110	9,713	8,606	9,852
Business-type activities:										
Charges for services										
Refuse	2,503	2,701	2,923	3,032	2,898	3,015	2,432	2,730	2,749	2,865
Compressed natural gas	213	293	430	419	372	417	541	76	335	119
Sewer maintenance	18	933	1,126	1,069	830	898	778	858	876	884
Capital grants and contributions	-	-	-	-	-	501	-	-	-	-
Total business-type activities program revenues	2,734	3,927	4,479	4,520	4,100	4,831	3,751	3,664	3,960	3,868
Total primary government program revenues	8,826	7,032	15,178	15,325	14,106	16,230	14,861	13,377	12,566	13,720
Net (expense)/revenue										
Governmental activities										
	(24,853)	(26,770)	(21,434)	(23,455)	(24,704)	(23,423)	(23,960)	(26,855)	(26,995)	(24,265)
Business-type activities										
	262	1,080	1,004	703	(134)	798	(896)	(430)	(253)	(153)
Total primary government net expenses	\$ (24,591)	\$ (25,690)	\$ (20,430)	\$ (22,752)	\$ (24,838)	\$ (22,625)	\$ (24,856)	\$ (27,285)	\$ (27,248)	\$ (24,418)

Source: City of Placentia, Finance Department

CITY OF PLACENTIA

**Changes in Net Position
Last Ten Fiscal Years (continued)
(accrual basis of accounting)
(amounts expressed in thousands)**

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property	\$ 9,662	\$ 11,078	\$ 12,918	\$ 13,791	\$ 13,827	\$ 12,553	\$ 13,416	\$ 12,452	\$ 11,389	\$ 11,804
Sales and use	5,372	5,704	5,820	5,452	4,686	3,930	5,063	4,225	4,160	4,512
Utility users	2,304	2,604	2,756	2,603	2,822	2,694	2,767	2,851	2,863	2,800
Franchise	1,253	1,156	1,077	1,226	1,150	1,203	2,453	2,056	2,186	2,228
Other	938	1,068	1,001	891	803	1,762	771	805	998	1,029
Motor vehicle in lieu	1,102	314	259	216	188	153	126	1,386	1,359	1,336
Investment income	296	642	261	46	43	39	595	199	197	24
Other	1,381	1,984	214	350	972	715	2,339	1,047	2,918	708
Special item	-	-	-	-	(4,047)	2,500	-	-	-	-
Extraordinary item	-	-	-	-	(5,562)	-	-	10,880	-	-
Transfers	29	14	71	249	1,145	566	831	76	248	4
Total governmental activities	<u>22,337</u>	<u>24,564</u>	<u>24,377</u>	<u>24,824</u>	<u>16,027</u>	<u>26,115</u>	<u>28,361</u>	<u>35,977</u>	<u>26,318</u>	<u>24,445</u>
Business-type activities										
Investment income	-	48	66	86	31	6	8	8	5	2
Unrestricted grants and contributions	-	-	-	-	-	-	-	-	-	-
Gain on disposal of assets	-	-	2	-	-	-	-	-	-	-
Other	-	-	-	15	-	-	-	75	75	75
Transfers	(29)	(14)	(71)	(249)	(1,145)	(566)	(831)	(76)	(478)	(4)
Total business-type activities	<u>(29)</u>	<u>34</u>	<u>(3)</u>	<u>(148)</u>	<u>(1,114)</u>	<u>(560)</u>	<u>(823)</u>	<u>7</u>	<u>(398)</u>	<u>73</u>
Total primary government	<u>\$ 22,308</u>	<u>\$ 24,598</u>	<u>\$ 24,374</u>	<u>\$ 24,676</u>	<u>\$ 14,913</u>	<u>\$ 25,555</u>	<u>\$ 27,538</u>	<u>\$ 35,984</u>	<u>\$ 25,920</u>	<u>\$ 24,518</u>
Change in Net Position										
Governmental activities	\$ (2,516)	\$ (2,206)	\$ 2,943	\$ 1,369	\$ (8,677)	\$ 2,692	\$ 4,401	\$ 9,122	\$ (677)	\$ 180
Business-type activities	233	1,114	1,001	555	(1,248)	238	(1,719)	(423)	(651)	(80)
Total primary government	<u>\$ (2,283)</u>	<u>\$ (1,092)</u>	<u>\$ 3,944</u>	<u>\$ 1,924</u>	<u>\$ (9,925)</u>	<u>\$ 2,930</u>	<u>\$ 2,682</u>	<u>\$ 8,699</u>	<u>\$ (1,328)</u>	<u>\$ 100</u>

CITY OF PLACENTIA

**Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)**

	2011	2012	2013	2014
General Fund				
Nonspendable	\$ 5,823	\$ 4,774	\$ 4,368	\$ 3,450
Restricted	-	-	-	439
Assigned	500	-	-	-
Unassigned	(294)	1,997	1,385	1,001
Total General Fund	<u>6,029</u>	<u>6,771</u>	<u>5,753</u>	<u>4,890</u>
All Other Governmental Funds				
Nonspendable	1,754	96	88	84
Restricted	9,122	8,118	3,630	2,930
Assigned	505	-	-	-
Unassigned	(1,636)	(2,441)	(2,196)	(761)
Total All Other Governmental Funds	<u>9,745</u>	<u>5,773</u>	<u>1,522</u>	<u>2,253</u>
Total All Governmental Funds	<u>\$ 15,774</u>	<u>\$ 12,544</u>	<u>\$ 7,275</u>	<u>\$ 7,143</u>

The City of Placentia implemented GASB 54 for the fiscal year ended June 30, 2011. Information prior to the implementation of GASB 54 is not available.

	2005	2006	2007	2008	2009	2010
General Fund						
Reserved	\$ 16,638	\$ 7,503	\$ 101	\$ 139	\$ 3,894	\$ 6,736
Unreserved	(5,487)	(4,887)	(3,108)	(4,698)	(5,234)	(4,521)
Total General Fund	<u>11,151</u>	<u>2,616</u>	<u>(3,007)</u>	<u>(4,559)</u>	<u>(1,340)</u>	<u>2,215</u>
All Other Governmental Funds						
Reserved	5,482	5,254	6,106	3,039	4,548	7,541
Unreserved, reported in:						
Special Revenue Funds	1,201	2,568	1,992	4,569	1,850	1,145
Debt Service Funds	308	637	-	840	1,692	(4,651)
Capital Project Funds	(22,083)	943	(1,994)	(3,133)	(2,814)	(4,783)
Total All Other Governmental Funds	<u>(15,092)</u>	<u>9,402</u>	<u>6,104</u>	<u>5,315</u>	<u>5,276</u>	<u>(748)</u>
Total All Governmental Funds	<u>\$ (3,941)</u>	<u>\$ 12,018</u>	<u>\$ 3,097</u>	<u>\$ 756</u>	<u>\$ 3,936</u>	<u>\$ 1,467</u>

Source: City of Placentia, Finance Department

CITY OF PLACENTIA

**Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)**

	2005	2006	2007	2008
Revenues				
Property Tax	\$ 9,835	\$ 11,208	\$ 12,918	\$ 13,791
Sales Tax	4,252	4,881	5,820	5,300
Other Tax	6,714	6,118	4,923	4,732
Intergovernmental	3,442	19,387	4,451	5,855
Licenses and permits	575	533	1,328	1,441
Fines and forfeitures	488	522	904	845
Investment income	336	604	1,637	1,332
Charges for services	1,593	1,429	1,472	1,465
Other	1,486	2,521	1,009	1,286
Total Revenues	28,721	47,203	34,462	36,047
Expenditures				
Current:				
General Government	3,418	3,780	3,256	3,437
Public Safety	13,489	15,067	16,070	17,167
Public Works	8,746	9,042	8,826	10,427
Recreation & human services	2,053	2,039	2,950	3,568
Redevelopment	672	1,491	2,692	1,550
SERAF	-	-	-	-
Capital Outlay	6,745	566	-	-
Debt Service				
Principal	1,048	1,278	8,210	1,260
Interest	1,149	1,332	1,332	1,097
Other debt service	183	-	-	-
Other	83	-	-	-
Total Expenditures	37,586	34,595	43,336	38,506
Excess of revenues over/(under) expenditures	(8,865)	12,608	(8,874)	(2,459)
Other Financing Sources/(Uses)				
Transfers In	8,327	22,887	6,581	6,545
Transfers Out	(8,323)	(22,912)	(6,581)	(6,440)
Proceeds from long-term debt	6,940	-	-	-
Other	679	3,376	12	13
Total other financing sources	7,623	3,351	12	118
Net change in fund balances	\$ (1,242)	\$ 15,959	\$ (8,862)	\$ (2,341)
Ratio of Total Debt Service Expenditures to Total Noncapital expenditures	8.39%	8.31%	28.24%	6.52%

2009	2010	2011	2012	2013	2014
\$ 13,816	\$ 13,559	\$ 13,415	\$ 12,451	\$ 11,389	\$ 11,804
4,686	3,930	5,063	5,611	5,519	5,848
4,955	4,654	6,116	5,712	6,047	6,138
5,165	5,295	5,036	3,742	3,143	3,531
2,126	2,448	1,397	1,730	1,211	1,618
878	819	604	753	842	575
1,141	83	595	423	161	210
1,595	1,464	2,343	2,370	1,800	1,912
919	342	4,138	1,786	4,598	2,087
<u>35,281</u>	<u>32,594</u>	<u>38,707</u>	<u>34,578</u>	<u>34,710</u>	<u>33,723</u>
3,544	3,584	3,958	4,690	4,275	4,409
17,217	15,602	15,322	15,978	16,845	16,853
6,573	2,850	5,864	6,617	10,826	5,760
2,846	1,826	983	1,033	1,011	1,142
2,177	1,755	1,775	659	-	-
-	843	174	-	-	-
8,251	3,940	392	441	347	79
1,345	1,430	1,420	1,186	355	723
933	1,749	1,759	1,617	594	577
339	-	-	-	-	-
-	-	-	-	-	-
<u>43,225</u>	<u>33,579</u>	<u>31,647</u>	<u>32,221</u>	<u>34,253</u>	<u>29,543</u>
<u>(7,944)</u>	<u>(985)</u>	<u>7,060</u>	<u>2,357</u>	<u>457</u>	<u>4,180</u>
15,946	14,707	12,063	10,869	12,072	6,998
(15,898)	(18,693)	(14,263)	(17,020)	(17,827)	(11,310)
11,240	1	5,784	399	-	-
(164)	2,500	-	193	-	-
<u>11,124</u>	<u>(1,485)</u>	<u>3,584</u>	<u>(5,559)</u>	<u>(5,755)</u>	<u>(4,312)</u>
<u>\$ 3,180</u>	<u>\$ (2,470)</u>	<u>\$ 10,644</u>	<u>\$ (3,202)</u>	<u>\$ (5,298)</u>	<u>\$ (132)</u>
8.09%	12.01%	11.32%	9.67%	2.88%	4.62%

CITY OF PLACENTIA

**General Governmental Tax Revenue by Source
Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>Property Taxes</u>	<u>Sales and Use Taxes</u>	<u>Other Taxes</u>	<u>Licenses and Permits</u>	<u>Fines Forfeitures & Penalties</u>	<u>Use of Money and Property</u>	<u>Inter-governmental Revenue</u>	<u>Charges for Current Services</u>	<u>Other Revenues</u>	<u>Totals</u>
2004-05	\$ 9,835,841	\$ 4,252,155	\$ 6,714,252	\$ 574,689	\$ 487,648	\$ 335,823	\$ 3,441,909	\$ 1,592,677	\$ 1,485,654	\$ 28,720,648
2005-06	9,533,303	4,881,095	3,242,081	532,904	436,086	192,235	1,298,757	960,553	2,162,766	23,239,780
2006-07	10,699,537	5,820,037	2,078,677	1,309,238	801,584	195,105	929,088	1,003,834	953,884	23,790,984
2007-08	11,371,081	5,300,514	2,116,009	1,441,263	765,264	4,352	1,527,873	995,223	1,199,926	24,721,505
2008-09	11,464,895	4,685,797	1,912,555	2,062,294	713,172	29,157	630,639	1,121,933	914,860	23,535,302
2009-10	11,185,541	3,930,224	1,960,357	2,445,469	788,012	34,236	460,128	935,521	109,395	21,848,883
2010-11	11,143,701	5,063,285	3,261,866	1,397,396	542,172	514,827	537,577	1,648,767	2,492,821	26,602,412
2011-12	11,160,051	5,611,105	2,860,703	1,730,070	595,239	391,869	54,850	1,350,666	1,239,397	24,993,950
2012-13	11,388,950	5,518,907	3,183,996	1,210,722	468,229	160,212	127,867	1,256,723	4,597,034	27,912,640
2013-14	11,804,238	5,847,742	3,338,556	1,618,068	459,123	206,104	58,058	1,189,249	1,571,109	26,092,247

Source: City of Placentia, Finance Department

CITY OF PLACENTIA

**Assessed Value of Taxable Property
Last Ten Fiscal Years
(amounts expressed in thousands)**

Fiscal Year Ended June 30	City			Taxable Assessed Value
	Secured	Public Utility	Unsecured	
2005	\$3,649,241	\$ 2,900	\$ 139,925	\$3,792,066
2006	4,025,669	2,927	160,990	4,189,586
2007	4,475,589	2,838	150,559	4,628,986
2008	4,820,355	381	170,439	4,991,175
2009	4,693,057	465	140,530	4,834,052
2010	4,794,903	390	172,357	4,967,650
2011	4,795,545	390	173,088	4,969,023
2012	4,849,370	390	157,793	5,007,553
2013	4,934,183	292	145,927	5,080,402
2014	5,065,170	292	141,308	5,206,770

Note:

In 1978, the voters of the State of California passed Proposition 13 which limited property taxes to a total maximum rate of 1% based upon the assessed value of the property being taxed. The total direct rate, or the City's share, of that 1% base is 0.1644%. Each year, the assessed value of property may be increased by an "inflation factor" (limited to a maximum increase of 2%). With few exceptions, property is only re-assessed at the time that it is sold to a new owner. At that point, the new assessed value is reassessed at the purchase price of the property sold. The assessed valuation data shown above represents the only data currently available with respect to the actual market value of taxable property and is subject to the limitations described above.

Source: County of Orange

CITY OF PLACENTIA

**Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years**

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Placentia City	0.1340	0.1340	0.1340	0.1340	0.1340	0.1340	0.1340	0.1340	0.1340	0.1340
Placentia City Lighting Reorganization	0.0304	0.0304	0.0302	0.0300	0.0304	0.0304	0.0304	0.0304	0.0304	0.0304
Direct City Rate	0.1644	0.1644	0.1644	0.1640	0.1644	0.1644	0.1644	0.1644	0.1644	0.1644
Overlapping Rates:										
O.C. Water District Water Reserve	0.0001	0.0001	0.0001	0.0001	0.0001	0.0001	0.00012	0.00012	0.00012	0.00012
O.C. Vector Control	0.0011	0.0011	0.0011	0.0010	0.0011	0.0011	0.00105	0.00105	0.00105	0.00105
O.C. Transportation Authority	0.0026	0.0026	0.0026	0.0026	0.0026	0.0026	0.00264	0.00264	0.00264	0.00264
O.C. Water District	0.0080	0.0080	0.0080	0.0080	0.0080	0.0080	0.0080	0.0080	0.0080	0.0080
O.C. Harbors, Beaches, Parks	0.0144	0.0144	0.0144	0.0133	0.0144	0.0144	0.01436	0.01436	0.01436	0.01436
O.C. Department of Education	0.0171	0.0171	0.0171	0.0170	0.0170	0.0171	0.0171	0.0171	0.0171	0.0171
O.C. Flood Control Dist. General	0.0186	0.0186	0.0186	0.0190	0.0186	0.0186	0.01857	0.01857	0.01857	0.01857
O.C. Sanitation District 2 Operating	0.0309	0.0309	0.0309	0.0310	0.0309	0.0309	0.0309	0.0309	0.0309	0.0309
Placentia Library District	0.0376	0.0376	0.0376	0.0380	0.0376	0.0376	0.0376	0.0376	0.0376	0.0376
O.C. General Fund	0.0579	0.0579	0.0579	0.0580	0.0579	0.0579	0.0579	0.0579	0.0579	0.0579
North O.C. Community College General	0.0656	0.0656	0.0656	0.0660	0.0655	0.0655	0.0655	0.0655	0.0655	0.0655
Education Revenue Augmentation Fund	0.1876	0.1876	0.1876	0.1880	0.1876	0.1876	0.1876	0.1876	0.1876	0.1876
Placentia Unified General Fund	0.3943	0.3943	0.3943	0.3940	0.3943	0.3943	0.3943	0.3943	0.3943	0.3943
Total Direct City and Overlapping Rate	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Metro Water District	0.0058	0.0052	0.0047	0.0045	0.0043	0.0043	0.0037	0.0037	0.0035	0.0035
Placentia Schools	0.0449	0.0442	0.0265	0.0295	0.0476	0.0616	0.058	0.05846	0.0620	0.0653
North O.C. Community College Bonds	0.0000	0.0000	0.0144	0.0150	0.0149	0.0166	0.0176	0.01742	0.0190	0.0170
Total Rate	<u>1.0507</u>	<u>1.0494</u>	<u>1.0456</u>	<u>1.0490</u>	<u>1.0668</u>	<u>1.0825</u>	<u>1.0793</u>	<u>1.0796</u>	<u>1.0845</u>	<u>1.0858</u>

Note:

In 1978, the voters of the State of California passed Proposition 13 which set the property tax rate at a 1.00% fixed amount. This 1.00% is shared by all taxing agencies for which the subject property resides within.

Source: HdL Coren & Cone

CITY OF PLACENTIA

**Principal Property Taxpayers
Current and Nine Years Ago
(amounts expressed in thousands)**

Taxpayer	2014			Taxpayer	2005		
	Taxable Assessed Value	Estimated Total Tax	Percent of Total City Taxable Assessed Value		Taxable Assessed Value	Estimated Total Tax	Percent of Total City Taxable Assessed Value
OC of SD Holdings LLC	\$ 66,884	\$ 669	1.28%	Donahue Schriber Realty Group	\$ 38,779	\$ 388	1.02%
Placentia 422	53,278	533	1.02%	Trust Somerset Ownership	28,925	289	0.76%
Villa Tierra Apartments LLC	35,004	350	0.67%	Sandcastle Partners	19,904	199	0.52%
Placentia-Linda Hospital Inc.	30,713	307	0.59%	Placentia 422	16,706	167	0.44%
ORA Bradford Court 127 LLC	26,762	268	0.51%	Placentia Development Company	16,638	166	0.44%
Donahue Schriber Realty Group	25,638	256	0.49%	Placentia Linda Hospital	13,269	133	0.35%
Reef Imperial Rose Inc.	24,380	244	0.47%	Western Oak Tree Court Partners LP	13,217	132	0.35%
Inland Western Placentia LLC	23,166	232	0.44%	Bradford Terrace Placentia Apis Lp	12,963	130	0.34%
Hartwell Corporation	20,620	206	0.40%	Nick Becker Trust	12,209	122	0.32%
IIT Orange County DC LP	16,763	168	0.32%	Hunt Wesson Inc	11,938	119	0.31%
	\$ 323,208	\$ 3,232	6.21%		\$ 184,548	\$ 1,845	4.87%

Note:

The amounts shown above include assessed value data for both the City and the RDA Successor Agency.

Source: HdL Coren & Cone

CITY OF PLACENTIA

**Property Tax Levies and Collections
Last Ten Fiscal Years**

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percent of Levy		Amount	Percent of Levy
2005	\$ 9,219,670	\$ 9,022,689	97.86%	N/A	N/A	N/A
2006	10,509,134	10,273,977	97.76%	N/A	N/A	N/A
2007	12,096,749	12,038,615	99.52%	N/A	N/A	N/A
2008	13,053,161	12,753,432	97.70%	N/A	N/A	N/A
2009	14,171,276	14,099,708	99.49%	N/A	N/A	N/A
2010	13,659,309	12,718,318	93.11%	N/A	N/A	N/A
2011	13,612,265	13,551,901	99.56%	N/A	N/A	N/A
2012	14,121,383	13,695,151	96.98%	N/A	N/A	N/A
2013	12,064,669	11,889,799	98.55%	N/A	N/A	N/A
2014	12,294,236	12,266,287	99.77%	N/A	N/A	N/A

Note:

The amounts presented include City property taxes, In-Lieu VLF, and RDA Successor Agency taxes.

Source: County of Orange Auditor-Controller

CITY OF PLACENTIA

**Ratio of Outstanding Debt by Type
Last Ten Fiscal Years**

Fiscal Year	Governmental Activities			Business-type Activities	Total Primary Government	Percent of Assessed Valuation	Per Capita	Percent of Personal Income
	Tax Allocation Bonds and Notes	Capital Leases	Certificates of Participation	Capital Leases				
2005	\$ 7,420	\$ 808	\$ 19,965	53	\$ 28,246	0.745%	\$ 561	2.14%
2006	7,295	471	19,002	18	26,786	0.639%	534.93	1.91%
2007	7,170	208	11,038	-	18,416	0.398%	361.34	1.20%
2008	7,040	111	9,950	-	17,101	0.343%	334.85	1.06%
2009	17,946	15	8,782	-	26,743	0.553%	520.75	1.63%
2010	17,839	-	7,534	-	25,373	0.511%	489.17	1.59%
2011	17,790	-	12,336	-	30,126	0.606%	575.97	1.97%
2012	4,202	299	11,341	-	15,842	0.316%	310.12	1.04%
2013	4,062	189	10,471	-	14,722	0.290%	284.34	0.97%
2014	3,870	75	9,572	-	13,517	0.260%	259.47	0.89%

Source: City of Placentia, Finance Department

CITY OF PLACENTIA

**Direct and Overlapping Governmental Activity Debt
As of June 30, 2014**

2013-14 Assessed Valuation:	\$5,206,770,655
Successor Agency Incremental Valuation:	<u>229,829,042</u>
Adjusted Assessed Valuation:	\$4,976,941,613

DIRECT DEBT:	Total Debt 06/30/14	% Applicable (1)	City's Share of Debt 6/30/14
Capital Leases	\$ 75,142	100.00%	\$ 75,142
Certificates of Participation	9,571,602	100.00%	9,571,602
Tax Allocation Bonds & Notes	3,870,428	100.00%	3,870,428
			<u>\$ 13,517,172</u>
 <u>OVERLAPPING TAX AND ASSESSMENT DEBT:</u>			
North Orange County Community College 2003 B	\$ 37,090,213	5.247%	\$ 1,946,261
Placentia-Yorba Linda Unified School Dist. 2002 A	20,334,554	22.321%	4,538,977
Placentia-Yorba Linda Unified School Dist. 2004 B	1,889,744	22.321%	421,819
Placentia-Yorba Linda Unified School Dist. 2005 C	1,804,610	22.321%	402,816
North Orange County Community College 2005 Refunding	159,413,506	5.247%	8,365,017
Placentia-Yorba Linda Unified School Dist. 2008 A	69,725,000	22.321%	15,563,663
Placentia-Yorba Linda Unified School Dist. 2008 B&C	54,993,547	22.321%	12,275,382
Placentia-Yorba Linda Unified School Dist. 2008 Q	25,000,000	22.321%	5,580,374
Placentia-Yorba Linda Unified School Dist. 2008 D	27,278,918	22.321%	6,089,063
Placentia-Yorba Linda Unified School Dist. 2008 E	12,725,000	22.321%	2,840,410
Placentia-Yorba Linda Unified School Dist. 2012 GO Ref Bond	43,320,000	22.321%	9,669,672
Metropolitan Water District	26,774,063	1.250%	334,666
TOTAL OVERLAPPING DEBT			<u>\$ 68,028,120</u>
TOTAL DIRECT AND OVERLAPPING DEBT			<u>\$ 81,545,292</u>

(1) Percentage of overlapping agency's assessed valuation located within boundaries of the city.

Ratios of Direct vs. Overlapping Debt

Direct Debt	16.58%
Overlapping Debt	83.42%
Total Debt	100.00%

Source - HdL Coren & Cone

CITY OF PLACENTIA

**Legal Debt Margin Information
Last Ten Fiscal Years**

Legal Debt Margin Calculation for the Current Year

Assessed value	\$ 4,976,941,613
Debt limit (3.75% of assessed value)	186,635,310
Debt applicable to limit	<u> </u>
Legal debt margin - Current Year	<u><u>\$ 186,635,310</u></u>

<u>Fiscal Year</u>	<u>Debt Limit</u>	<u>Debt Applicable to Limit</u>	<u>Legal Debt Margin</u>	<u>Debt as Percentage of Limit</u>
2005	\$ 142,202,480	\$ -	\$ 142,202,480	-
2006	157,109,469	-	157,109,469	-
2007	173,586,979	-	173,586,979	-
2008	187,169,052	-	187,169,052	-
2009	181,276,941	-	181,276,941	-
2010	186,295,449	-	186,295,449	-
2011	191,977,149	-	191,977,149	-
2012	187,783,433	-	187,783,433	-
2013	181,800,203	-	181,800,203	-
2014	186,635,310	-	186,635,310	-

Note:

The City charter includes a debt limit of 15%; however, at the time the charter was established, only 25% of the market value was used. For the purpose of determining the debt limit, the City is following the intent of the charter and reducing the debt limit to 3.75% of assessed valuation.

Source: City of Placentia, Finance Department

CITY OF PLACENTIA

**Demographic and Economic Statistics
Last Ten Calendar Years
(personal income in thousands)**

Calendar Year	City Population	Los Angeles - Long Beach - Santa Ana Area		
		Personal Income	Per Capita Personal Income	Unemployment Rate
2004	49,855	\$ 1,321,044	\$ 26,498	3.8%
2005	50,074	1,399,856	27,956	3.3%
2006	50,966	1,535,208	30,122	3.0%
2007	51,070	1,611,871	31,562	3.4%
2008	51,354	1,637,926	31,895	4.7%
2009	51,869	1,600,275	30,852	8.0%
2010	52,305	1,530,078	29,253	8.5%
2011	51,084	1,526,645	29,885	7.7%
2012	51,776	1,525,217	29,458	5.0%
2013	52,094	1,511,507	29,015	4.4%

Sources:

City Population - State Department of Finance

Area Population and Area Personal Income - Bureau of Economic Activity/Analysis Unemployment Rate

- Bureau of Labor Statistics (August 2012)

CITY OF PLACENTIA

**Taxable Sales by Category
Last Ten Calendar Years**

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
General Merchandise	\$ 6,753	\$ 6,608	\$ 6,276	\$ 6,135	\$ 5,982	\$ 6,247	\$ 6,554	\$ 6,339	\$ 6,227	\$ 6,497
Food Stores	15,787	16,671	16,678	15,719	15,805	15,229	15,107	16,462	17,718	17,957
Eating and Drinking Places	58,576	61,349	64,241	64,073	63,978	61,515	60,571	61,511	61,816	62,074
Building Materials	79,791	82,610	65,663	46,069	38,951	23,746	28,216	36,868	39,460	37,833
Auto Dealers and Supplies	87,465	92,092	84,878	76,748	56,345	50,272	63,210	66,736	69,200	78,848
Service Stations	53,099	68,421	74,512	71,986	73,611	49,182	51,876	68,726	83,112	80,216
Other Retail Stores	55,390	58,544	68,321	64,574	58,656	59,203	55,636	56,075	55,311	62,705
All Other Outlets	194,804	200,323	217,500	195,778	200,533	172,339	174,333	182,705	192,626	200,987
Total	\$ 551,665	\$ 586,618	\$ 598,069	\$ 541,082	\$ 513,861	\$ 437,733	\$ 455,503	\$ 495,422	\$ 525,470	\$ 547,117

Source: City of Placentia, Finance Department

CITY OF PLACENTIA

**Budgeted Full-Time City Employees by Department
Last Ten Fiscal Years**

Department	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
City Clerk	1.00	1.50	1.50	1.50	1.00	1.00	2.00	2.00	2.00	1.00
Administration	7.00	6.50	6.50	6.50	7.00	7.00	7.00	7.00	7.00	6.00
Finance	8.00	8.00	9.00	9.00	9.00	7.00	7.00	7.00	7.00	7.00
Community Development	7.00	8.00	8.00	7.00	5.50	3.00	3.00	3.00	3.00	-
Police	70.00	70.00	73.00	73.00	68.00	62.00	62.00	67.00	68.00	62.00
Public Works	34.00	34.00	36.00	37.00	29.00	24.00	22.00	22.00	22.00	19.00
Community Services	8.00	8.00	9.00	9.00	5.00	5.00	4.00	4.00	4.00	4.00
Total	135.00	136.00	143.00	143.00	124.50	109.00	107.00	112.00	113.00	99.00

Source: City of Placentia, Finance Department

CITY OF PLACENTIA

**Operation Indicators by Function/Program
Last Ten Fiscal Years**

Function/Program	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Police										
Physical arrests	n/a	1,067	1,233	963	1,360	1,517	2,170	2,067	1,289	1,600
Parking citations	n/a	7,875	15,088	13,718	11,688	11,138	7,971	8,211	6,970	7,147
Traffic citations	n/a	5,618	7,058	5,206	6,362	5,496	5,628	4,819	3,366	3,330
Community Development										
Building Permits	n/a	749	793	1,071	866	536	646	657	776	808
Building and Zoning Inspections	n/a	107	131	152	184	140	112	133	145	97
Public Works										
Feet of Sewer Main Cleaned	n/e	66,144	106,946	401,280	401,280	401,280	401,280	401,280	401,280	401,280
Street sweeping Miles	n/e	11,128	11,200	21,684	21,684	21,684	21,684	21,684	21,684	21,684
Traffic Signals Maintained	n/a	46	50	56	56	56	57	57	57	57
Culture and Recreation										
Recreation Classes	n/a	1,872	1,197	817	616	616	585	659	704	710

Note:

Information was not tracked prior to fiscal year 2005/2006.

Source: Various City of Placentia Departments

CITY OF PLACENTIA

**Capital Asset Statistics by Function/Program
Last Ten Fiscal Years**

Function/Program	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Public Safety										
Police Stations	1	1	1	1	1	1	1	1	1	1
Sworn Officers	55	55	55	55	50	50	50	46	47	46
Patrol Vehicles	26	26	26	24	26	26	26	26	26	26
Fire Stations	2	2	2	2	2	2	2	2	2	2
Highways and Streets										
Miles of Streets	107	107	107	107	107	107	107	107	107	107
Street Trees	9264	9264	9264	9264	9214	9214	9214	9214	9214	9214
Traffic Signals	224	224	224	224	229	229	229	229	229	229
Street Lights	3656	3656	3656	3656	3656	3656	3656	3656	3656	3656
Sewer										
Miles of Sanitary Sewers	76	76	76	76	76	76	76	76	76	76
Storm Drains	506	506	506	506	506	506	506	506	506	506
Recreation and Culture										
Parks	16	16	16	16	16	16	16	16	16	16
Area of Parks (Acres)	74.23	74.23	74.23	74.23	72.9	72.9	72.9	72.9	72.9	72.9
Community Buildings	2	2	2	2	2	2	2	2	2	2
Community Centers	4	4	4	4	4	4	4	4	4	4
Senior Center	1	1	1	1	1	1	1	1	1	1
Baseball Diamonds	6	6	6	6	7	7	7	7	7	7
Basketball Courts	4	4	4	4	7.5	7.5	7.5	7.5	7.5	7.5
Soccer Fields	5	5	5	5	1	1	1	1	1	1
Pools	2	2	2	2	2	2	2	2	2	2
Gymnasiums	1	1	1	1	1	1	1	1	1	1

Source: City of Placentia, Finance Department