



**CITY OF SHASTA LAKE,  
STATE OF CALIFORNIA**

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

**For the Fiscal Year Ended  
June 30, 2015**

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**City of Shasta Lake,  
California**

**Comprehensive Annual  
Financial Report**

**For the Year Ended  
June 30, 2015**

**Prepared By:  
Finance Director  
Laura L. Redwine, CPA**

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**CITY OF SHASTA LAKE**  
**Comprehensive Annual Financial Report**  
**For the Year Ended June 30, 2015**

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## **INTRODUCTORY SECTION**

- **Letter of Transmittal**
- **Government Finance Officer's Association  
Certificate of Achievement**
- **City Council and Administrative Personnel**
- **Organizational Chart**

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# City of Shasta Lake

P.O. Box 777 1600 Stanton Drive  
Shasta Lake, CA 96019  
Phone: 530-275-7400  
Fax: 530-275-7414  
Website: [cityofshastalake.org](http://cityofshastalake.org)

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December 2, 2015

Honorable Mayor, Members of the City Council, and Citizens of the City of Shasta Lake:

I am pleased to present the Comprehensive Annual Financial Report (CAFR) of the City of Shasta Lake, California for the fiscal year ended June 30, 2015. The fiscal year covers financial transactions from July 1, 2014 to June 30, 2015 on a modified or full accrual basis, depending on the fund type. The format and content of this CAFR comply with the principles and standards of accounting and financial reporting adopted by the Governmental Accounting Standards Board (GASB) and contain all information needed for readers to gain a reasonable understanding of the City of Shasta Lakes' financial affairs.

This report was prepared by the City's Finance Department. Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal controls that it has established for this purpose. Because the cost of internal controls should not exceed the anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Smith & Newell CPAs, a firm of licensed certified public accountants, have issued an unmodified ("clean") opinion on the City's financial statements for the fiscal year ended June 30, 2015. The independent auditors' report is located at the front of the financial section of this report.

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

## **Profile of the City and Its Operations**

The City of Shasta Lake has an estimated population of 10,020 and is located in east central Shasta County. It is north and adjacent to Redding, population 90,755, and thirty miles north of Red Bluff, population 14,157. Shasta Lake is situated along Interstate 5 and is 170 miles north of Sacramento, the state capital. The City was incorporated July 2, 1993, as a general law city and it employs the council-manager form of government. The governing council is responsible, among other things for passing ordinances, adopting the budget, and appointing committees. The Council appoints a City Attorney as legal counsel and a City Manager who is the administrative head of the government.

The City Manager is responsible for carrying out the policies and ordinances of the governing council, for overseeing day-to-day operations of the government, and for appointing the heads of the various departments. The City Manager is required to prepare and submit the annual budget to City Council and be responsible for its administration after adoption. The City Manager presents an operating and capital budget to City Council for review and adoption.

The Council is elected on a non-partisan basis. Council members serve four-year staggered terms, with either two or three council members elected every two years. A Mayor and Vice-Mayor are selected by the Council from its members. An organization chart and list of the City Council members and other City officials, as of June 30, 2015, is included at the back of the Introductory Section of the CAFR.

The primary responsibility for financial administration of the City rests with the Finance Director. The Finance Director is appointed by the City Manager and is responsible for establishing and maintaining the accounting and management information for the City. She is also responsible for the receipt, investments, and disbursement of all City funds.

The City of Shasta Lake provides a full range of services, including police (through a contract with the Shasta County Sheriff's Department), the maintenance of streets and other infrastructure, recreational activities, and cultural events. The City also provides electric, water, sewer, and solid waste services to its citizens.

### **Long-term Financial Planning**

City Management believes that the City's financial position is distinctly different and more encouraging than it has been for many years. The City adopted a two-year budget in May 2014 for fiscal years ending June 30, 2015 and 2016. Budget projections for expenditures remained conservative, but with an increased focus on renovation of existing deteriorated buildings and new capital improvement projects. The economy has improved considerably and has allowed the City to look forward to new growth, albeit cautiously. Management continues to monitor expenses and find ways to slow expenditure growth.

From an economic development perspective, the City is seeing renewed interest in numerous projects. The City is in the midst of updating the general plan, which includes the open space, conservation, housing, and land use components, and anticipates having a completed plan soon.

City Council has approved the Wastewater Treatment Facility Direct Discharge Project. City Staff anticipates the project to cost \$20.8 million, with \$17.4 million in assistance from the Clean Water State Revolving Fund Loan Program. The project is expected completion date is December 2018.

City Council has also approved construction of a new City Hall for approximately \$5.8 million, which has an expected completion date of March 2019.

The Electric Utility Fund paid the 2005 revenue bond in full (\$7 million) in September 2015 with cash reserves. The interest earnings rate for cash has been less than 1.0% since August 2009, while the interest rate on the bond expense was 5.0%. Early payoff of the bond allowed an overall interest expense savings of \$1,890,500 over ten years.

### **Certificate of Achievement**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its CAFR for the fiscal year ended June 30, 2014. This was the first time the City has achieved this prestigious national award. The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting. In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized CAFR. This report satisfied both Generally Accepted Accounting Principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

## Local Economy and History

The modern history of the City of Shasta Lake goes back to at least the late 1930s when construction of the Shasta Dam was announced in 1937. Hundreds of workers and their families migrated to the area and many businesses flourished. By the time construction commenced in 1938, the workers and their families had created new communities known as Central Valley, Pine Grove, Project City, Toyon, and Summit City. Except for the period during World War II when many workers left the area to join the services, for the next thirty years the communities thrived as the area's timber industry grew. With the decline in timber production and public works projects in the 1970s, the communities declined. Businesses closed, leaving vacant buildings behind. Homes that had been constructed nearly fifty years earlier and designed for temporary housing continued to house individuals and families, without structural upgrades to assure safety.

Today, the communities that prospered during the Dam era, now comprise the City of Shasta Lake. Primary industry continues to include timber along with government and manufacturing. Property taxes account for over forty percent of general revenues. In response to the desire to beautify the City, public improvements such as curbs, gutters, street paving, and sidewalks in residential neighborhoods have come underway. The City has a small town vibe and boasts community events such as Friday Night in the Park, Shasta Damboree, a Veterans' Day parade, and an annual Christmas Tree Lighting and Community Party.

Shasta Lake has a strong commitment to its residents' safety, well-being, and cultural activities. We are striving to be a self-contained community that meets the commercial, retail, social, cultural, educational, and recreational needs of its citizens.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Laura L. Redwine". The signature is written in a cursive, flowing style.

Laura L. Redwine, CPA  
Finance Director

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Government Finance Officers Association

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

Presented to

**City of Shasta Lake  
California**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2014**

Executive Director/CEO

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**CITY OF SHASTA LAKE**  
**City Officials**  
**For the Year Ended June 30, 2015**

**Elected Officials**

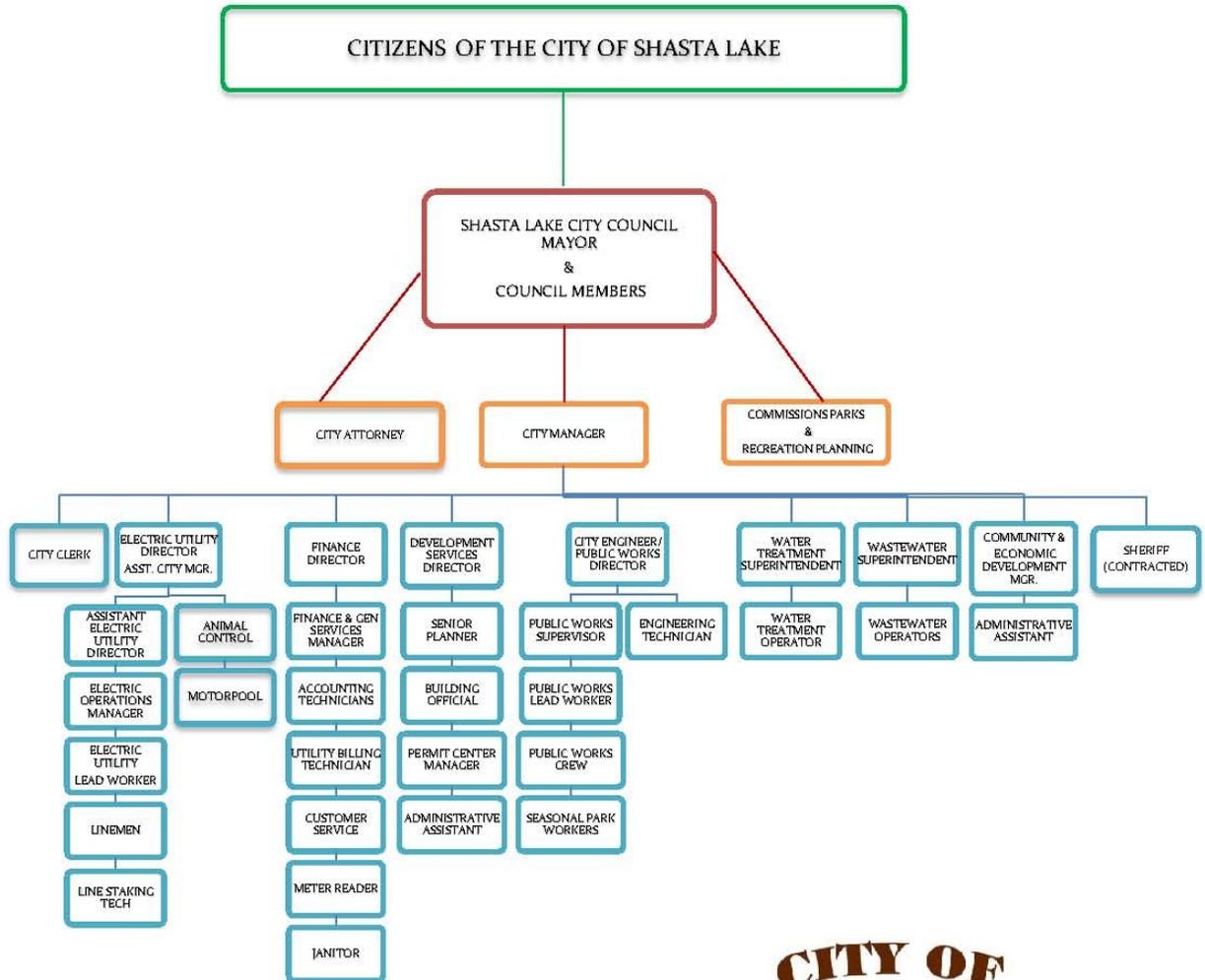
Greg Watkins. . . . . Mayor  
Lori Chapman-Sifers.. . . . Vice-Mayor  
Larry Farr. . . . . Member  
Richard Kern.. . . . Member  
Pamelyn Morgan.. . . . Member

**Administrative Personnel**

John N. Duckett, Jr. . . . . City Manager  
John Kenny. . . . . City Attorney  
Laura Redwine. . . . . Finance Director  
Tom Miller. . . . . Electric Utility Director  
Jeff Tedder. . . . . City Engineer  
Carla L. Thompson. . . . . Development Services Director  
Tony Thomasy. . . . . Water Treatment Superintendent  
Tom Chism. . . . . Wastewater Treatment Superintendent  
Jessaca Lugo. . . . . Economic Development Manager  
Forrest Bartell. . . . . Sheriff's Captain  
Toni Coates. . . . . City Clerk

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# City of Shasta Lake Org Chart



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## **FINANCIAL SECTION**

- **Independent Auditor's Report**
- **Management's Discussion and Analysis**
- **Basic Financial Statements**
- **Required Supplementary Information**
- **Combining and Individual Fund Statements and Schedules**

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**INDEPENDENT AUDITOR'S REPORT**

To the Honorable Mayor and  
Members of the City Council  
City of Shasta Lake  
Shasta Lake, California

**Report on the Financial Statements**

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 Shasta Lake, California (City), as of and for the year ended June 30, 2015, 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.

**Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 auditor's 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, the auditor considers 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 opinions.

To the Honorable Mayor and  
Members of the City Council  
City of Shasta Lake  
Shasta Lake, California

## **Opinions**

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, 2015, 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.

## **Emphasis of Matter**

As described in Note 1U to the financial statements, in 2015, the City implemented Governmental Accounting Standards Board (GASB) Statement Nos. 68, 69, and 71. The implementation of GASB 68 and 71 resulted in the restatement of beginning net position for the year ended June 30, 2015. Our opinion is not modified with respect to these matters.

As described in Note 11, the net pension liability is measured as of June 30, 2014 and the pension expense is for the measurement period of 2013-2014. Our opinion is not modified with respect to this matter.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, City Pension Plans-Schedule of Proportionate Share of Net Pension Liability, City Pension Plans-Schedule of Contributions, Notes to the City Pension Plans, City OPEB - Schedule of Funding Progress and budgetary comparison information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with 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 opinions 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 basic financial statements.

To the Honorable Mayor and  
Members of the City Council  
City of Shasta Lake  
Shasta Lake, California

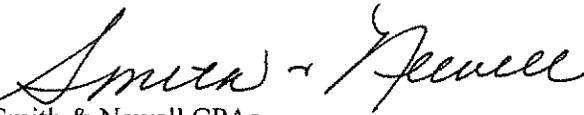
The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing 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 basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated in all material respects in relation to the basic 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.

#### **Other Reporting Required by Government Auditing Standards**

In accordance with Government Auditing Standards, we have also issued our report dated December 17, 2015 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the City's internal control over financial reporting and compliance.

  
Smith & Newell CPAs  
Yuba City, California  
December 17, 2015

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**Management's Discussion and Analysis  
(Unaudited)**

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## **Management's Discussion and Analysis**

As management of the City of Shasta Lake (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2015. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our Letter of Transmittal, which can be found on pages **i-iii** of this report. The management's discussion and analysis is designed to: 1) assist the reader in focusing on significant financial issues, 2) provide an overview of the City's financial activity, and 3) identify changes in the City's financial assets. Comparative data on the government-wide financial statements is only presented in Management's Discussion and Analysis.

### **Financial Highlights**

#### ***Government-wide***

- The assets and deferred outflows of the City exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$108,349,438 (net position). Of this amount, \$26,079,211 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net position increased by \$841,880. There was a change in accounting principal adjustment for \$5,265,980, which affected the total net position by a decrease. The governmental activities net position increased by \$216,924 and the business-type activities net position increased by \$624,956. The change in accounting principal adjustment for governmental activities decreased net position by \$1,991,181 and decreased business-type activities by \$3,274,799.
- The City's total debt, excluding compensated absences, decreased by \$916,281 (5 percent) during the current fiscal year. The decrease is due to scheduled annual debt service payments.

#### ***Fund Financials***

- At the close of fiscal year 2014-15, governmental funds reported combined ending fund balance of \$12,870,046, an increase of \$1,451,161 compared to the prior fiscal year's decrease of \$268,281, which is primarily due to an increase in tax revenues and a decrease in capital outlay. The ending fund balance is primarily identified as: \$10,604,793 restricted (82 percent), \$1,154,764 assigned (8 percent), and \$1,110,489 unassigned (10 percent).
- At the end of the current fiscal year, the combined fund balance for the General fund was \$2,990,982. This represents an increase of \$583,557, which consists primarily of \$630,748 in restricted funds and \$1,154,764 in assigned funds.
- Proprietary funds reported a combined ending unrestricted net position of \$22,916,967, a decrease of \$2,649,843 compared to the prior year's decrease of \$628,653, primarily due to the implementation of GASB 68 and the reporting of pension liabilities.

### **Overview of the Financial Statements**

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

## Government-wide Financial Statements

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

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

The *Statement of Activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, all of the current year's revenues and expenses are taken into account regardless of when cash is received or paid (e.g., earned but unused vacation leave or uncollected taxes).

Government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, public ways and facilities, planning, culture and recreation, and community development. The business-type activities of the City includes water, electric, and wastewater operations, as well as an industrial park. Also included in the government-wide financial statements are the Successor Agency to the Former City of Shasta Lake Redevelopment Agency (all redevelopment agencies in the State of California were dissolved and ceased to operate as a legal entity as of February 1, 2012) and the Shasta Lake Public Financing Authority. While these agencies are legally separate agencies, their governing boards consists entirely of City Council members and function for all practical purposes as departments of the City, therefore, have been included as an integral part of the primary government.

The government-wide financial statements can be found on pages **17-19** of this report.

## Fund Financial Statements

Fund financial statements are designed to report information about groupings of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. City funds can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

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

The City maintains several individual governmental funds organized by their type (special revenue and debt service). Information is presented in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General fund and the 1995 Wastewater Debt Service fund, all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of the nonmajor governmental funds is provided in the form of combining statements shown on pages **76-77** and **89-90**.

The City adopts an annual appropriated budget for its general, special revenue, and debt service funds. A budgetary comparison statement has been provided for the General fund to demonstrate compliance with this budget on page **70**.

The basic governmental fund financial statements can be found on pages **20-23** of this report.

**Proprietary Funds** - *Proprietary funds* are generally used to account for services for which the City charges outside customers or internal departments of the City. Proprietary funds provide the same type of information as shown in the government-wide statements, only in more detail. The City maintains the following two 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 the operations of water, electric, wastewater, and industrial park.
- **Internal service funds** are used to report activities that provide internal services for the City. The City uses internal service funds to account for its fleet of vehicles and for its public works maintenance activities. Because internal service funds predominantly benefit governmental rather than business-type functions, they been included within governmental activities in the government-wide financial statements. The internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements found on pages **99-101**.

The basic proprietary funds financial statements can be found on pages **24-28** of this report.

**Fiduciary Funds** - Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements, because the resources of those funds are not available to support the City's own programs. The basic fiduciary funds financial statements can be found on page **29-30** of this report.

**Notes to the Financial Statements** - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages **31-65** of this report.

**Other Information** - In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* (RSI), which can be found on pages **66-71** of this report.

Combining statements for nonmajor governmental funds, nonmajor proprietary funds and internal service funds are presented immediately following the RSI. Combining and individual financial statements and schedules can be found on pages **72-101** of this report.

Combining statements for fiduciary funds can be found on pages **103-104** of this report.

Statistical tables regarding; fiscal trends, revenue capacity, debt capacity, demographic and economic information, and operation information can be found on pages **106-127** of this report.

## Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial assets. In the case of the City, assets and deferred outflows exceeded liabilities and deferred inflows by \$108,349,438 at the close of the most recent fiscal year.

The following schedule displays a summary breakdown of the City's net position as of June 30, 2015 and 2014:

	NET POSITION					
	Governmental Activities		Business-Type Activities		Total	
	2014	2015	2014	2015	2014	2015
Current and other assets	\$ 16,400,061	\$ 18,145,471	\$ 28,819,227	\$ 29,537,457	\$ 45,219,288	\$ 47,682,928
Capital assets	51,575,153	50,289,770	35,939,532	35,498,829	87,514,685	85,788,599
Total assets	67,975,214	68,435,241	64,758,759	65,036,286	132,733,973	133,471,527
Deferred outflows of resources	-	205,530	-	338,026	-	543,556
Current liabilities	1,719,279	3,729,898	1,728,905	4,890,788	3,448,184	8,620,686
Long-term liabilities	3,432,339	3,315,211	13,079,912	12,284,915	16,512,251	15,600,126
Total liabilities	5,151,618	7,045,109	14,808,817	17,175,703	19,960,435	24,220,812
Deferred inflows of resources	-	546,323	-	898,510	-	1,444,833
Net position						
Net investment in capital assets	48,273,741	47,105,807	23,037,784	23,395,913	71,311,525	70,501,720
Restricted	9,833,597	10,781,288	977,967	987,219	10,811,564	11,768,507
Unrestricted	4,716,258	3,162,244	25,934,191	22,916,967	30,650,449	26,079,211
Total net position	\$ 62,823,596	\$ 61,049,339	\$ 49,949,942	\$ 47,300,099	\$ 112,773,538	\$ 108,349,438

By far, the largest portion of the City's net position (65 percent) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Another portion of the City's net position, \$11,768,507 (10.9 percent), represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, \$26,079,211 (24.1 percent) may be used to meet the government's ongoing obligations to citizens and creditors, as well as to meet City imposed designations (e.g., reserves, pending litigations, contingencies and capital projects).

The statement of activities shows how the City's net position changed during the fiscal year. The City's net position decreased overall by \$4,424,100 during the year (includes a change in account principal decrease of \$5,265,980 and an increase in net position of \$841,880). These changes are explained in the governmental and business-type activities on the following pages.

At the end of the current fiscal year, the City was able to report positive balances in net position, for both governmental and business-type activities.

The following schedule shows the various components that caused the City's net position to change:

**Changes in Net Position**

	Governmental Activities		Business-Type Activities		Total	
	2014	2015	2014	2015	2014	2015
<b>Revenues:</b>						
Program Revenues						
Charges for services	\$ 3,323,062	\$ 3,463,469	\$ 24,374,928	\$ 24,133,455	\$ 27,697,990	\$ 27,596,924
Operating grants and contributions	1,847,156	1,749,838	-	-	1,847,156	1,749,838
Capital grants and contributions	333,623	304,440	51,087	151,046	384,710	455,486
General Revenues						
Sales tax	480,926	777,837	-	-	480,926	777,837
Property tax	911,458	1,020,590	-	-	911,458	1,020,590
Transient and occupancy taxes	7,215	8,036	-	-	7,215	8,036
Other taxes	189,712	408,405	-	-	189,712	408,405
Motor vehicle in-lieu	733,665	759,393	-	-	733,665	759,393
Interest and investment earnings	35,232	21,089	157,207	130,341	192,439	151,430
Other	164,769	42,329	408,876	263,754	573,645	306,083
Total revenues	<u>8,026,818</u>	<u>8,555,426</u>	<u>24,992,098</u>	<u>24,678,596</u>	<u>33,018,916</u>	<u>33,234,022</u>
<b>Expenses:</b>						
General government	2,636,610	2,061,600	-	-	2,636,610	2,061,600
Public safety	2,761,952	2,802,199	-	-	2,761,952	2,802,199
Recreation and culture	298,171	302,959	-	-	298,171	302,959
Planning	514,828	668,710	-	-	514,828	668,710
Public works	2,041,296	1,949,843	-	-	2,041,296	1,949,843
Community development	389,440	328,401	-	-	389,440	328,401
Interest and fiscal charges on long-term debt	169,850	159,790	-	-	169,850	159,790
Water	-	-	2,748,608	2,459,582	2,748,608	2,459,582
Electric	-	-	20,114,409	19,374,664	20,114,409	19,374,664
Wastewater	-	-	2,735,434	2,141,935	2,735,434	2,141,935
Industrial park	-	-	132,300	142,459	132,300	142,459
Total expenses	<u>8,812,147</u>	<u>8,273,502</u>	<u>25,730,751</u>	<u>24,118,640</u>	<u>34,542,898</u>	<u>32,392,142</u>
Increase (decrease) in net position before transfers	(785,329)	281,924	(738,653)	559,956	(1,523,982)	841,880
Transfers	<u>(110,000)</u>	<u>(65,000)</u>	<u>110,000</u>	<u>65,000</u>	<u>-</u>	<u>-</u>
Increase (decrease) in net position	(895,329)	216,924	(628,653)	624,956	(1,523,982)	841,880
Net position, beginning of year	63,718,925	62,823,596	50,769,127	49,949,942	114,488,052	112,773,538
Cumulative effect-change in principal	-	(1,991,181)	-	(3,274,799)	-	(5,265,980)
Prior period adjustment	-	-	(190,532)	-	(190,532)	-
Net position, beginning of year-restated	<u>63,718,925</u>	<u>60,832,415</u>	<u>50,578,595</u>	<u>46,675,143</u>	<u>114,297,520</u>	<u>107,507,558</u>
Net position, end of year	<u>\$ 62,823,596</u>	<u>\$ 61,049,339</u>	<u>\$ 49,949,942</u>	<u>\$ 47,300,099</u>	<u>\$ 112,773,538</u>	<u>\$ 108,349,438</u>

**Governmental Activities** - Governmental activities increased the City's net position by \$216,924. A change in accounting principal decreased net position by \$1,991,181. Key elements of activities performed in the fiscal year ended June 30, 2015 are as follows:

**Program revenues** increased \$13,906 due to an increase in charges to services, which was offset by a decrease in grants and contributions. The major changes are highlighted below:

- Charges for services increased due to internal service charges for shared overhead escalations.
- Operating grants and contributions decreased due to the PIHNC Langfield project being completed in the prior year.
- Capital grants and contributions remained consistent with the previous year.

**General revenues** increased \$514,702 due to tax revenue increases. The major changes are highlighted below:

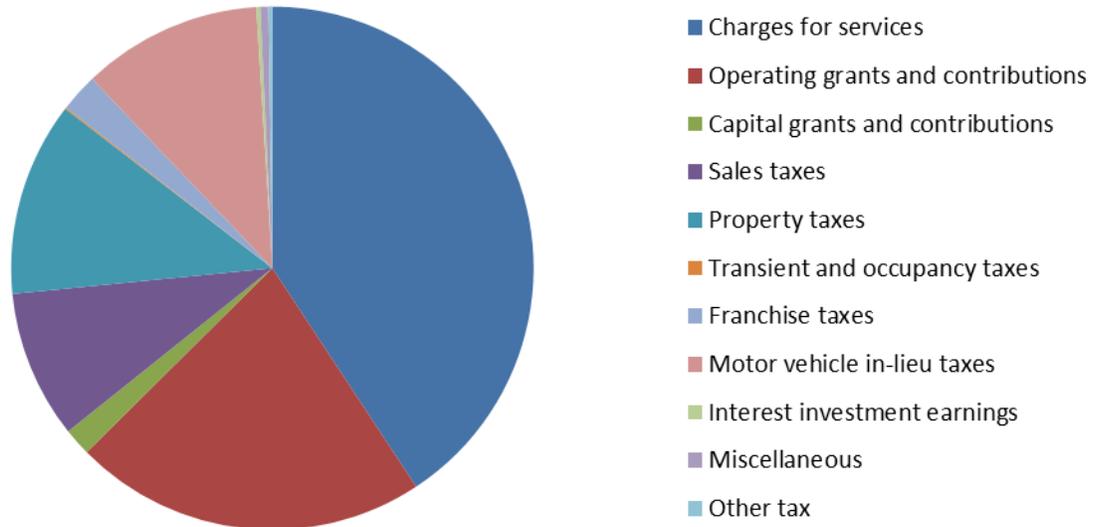
- Property tax increased by approximately 11% due to an upturn in the economy and residual property tax received post dissolution of the RDA.
- Sales tax increased \$195,688 due to receiving the normal allotment for ERAF backfill taxes during FY 2015. In the prior year, the City owed the County due to RDA dissolution and on-time property tax apportionments.
- Other taxes increased \$188,442 due to the special business tax, which was a marijuana tax initiative voted in by the citizens of Shasta Lake in November 2014.

As the chart below depicts, the largest source of revenues are charges for services followed by operating grants and contributions, which comprises 41 percent of total revenues for governmental activities.

City of Shasta Lake  
Revenues by Source  
Governmental Activities  
For the Year Ended June 30, 2015

Revenues Source	Revenue	% of Total
Charges for services	\$ 3,463,469	40.48%
Operating grants and contributions	1,749,838	20.45%
Capital grants and contributions	304,440	3.56%
Sales taxes	777,837	9.09%
Property taxes	1,020,590	11.93%
Transient and occupancy taxes	8,036	0.09%
Franchise taxes	199,752	2.33%
Motor vehicle in-lieu taxes	759,393	8.88%
Interest investment earnings	21,089	0.25%
Miscellaneous	42,329	0.49%
Other tax	208,653	2.44%
Total	\$ 8,555,426	100.00%

## Revenues by Source

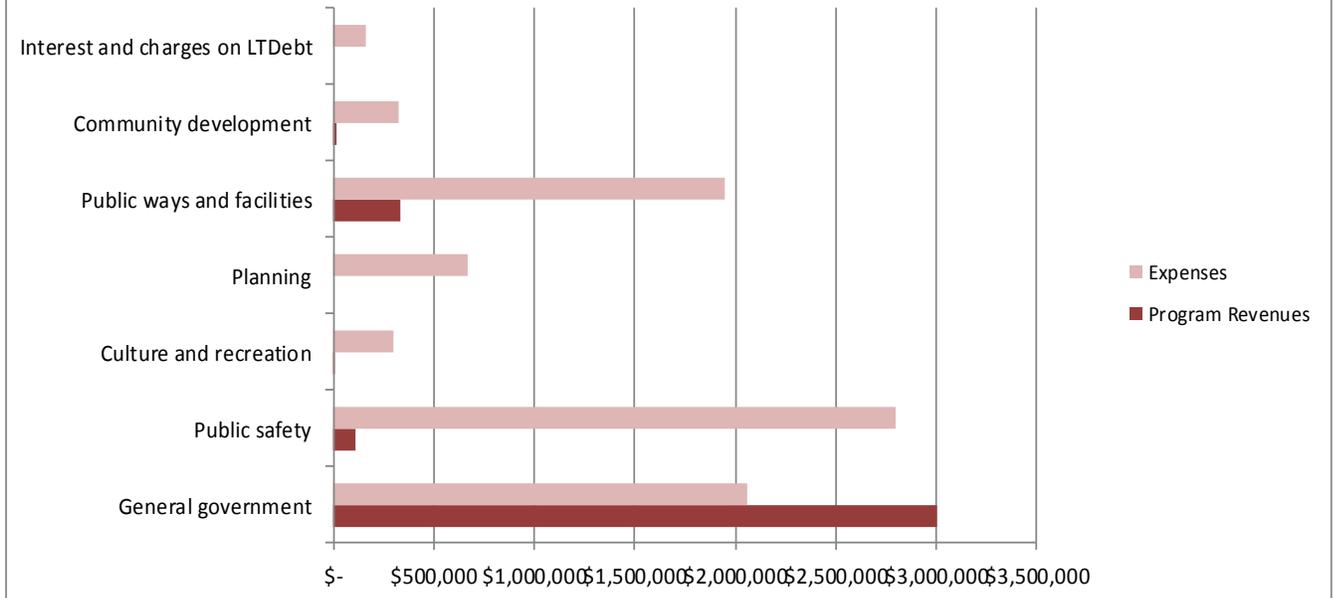


As shown below, public safety is the largest program followed by general government. General revenues, such as property and sales tax, are not shown by program, but are effectively used to support program activities citywide.

Expenses and Program Revenues  
Governmental Activities  
For the Year Ended June 30, 2015

Functions/Programs	Expenses	% of Total	Program Revenues	% of Total	Net (Expense) Revenue
General government	\$ 2,061,600	24.92%	\$ 3,006,016	54.48%	\$ 944,416
Public safety	2,802,199	33.87%	208,154	3.77%	(2,594,045)
Culture and recreation	302,959	3.66%	7,000	0.13%	(295,959)
Planning	668,710	8.08%	-	0.00%	(668,710)
Public ways and facilities	1,949,843	23.57%	1,694,366	30.71%	(255,477)
Community development	328,401	3.97%	602,211	10.91%	273,810
Interest and charges on LTDebt	159,790	1.93%	-	0.00%	(159,790)
Total	<u>\$ 8,273,502</u>	<u>100.00%</u>	<u>\$ 5,517,747</u>	<u>100.00%</u>	<u>\$ (2,755,755)</u>

## Expenses and Program Revenues - Governmental



**Expenses** decreased \$538,645 primarily due to a decrease of the one-time recording of CalPERS refinanced side fund retirement debt in the prior year, which was borrowed from the Electric Utility fund and spread across all expenditure functions.

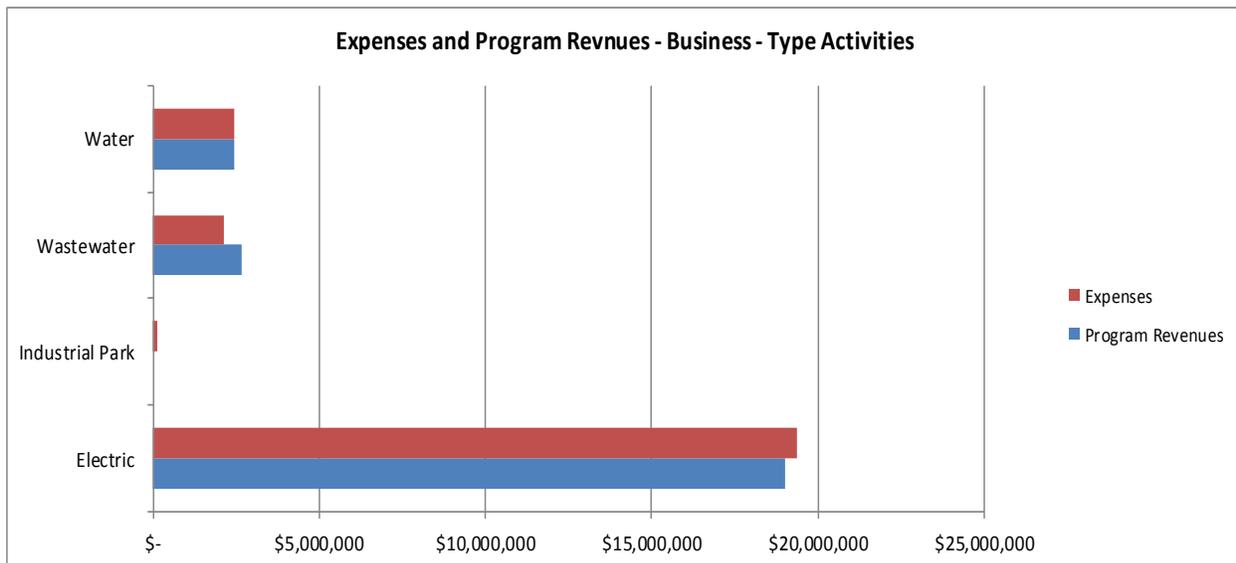
**Business-type Activities** - Business-type activities increased the City's net position by \$624,956, compared to prior fiscal year's decrease of \$628,653. A change in accounting principal decreased net position by \$3,274,799. Key elements of this change are as follows.

- Water Utility fund's net position increased \$155,752, compared to the prior fiscal year's decrease of \$61,785. This increase in growth was primarily due to a savings in salaries and benefits because of a vacant position and the previous year's \$116,932 one-time recording of CalPERS refinanced side fund retirement debt, which was borrowed from the Electric Utility fund. A one-time accounting principal adjustment of \$242,407 decreased net position to account for the recording of pension liabilities.
- Electric Utility fund's net position decreased \$123,849, compared to the prior fiscal year's decrease of \$342,644. This continued decrease in growth is due to the cost of generating power, salary increases, and related to the CalPERS refinanced side fund retirement debt recorded in the previous year. A one-time accounting principal adjustment of \$1,705,654 decreased net position to account for the recording of pension liabilities.
- Wastewater Utility fund's net position increased \$606,588, compared to the prior fiscal year's decrease of \$114,138. The increase is primarily due to the CalPERS refinanced debt recorded in the previous fiscal year and a decrease in the current year depreciation expense. A one-time accounting principal adjustment of \$301,976 decreased net position to account for the recording of pension liabilities.
- Industrial Park fund (other enterprise fund) decreased \$14,539, which is comparable to the prior fiscal year's decrease of \$18,969. The shortfall is subsidized by the General fund and is due to maintenance expenses that exceed revenues.
- Internal Service fund's net position increased \$1,571, compared to the prior fiscal year's increase of \$136,194. The prior year significant increase was due to the completion of the Public Works vehicle storage building. A one-time accounting principal adjustment of \$1,024,762 decreased net position to account for the recording of pension liabilities.

As shown below, the Electric Utility fund had the greatest total expenses with \$19,374,664 out of \$24,118,640 in total business-type expenses. For all the business-type activities below, charges for services provide the largest share of revenues (99 percent).

Expenses and Program Revenues  
Business-Type Activities  
For the Year Ended June 30, 2015

Funds	Expenses	% of Total	Program Revenues	% of Total	Net (Expense) Revenue
Electric	\$ 19,374,664	80.33%	\$ 19,037,072	78.39%	\$ (337,592)
Industrial Park	142,459	0.59%	50,320	0.21%	(92,139)
Wastewater	2,141,935	8.88%	2,655,393	10.93%	513,458
Water	2,459,582	10.20%	2,541,716	10.47%	82,134
Total	<u>\$ 24,118,640</u>	<u>100.00%</u>	<u>\$ 24,284,501</u>	<u>100.00%</u>	<u>\$ 165,861</u>



### Financial Analysis of the City Funds

As noted earlier, the City 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 balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$12,870,046, an increase of \$1,451,161 when compared to the prior fiscal year. The increase is primarily due to the CalPERS side fund refinance, which took place in the previous year. Assigned fund balance (available for specific purposes) of \$1,154,764 consists of debt owed to the Electric Utility fund for the refinancing of debt mentioned above of \$650,069, obligations for accounts payable and payroll of \$494,523, and developer deposits. The remainder of fund balance, \$10,604,793, is restricted by outside sources. Refer to pages 20-23 for more detail of governmental funds.

The General fund is the chief operating fund of the City. At the end of the current fiscal year unassigned fund balance of the General fund was \$1,205,470. Total fund balance at the end of the year is \$2,990,982. The fund balance of the City's General fund increased by \$583,557 during the current fiscal year. The primary factor for this increase has been discussed above. Refer to page **52-54** for more detail of fund balance.

**General Fund Revenues** for fiscal year 2014-15, including transfers in, were \$6,283,069, an increase of \$577,052 (10 percent), compared to prior fiscal year. Key elements of the changes are as follows:

- Tax revenue increased \$438,163 primarily due to an upturn in the economy, dissolution of the RDA, special business tax new revenues, and receiving of the normal allotment for ERAF backfill taxes.
- Other revenues decreased \$139,743 due to one-time donations received in 2014 for the transfer of assets in regards to the dissolution of the RDA.

**General Fund Expenditures** for fiscal year 2014-15, including transfers out were \$5,699,512, decreased \$558,370 (8 percent). Key elements of the changes are as follows:

- General government decreased \$609,276 primarily due to the 2014 one-time payment for the CalPERS debt.
- Planning increased by \$170,520 primarily due to general plan expenditures. Approximately \$88,000 of these expenditures are expected to be reimbursed in 2015-16 by grant revenues.
- Capital outlay decreased by \$147,432 due to the completion of the law enforcement center and council chambers during 2014.

**Other Major Governmental Funds** – Wastewater Treatment Debt fund accounts for the 1995 Wastewater Revenue Bonds. Revenues and expenditures are comparable to the prior 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.

Unrestricted net position of the Water, Electric, Wastewater, and Industrial Park at the end of the year amounted to \$23,614,780. Other factors concerning the finances of these funds have already been addressed in the discussion of the City's business-type activities.

### **General Fund Budgetary Highlights**

The General fund budget and actual report can be found on page **70**. Differences between the original expenditure budget and the final amended budget was an increase in total appropriations of \$313,833. Some of the major changes are summarized below:

- A \$120,000 increase by resolution for repairs and maintenance necessary for the John Beaudet Community Center.
- A \$105,490 increase for OPEB contribution requirements per GASB 45.
- A \$40,185 increase to accommodate the final contract for police services.

### **Capital Asset and Debt Administration**

**Capital Assets** - The City's investment in capital assets for its governmental and business type activities as of June 30, 2015, amounts to \$85,788,599 (net of accumulated depreciation). This investment in capital assets includes land, general and utility plant, building and improvements, streets and drainage, parks, equipment and vehicles, other assets as well as construction in progress. Additional information on capital assets can be found on pages **45-47** in the notes to the basic financial statements.

Major capital asset events during the current fiscal year include the following:

- \$66,043 was expended to begin the sludge dewatering project.
- \$28,787 for GIS software for the Electric Utility Department.
- \$39,180 for inspection software.
- \$92,000 on the solar project out at the corporation yard
- \$265,018 expended on continued improvements to the water line.
- \$91,312 for Interstate 5 URD crossings (moving power lines underground).
- Pump station repairs of \$138,507.
- \$128,380 in construction in progress on the Wastewater Treatment Plant Facility.
- \$285,285 in construction in progress for CCTW sewer cleaning.

Changes in capital assets consist of the following:

<b>Changes in Capital Assets</b>				
	Balance July 1, 2014	Additions	Deductions/ Adjustments	Balance June 30, 2015
Governmental activities				
Land, easements & rts of way	\$ 3,700,494	\$ -	\$ -	\$ 3,700,494
Infrastructure and land improvmts	51,735,018	-	-	51,735,018
Construction	8,791,432	-	-	8,791,432
Machinery & equipment	607,354	-	-	607,354
Vehicles	34,571	-	-	34,571
Construction in progress	3,030	28,893	-	31,923
Total	64,871,899	28,893	-	64,900,792
Less accumulated depreciation	(13,296,746)	(1,314,276)	-	(14,611,022)
Governmental activities				
Capital assets, net	51,575,153	(1,285,383)	-	50,289,770
Business-type activities				
Land	2,122,396	-	-	2,122,396
General and utility plant	66,119,191	688,810	222,030	67,030,031
Building and improvements	2,119,399	93,241	17,307	2,229,947
Equipment and vehicles	3,907,677	327,083	(456,465)	3,778,295
Construction in progress	359,829	485,701	(90,684)	754,846
Total	74,628,492	1,594,835	(307,812)	75,915,515
Less accumulated depreciation	(38,688,960)	(2,035,538)	307,812	(40,416,686)
Business-type activities				
Capital assets, net	35,939,532	(440,703)	-	35,498,829
Total	\$ 87,514,685	\$ (1,726,086)	\$ -	\$ 85,788,599

## Long-term Debt

The following schedule shows the changes in long-term debt, excluding compensated absences, for the year.

<b>Long-Term Debt</b>				
	Balance July 1, 2014	Adjustments/ Additions	Deductions	Balance June 30, 2015
<b>Governmental activities</b>				
Loans payable	\$ 113,412	\$ -	\$ 8,449	\$ 104,963
Revenue bonds	3,113,000	-	92,000	3,021,000
Special assessment debt	75,000	-	17,000	58,000
<b>Governmental activities Long-term debt</b>	<b>3,301,412</b>	<b>-</b>	<b>117,449</b>	<b>3,183,963</b>
<b>Business-type activities</b>				
Loans payable	4,369,516	-	190,479	4,179,037
Capital leases payable	137,232	-	53,353	83,879
Revenue bonds	7,530,000	-	530,000	7,000,000
Special assessment debt	865,000	-	25,000	840,000
<b>Business-type activities Long-term debt</b>	<b>12,901,748</b>	<b>-</b>	<b>798,832</b>	<b>12,102,916</b>
<b>Total</b>	<b>\$ 16,203,160</b>	<b>\$ -</b>	<b>\$ 916,281</b>	<b>\$ 15,286,879</b>

At the end of the current fiscal year, the City had total debt outstanding, excluding compensated absences, of \$15,286,879. Of this amount, \$4,284,000 comprises debt backed by the full faith and credit of the government and \$898,000 is special assessment debt for which the government is liable in the event of default by the property owners subject to the assessment. The remainder of the City's debt represents bonds secured solely by specified revenue sources (i.e., revenue bonds) and a capital lease of \$83,879. Additional information on long-term liabilities can be found on pages **48-52** in the notes to the basic financial statements.

The City's total debt, excluding compensated absences, decreased by \$916,281 (5 percent) during the current fiscal year. The decrease is due to scheduled annual debt repayment.

## Economic Factors and Next Year's Budgets and Rates

The focus of this annual report is to provide an overview of the financial condition of the City of Shasta Lake as of June 30, 2015, taking into consideration the global, national, and local economic conditions and their impacts on the City. The U.S. economy continues to rise and has shown economic growth. Slow growth is expected for the local economy for the 2015-2016 fiscal year.

The City anticipates the General fund to decrease for the fiscal year ending 2016 mainly due to expenditures related to wage increases, payments to the Electric Utility fund for reimbursement of the CalPERS side fund debt, and capital outlay projects. All of these factors were considered in preparing the City's budget for the 2015-16 fiscal year.

## **Request 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. This report can be found with the City's audited financial statements on the City's website, [www.cityofshastalake.org](http://www.cityofshastalake.org) under departments, finance department, financial information. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

The City of Shasta Lake - Finance Director  
P.O. Box 777  
Shasta Lake, CA, 96019

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## **Basic Financial Statements**

- **Government-Wide Financial Statements**

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**CITY OF SHASTA LAKE**  
**Statement of Net Position**  
**June 30, 2015**

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>ASSETS</b>			
Cash and investments	\$ 8,073,782	\$ 19,760,355	\$ 27,834,137
Receivables:			
Accounts, net	91,325	3,033,917	3,125,242
Interest	800	17,284	18,084
Taxes	382,056	1,284	383,340
Intergovernmental	147,144	-	147,144
Assessments	3,079,000	640,896	3,719,896
Deposits	4,428	1,023,840	1,028,268
Prepaid costs	-	1,726,852	1,726,852
Inventory	-	435,653	435,653
Internal balances	(81,488)	81,488	-
Restricted cash and investments	829,151	970,681	1,799,832
Loans receivable	5,024,346	-	5,024,346
Other postemployment benefits asset	-	1,845,207	1,845,207
Land held for resale	594,927	-	594,927
Capital assets:			
Non-depreciable	3,732,417	2,877,242	6,609,659
Depreciable, net	46,557,353	32,621,587	79,178,940
Total capital assets	<u>50,289,770</u>	<u>35,498,829</u>	<u>85,788,599</u>
<b>Total Assets</b>	<u>68,435,241</u>	<u>65,036,286</u>	<u>133,471,527</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension adjustments	<u>205,530</u>	<u>338,026</u>	<u>543,556</u>
<b>Total Deferred Outflows of Resources</b>	<u>205,530</u>	<u>338,026</u>	<u>543,556</u>
<b>LIABILITIES</b>			
Accounts payable	336,007	694,460	1,030,467
Salaries and benefits payable	48,936	76,344	125,280
Due to other governments	458,653	1,232,488	1,691,141
Deposits payable	555,089	1,199	556,288
Interest payable	49,103	154,488	203,591
Unearned revenues	133,380	-	133,380
Net pension liability	1,661,027	2,731,809	4,392,836
Other postemployment benefits liability	487,703	-	487,703
Long-term liabilities:			
Due within one year	216,824	983,147	1,199,971
Due in more than one year	<u>3,098,387</u>	<u>11,301,768</u>	<u>14,400,155</u>
<b>Total Liabilities</b>	<u>7,045,109</u>	<u>17,175,703</u>	<u>24,220,812</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Pension adjustments	<u>546,323</u>	<u>898,510</u>	<u>1,444,833</u>
<b>Total Deferred Inflows of Resources</b>	<u>546,323</u>	<u>898,510</u>	<u>1,444,833</u>

The notes to the basic financial statements are an integral part of this statement.

Continued (Page 1 of 2)

**CITY OF SHASTA LAKE**  
**Statement of Net Position**  
**June 30, 2015**

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>NET POSITION</b>			
Net investment in capital assets	47,105,807	23,395,913	70,501,720
Restricted for:			
General government	1,536,820	-	1,536,820
Public safety	240	-	240
Public ways and facilities	2,545,195	-	2,545,195
Community development	6,031,887	-	6,031,887
Debt service	667,146	987,219	1,654,365
Unrestricted	3,162,244	22,916,967	26,079,211
 <b>Total Net Position</b>	 <b>\$ 61,049,339</b>	 <b>\$ 47,300,099</b>	 <b>\$108,349,438</b>

The notes to the basic financial statements are an integral part of this statement.

Continued (Page 2 of 2)

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**CITY OF SHASTA LAKE**  
**Statement of Activities**  
**For the Year Ended June 30, 2015**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Governmental activities:				
General government	\$ 2,061,600	\$ 3,006,016	\$ -	\$ -
Public safety	2,802,199	108,154	100,000	-
Public ways and facilities	1,949,843	329,996	1,059,930	304,440
Planning	668,710	-	-	-
Culture and recreation	302,959	7,000	-	-
Community development	328,401	12,303	589,908	-
Interest on long-term debt	159,790	-	-	-
<b>Total Governmental Activities</b>	<b>8,273,502</b>	<b>3,463,469</b>	<b>1,749,838</b>	<b>304,440</b>
Business-type activities:				
Water	2,459,582	2,454,424	-	87,292
Electric	19,374,664	19,027,126	-	9,946
Wastewater	2,141,935	2,651,905	-	3,488
Industrial park	142,459	-	-	50,320
<b>Total Business-Type Activities</b>	<b>24,118,640</b>	<b>24,133,455</b>	<b>-</b>	<b>151,046</b>
<b>Total</b>	<b>\$32,392,142</b>	<b>\$27,596,924</b>	<b>\$ 1,749,838</b>	<b>\$ 455,486</b>

**General revenues:**

Taxes:

- Property taxes
- Sales and use taxes
- Transient occupancy taxes
- Franchise taxes
- Other taxes
- Motor vehicle in-lieu
- Interest and investment earnings
- Gain on sale of capital assets
- Miscellaneous

**Transfers**

**Total General Revenues and Transfers**

**Change in Net Position**

**Net Position - Beginning, As Previously Reported**

Cumulative effect of a change in accounting principal

**Net Position - Beginning, Restated**

**Net Position - Ending**

The notes to the basic financial statements are an integral part of this statement.

**Net (Expense) Revenue and  
Changes in Net Position**

<b>Governmental Activities</b>	<b>Business- Type Activities</b>	<b>Total</b>
\$ 944,416	\$ -	\$ 944,416
(2,594,045)	-	(2,594,045)
(255,477)	-	(255,477)
(668,710)	-	(668,710)
(295,959)	-	(295,959)
273,810	-	273,810
(159,790)	-	(159,790)
<u>(2,755,755)</u>	<u>-</u>	<u>(2,755,755)</u>
-	82,134	82,134
-	(337,592)	(337,592)
-	513,458	513,458
-	(92,139)	(92,139)
<u>-</u>	<u>165,861</u>	<u>165,861</u>
<u>(2,755,755)</u>	<u>165,861</u>	<u>(2,589,894)</u>
1,020,590	-	1,020,590
777,837	-	777,837
8,036	-	8,036
199,752	-	199,752
208,653	-	208,653
759,393	-	759,393
21,089	130,341	151,430
14,000	-	14,000
28,329	263,754	292,083
(65,000)	65,000	-
<u>2,972,679</u>	<u>459,095</u>	<u>3,431,774</u>
<u>216,924</u>	<u>624,956</u>	<u>841,880</u>
62,823,596	49,949,942	112,773,538
<u>(1,991,181)</u>	<u>(3,274,799)</u>	<u>(5,265,980)</u>
<u>60,832,415</u>	<u>46,675,143</u>	<u>107,507,558</u>
<u>\$ 61,049,339</u>	<u>\$ 47,300,099</u>	<u>\$108,349,438</u>

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## **Basic Financial Statements**

- **Fund Financial Statements**

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**CITY OF SHASTA LAKE**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2015**

	<b>General</b>	<b>Wastewater Treatment Debt</b>	<b>Other Governmental Funds</b>	<b>Totals</b>
<b>ASSETS</b>				
Cash and investments	\$ 4,081,962	\$ 245,495	\$ 3,746,325	\$ 8,073,782
Receivables:				
Accounts, net	91,325	-	-	91,325
Interest	621	179	-	800
Taxes	176,544	47,363	158,149	382,056
Intergovernmental	-	-	147,144	147,144
Special assessments	-	3,021,000	58,000	3,079,000
Deposits	4,428	-	-	4,428
Due from other funds	53,000	-	-	53,000
Restricted cash and investments	571,071	256,080	2,000	829,151
Land held for resale	-	-	594,927	594,927
Loans receivable	-	-	5,024,346	5,024,346
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>Total Assets</b>	<b>\$ 4,978,951</b>	<b>\$ 3,570,117</b>	<b>\$ 9,730,891</b>	<b>\$ 18,279,959</b>
<b>LIABILITIES</b>				
Accounts payable	\$ 274,914	\$ -	\$ 61,093	\$ 336,007
Salaries and benefits payable	48,936	-	-	48,936
Due to other governments	440,269	-	18,384	458,653
Deposits payable	547,214	-	7,875	555,089
Due to other funds	-	-	53,000	53,000
Advances from other funds	650,068	-	-	650,068
Unearned revenues	26,568	-	106,812	133,380
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>Total Liabilities</b>	<b>1,987,969</b>	<b>-</b>	<b>247,164</b>	<b>2,235,133</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenues	-	3,021,000	153,780	3,174,780
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>3,021,000</b>	<b>153,780</b>	<b>3,174,780</b>
<b>FUND BALANCES</b>				
Restricted	630,748	549,117	9,424,928	10,604,793
Assigned	1,154,764	-	-	1,154,764
Unassigned	1,205,470	-	(94,981)	1,110,489
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>Total Fund Balances</b>	<b>2,990,982</b>	<b>549,117</b>	<b>9,329,947</b>	<b>12,870,046</b>
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>Total Liabilities, Deferred Inflows     of Resources and Fund Balances</b>	<b>\$ 4,978,951</b>	<b>\$ 3,570,117</b>	<b>\$ 9,730,891</b>	<b>\$ 18,279,959</b>

The notes to the basic financial statements are an integral part of this statement.

**CITY OF SHASTA LAKE**  
**Reconciliation of the Governmental Funds Balance**  
**Sheet to the Government-Wide Statement of**  
**Net Position - Governmental Activities**  
**June 30, 2015**

<b>Total Fund Balance - Total Governmental Funds</b>	<b>\$ 12,870,046</b>
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds balance sheets.	50,289,770
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenues in the governmental funds.	3,174,780
Interest payable on long-term debt does not require the use of current financial resources and therefore, is not accrued as a liability in the governmental funds balance sheets.	(49,103)
Deferred outflows of resources related to pensions are not reported in the governmental funds	205,530
Deferred inflows of resources related to pensions are not reported in the governmental funds	(546,323)
Certain liabilities are not due and payable in the current period and therefore, are not reported in the governmental funds.	
Loans payable	(104,963)
Bonds payable	(3,021,000)
Special assessment debt	(58,000)
Compensated absences	(131,248)
Net pension liability	(1,661,027)
Other postemployment benefits liability	(487,703)
Internal service funds are used by management to charge the cost of certain activities, such as equipment maintenance and operations, to individual funds. The assets and liabilities of the internal service funds must be added to the statement of net position.	568,580
<b>Net Position of Governmental Activities</b>	<b>\$ 61,049,339</b>

The notes to the basic financial statements are an integral part of this statement.

**CITY OF SHASTA LAKE**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended June 30, 2015**

	<b>General</b>	<b>Wastewater Treatment Debt</b>	<b>Other Governmental Funds</b>	<b>Totals</b>
<b>REVENUES</b>				
Taxes and assessments	\$ 2,191,158	\$ 228,851	\$ 449,222	\$ 2,869,231
Licenses and permits	106,596	-	-	106,596
Fines and forfeitures	18,671	-	-	18,671
Use of money and property	10,447	1,136	9,506	21,089
Intergovernmental	766,966	-	1,451,663	2,218,629
Charges for services	3,151,335	-	186,867	3,338,202
Other revenues	28,329	-	-	28,329
<b>Total Revenues</b>	<b>6,273,502</b>	<b>229,987</b>	<b>2,097,258</b>	<b>8,600,747</b>
<b>EXPENDITURES</b>				
Current:				
General government	2,026,749	8,566	10,313	2,045,628
Public safety	2,667,437	-	103,500	2,770,937
Public ways and facilities	45,367	-	695,408	740,775
Planning	681,406	-	-	681,406
Culture and recreation	247,479	-	-	247,479
Community development	-	-	307,128	307,128
Debt service:				
Principal	-	92,000	25,449	117,449
Interest	13,131	138,010	7,750	158,891
Capital outlay	17,943	-	10,950	28,893
<b>Total Expenditures</b>	<b>5,699,512</b>	<b>238,576</b>	<b>1,160,498</b>	<b>7,098,586</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>573,990</b>	<b>(8,589)</b>	<b>936,760</b>	<b>1,502,161</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Gain (loss) on sale of capital assets	-	-	14,000	14,000
Transfers in	9,567	-	16,506	26,073
Transfers out	-	-	(91,073)	(91,073)
<b>Total Other Financing Sources (Uses)</b>	<b>9,567</b>	<b>-</b>	<b>(60,567)</b>	<b>(51,000)</b>
<b>Net Change in Fund Balances</b>	<b>583,557</b>	<b>(8,589)</b>	<b>876,193</b>	<b>1,451,161</b>
<b>Fund Balances - Beginning</b>	<b>2,407,425</b>	<b>557,706</b>	<b>8,453,754</b>	<b>11,418,885</b>
<b>Fund Balances - Ending</b>	<b>\$ 2,990,982</b>	<b>\$ 549,117</b>	<b>\$ 9,329,947</b>	<b>\$ 12,870,046</b>

The notes to the basic financial statements are an integral part of this statement.

**CITY OF SHASTA LAKE**  
**Reconciliation of the Statement of Revenues, Expenditures,**  
**And Changes in Fund Balances of Governmental Funds to the**  
**Government-Wide Statement of Activities - Governmental Activities**  
**For the Year Ended June 30, 2015**

<b>Net Change in Fund Balances - Total Governmental Funds</b>	<b>\$ 1,451,161</b>
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 and reported as depreciation expense.	
Expenditures for capital outlay	28,893
Less current year depreciation	(1,314,276)
Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	
Principal retirements	117,449
Some revenues reported in the statement of activities will not be collected for several months after the City's year end and do not provide current financial resources and therefore are not reported as revenues in the governmental funds.	
Change in unavailable revenues	(59,321)
Certain changes in deferred outflows and deferred inflows of resources reported in the Statement of Activities relate to long-term liabilities and are not reported in the governmental funds.	
Deferred outflows of resources related to pensions	749,968
Deferred inflows of resources related to pensions	(546,323)
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.	
Change in compensated absences payable	(321)
Change in other postemployment benefits liability	4,310
Change in net pension liability	(214,284)
Change in accrued interest on long-term debt	(899)
Internal service funds are used by management to charge the cost of certain activities, such as equipment maintenance and operations, to individual funds. The net revenue (expense) of certain internal service funds is reported with governmental activities.	
	567
<b>Change in Net Position of Governmental Activities</b>	<b>\$ 216,924</b>

The notes to the basic financial statements are an integral part of this statement.

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**CITY OF SHASTA LAKE**  
**Statement of Net Position**  
**Proprietary Funds**  
**June 30, 2015**

	<b>Business-Type Activities - Enterprise Funds</b>			
	<b>Water</b>	<b>Electric</b>	<b>Wastewater</b>	<b>Other Enterprise Funds</b>
<b>ASSETS</b>				
Current Assets:				
Cash and investments	\$ 2,389,659	\$ 13,290,756	\$ 3,359,570	\$ 17,178
Receivables:				
Accounts, net	416,690	2,279,439	335,780	570
Interest	3,147	13,391	746	-
Taxes	-	-	-	1,284
Assessments	-	-	-	640,896
Deposits	-	1,023,840	-	-
Prepaid costs	82,271	1,644,581	-	-
Inventory	4,108	431,545	-	-
	<u>2,895,875</u>	<u>18,683,552</u>	<u>3,696,096</u>	<u>659,928</u>
<b>Total Current Assets</b>				
Noncurrent Assets:				
Restricted cash and investments	58,912	911,769	-	-
Advances to other funds	-	1,242,944	-	-
Other postemployment benefits asset	327,914	801,528	31,375	-
Capital assets:				
Non-depreciable	348,417	191,593	659,516	1,677,716
Depreciable, net	11,152,792	10,665,863	9,005,393	447,956
	<u>11,888,035</u>	<u>13,813,697</u>	<u>9,696,284</u>	<u>2,125,672</u>
<b>Total Noncurrent Assets</b>				
<b>Total Assets</b>	<u>14,783,910</u>	<u>32,497,249</u>	<u>13,392,380</u>	<u>2,785,600</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Pension adjustments	25,021	176,059	31,170	-
<b>Total Deferred Outflows of Resources</b>	<u>25,021</u>	<u>176,059</u>	<u>31,170</u>	<u>-</u>

The notes to the basic financial statements are an integral part of this statement.

<u>Totals</u>	<u>Governmental Activities Internal Service Funds</u>
\$ 19,057,163	\$ 703,192
3,032,479	1,438
17,284	-
1,284	-
640,896	-
1,023,840	-
1,726,852	-
435,653	-
<u>25,935,451</u>	<u>704,630</u>
970,681	-
1,242,944	-
1,160,817	684,390
2,877,242	-
<u>31,272,004</u>	<u>1,349,583</u>
<u>37,523,688</u>	<u>2,033,973</u>
<u>63,459,139</u>	<u>2,738,603</u>
<u>232,250</u>	<u>105,776</u>
<u>232,250</u>	<u>105,776</u>

**CITY OF SHASTA LAKE**  
**Statement of Net Position**  
**Proprietary Funds**  
**June 30, 2015**

	<b>Business-Type Activities - Enterprise Funds</b>			
	<b>Water</b>	<b>Electric</b>	<b>Wastewater</b>	<b>Other Enterprise Funds</b>
<b>LIABILITIES</b>				
Current Liabilities:				
Accounts payable	66,128	519,984	82,754	828
Salaries and benefits payable	5,324	40,411	7,143	-
Due to other governments	8,542	1,178,773	34,020	8,351
Deposits payable	-	-	-	1,199
Interest payable	52,288	87,500	-	14,700
Compensated absences payable	10,421	78,655	10,825	-
Loans payable	196,802	-	-	-
Bonds payable	-	555,000	-	30,000
Capital lease payable	-	-	-	-
<b>Total Current Liabilities</b>	<b>339,505</b>	<b>2,460,323</b>	<b>134,742</b>	<b>55,078</b>
Noncurrent Liabilities:				
Advances from other funds	107,109	-	107,851	-
Compensated absences payable	-	12,324	10,706	-
Loans payable	3,982,235	-	-	-
Bonds payable	-	6,445,000	-	810,000
Capital lease payable	-	-	-	-
Net pension liability	202,215	1,422,842	251,906	-
<b>Total Noncurrent Liabilities</b>	<b>4,291,559</b>	<b>7,880,166</b>	<b>370,463</b>	<b>810,000</b>
<b>Total Liabilities</b>	<b>4,631,064</b>	<b>10,340,489</b>	<b>505,205</b>	<b>865,078</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Pension adjustments	66,508	467,983	82,854	-
<b>Total Deferred Inflows of Resources</b>	<b>66,508</b>	<b>467,983</b>	<b>82,854</b>	<b>-</b>
<b>NET POSITION</b>				
Net investment in capital assets	7,322,172	3,857,456	9,664,909	1,285,672
Restricted for debt service	62,059	925,160	-	-
Unrestricted	2,727,128	17,082,220	3,170,582	634,850
<b>Total Net Position</b>	<b>\$ 10,111,359</b>	<b>\$ 21,864,836</b>	<b>\$ 12,835,491</b>	<b>\$ 1,920,522</b>

Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds

**Net Position of Business-Type Activities**

The notes to the basic financial statements are an integral part of this statement.

<u>Totals</u>	<u>Governmental Activities Internal Service Funds</u>
669,694	24,766
52,878	23,466
1,229,686	2,802
1,199	-
154,488	-
99,901	46,051
196,802	-
585,000	-
-	55,393
<u>2,989,648</u>	<u>152,478</u>
214,960	377,916
23,030	13,017
3,982,235	-
7,255,000	-
-	28,486
<u>1,876,963</u>	<u>854,846</u>
<u>13,352,188</u>	<u>1,274,265</u>
<u>16,341,836</u>	<u>1,426,743</u>
<u>617,345</u>	<u>281,165</u>
<u>617,345</u>	<u>281,165</u>
22,130,209	1,265,704
987,219	-
<u>23,614,780</u>	<u>(129,233)</u>
46,732,208	<u>\$ 1,136,471</u>
<u>567,891</u>	
<u>\$ 47,300,099</u>	

**CITY OF SHASTA LAKE**  
**Statement of Revenues, Expenses, and Changes in Net Position**  
**Proprietary Funds**  
**For the Year Ended June 30, 2015**

	<b>Business-Type Activities - Enterprise Funds</b>			
	<b>Water</b>	<b>Electric</b>	<b>Wastewater</b>	<b>Other Enterprise Funds</b>
<b>OPERATING REVENUES</b>				
Charges for services	\$ 2,454,424	\$ 19,027,126	\$ 2,651,905	\$ -
Other revenue	3,272	101,047	81,835	77,600
<b>Total Operating Revenues</b>	<u>2,457,696</u>	<u>19,128,173</u>	<u>2,733,740</u>	<u>77,600</u>
<b>OPERATING EXPENSES</b>				
Salaries and benefits	821,199	1,709,234	749,322	-
Administration	506,308	2,970,732	442,537	7,845
Power and water	297,239	13,085,217	205,566	26,222
Insurance	24,964	90,930	33,086	1,163
Supplies	79,028	50,954	46,909	96
Repair and maintenance	67,026	260,674	86,602	17,594
Professional services	32,423	39,713	31,087	17,001
Depreciation	477,964	775,501	535,383	23,464
Other expense	9,154	26,269	9,349	4,755
<b>Total Operating Expenses</b>	<u>2,315,305</u>	<u>19,009,224</u>	<u>2,139,841</u>	<u>98,140</u>
<b>Operating Income (Loss)</b>	<u>142,391</u>	<u>118,949</u>	<u>593,899</u>	<u>(20,540)</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>				
Assessment revenue	-	-	-	50,320
Gain (loss) on sale of capital assets	-	-	-	-
Interest income	5,893	113,068	11,380	-
Interest expense	(144,824)	(365,812)	(2,179)	(44,319)
<b>Total Non-Operating Revenues (Expenses)</b>	<u>(138,931)</u>	<u>(252,744)</u>	<u>9,201</u>	<u>6,001</u>
<b>Income (Loss) Before Capital Contributions and Transfers</b>	<u>3,460</u>	<u>(133,795)</u>	<u>603,100</u>	<u>(14,539)</u>
Capital contributions	87,292	9,946	3,488	-
Transfers in	65,000	-	-	-
<b>Change in Net Position</b>	<u>155,752</u>	<u>(123,849)</u>	<u>606,588</u>	<u>(14,539)</u>
<b>Total Net Position - Beginning, As Previously Reported</b>	10,198,014	23,694,339	12,530,879	1,935,061
Cumulative effect of a change in accounting principal	(242,407)	(1,705,654)	(301,976)	-
<b>Total Net Position - Beginning, Restated</b>	<u>9,955,607</u>	<u>21,988,685</u>	<u>12,228,903</u>	<u>1,935,061</u>
<b>Total Net Position - Ending</b>	<u>\$ 10,111,359</u>	<u>\$ 21,864,836</u>	<u>\$ 12,835,491</u>	<u>\$ 1,920,522</u>

Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds

**Change in Net Position of Business-Type Activities**

The notes to the basic financial statements are an integral part of this statement.

<b>Totals</b>	<b>Governmental Activities Internal Service Funds</b>
\$ 24,133,455	\$ 2,106,120
263,754	514
24,397,209	2,106,634
3,279,755	1,178,605
3,927,422	525,812
13,614,244	-
150,143	13,302
176,987	25,354
431,896	141,032
120,224	21,026
1,812,312	223,226
49,527	-
23,562,510	2,128,357
834,699	(21,723)
50,320	-
-	35,179
130,341	-
(557,134)	(11,885)
(376,473)	23,294
458,226	1,571
100,726	-
65,000	-
623,952	1,571
	2,159,662
	(1,024,762)
	1,134,900
	\$ 1,136,471
1,004	
\$ 624,956	

**CITY OF SHASTA LAKE**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended June 30, 2015**

	<b>Business-Type Activities - Enterprise Funds</b>			
	<b>Water</b>	<b>Electric</b>	<b>Wastewater</b>	<b>Other Enterprise Funds</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customers	\$ 2,404,311	\$ 18,733,753	\$ 2,706,053	\$ 77,543
Receipts from interfund services	-	-	-	-
Payments to suppliers	(108,771)	(14,108,449)	(402,951)	(62,566)
Payments to interfund services	(958,713)	(2,203,239)	(400,479)	(7,845)
Payments to employees	(807,411)	(1,667,934)	(742,045)	-
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>529,416</b>	<b>754,131</b>	<b>1,160,578</b>	<b>7,132</b>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>				
Grants, assessments, and other receipts	44,959	9,946	3,488	79,290
Transfers from other funds	65,000	-	-	-
Interfund loans repaid	(9,023)	-	(9,085)	-
Interfund loans received	-	104,709	-	-
<b>Net Cash Provided (Used) by Non-Capital Financing Activities</b>	<b>100,936</b>	<b>114,655</b>	<b>(5,597)</b>	<b>79,290</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Acquisition of capital assets	(366,291)	(341,216)	(640,921)	-
Proceeds from the sale of capital assets	-	-	-	-
Principal paid on debt	(190,479)	(530,000)	-	(25,000)
Interest paid on debt	(147,122)	(371,775)	(2,179)	(44,758)
<b>Net Cash Provided (Used) by Capital and Related Financing Activities</b>	<b>(703,892)</b>	<b>(1,242,991)</b>	<b>(643,100)</b>	<b>(69,758)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest on investments	11,066	100,362	10,635	-
<b>Net Cash Provided (Used) by Investing Activities</b>	<b>11,066</b>	<b>100,362</b>	<b>10,635</b>	<b>-</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>(62,474)</b>	<b>(273,843)</b>	<b>522,516</b>	<b>16,664</b>
<b>Balances - Beginning</b>	<b>2,511,045</b>	<b>14,476,368</b>	<b>2,837,054</b>	<b>514</b>
<b>Balances - Ending</b>	<b>\$ 2,448,571</b>	<b>\$ 14,202,525</b>	<b>\$ 3,359,570</b>	<b>\$ 17,178</b>

The notes to the basic financial statements are an integral part of this statement.

<u>Totals</u>	<u>Governmental Activities Internal Service Funds</u>
\$ 23,921,660	\$ -
-	2,105,194
(14,682,737)	(400,964)
(3,570,276)	(338,284)
<u>(3,217,390)</u>	<u>(1,154,138)</u>
2,451,257	211,808
137,683	-
65,000	-
(18,108)	(31,837)
<u>104,709</u>	<u>-</u>
289,284	(31,837)
(1,348,428)	(204,075)
-	35,179
(745,479)	(53,353)
<u>(565,834)</u>	<u>(11,885)</u>
(2,659,741)	(234,134)
122,063	-
122,063	-
202,863	(54,163)
<u>19,824,981</u>	<u>757,355</u>
<u>\$ 20,027,844</u>	<u>\$ 703,192</u>

**CITY OF SHASTA LAKE**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended June 30, 2015**

	<b>Business-Type Activities - Enterprise Funds</b>			
	<b>Water</b>	<b>Electric</b>	<b>Wastewater</b>	<b>Other Enterprise Funds</b>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>				
Operating income (loss)	\$ 142,391	\$ 118,949	\$ 593,899	\$ (20,540)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	477,964	775,501	535,383	23,464
Decrease (increase) in:				
Accounts receivable	(52,760)	(394,420)	(27,687)	(57)
Deposits	-	(653,529)	-	-
Prepaid costs	(35,259)	430,001	-	-
Inventory	-	46,400	-	-
Other postemployment benefits asset	8,147	18,394	548	-
Pension adjustment - deferred outflows	90,163	634,414	112,320	-
Increase (decrease) in:				
Accounts payable	(24,625)	(788,844)	17,686	(4,086)
Salaries and benefits payable	1,077	14,069	3,026	-
Due to other governments	8,542	1,178,773	34,020	8,351
Deposits payable	(625)	-	-	-
Compensated absences	3,269	(272)	2,089	-
Net pension liability	(155,376)	(1,093,288)	(193,560)	-
Pension adjustment - deferred inflows	66,508	467,983	82,854	-
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>\$ 529,416</b>	<b>\$ 754,131</b>	<b>\$ 1,160,578</b>	<b>\$ 7,132</b>

The notes to the basic financial statements are an integral part of this statement.

<b>Totals</b>	<b>Governmental Activities Internal Service Funds</b>
\$ 834,699	\$ (21,723)
1,812,312	223,226
(474,924)	(1,438)
(653,529)	-
394,742	-
46,400	-
27,089	16,111
836,897	381,162
(799,869)	(15,524)
18,172	4,131
1,229,686	2,802
(625)	-
5,086	(1,251)
(1,442,224)	(656,853)
617,345	281,165
\$ 2,451,257	\$ 211,808

**CITY OF SHASTA LAKE**  
**Statement of Fiduciary Net Position**  
**Fiduciary Funds**  
**June 30, 2015**

	<b>Private Purpose Trust Fund</b>	<b>Agency Fund</b>
<b>ASSETS</b>		
Current Assets:		
Cash and investments	\$ 336,266	\$ 253,548
Receivables:		
Taxes	-	378
<b>Total Current Assets</b>	<b>336,266</b>	<b>253,926</b>
Noncurrent Assets:		
Land held for resale	931,356	-
<b>Total Noncurrent Assets</b>	<b>931,356</b>	<b>-</b>
<b>Total Assets</b>	<b>1,267,622</b>	<b>253,926</b>
<b>LIABILITIES</b>		
Current Liabilities:		
Accounts payable	1,765	-
Interest payable	12,040	-
Loans payable	265,000	
Agency obligations	-	253,926
<b>Total Current Liabilities</b>	<b>278,805</b>	<b>253,926</b>
Noncurrent Liabilities:		
Loan payable	3,635,000	-
<b>Total Noncurrent Liabilities</b>	<b>3,635,000</b>	<b>-</b>
<b>Total Liabilities</b>	<b>3,913,805</b>	<b>253,926</b>
<b>NET POSITION</b>		
Net position held in trust	(2,646,183)	-
<b>Total Net Position</b>	<b>\$ (2,646,183)</b>	<b>\$ -</b>

The notes to the basic financial statements are an integral part of this statement.

**CITY OF SHASTA LAKE**  
**Statement of Changes in Fiduciary Net Position**  
**Fiduciary Funds**  
**For the Year Ended June 30, 2015**

	<u>Private Purpose Trust Fund</u>
<b>ADDITIONS</b>	
Taxes and assessments	\$ 446,619
Interest income	1,022
Other revenue	4
Debt proceeds	<u>419,661</u>
<b>Total Additions</b>	<u>867,306</u>
<b>DEDUCTIONS</b>	
Administrative expenses	482,060
Interest expense	<u>195,139</u>
<b>Total Deductions</b>	<u>677,199</u>
<b>Net Change in Net Position</b>	190,107
<b>Net Position - Beginning</b>	<u>(2,836,290)</u>
<b>Net Position - Ending</b>	<u><u>\$ (2,646,183)</u></u>

The notes to the basic financial statements are an integral part of this statement.

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## **Basic Financial Statements**

- **Notes to Basic Financial Statements**

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**CITY OF SHASTA LAKE**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2015**

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

**A. Reporting Entity**

The City operates under a Council form of government and provides the following services: sanitation, electric, water, and wastewater services; the construction and maintenance of highways, streets and infrastructure; recreational activities and cultural events.

Generally accepted accounting principles require government financial statements to include the primary government and its component units. Component units of a governmental entity are legally separate entities for which the primary government is considered to be financially accountable and for which the nature and significance of their relationship with the primary government are such that exclusion would cause the combined financial statements to be misleading. The primary government is considered to be financially accountable if it appoints a majority of an organization's governing body and is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the primary government.

Reporting for component units on the City's financial statements can be blended or discretely presented. Blended component units are, although legally separate entities, in substance part of the City's operations and, therefore, data from these units are combined with data of the primary government. Discretely presented component units, on the other hand, would be reported in a separate column in the government-wide financial statements to emphasize it is legally separate from the government.

For financial reporting purposes, the City's basic financial statements include all financial activities that are controlled by or are dependent upon actions taken by the City Council. The financial statements of the individual component units may be obtained by writing to the City of Shasta Lake, 1650 Stanton Drive, Shasta Lake, CA 96019.

**Blended Component Units**

*Shasta Lake Public Financing Authority (PFA)* - The Authority, established in 1994, was created for the purpose of financing public capital improvements. The City is financially accountable for this entity. Financial accountability is primarily demonstrated by the City Council acting as the governing board for the PFA and its ability to impose its will. The financing activity of the PFA has been included in the City's financial statements in the major debt service fund Wastewater Treatment Debt.

*The City of Shasta Lake Housing Authority* - The Authority, established in 1994, was created for the purpose of administering housing programs. The housing programs and services are clustered in two broad categories: affordable housing and special projects. Because of the nature of the programs and their intended outcomes, the categories will often overlap. The City is financially accountable for this entity. Financial accountability is primarily demonstrated by the City Council acting as the governing board for the Authority and its ability to impose its will. As an integral part of the City, the Authority is reported as a nonmajor special revenue fund of the City.

**Discretely Presented Component Units**

There are no component units of the City which meet the criteria for discrete presentation.

**CITY OF SHASTA LAKE**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2015**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**A. Reporting Entity (Continued)**

**Joint Agencies**

The City is a participant in the Redding Area Bus Authority (RABA), the purpose of which is to provide a public transit system to the City of Redding, City of Anderson, City of Shasta Lake, and adjacent urbanized areas in unincorporated areas of Shasta County. The governing board of RABA is comprised of eight members, five appointed by the City of Redding and one member by the City of Anderson, City of Shasta Lake, and Shasta County. Complete financial statements for RABA can be obtained from the City of Redding Finance Division, 777 Cypress Avenue, Redding, California 96001. The City is not financially accountable for this organization and therefore it is not a component unit under Statement Nos. 14, 39, and 61 of the Governmental Accounting Standards Board.

**B. Basis of Presentation**

**Government-Wide Financial Statements**

The statement of net position and statement of activities display information on all of the nonfiduciary activities of the City and its blended component units. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the governmental and business-type activities of the City. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent, on fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for each different identifiable activity of the City's business-type activities and for each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function and; therefore, are clearly identifiable to a particular function. Program revenues include 1) charges paid by the recipients of goods and services offered by the program, 2) operating grants and contributions, and 3) capital grants and contributions. Taxes and other items not properly included among program revenues are reported instead as general revenues.

**Fund Financial Statements**

The fund financial statements provide information about the City's funds, including fiduciary funds and blended component units. Funds are organized into three major categories: governmental, proprietary, and fiduciary. The emphasis is placed on major funds within the governmental and proprietary categories; each is displayed in a separate column. All remaining governmental and enterprise funds are separately aggregated and reported as nonmajor funds.

**CITY OF SHASTA LAKE**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2015**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**B. Basis of Presentation (Continued)**

**Fund Financial Statements (Continued)**

The City reports the following major governmental funds:

- The General fund is used to account for all revenues and expenditures necessary to carry out basic governmental activities of the City that are not accounted for through other funds. For the City, the General fund includes such activities as general government, public protection, community development, public ways and facilities, planning, and culture and recreation services.
- The Wastewater Treatment Debt fund is a debt service fund used to account for revenues and expenditures related to the 1995 Wastewater Revenue Bonds.

The City reports the following major proprietary funds:

- The Water fund is an enterprise fund used to account for activity related to providing customers with water service and billing for service provided by the City.
- The Electric fund is an enterprise fund used to account for activity related to providing customers with electric service and billing for service provided by the City.
- The Wastewater fund is an enterprise fund used to account for activity related to providing customers with wastewater service and billing for service provided by the City.

The City reports the following additional fund types:

- Internal Service funds (ISF) account for the City's motor pool and public works departments, which provide services to other departments on a cost reimbursement basis.
- The Private Purpose Trust funds account for property held under other trust arrangements under which principal and income benefit individuals, private organizations, or other governments. The Private Purpose Trust fund includes the Successor Agency to the Redevelopment Agency of the City of Shasta Lake.
- Agency funds account for resources held by the City as an agent for various local governments and for individuals. These resources include community facility districts.

**CITY OF SHASTA LAKE**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2015**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**C. Basis of Accounting and Measurement Focus**

The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include property and sales tax, grants, entitlements, and donations. Under the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenues from sales tax are recognized when the underlying transactions take place. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Property and sales taxes, interest, certain state and federal grants and charges for services are considered susceptible to accrual and are accrued when their receipt occurs within sixty days after the end of the fiscal year. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures as well as expenditures related to claims and judgments are recorded only when payment is due. General capital assets acquisitions are reported as expenditures in the various functions of the governmental funds. Proceeds of governmental long-term debt and acquisitions under capital leases are reported as other financing sources.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise and internal service funds are charges to customers for sales and services. Operating expenses for enterprise and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Fiduciary funds include trust funds and agency funds. All trust funds are reported using the economic resources measurement focus and the accrual basis of accounting. Agency funds are reported using the accrual basis of accounting to recognize receivables and payables.

**D. Non-Current Governmental Assets/Liabilities**

Non-current governmental assets and liabilities, such as capital assets and long-term liabilities, are reported in the governmental activities column in the government-wide statement of net position.

**E. Cash, Cash Equivalents, and Investments**

The City pools cash and investments of all funds, except cash with fiscal agent. Each fund's share in this pool is displayed in the accompanying financial statements as cash and investments. Interest from pooled investments is allocated to the various funds based on average balances of the funds entitled to receive interest. Interest is allocated on the basis of average month end cash balance amounts for each fund as a percentage of the total balance.

**CITY OF SHASTA LAKE**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2015**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E. Cash, Cash Equivalents, and Investments (Continued)**

Investments are reported in the accompanying balance sheet at fair value, which is determined using selected bases annually. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Cash deposits are reported at carrying amount, which reasonably estimates fair value. Managed funds not listed on an established market are reported at the estimated fair value as determined by the respective fund managers based on quoted sales prices of the underlying securities.

For purposes of the accompanying statement of cash flows, the City considers all highly liquid investments, including cash with fiscal agent and restricted cash and investments, with original maturity of three months or less and amounts held in the City's investment pool to be cash and cash equivalents.

**F. Restricted Cash and Investments**

Restricted assets in the governmental funds represent cash and investments held in the General fund for customer utility deposits of \$571,071, in the Wastewater Debt fund for debt service of \$256,080, and in the non major Rosamond Debt Service fund for debt service of \$2,000. Restricted assets in the proprietary funds represent cash and investments held in the Water fund for debt service of \$58,912 and in the Electric fund for debt service of \$911,769.

**G. Receivables**

Receivables for governmental activities consist mainly of accounts, interest, taxes, intergovernmental revenues, and special assessments. Management records an allowance for doubtful accounts based on historical trends and the periodic aging of receivables. At June 30, 2015, the allowance for doubtful accounts was \$395.

Receivables for business-type activities consist mainly of accounts, user fees, interest, taxes, and special assessments. Management records an allowance for doubtful accounts based on historical trends and the periodic aging of receivables. At June 30, 2015, the allowance for doubtful accounts was \$3,683.

**H. Other Assets**

**Deposits**

The City has recorded deposits in several funds. The General fund made payments during the year to various other agencies and the Electric fund of the City made payments during the year to Western Area Power Administration for future construction projects.

**Inventory**

Governmental funds inventories are recorded as expenditures at the time inventory is purchased rather than when consumed. Records are not maintained of inventory and supplies on hand, although these amounts are not considered material.

**CITY OF SHASTA LAKE**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2015**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**H. Other Assets (Continued)**

**Inventory (Continued)**

Inventories are stated at cost for proprietary funds. Inventory recorded by the proprietary funds includes electric power equipment. Proprietary fund inventories are recorded as expenses when consumed.

**Prepaid Items**

Payments made for services that will benefit periods beyond June 30, 2015, are recorded as prepaid costs in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenses when consumed rather than when purchased.

**I. Loans Receivable**

For the purpose of the governmental fund financial statements, special revenue fund expenditures relating to long-term loans receivable arising from mortgage subsidy programs are charged to operations upon funding and the loans receivable are recorded. The balance of the long-term receivable includes loans that may be forgiven if certain terms and conditions of the loans are met. The City reported \$5,024,346 in loans receivable as of June 30, 2015.

**J. Land Held for Resale**

Land held for resale is generally acquired under Developer Disposition Agreements in the normal course of Low and Moderate Fund activity. The Developer Disposition Agreements provide for transfer of property to developers after certain obligations have been fulfilled. This property is carried at cost until an event occurs to indicate a net realizable value.

**K. Capital Assets**

Capital assets, including public domain (infrastructure such as roads, bridges, sidewalks, sewer, and similar items) are defined by the City as assets with a cost greater than \$5,000 for equipment, \$25,000 for buildings and improvements, and \$50,000 for infrastructure assets. Capital assets are recorded at historical cost or estimated historical cost if actual historical cost is unavailable. Contributed capital assets are recorded at their estimated fair market value at the date of donation.

Capital assets used in operations are depreciated or amortized using the straight-line method over the assets estimated useful life in the government-wide financial statements. The range of estimated useful lives by type of asset is as follows:

<u>Depreciable Asset</u>	<u>Estimated Lives</u>
Electric, water and wastewater system assets	20-50 years
Other system assets	20-33 years
Buildings	33 years
Equipment	5-10 years
Infrastructure	20-50 years

**CITY OF SHASTA LAKE**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2015**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**K. Capital Assets (Continued)**

Maintenance and repairs are charged to operations when incurred. Betterments and major improvements which significantly increase values, change capacities or extend useful lives are capitalized. Upon sale or retirement of capital assets, the cost and related accumulated depreciation are removed from the respective accounts and any resulting gain or loss is included in the results of operations.

**L. Property Tax**

Shasta County assesses properties, bills, collects, and distributes property taxes to the City. The County remits the entire amount levied and handles all delinquencies, retaining interest and penalties.

Property taxes are levied on a fiscal year (July 1 - June 30). The secured property tax assessments are due on November 1 and February 1 and become delinquent after December 10 and April 10, respectively. The unsecured property tax assessments are due on August 1, and become delinquent after August 31. Property taxes become a lien on the property effective January 1 of the preceding year.

The City recognizes property taxes when the individual installments are due provided they are collected within sixty days after year-end.

**M. Grant Revenues**

Certain grant revenues are recognized when specific related expenditures have been incurred. In other grant programs, monies are virtually unrestricted as to purpose of expenditure and are only revocable for failure to comply with prescribed compliance requirements. These revenues are recognized at the time of receipt, or earlier if susceptible to accrual criteria is met. Cash received prior to incurrence of the related expenditure is recorded as unearned revenue.

**N. Interfund Transactions**

Interfund transactions are reflected as either loans, services provided or used, reimbursements or transfers.

Loans reported as receivables and payables are referred to as either "due to/from other funds" (i.e. the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans) as appropriate and are subject to elimination upon consolidation. Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances." Advances between funds, as reported in the fund financial statements, are offset by a nonspendable fund balance account in applicable governmental funds to indicate that they are not in spendable form.

Services provided or used, deemed to be at market or near market rates, are treated as revenues and expenditures or expenses. These services provide information on the net cost of each government function and therefore are not eliminated in the process of preparing the government-wide statement of activities.

Reimbursements occur when the funds responsible for particular expenditures or expenses repay the funds that initially paid for them. Such reimbursements are reflected as expenditures or expenses in the reimbursing fund and reductions to expenditures or expenses in the reimbursed fund.

**CITY OF SHASTA LAKE**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2015**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**N. Interfund Transactions (Continued)**

All other interfund transactions are treated as transfers. Transfers between funds are netted as part of the reconciliation to the government-wide presentation.

**O. Unearned Revenues**

Under the accrual and modified accrual basis of accounting, revenue may be recognized only when it is earned. When assets are recognized in connection with a transaction before the earnings process is complete, those assets are offset by a corresponding liability for unearned revenue.

**P. Due to Other Governments**

Accrued liabilities payable to other governmental entities are recorded in both the government-wide and fund financial statements.

**Q. Compensated Absences**

In the fund financial statements, vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Vested or accumulated vacation leave of proprietary funds and in the government-wide financial statements is recorded as an expense and liability of those funds as the benefits accrue to employees.

Sick leave, however, does not vest to the employees and is payable only when sick leave is taken or when an individual has been employed by the City for ten years or longer. These employees receive twenty-five percent of their accrued sick pay, up to 100 hours, as additional termination pay.

In accordance with GASB Statement No. 16, no liability is recorded for non-vesting accumulating rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulated sick leave benefits that is estimated to be taken as additional termination pay.

All vacation and sick leave is accrued when incurred in the government-wide and proprietary fund financial statements. In governmental funds, the cost of vacation and sick leave benefits is recognized when payments are made to employees.

**R. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has one item that qualifies for reporting in this category. This item relates to the pension adjustments and is reportable on the statement of net position.

**CITY OF SHASTA LAKE**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2015**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**R. Deferred Outflows/Inflows of Resources (Continued)**

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The government has two types of items which qualify for reporting in this category. One item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues for receivables that have not been received within the modified accrual period. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The other item relates to the pension adjustments and is reportable on the statements of net position.

**S. Pensions**

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City's California Public Employees' Retirement System (CalPERS) plans (Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**T. Estimates**

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

**U. Implementation of Governmental Accounting Standards Board Statements (GASB)**

The following Governmental Accounting Standards Board (GASB) Statements have been implemented, if applicable to the City of Shasta Lake, in the current financial statements.

**Statement No. 68**, Accounting and Financial Reporting for Pensions. This statement improves accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities.

**Statement No. 69**, Government Combinations and Disposals of Government Operations. This statement establishes accounting and financial reporting standards related to government combinations and disposals of government operations.

**Statement No. 71**, Pension Transition for Contributions made Subsequent to the Measurement Date - an Amendment of GASB Statement No. 68. This statement addresses an issue regarding application of the transition provisions of Statement No. 68.

**CITY OF SHASTA LAKE**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2015**

**NOTE 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**A. Restatement of Net Position**

Adjustments resulting from errors or a change to comply with provisions of the accounting standards are treated as adjustments to prior periods. Accordingly, the City reports these changes as a restatement of beginning net position. During the current year, a prior period adjustment was made to reflect the prior period costs related to implementing the net pension liability as required by GASB 68.

The impact of the restatements on the net position on the government-wide financial statements, as previously reported, is presented below:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Net Position, June 30, 2014, as previously reported	\$ 62,823,596	\$ 49,949,942
Adjustment associated with:		
Net Pension Liability Adjustment	( 1,991,181)	( 3,274,799)
Total Adjustments	( 1,991,181)	( 3,274,799)
Net Position, July 1, 2014, as restated	<u>\$ 60,832,415</u>	<u>\$ 46,675,143</u>

The impact of the restatements on the net position on the proprietary fund financial statements, as previously reported, is presented below:

	<u>Water</u>	<u>Electric</u>	<u>Wastewater</u>	<u>Internal Service Funds</u>
Net Position, June 30, 2014, as previously reported	\$ 10,198,014	\$ 23,694,339	\$ 12,530,879	\$ 2,159,662
Adjustment associated with:				
Net Pension Liability Adjustment	( 242,407)	( 1,705,654)	( 301,976)	( 1,024,762)
Total Adjustments	( 242,407)	( 1,705,654)	( 301,976)	( 1,024,762)
Net Position, July 1, 2014, as restated	<u>\$ 9,955,607</u>	<u>\$ 21,988,685</u>	<u>\$ 12,228,903</u>	<u>\$ 1,134,900</u>

**B. Deficit Fund Balance/Net Position**

The following nonmajor special revenue fund had a deficit fund balance:

- The CDBG Project fund had a fund balance deficit of \$94,981, which is expected to be eliminated in future years through grant revenues.

The following internal service funds had a deficit net position:

- The Public Works fund had a net position deficit of \$213,575, which is expected to be eliminated in future years through internal service reimbursements.

**CITY OF SHASTA LAKE**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2015**

**NOTE 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)**

**C. Rebatable Arbitrage**

The Tax Reform Act of 1986 instituted certain arbitrage restrictions with respect to the issuance of tax exempt bonds after August 31, 1986. Arbitrage regulations deal with the investment of all tax exempt bond proceeds at an interest yield greater than the interest yield paid to bondholders. Generally, all interest paid to bondholders can be retroactively rendered taxable if applicable rebates are not reported and paid to the Internal Revenue Service (IRS) at least every five years. During the current year, the City performed calculations of excess investment earnings on various bonds and financing and at June 30, 2015, does not expect to incur a liability.

**NOTE 3: CASH AND INVESTMENTS**

**A. Financial Statement Presentation**

As of June 30, 2015, the City's cash and investments are reported in the financial statements as follows:

Governmental activities	\$ 8,902,933
Business-Type activities	20,731,036
Fiduciary funds	<u>589,814</u>
Total Cash and Investments	<u>\$ 30,223,783</u>

As of June 30, 2015, the City's cash and investments consisted of the following:

Cash:	
Cash on hand	\$ 1,900
Deposits (less outstanding checks)	1,892,409
Deposits with fiscal agents	<u>911,769</u>
Total Cash	<u>2,806,078</u>
Investments:	
In City's pool	27,124,600
Investments with fiscal agents	<u>293,105</u>
Total Investments	<u>27,417,705</u>
Total Cash and Investments	<u>\$ 30,223,783</u>

**B. Cash**

At year end, the carrying amount of the City's cash deposits (including amount in checking accounts and deposits with fiscal agents) was \$2,804,178 and the bank balance was \$2,952,114. The difference between the bank balance and the carrying amount represents outstanding checks and deposits in transit. In addition the City had cash on hand of \$1,900.

**CITY OF SHASTA LAKE**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2015**

**NOTE 3: CASH AND INVESTMENTS (CONTINUED)**

**B. Cash (Continued)**

Custodial Credit Risk for Deposits - Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the City will not be able to recover its deposits or collateral securities that are in the possession of an outside party. The City's investment policy requires that deposits in banks must meet the requirements of California Government Code. Under this code, deposits of more than \$250,000 must be collateralized at 105 percent to 150 percent of the value of the deposit to guarantee the safety of the public funds. The first \$250,000 of the City's deposits are insured by the Federal Deposit Insurance Corporation (FDIC). Deposits more than the \$250,000 insured amount are collateralized.

**C. Investments**

Pursuant to Section 53646 of the Government Code, the City prepares an investment policy annually and presents it to the City Council for review and approval.

The investment policy provides the basis for the management of a prudent, conservative investment program. Funds are invested to provide the maximum security of principal with secondary emphasis on achieving the highest return, while meeting daily cash flow needs. All investments are made in accordance with the Government Code and, in general, the investment policy is more restrictive than state law. Under the provisions of the City's investment policy the City may invest or deposit in the following:

- Municipal Securities
- U.S. Treasuries
- Federal Agencies
- Banker's Acceptances
- Federally Insured Time Deposits
- Collateralized Time Deposits
- Certificate of Deposit Placement Service (CDARS)
- Negotiable Certificates of Deposit
- Repurchase Agreement
- Commercial Paper
- State of California Local Agency Investment Fund (LAIF)
- Corporate Medium Term Notes
- Asset-Backed, Mortgage-Backed, Mortgage Pass-Through Securities, and  
Collateralized Mortgage Obligations
- Money Market Mutual Funds

Interest Rate Risk - Interest rate risk is the risk of loss due to the fair value of an investment falling due to interest rates rising. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. To limit exposure to fair value losses resulting from increases in interest rates, the City's investment policy limits investment maturities to a term appropriate to the need for funds so as to permit the City to meet all projected obligations. Any investments that mature more than five years from the date of purchase cannot occur without prior approval of the City Council.

**CITY OF SHASTA LAKE**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2015**

**NOTE 3: CASH AND INVESTMENTS (CONTINUED)**

**C. Investments (Continued)**

As of June 30, 2015, the City had the following investments:

Investment Type	Interest Rates	Maturities			Fair Value	Weighted Average Maturity (Years)
		0-1 year	1-5 years	5 years		
Federal Agencies	0.375-0.625%	\$ 794,370	\$ 5,917,035	\$ -	\$ 6,711,405	1.87
U.S. Treasuries	0.375-0.625%	380,591	3,754,444	-	4,135,035	2.32
Asset-Backed Securities	0.52-0.92%	-	796,893	-	796,893	2.96
Government Asset-Backed Securities	9.5%	-	-	129	129	5.15
Corporate Notes	1.010-2.300%	99,939	3,310,865	-	3,410,804	2.53
Certificates of Deposit	0.50-3.15%	2,252,661	126,481	-	2,379,142	0.49
Shasta County Investment Pool	Variable	3,005	-	-	3,005	-
Local Agency Investment Fund (LAIF)	Variable	9,688,187	-	-	9,688,187	-
<b>Total Pooled Investments</b>		<b>13,218,753</b>	<b>13,905,718</b>	<b>129</b>	<b>27,124,600</b>	<b>1.26</b>
Investments Held by Fiscal Agents						
U.S. Treasuries		-	293,105	-	293,105	2.13
<b>Total Investments Held by Fiscal Agents</b>		<b>-</b>	<b>293,105</b>	<b>-</b>	<b>293,105</b>	<b>2.13</b>
<b>Total Investments</b>		<b>\$ 13,218,753</b>	<b>\$ 14,198,823</b>	<b>\$ 129</b>	<b>\$ 27,417,705</b>	<b>1.27</b>

Credit Risk - Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The City's investment policy sets specific parameters by type of investment to be met at the time of purchase. Presented below is the minimum rating required (where applicable) by the California Government Code or the City's investment policy, and the actual rating as of year end for each investment type.

**CITY OF SHASTA LAKE**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2015**

**NOTE 3: CASH AND INVESTMENTS (CONTINUED)**

**C. Investments (Continued)**

Investment Type	Minimum Legal Rating	Standard and Poor's Rating	Moody's Rating	% of Portfolio
Federal National Mortgage Association	N/A	AA+	Aaa	1.17%
Federal Farm Credit Bank	N/A	AA+	AAA	2.58%
Federal Home Loan Bank	N/A	AA+	AAA	7.46%
Federal Home Loan Mortgage Corporation	N/A	AA+	AAA	7.27%
U.S. Treasuries	N/A	AA+	Aaa	15.08%
Asset-Backed Securities	A	AAA	Aaa	0.90%
Asset-Backed Securities	A	AAA	Unrated	0.91%
Asset-Backed Securities	A	Unrated	AAA	1.09%
Government Assistance	N/A	Unrated	Unrated	0.00%
Certificates of Deposit	N/A	Unrated	Unrated	8.68%
Corporate Notes	A	A1	A+	3.79%
Corporate Notes	A	A1	AA-	0.81%
Corporate Notes	A	A1	AA+	0.52%
Corporate Notes	A	A2	A	3.01%
Corporate Notes	A	A2	A+	0.79%
Corporate Notes	A	AA1	AA	0.83%
Corporate Notes	A	AA1	AA+	0.78%
Corporate Notes	A	AA2	AA	0.30%
Corporate Notes	A	AA3	AA-	1.28%
Corporate Notes	Unrated	Unrated	Unrated	0.36%
Shasta County Investment Pool	N/A	Unrated	Unrated	0.01%
Local Agency Investment Fund (LAIF)	N/A	Unrated	Unrated	35.34%
Total				<u>100.00%</u>

Custodial Credit Risk for Investments - Custodial credit risk for investments is the risk that, in the event of the failure of a depository financial institution, the City will not be able to recover its deposits or collateral securities that are in the possession of an outside party. To mitigate the custodial credit risk the City's investment policy requires that all of its managed investments shall be held in the name of the City in safekeeping by a third party bank trust department. Custodial credit risk does not apply to a local government's indirect investments in securities through use of mutual funds or government investment pools.

Concentration of Credit Risk - Concentration of credit risk is the risk of loss attributed to the magnitude of the City's investment in a single issuer of securities. When investments are concentrated in one issuer, this concentration presents a heightened risk of potential loss. The City's investment policy contains limitations on the amount that can be invested in any one issuer. At June 30, 2015, the City did not have any investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represents 5 percent or more of total City investments.

**CITY OF SHASTA LAKE**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2015**

**NOTE 3: CASH AND INVESTMENTS (CONTINUED)**

**D. Investment in External Investment Pools**

Investment in Local Agency Investment Fund - The City of Shasta Lake is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code and is managed by the Treasurer of the State of California. The Local Investment Advisory Board (LAIF Board) has oversight responsibility for LAIF. The LAIF Board consists of five members as designated by State statute. Investments in LAIF are available on demand and are stated at amortized cost, which approximates fair value. The fair value of the City's position in the pool is the same as the value of the pooled shares. At June 30, 2015, the City's investment position in LAIF was \$9,688,187. The total amount invested by all public agencies in LAIF on that day was \$69,606,487,716. Of that amount, 97.92% is invested in non-derivative financial products and 2.08% in structured notes and asset-backed securities.

**NOTE 4: CAPITAL ASSETS**

Capital assets activity for the year ended June 30, 2015, was as follows:

**Governmental Activities**

	Balance July 1, 2014	Additions	Retirements	Adjustments	Balance June 30, 2015
Capital Assets, Not Being Depreciated:					
Land, easements, and right of way	\$ 3,700,494	\$ -	\$ -	\$ -	\$ 3,700,494
Construction in progress	<u>3,030</u>	<u>28,893</u>	<u>-</u>	<u>-</u>	<u>31,923</u>
Total Capital Assets, Not Being Depreciated	<u>3,703,524</u>	<u>28,893</u>	<u>-</u>	<u>-</u>	<u>3,732,417</u>
Capital Assets, Being Depreciated:					
Infrastructure and land improvements	51,735,018	-	-	-	51,735,018
Buildings and improvements	8,791,432	-	-	-	8,791,432
Machinery and equipment	607,354	-	-	-	607,354
Vehicles	<u>34,571</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>34,571</u>
Total Capital Assets, Being Depreciated	<u>61,168,375</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>61,168,375</u>
Less Accumulated Depreciation For:					
Infrastructure and land improvements	( 11,764,782)	( 998,936)	-	( 193,521)	( 12,957,239)
Buildings and improvements	( 1,095,902)	( 293,066)	-	203,535	( 1,185,433)
Machinery and equipment	( 401,491)	( 22,274)	-	( 10,014)	( 433,779)
Vehicles	<u>( 34,571)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>( 34,571)</u>
Total Accumulated Depreciation	<u>( 13,296,746)</u>	<u>( 1,314,276)</u>	<u>-</u>	<u>-</u>	<u>( 14,611,022)</u>
Total Capital Assets, Being Depreciated, Net	<u>47,871,629</u>	<u>( 1,314,276)</u>	<u>-</u>	<u>-</u>	<u>46,557,353</u>
Governmental Activities Capital Assets, Net	<u>\$ 51,575,153</u>	<u>(\$1,285,383)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 50,289,770</u>

**CITY OF SHASTA LAKE**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2015**

**NOTE 4: CAPITAL ASSETS (CONTINUED)**

**Business-Type Activities**

	Balance				Balance
	July 1, 2014	Additions	Retirements	Adjustments	June 30, 2015
Capital Assets, Not Being Depreciated:					
Land	\$ 2,122,396	\$ -	\$ -	\$ -	\$ 2,122,396
Construction in progress	<u>359,829</u>	<u>485,701</u>	<u>-</u>	<u>( 90,684)</u>	<u>754,846</u>
Total Capital Assets, Not Being Depreciated	<u>2,482,225</u>	<u>485,701</u>	<u>-</u>	<u>( 90,684)</u>	<u>2,877,242</u>
Capital Assets, Being Depreciated:					
General and utility plant	66,119,191	688,810	-	222,030	67,030,031
Buildings and improvements	2,119,399	93,241	-	17,307	2,229,947
Equipment and vehicles	<u>3,907,677</u>	<u>327,083</u>	<u>( 307,812)</u>	<u>( 148,653)</u>	<u>3,778,295</u>
Total Capital Assets, Being Depreciated	<u>72,146,267</u>	<u>1,109,134</u>	<u>( 307,812)</u>	<u>90,684</u>	<u>73,038,273</u>
Less Accumulated Depreciation For:					
General and utility plant	( 32,488,990)	( 1,763,601)	-	( 2,434,762)	( 36,687,353)
Buildings and improvements	( 944,401)	( 54,660)	-	( 111,094)	( 1,110,155)
Equipment and vehicles	<u>( 5,255,569)</u>	<u>( 217,277)</u>	<u>307,812</u>	<u>2,545,856</u>	<u>( 2,619,178)</u>
Total Accumulated Depreciation	<u>( 38,688,960)</u>	<u>( 2,035,538)</u>	<u>307,812</u>	<u>-</u>	<u>( 40,416,686)</u>
Total Capital Assets, Being Depreciated, Net	<u>33,457,307</u>	<u>( 926,404)</u>	<u>-</u>	<u>90,684</u>	<u>32,621,587</u>
Business-Type Activities Capital Assets, Net	<u>\$ 35,939,532</u>	<u>( \$ 440,703)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 35,498,829</u>

**Depreciation**

Depreciation expense was charged to governmental functions as follows:

General government	\$ 13,609
Public safety	30,475
Public ways and facilities	1,210,838
Planning	3,942
Culture and recreation	<u>55,412</u>
Total Depreciation Expense – Governmental Functions	<u>\$ 1,314,276</u>

Depreciation expense was charged to business-type functions as follows:

Water	\$ 477,964
Electric	775,501
Wastewater	535,383
Industrial Park	23,464
Internal Service Funds	<u>223,226</u>
Total Depreciation Expense - Business-Type Functions	<u>\$ 2,035,538</u>

**CITY OF SHASTA LAKE**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2015**

**NOTE 4: CAPITAL ASSETS (CONTINUED)**

**Construction in Progress**

Construction in progress for governmental activities relates primarily to work performed on water projects, electric projects, and the wastewater treatment plant.

**NOTE 5: INTERFUND TRANSACTIONS**

**Due To/From Other Funds**

During the course of operations, transactions occur between funds to account for goods received or services rendered. These receivables and payables are classified as due from or due to other funds. In addition, when funds overdraw their share of pooled cash, the receivables and payables are also classified as due from or due to other funds. The following are due to and due from balances as of June 30, 2015:

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General Fund	\$ 53,000	\$ -
Nonmajor Governmental Funds	<u>-</u>	<u>53,000</u>
Total	<u>\$ 53,000</u>	<u>\$ 53,000</u>

**Advances To/From Other Funds**

Advances to/from other funds are non-current interfund loans and are offset by a nonspendable fund balance account in applicable governmental funds to indicate they are not in spendable form. The following are advances to/from other funds as of June 30, 2015:

	<u>Advances To Other Funds</u>	<u>Advances From Other Funds</u>
General Fund	\$ -	\$ 650,068
Water	-	107,109
Electric	1,242,944	-
Wastewater	-	107,851
Internal Service Funds	<u>-</u>	<u>377,916</u>
Total	<u>\$ 1,242,944</u>	<u>\$ 1,242,944</u>

**Transfers**

Transfers are indicative of funding for capital projects, lease payments or debt service, subsidies of various City operations and re-allocations of special revenues. The following are the interfund transfers for fiscal year ended June 30, 2015:

	<u>Transfer In</u>	<u>Transfer Out</u>
General Fund	\$ 9,567	\$ -
Nonmajor Governmental Funds	16,506	91,073
Water	<u>65,000</u>	<u>-</u>
Total	<u>\$ 91,073</u>	<u>\$ 91,073</u>

**CITY OF SHASTA LAKE**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2015**

**NOTE 6: UNEARNED/UNAVAILABLE REVENUES**

At June 30, 2015, components of unearned and unavailable revenues were as follows:

	<u>Unearned</u>	<u>Unavailable</u>	<u>Total</u>
General Fund			
Utility bill prepayments	\$ 26,568	\$ -	\$ 26,568
Wastewater Treatment Debt			
Special assessments receivable	-	3,021,000	3,021,000
Nonmajor Governmental Funds			
Unearned TDA revenues	106,812	-	106,812
CDBG receivable	-	95,780	95,780
Special assessments receivable	-	58,000	58,000
Total	<u>\$ 133,380</u>	<u>\$ 3,174,780</u>	<u>\$ 3,308,160</u>

**NOTE 7: LONG-TERM LIABILITIES**

The following is a summary of changes in long-term liabilities for the year ended June 30, 2015:

<u>Type of Indebtedness</u>	<u>Balance</u> <u>July 1, 2014</u>	<u>Adjustments/</u> <u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>June 30, 2015</u>	<u>Amounts</u> <u>Due Within</u> <u>One Year</u>
<b>Governmental Activities</b>					
Loans	\$ 113,412	\$ -	(\$ 8,449)	\$ 104,963	\$ 8,441
Revenue Bonds	3,113,000		( 92,000)	3,021,000	96,000
Special Assessment Bonds	75,000		( 17,000)	58,000	22,000
Compensated Absences	<u>130,927</u>	<u>90,383</u>	<u>( 90,062)</u>	<u>131,248</u>	<u>90,383</u>
Total Governmental Activities	<u>\$ 3,432,339</u>	<u>\$ 90,383</u>	<u>(\$ 207,511)</u>	<u>\$ 3,315,211</u>	<u>\$ 216,824</u>
<b>Business-Type Activities</b>					
Loans	\$ 4,369,516	\$ -	(\$ 190,479)	\$ 4,179,037	\$ 196,802
Revenue Bonds	7,530,000		( 530,000)	7,000,000	555,000
Special Assessment Bonds	865,000		( 25,000)	840,000	30,000
Capital Lease Obligation	137,232		( 53,353)	83,879	55,393
Compensated Absences	<u>178,164</u>	<u>149,952</u>	<u>( 146,117)</u>	<u>181,999</u>	<u>145,952</u>
Total Business-Type Activities	<u>\$ 13,079,912</u>	<u>\$ 149,952</u>	<u>(\$ 944,949)</u>	<u>\$ 12,284,915</u>	<u>\$ 983,147</u>

Internal service funds predominately serve the governmental funds. Accordingly, long-term liabilities for these funds are included as part of the above totals for governmental activities.

For governmental activities, the capital lease liability is liquidated by lease payments made by the departments leasing the equipment. Compensated absences for the governmental activities are generally liquidated by the fund where the accrued liability occurred, which is primarily the General fund. Principal and interest payments for the governmental activities are generally paid by a debt service fund.

For the business-type activities, all debt is accounted for in the proprietary fund where the liability occurred.

**CITY OF SHASTA LAKE**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2015**

**NOTE 7: LONG-TERM LIABILITIES (CONTINUED)**

Individual issues of debt payable outstanding at June 30, 2015, are as follows:

**Governmental Activities**

Loans:

Davis-Grunsky Loan - Transferred from Shasta Dam Area Public Utility District - voter approved 1972, \$408,538 construction loan under the Davis-Grunsky Act for construction of the complete Summit City water system, due in semi-annual installments, including interest at 2.50% per annum, totaling approximately \$11,000 until maturity in 2026. Property tax is levied to finance debt service, and taxes levied in excess of actual requirements are legally restricted to servicing this debt.	<u>\$ 104,963</u>
Total Loans	<u>104,963</u>

Revenue Bonds:

1995 Wastewater Revenue Bonds - Series A - Issued by the Shasta Lake Public Financing Authority to finance construction of the Wastewater Treatment Plant expansion. Principal payments, ranging from \$49,000 to \$210,000, are due annually on September 2, and mature September 2, 2034. Interest payments at 4.50% are due semi-annually.	2,686,000
1995 Wastewater Revenue Bonds - Series B - Issued by the Shasta Lake Public Financing Authority to finance construction of the Wastewater Treatment Plant expansion. Principal payments, ranging from \$6,000 to \$27,000, are due annually on September 2, and mature September 2, 2034. Interest payments at 4.50% are due semi-annually.	<u>335,000</u>
Total Revenue Bonds	<u>3,021,000</u>

Special Assessment Bonds:

Riddle Road Assessment Bonds- Transferred from Shasta Dam Area Public Utility District - voter approved 1989. \$64,932 issue of bonds (Farmers' Home Administration) for the assessment district share of construction costs for the Riddle Road water system. Principal payments, ranging from \$900 to \$4,000, plus interest at 5%, are due annually on September 2. Final maturity of the issue is scheduled for 2029.	38,000
Rosamond Assessment District Bonds - Bonds were issued to fund the construction of street improvements and engineering costs within the Rosamond Avenue Area Assessment District. Principal payments, ranging from \$4,277 to \$20,000, are due annually on September 2, and mature September 2, 2015. Interest payments at 7.50% are due semi-annually. Property tax will be levied to finance debt service and will be legally restricted to servicing this debt.	<u>20,000</u>
Total Special Assessment Bonds	<u>58,000</u>
Total Governmental Activities	<u>\$ 3,183,963</u>

**CITY OF SHASTA LAKE**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2015**

**NOTE 7: LONG-TERM LIABILITIES (CONTINUED)**

**Business-Type Activities**

Loans:

State of California Infrastructure Bank Water Loan - Loan payable to Infrastructure and Economic Development Bank for the Reservoir and Water System Improvement Project (Project). The original amount of the loan was \$5,000,000. The loan is payable in annual principal payments ranging from \$115,944 to \$259,579 with interest payable semi-annually at an annual rate of 3.03%. The loan also consists of an annual fee ranging from \$779 to \$15,000. The loan is amortized over 30 years with the final payment due in 2034. \$ 3,967,884

State of California Safe Drinking Water Act Loan - Transferred from Shasta Dam Area Public Utility District - an agreement with the State of California Department of Water Resources for the funding of the construction of a filtration plant to meet safe drinking water standards established pursuant to Chapter 7 of Part 1 of Division 5 of the Health and Safety code, resulted in the creating of a loan payable to the State of California in the original amount of \$988,000. The loan is payable in semi-annual principal installments ranging from \$8,450 to \$28,340 with interest at 4.1439%. The note is amortized over 30 years with the final payment due in 2019. 211,153

Total Loans 4,179,037

Revenue Bonds:

2005 Refunding Installment Sale Revenue Bonds - The bonds were issued by the Shasta Lake Public Financing Authority to defease and refund the Shasta Lake Public Financing Authority 2002 Installment Sale Revenue Bonds (Electric Enterprise Project), to fund the reserve fund and to pay costs of issuance. Principal payments ranging from \$385,000 to \$865,000 are due annually on April 1, and mature April 1, 2025. Interest payments ranging from 2.6% to 5% are due semi-annually. 7,000,000

Total Revenue Bonds 7,000,000

Special Assessment Bonds:

Industrial Park Assessment Bonds - Transferred from Shasta Dam Area Public Utility District - approved 1991, \$1,202,700 issue of bonds (Farmers' Home Administration ) for the Assessment District's share of construction costs for the Shasta Gateway Industrial Park infrastructure. Principal payments ranging from \$12,700 to \$70,000 are due annually on September 2, and mature February 2, 2032. Interest payments at 5.25% are due semi-annually. 840,000

Total Special Assessment Bonds 840,000

Total Business-Type Activities \$ 12,019,037

**CITY OF SHASTA LAKE**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2015**

**NOTE 7: LONG-TERM LIABILITIES (CONTINUED)**

Following is a schedule of debt payment requirements of governmental activities and business-type activities to maturity for long-term debt, excluding compensated absences that have indefinite maturities and capital leases which are reported in Note 8.

**Governmental Activities**

Year Ended June 30	Loans		
	Principal	Interest	Total
2016	\$ 8,441	\$ 2,533	\$ 10,974
2017	8,652	2,312	10,964
2018	8,869	2,098	10,967
2019	9,090	1,873	10,963
2020	9,318	1,644	10,962
2021-2025	50,200	4,553	54,753
2026	10,393	549	10,942
Total	<u>\$ 104,963</u>	<u>\$ 15,562</u>	<u>\$ 120,525</u>

Year Ended June 30	Revenue Bonds		
	Principal	Interest	Total
2016	\$ 96,000	\$ 133,785	\$ 229,785
2017	101,000	129,353	230,353
2018	105,000	124,718	229,718
2019	109,000	119,903	228,903
2020	114,000	114,885	228,885
2021-2025	657,000	490,433	1,147,433
2026-2030	820,000	324,540	1,144,540
2031-2035	1,019,000	119,047	1,138,047
Total	<u>\$ 3,021,000</u>	<u>\$ 1,556,664</u>	<u>\$ 4,577,664</u>

Year Ended June 30	Special Assessment Debt		
	Principal	Interest	Total
2016	\$ 22,000	\$ 2,500	\$ 24,500
2017	2,000	1,650	3,650
2018	2,000	1,550	3,550
2019	2,000	1,450	3,450
2020	2,000	1,350	3,350
2021-2025	11,000	5,150	16,150
2026-2030	17,000	1,400	18,400
Total	<u>\$ 58,000</u>	<u>\$ 15,050</u>	<u>\$ 73,050</u>

**CITY OF SHASTA LAKE**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2015**

**NOTE 7: LONG-TERM LIABILITIES (CONTINUED)**

**Business-Type Activities**

Year Ended June 30	Loans		
	Principal	Interest	Total
2016	\$ 196,814	\$ 126,240	\$ 323,054
2017	203,351	119,635	322,986
2018	210,111	112,806	322,917
2019	217,043	105,659	322,702
2020	165,888	99,043	264,931
2020-2024	907,951	415,516	1,323,467
2025-2029	1,054,098	267,155	1,321,253
2030-2034	<u>1,223,781</u>	<u>94,913</u>	<u>1,318,694</u>
Total	<u>\$ 4,179,037</u>	<u>\$ 1,340,967</u>	<u>\$ 5,520,004</u>

Year Ended June 30	Revenue Bonds		
	Principal	Interest	Total
2016	\$ 555,000	\$ 350,000	\$ 905,000
2017	585,000	322,250	907,250
2018	615,000	293,000	908,000
2019	645,000	262,250	907,250
2020	675,000	230,000	905,000
2020-2024	<u>3,925,000</u>	<u>608,000</u>	<u>4,533,000</u>
Total	<u>\$ 7,000,000</u>	<u>\$ 2,065,500</u>	<u>\$ 9,065,500</u>

Year Ended June 30	Special Assessment Bonds		
	Principal	Interest	Total
2016	\$ 30,000	\$ 43,313	\$ 73,313
2017	30,000	41,738	71,738
2018	30,000	40,163	70,163
2019	35,000	38,457	73,457
2020	35,000	36,619	71,619
2021-2025	210,000	151,726	361,726
2026-2030	270,000	89,252	359,252
2031-2032	<u>200,000</u>	<u>16,014</u>	<u>216,014</u>
Total	<u>\$ 840,000</u>	<u>\$ 457,282</u>	<u>\$ 1,297,282</u>

**CITY OF SHASTA LAKE**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2015**

**NOTE 8: LEASES**

**Capital Leases**

The City has entered into certain capital lease agreements under which the related equipment will become the property of the City when all terms of the lease agreements are met.

	<u>Stated Interest Rate</u>	<u>Present Value of Remaining Payments at June 30, 2015</u>
Governmental activities	3.76%	\$ 83,879
Total		<u>\$ 83,879</u>

Equipment and related accumulated depreciation under capital lease are as follows:

	<u>Governmental Activities</u>
Cost of equipment	\$ 308,513
Less: accumulated depreciation	( 123,405)
Net Value	<u>\$ 185,108</u>

As of June 30, 2015, capital lease annual amortization was as follows:

	<u>Governmental Activities</u>
Year Ending June 30:	
2016	\$ 57,598
2017	<u>28,810</u>
Total Requirements	86,408
Less Interest	( 2,529)
Present Value of Remaining Payments	<u>\$ 83,879</u>

**NOTE 9: NET POSITION**

The government-wide and proprietary fund financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted, and unrestricted.

- **Net investment in capital assets** - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.
- **Restricted net position** - Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

**CITY OF SHASTA LAKE**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2015**

**NOTE 9: NET POSITION (CONTINUED)**

- **Unrestricted net position** - All other net position that does not meet the definition of “restricted” or “net investment in capital assets.”

**Net Position Restricted by Enabling Legislation**

The government-wide statement of net position reports \$11,768,507 of restricted net position, of which \$5,624,195 is restricted by enabling legislation.

**Net Position Flow Assumption**

When a government funds outlays for a particular purpose from both restricted and unrestricted resources, a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted net position is available, it is considered that restricted resources are used first, followed by the unrestricted resources.

**NOTE 10: FUND BALANCES**

As prescribed by GASB Statement No. 54, governmental funds report fund balance in classifications based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. As of June 30, 2015, fund balance for governmental funds are made up of the following:

- **Nonspendable fund balance** - amounts that cannot be spent because they are either (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example: inventories and prepaid amounts.
- **Restricted fund balance** - amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation. Restrictions may effectively be changed or lifted with consent of resource providers.
- **Committed fund balance** - amounts that can only be used for the specific purposes determined by formal action of the City’s highest level of decision-making authority. The City Council is the highest level of decision making authority for the City that can, by adoption of an ordinance commit fund balance. Once adopted, the limitation imposed remains in place until a similar action is taken to remove or revise the limitation. The underlying action that imposed the limitation needs to occur no later than the close of the reporting period.
- **Assigned fund balance** - amounts that are constrained by the City’s intent to be used for specific purposes. The intent can be established at either the highest level of decision-making, or by a body or an official designated for that purpose.
- **Unassigned fund balance** - the residual classification for the City’s General fund that includes all amounts not contained in the other classifications. In other funds, the unassigned classification is used only if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes.

**CITY OF SHASTA LAKE**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2015**

**NOTE 10: FUND BALANCES (CONTINUED)**

The fund balances for all major and nonmajor governmental funds as of June 30, 2015, were distributed as follows:

	<u>General</u>	<u>Wastewater Treatment Debt</u>	<u>Other Govern- mental Funds</u>	<u>Total</u>
<b>Restricted For:</b>				
Customer deposits	\$ 571,071	\$ -	\$ -	\$ 571,071
General plan maintenance fee	10,254	-	-	10,254
Information technology	49,423	-	-	49,423
Wastewater treatment debt	-	549,117	-	549,117
Law enforcement COPS	-	-	240	240
Water P&FCC charges	-	-	13,917	13,917
State trafficway	-	-	2,545,195	2,545,195
Electric P&FCC charges	-	-	234,824	234,824
CDBG housing rehabilitation	-	-	169,417	169,417
Wastewater P&FCC charges	-	-	555,560	555,560
Parks P&FCC charges	-	-	101,771	101,771
Former RDA low/mod housing	-	-	1,196,089	1,196,089
HOME	-	-	4,488,986	4,488,986
Rosamond debt service	-	-	29,617	29,617
Riddle road water bond	-	-	7,513	7,513
Davis-Grunsky Act loan	-	-	81,799	81,799
	<u>630,748</u>	<u>549,117</u>	<u>9,424,928</u>	<u>10,604,793</u>
Subtotal				
<b>Assigned for:</b>				
CalPERS debt	650,069	-	-	650,069
Accounts payable	262,740	-	-	262,740
Payroll	48,947	-	-	48,947
Due to other governments	182,836	-	-	182,836
Developer deposits	10,172	-	-	10,172
	<u>1,154,764</u>	<u>-</u>	<u>-</u>	<u>1,154,764</u>
Subtotal				
<b>Unassigned</b>	<u>1,205,470</u>	<u>-</u>	<u>( 94,981)</u>	<u>1,110,489</u>
Total	<u>\$ 2,990,982</u>	<u>\$ 549,117</u>	<u>\$ 9,329,947</u>	<u>\$ 12,870,046</u>

**Fund Balance Flow Assumption**

When a government funds outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance), a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted fund balance is available, it is considered that restricted fund balance is depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

**CITY OF SHASTA LAKE**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2015**

**NOTE 10: FUND BALANCES (CONTINUED)**

**Fund Balance Policy**

The City Council adopted the City of Shasta Lake Fund Balance Policy in 2011. The policy establishes procedures for reporting fund balance classifications, establishes prudent reserve requirements, and establishes a hierarchy of fund balance expenditures. The policy also provides for a measure of financial protection for the City against unforeseen circumstances and to comply with GASB Statement No. 54.

**NOTE 11: PENSION PLAN**

**A. General Information about the Pension Plan**

**Plan Description**

The City contributes to the California Public Employees Retirement System (PERS), a cost-sharing multiple-employer public employee defined benefit pension plan. PERS provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. PERS acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and all other requirements are established by statute. Copies of PERS' annual financial report may be obtained from their executive office - 400 Q Street, Lincoln Plaza East, Sacramento, CA 95811.

Effective January 1, 2013, the City added retirement tiers for the Miscellaneous Plan for new employees as required under the Public Employee Pension Reform Act (PEPRA). New employees hired on or after January 1, 2013 will be subject to new, lower pension formulas, caps on pensionable income levels and new definitions of pensionable income. In addition, new employees will be required to contribute half of the total normal cost of the pension benefit unless impaired by an existing Memorandum of Understanding.

**Summary of Plans and Eligible Participants**

Open for New Enrollment	
Miscellaneous PEPRA	Miscellaneous members hired on or after January 1, 2013
Closed to New Enrollment	
Miscellaneous - First Level	Miscellaneous members hired before January 1, 2013
Miscellaneous - Second Level	Miscellaneous members hired before January 1, 2013

**Benefits Provided**

CalPers provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. Retirement benefits are paid monthly for life. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

**CITY OF SHASTA LAKE**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2015**

**NOTE 11: PENSION PLAN (CONTINUED)**

**A. General Information about the Pension Plan (Continued)**

**Benefits Provided (Continued)**

Each Plans' specific provisions and benefits in effect at June 30, 2015, are summarized as follows:

	<u>Benefit Formula</u>	<u>Retirement Age</u>	<u>Monthly Benefits as a % of Eligible Compensation</u>
Miscellaneous - First Level	3.0% @ 60	50-60	2.0% to 3.0%
Miscellaneous - Second Level	2.0% @ 60	50-60	2.0% to 3.0%
Miscellaneous PEPRA	2.0% @ 62	50-62	2.0%

**Contributions**

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for all Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

	<u>Employer Contribution Rates</u>	<u>Employee Contribution Rates</u>	<u>Employer Paid Member Contribution Rates</u>
Miscellaneous - First Level	11.718%	8.000%	0.000%
Miscellaneous - Second Level	7.163%	7.000%	0.000%
Miscellaneous PEPRA	6.237%	6.250%	0.000%

For the year ended June 30, 2015. The contributions recognized as part of pension expense for each Plan were as follows:

Contributions-Employee	<u>Contributions-Employer</u>	<u>( Paid by Employer )</u>
Miscellaneous - First Level	\$ 564,202	\$ -
Miscellaneous PEPRA	3,071	-

**B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions**

The City's net pension liability for each Plan is measured as the proportionate share of the net pension liability. The net pension liability of each of the Plans is measured as of June 30, 2014, and the total pension liability for each Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2013 rolled forward to June 30, 2014 using standard update procedures. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined.

**CITY OF SHASTA LAKE**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2015**

**NOTE 11: PENSION PLAN (CONTINUED)**

**B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)**

The City's proportionate share of the net pension liability for each Plan as of June 30, 2013 and 2014 was as follows:

	<u>Proportion June 30, 2013</u>	<u>Proportion June 30, 2014</u>	<u>Change - Increase (Decrease)</u>
Miscellaneous - First Level (0.02578)%	0.09637%	0.07059%	
Miscellaneous PEPRAs 0.00000 %	0.00000%	0.00000%	

As of June 30, 2015, the City reported net pension liabilities for its proportionate shares of the net pension liability of each Plan as follows:

	<u>Proportionate Share of Net Pension Liability</u>
Miscellaneous - First Level	\$ 4,392,748
Miscellaneous PEPRAs	<u>88</u>
Total Net Pension Liability	<u>\$ 4,392,836</u>

For the year ended June 30, 2015, the City recognized pension expense of \$566,707. At June 30, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to measurement date	\$ 539,885	\$ -
Differences between projected and actual earnings on pension plan investments	-	( 1,428,268)
Difference between City contributions and proportionate share of contributions	3,671	-
Adjustment due to differences in proportions	<u>-</u>	<u>( 16,565)</u>
Total	<u>\$ 543,556</u>	<u>(\$ 1,444,833)</u>

**CITY OF SHASTA LAKE**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2015**

**NOTE 11: PENSION PLAN (CONTINUED)**

**B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)**

\$539,885 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended <u>June 30</u>	
2016	(\$ 362,983)
2017	( 361,671)
2018	( 360,489)
2019	( 356,019)
Thereafter	<u>-</u>
Total	<u><u>(\$ 1,441,162)</u></u>

**Actuarial Assumptions**

The total pension liabilities in the June 30, 2013 actuarial valuations were determined using the following actuarial assumptions:

Valuation Date	June 30, 2013
Measurement Date	June 30, 2014
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.50%
Inflation	2.75%
Payroll Growth	3.00%
Projected Salary Increase	3.30% to 14.20% (1)
Investment Rate of Return	7.5% (2)
Mortality	(3)

- (1) Depending on age, service, and type of employment
- (2) Net of pension plan investment and administrative expenses, including inflation
- (3) Derived using CalPERS membership data for all funds

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2013 valuation were based on the results of a January 2014 actuarial experience study for the period 1997 to 2011. Further details of the Experience Study can be found on the CalPERS website.

**CITY OF SHASTA LAKE**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2015**

**NOTE 11: PENSION PLAN (CONTINUED)**

**B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)**

**Discount Rate**

The discount rate used to measure the total pension liability was 7.50% for each Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.50% discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.50% is applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained at the CalPERS website under the GASB 68 section.

According to Paragraph 30 of Statement 68, the long-term discount rate should be determined without reduction for pension plan administrative expense. The 7.50% investment return assumption used in this accounting valuation is net of administrative expenses.

Administrative expenses are assumed to be 15 basis points. An investment return excluding administrative expenses would have been 7.65%. Using this lower discount rate has resulted in a slightly higher Total Pension Liability and Net Pension Liability. CalPERS checked the materiality threshold for the difference in calculation and did not find it to be a material difference.

CalPERS is scheduled to review all actuarial assumptions as part of its regular Asset Liability Management (ALM) review cycle that is scheduled to be completed in February 2018. Any changes to the discount rate will require Board action and proper stakeholder outreach. For these reasons, CalPERS expects to continue using a discount rate net of administrative expenses for GASB 67 and 68 calculations through at least the 2017-18 fiscal year. CalPERS will continue to check the materiality of the difference in calculation until such time as we have changed our methodology.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

**CITY OF SHASTA LAKE**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2015**

**NOTE 11: PENSION PLAN (CONTINUED)**

**B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)**

**Discount Rate (Continued)**

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

<u>Asset Class</u>	<u>New Strategic Allocation</u>	<u>Real Return Years 1 - 10(a)</u>	<u>Real Return Years 11+(b)</u>
Global Equity	47.0%	5.25%	5.71%
Global Fixed Income	19.0%	0.99%	2.43%
Inflation Sensitive	6.0%	0.45%	3.36%
Private Equity	12.0%	6.83%	6.95%
Real Estate	11.0%	4.50%	5.13%
Infrastructure and Forestland	3.0%	4.50%	5.09%
Liquidity	2.0%	-0.55%	-1.05%
Total	<u>100%</u>		

- (a) An expected inflation of 2.5% used for this period  
(b) An expected inflation of 3.0% used for this period

**Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate**

The following presents the City's proportionate share of the net pension liability for each Plan as of the measurement date, calculated using the discount rate for each Plan, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	<u>1% Decrease</u>	<u>Discount Rate</u>	<u>1% Increase</u>
Miscellaneous - First Level	\$ 7,990,651	\$ 4,392,748	\$ 1,406,831
Miscellaneous PEPRA	157	88	31

**Pension Plan Fiduciary Net Position**

Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

**CITY OF SHASTA LAKE**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2015**

**NOTE 12: OTHER POSTEMPLOYMENT BENEFITS (OPEB)**

**A. Plan Description**

The City contributes to California Public Employees Retirement System (CalPERS), an agent employer defined benefit postemployment healthcare plan administrator (“the Retiree Health Plan”). An employee is eligible for lifetime medical benefits under the Plan, along with his/her spouse at the time of retirement, if he or she retires from the City under CalPERS.

**B. Funding Policy**

The contribution requirements of the City are established and may be amended by the City Council. The required contribution is based on projected pay-as-you-go financing requirements, with an additional amount to prefund benefits as determined annually by the Council. For fiscal year 2015, the City contributed \$307,487 to the plan, including \$169,153 in retiree premiums.

**C. Annual OPEB Cost and Net OPEB Obligation**

The City’s annual other postemployment benefits (OPEB) cost (expense) is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement No. 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) over a period not to exceed thirty years.

The following table shows the City’s annual OPEB cost for the year, the amount actually contributed to the plan, and the City’s net OPEB obligation (asset).

Annual required contribution	\$ 307,487
Interest on net OPEB obligation	( 97,748)
Adjustment to annual required contribution	<u>121,750</u>
Annual OPEB cost	331,489
Contributions made:	
Pay as you go contribution	( 154,265)
Additional funding contribution	<u>( 138,334)</u>
Increase (Decrease) in net OPEB obligation	38,890
Net OPEB Obligation (Asset) Beginning	<u>( 1,396,394)</u>
Net OPEB Obligation (Asset) Ending	<u><u>(\$ 1,357,504)</u></u>

The City’s net OPEB obligation is presented on the Government-wide financial statements as follows:

Other postemployment benefits asset	\$ 1,845,207
Other postemployment benefits liability	<u>( 487,703)</u>
Net OPEB obligation	<u><u>\$ 1,357,504</u></u>

**CITY OF SHASTA LAKE**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2015**

**NOTE 12: OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)**

**C. Annual OPEB Cost and Net OPEB Obligation (Continued)**

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation (asset) for the current and prior two years are as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation (Asset)
June 30, 2013	\$ 382,462	125%	( 1,513,232)
June 30, 2014	399,527	70.8%	( 1,396,394)
June 30, 2015	331,189	88.4%	( 1,357,504)

**D. Funded Status and Funding Progress**

As of July 1, 2013, the most recent actuarial valuation date, the plan was 90.1% percent funded. The actuarial accrued liability was \$4,687,512 and the actuarial value of assets was \$5,202,779, resulting in an unfunded actuarial accrued liability (UAAL) of \$515,267. The covered payroll (annual payroll of employees covered by the plan) was \$3,431,120, and the ratio of the UAAL to the covered payroll was 15.02 percent.

Actuarial valuations of an ongoing plan involve estimates of the value of the 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 City 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 multi-year trend information (as it becomes available) that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

**E. 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 plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the 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 value of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2013 actuarial valuation, the entry age normal cost method was used. The actuarial assumptions included a 7 percent investment rate of return (net of administrative expenses), which is a blended rate of the expected long-term investment returns on plan assets and on the employer's own investments calculated based on the funded level of the plan at the valuation date, and an annual healthcare cost trend rate of 6 percent initially, reduced by decrements to an ultimate rate of 4.5 percent after eight years. Both rates included a 3.25 percent inflation assumption. The actuarial value of assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period. The UAAL is being amortized as a level dollar amount on a closed basis. The remaining amortization period at June 30, 2015, was twenty-three years.

**CITY OF SHASTA LAKE**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2015**

**NOTE 13: RISK MANAGEMENT**

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disaster. The City maintains insurance coverage from a commercial carrier for its medical, short-term and long-term disability, and dental and vision plan. There is no claims liability to be reported based on the requirements of GASB Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

There are no significant reductions in insurance coverage from prior years and there have been no settlements exceeding the insurance coverages for each of the past three fiscal years.

The City is a member of the Small Cities Organization Risk Effort joint powers authority (SCORE), which provides the City with liability coverage with limits of \$40,000,000 for each occurrence, workers' compensation coverage with limits to \$4,850,000 for each occurrence and property coverage for replacement. SCORE provides these limits and coverage by participating in the California Joint Powers Risk Management Authority (CJPRMA) for excess liability and Local City Workers' Compensation Excess Liability joint powers authority (LAWCX) for excess workers' compensation. Property coverage is obtained by a group purchase from insurance companies with the City's deductible being \$10,000 each claim for vehicles and property.

**NOTE 14: OTHER INFORMATION**

**A. Commitments and Contingencies**

The City has signed an agreement to construct capital improvements subsequent to June 30, 2015, the balance owed on the commitment at June 30, 2015 was \$65,000.

The City has entered into a contract with the Shasta County Sheriff's Office in the amount of \$2,532,655 to provide law enforcement services. The City also is contractually committed to purchase power from various agencies in the amount of \$972,285.

The City is a defendant in various lawsuits. Management and Counsel believe the suits will not have a material adverse effect on the City's financial condition.

**B. Successor Agency Trust for Assets of Former Redevelopment Agency**

In accordance with Assembly Bill 1X26 and Assembly Bill 1434, all redevelopment agencies in the State of California were dissolved and ceased to operate as legal entities as of February 1, 2012. The activity of the Successor Agency Trust for Assets of Former Redevelopment Agency (Successor Agency) is recorded in a private purpose trust.

**CITY OF SHASTA LAKE**  
**Notes to Basic Financial Statements**  
**For the Year Ended June 30, 2015**

**NOTE 14: OTHER INFORMATION (CONTINUED)**

**B. Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)**

The following is a summary of changes in long-term liabilities for the year ended June 30, 2015:

<u>Type of Indebtedness</u>	<u>Balance</u>	<u>Additions/</u>	<u>Retirements</u>	<u>Balance</u>	<u>Amounts</u>
	<u>July 1, 2014</u>	<u>Adjustments</u>		<u>June 30, 2015</u>	<u>Due Within</u>
					<u>One Year</u>
Tax Allocation Bonds	\$ 4,535,000	\$ 3,900,000	(\$ 4,535,000)	\$ 3,900,000	\$ 265,000
Total	<u>\$ 4,535,000</u>	<u>\$ 3,900,000</u>	<u>(\$ 4,535,000)</u>	<u>\$ 3,900,000</u>	<u>\$ 265,000</u>

The following is a summary of changes in long-term liabilities for the year ended June 30, 2015:

Individual issues of debt payable outstanding at June 30, 2015, are as follows:

**Tax Allocation Bonds:**

Tax Allocation Revenue Refunding Bonds, Series 2014, issued by the Shasta Lake Public Financing Authority in the amount of \$3,900,000 and payable in annual installments of \$265,000 to \$400,000, with an interest rate of 2.00% to 5.00% and maturity on December 1, 2026. The bonds were used to refund the 2006 Tax Allocation Revenue Bonds.

	<u>\$ 3,900,000</u>
Total Tax Allocation Bonds	<u>\$ 3,900,000</u>

Following is a schedule of debt payment requirements to maturity for long-term debt:

<u>Year Ended</u> <u>June 30</u>	<u>Tax Allocation Bonds</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 265,000	\$ 141,831	\$ 406,831
2017	270,000	135,806	405,806
2018	280,000	128,231	408,231
2019	285,000	119,044	404,044
2020	300,000	108,056	408,056
2021-2025	1,715,000	323,027	2,038,027
2026-2027	<u>785,000</u>	<u>24,625</u>	<u>809,625</u>
Total	<u>\$ 3,900,000</u>	<u>\$ 980,620</u>	<u>\$ 4,880,620</u>

**C. Subsequent Events**

On August 18, 2015 the Shasta Lake Financing Authority approved the early payoff of the Electric Fund 2005 Refunding installment Sale Revenue Bonds using reserve funds held in the Electric Fund.

Management has evaluated events subsequent to June 30, 2015 through December 17, 2015, the date on which the financial statements were available for issuance. Management has determined no other subsequent events requiring disclosure have occurred.

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**Required Supplementary Information  
(Unaudited)**

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**CITY OF SHASTA LAKE**  
**Required Supplementary Information**  
**City Pension Plan**  
**Schedule of Proportionate Share of the Net Pension Liability**  
**For the Year Ended June 30, 2015**  
**Last 10 Years\***

	<b>2015</b>
<b>Miscellaneous Plan - First Level</b>	
Proportion of the net pension liability	0.07059%
Proportionate share of the net pension liability	\$ 4,392,748
Covered employee payroll	3,244,620
Proportionate share of the net pension liability as a percentage of covered employee payroll	135.39%
Plan fiduciary net position as a percentage of the total pension liability	83.80%
<b>Miscellaneous PEPRA</b>	
Proportion of the net pension liability	0.00000%
Proportionate share of the net pension liability	\$ 88
Covered employee payroll	43,769
Proportionate share of the net pension liability as a percentage of covered employee payroll	0.20%
Plan fiduciary net position as a percentage of the total pension liability	83.11%

\* The City implemented GASB 68 for fiscal year June 30, 2015, therefore only one year is shown.

**CITY OF SHASTA LAKE**  
**Required Supplementary Information**  
**City Pension Plan**  
**Schedule of Contributions**  
**For the Year Ended June 30, 2015**  
**Last 10 Years\***

	<b>2015</b>
<b>Miscellaneous Plan - First Level</b>	
Contractually required contribution (actuarially determined)	\$ 564,202
Contributions in relation to the actuarially determined contributions	(2,499,167)
Contribution deficiency (excess)	\$ (1,934,965)
Covered employee payroll	\$ 3,244,620
Contributions as a percentage of covered employee payroll	77.02%
 <b>Miscellaneous PEPR</b>	
Contractually required contribution (actuarially determined)	\$ 3,071
Contributions in relation to the actuarially determined contributions	(3,071)
Contribution deficiency (excess)	\$ -
Covered employee payroll	\$ 43,769
Contributions as a percentage of covered employee payroll	7.02%

\* The City implemented GASB 68 for fiscal year June 30, 2015, therefore only one year is shown.

**CITY OF SHASTA LAKE**  
**Required Supplementary Information**  
**Notes to City Pension Plan**  
**For the Year Ended June 30, 2015**

**NOTE 1: SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

There were no changes in assumptions or benefits in calculating the net pension liability.

**NOTE 2: SCHEDULE OF CONTRIBUTIONS**

Methods and assumptions used to determine the contribution rates were as follows:

Actuarial cost method	Entry Age Normal
Amortization method	Level percentage of payroll, closed
Remained amortization period	19 years
Asset valuation method	15-year smoothed market
Inflation	2.75%
Salary increases	3.3% to 14.2% depending on age, service and type of employment
Investment rate of return	7.50%, net of pension plan investment expense, including inflation
Retirement age	55-60 years

**CITY OF SHASTA LAKE**  
**Required Supplementary Information**  
**City OPEB Plan**  
**Schedule of Funding Progress**  
**For the Year Ended June 30, 2015**

**SCHEDULE OF FUNDING PROGRESS**

The Schedule of Funding Progress - Other Postemployment Benefits provides a consolidated snapshot of the City's ability to meet current and future liabilities with the plan assets. Of particular interest to most is the funded status ratio. This ratio conveys a plan's level of assets to liabilities, an important indicator to determine the financial health of the OPEB plan. The closer the plan is to a 100% funded status, the better position it will be in to meet all of its future liabilities.

The table below shows a two-year analysis of the actuarial value of assets as a percentage of the actuarial accrued liability and the unfunded actuarial accrued liability as a percentage of the annual covered payroll for the City Other Postemployment Benefit Plan. As additional years are available, a three-year trend analysis will be presented.

Actuarial Valuation Date	Actuarial Value of Assets (AVA)	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a % of Covered Payroll
July 1, 2011	\$ 3,617,042	\$ 4,972,624	\$ 1,355,582	72.7%	\$ 2,974,135	45.6%
July 1, 2013	4,687,512	5,202,779	515,267	90.0%	7,431,120	15.02%

**CITY OF SHASTA LAKE**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**General Fund**  
**For the Year Ended June 30, 2015**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>				
Taxes and assessments	\$ 1,824,500	\$ 1,948,500	\$ 2,191,158	\$ 242,658
Licenses and permits	97,000	100,000	106,596	6,596
Fines and forfeitures	20,650	20,650	18,671	(1,979)
Use of money and property	5,000	5,000	10,447	5,447
Intergovernmental	837,702	853,702	766,966	(86,736)
Charges for services	3,006,345	3,122,445	3,151,335	28,890
Other revenues	27,200	30,300	28,329	(1,971)
<b>Total Revenues</b>	<b>5,818,397</b>	<b>6,080,597</b>	<b>6,273,502</b>	<b>192,905</b>
<b>EXPENDITURES</b>				
Current:				
General government:	2,142,481	2,166,538	2,026,749	139,789
Public safety	2,671,035	2,723,670	2,667,437	56,233
Public ways and facilities	60,585	60,585	45,367	15,218
Planning	748,347	764,070	681,406	82,664
Culture and recreation	247,920	247,920	247,479	441
Contingency	78,467	64,370	-	64,370
Debt service:				
Interest	-	14,097	13,131	966
Capital outlay	25,000	246,418	17,943	228,475
<b>Total Expenditures</b>	<b>5,973,835</b>	<b>6,287,668</b>	<b>5,699,512</b>	<b>588,156</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(155,438)</b>	<b>(207,071)</b>	<b>573,990</b>	<b>781,061</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	9,567	9,567
Transfers out	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>9,567</b>	<b>9,567</b>
<b>Net Change in Fund Balance</b>	<b>(155,438)</b>	<b>(207,071)</b>	<b>583,557</b>	<b>790,628</b>
<b>Fund Balance - Beginning</b>	<b>2,407,425</b>	<b>2,407,425</b>	<b>2,407,425</b>	<b>-</b>
<b>Fund Balance - Ending</b>	<b>\$ 2,251,987</b>	<b>\$ 2,200,354</b>	<b>\$ 2,990,982</b>	<b>\$ 790,628</b>

**CITY OF SHASTA LAKE**  
**Required Supplementary Information**  
**Notes to Budgetary Comparison Schedules**  
**For the Year Ended June 30, 2015**

**NOTE 1: BUDGETARY BASIS OF ACCOUNTING**

Formal budgetary integration is employed as a management control device during the year for the General fund, Special Revenue funds, and Debt Service funds and is controlled at the department level for the City. Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP). Accordingly, actual revenues and expenditures can be compared with related budgeted amounts without any significant adjustments.

The following procedures are performed by the City in establishing the budgetary data reflected in the financial statements:

- (1) The two year operating budget of the City is adopted by the City of Shasta Lake City Council prior to July 1 on even numbered years, primarily on the cash basis.
- (2) The City manager is authorized to transfer budget amounts between divisions within any fund; however, any revisions that alter the total expenditures of any fund requires City Council resolution.

The City does not use encumbrance accounting under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation.

**NOTE 2: EXPENDITURES IN EXCESS OF APPROPRIATIONS**

The following nonmajor special revenue funds had expenditures which exceeded appropriations as follows:

Law Enforcement Fund (COPS)	\$ 3,500
Housing Authority	41,537

The following nonmajor debt service fund had expenditures which exceeded appropriations as follows:

Davis Grunsky Loan Act	\$ 998
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**Combining and Individual Fund Statements and  
Schedules**

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## **Nonmajor Governmental Funds**

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**CITY OF SHASTA LAKE**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**June 30, 2015**

	<b>Special Revenue Funds</b>	<b>Debt Service Funds</b>	<b>Totals</b>
<b>ASSETS</b>			
Cash and investments	\$ 3,630,650	\$ 115,675	\$ 3,746,325
Receivables:			
Taxes	156,895	1,254	158,149
Intergovernmental	147,144	-	147,144
Special assessments	-	58,000	58,000
Restricted cash and investments	-	2,000	2,000
Land held for resale	594,927	-	594,927
Loans receivable	5,024,346	-	5,024,346
	<b>\$ 9,553,962</b>	<b>\$ 176,929</b>	<b>\$ 9,730,891</b>
<b>LIABILITIES</b>			
Accounts payable	\$ 61,093	\$ -	\$ 61,093
Due to other governments	18,384	-	18,384
Deposits payable	7,875	-	7,875
Due to other funds	53,000	-	53,000
Unearned revenues	106,812	-	106,812
	<b>247,164</b>	<b>-</b>	<b>247,164</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenues	95,780	58,000	153,780
	<b>95,780</b>	<b>58,000</b>	<b>153,780</b>
<b>FUND BALANCES</b>			
Restricted	9,305,999	118,929	9,424,928
Unassigned	(94,981)	-	(94,981)
	<b>9,211,018</b>	<b>118,929</b>	<b>9,329,947</b>
	<b>\$ 9,553,962</b>	<b>\$ 176,929</b>	<b>\$ 9,730,891</b>

**CITY OF SHASTA LAKE**  
**Combining Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Year Ended June 30, 2015**

	<b>Special Revenue Funds</b>	<b>Debt Service Funds</b>	<b>Totals</b>
<b>REVENUES</b>			
Taxes and assessments	\$ 407,384	\$ 41,838	\$ 449,222
Use of money and property	9,246	260	9,506
Intergovernmental	1,451,454	209	1,451,663
Charges for services	186,867	-	186,867
<b>Total Revenues</b>	<b>2,054,951</b>	<b>42,307</b>	<b>2,097,258</b>
<b>EXPENDITURES</b>			
Current:			
General government	7,930	2,383	10,313
Public safety	103,500	-	103,500
Public ways and facilities	695,408	-	695,408
Community development	307,128	-	307,128
Debt service:			
Principal	-	25,449	25,449
Interest	-	7,750	7,750
Capital outlay	10,950	-	10,950
<b>Total Expenditures</b>	<b>1,124,916</b>	<b>35,582</b>	<b>1,160,498</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>930,035</b>	<b>6,725</b>	<b>936,760</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Gain on sale of capital assets	14,000	-	14,000
Transfers in	16,506	-	16,506
Transfers out	(82,662)	(8,411)	(91,073)
<b>Total Other Financing Sources (Uses)</b>	<b>(52,156)</b>	<b>(8,411)</b>	<b>(60,567)</b>
<b>Net Change in Fund Balances</b>	<b>877,879</b>	<b>(1,686)</b>	<b>876,193</b>
<b>Fund Balances - Beginning</b>	<b>8,333,139</b>	<b>120,615</b>	<b>8,453,754</b>
<b>Fund Balances - Ending</b>	<b>\$ 9,211,018</b>	<b>\$ 118,929</b>	<b>\$ 9,329,947</b>

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## **Nonmajor Governmental Funds**

- **Special Revenue Funds**

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**CITY OF SHASTA LAKE**  
**Nonmajor Special Revenue Funds**

Special Revenue funds are used to account for and report the proceeds of specific revenues that are restricted or committed to expenditure for specific purposes other than debt service or capital projects. Nonmajor special revenue funds used by the City are listed below:

**Law Enforcement Fund (COPS)**

The Law Enforcement fund (COPS) accounts for the revenue and expenditures associated with the Community Oriented Policing Services funds received through the State of California.

**Water P&FCC Charges**

The Water P & FCC Charges fund accounts for the revenue and expenditures associated with plant and facility connections charges for capital replacement or improvements in the City's water utility.

**State Trafficway**

The State Trafficway fund is used to account for monies received through the Transportation Development Act (TDA) tax and Surface Transportation Program (STP) funding. The financing from State and Federal programs helps to build and maintain the City streets.

**Electric P&FCC Charges**

The Electric P & FCC Charges fund accounts for the revenue and expenditures associated with plant and facilities connections charges for capital replacement or improvements in the City's electric utility.

**CDBG Project Fund**

The CDBG Project fund accounts for the revenue and expenditures associated with the Community Development Block Grant program funded by the federal government and administered by the California Department of Housing and Community Development.

**CDBG Housing Rehabilitation**

The CDBG Housing Rehabilitation fund accounts for the revenue and expenditures associated with housing rehabilitation through the Community Development Block Grant program and Cal Home Program provided by the State and Federal government and administered by the California Department of Housing and Community Development.

**Wastewater P&FCC Charges**

The Wastewater P & FCC Charges fund accounts for the revenue and expenditures associated with plant and facility connections charges for capital replacement or improvements in the City's wastewater utility.

**Parks P&FCC Charges**

The Parks P & FCC Charges fund accounts for the revenue and expenditures associated with plant and facility connections charges for capital replacement or improvements in the City's parks system.

**CITY OF SHASTA LAKE**  
**Nonmajor Special Revenue Funds**

**Housing Authority**

The Housing Authority accounts for the revenues and expenditures associated with administering housing programs.

**HOME**

The HOME Fund accounts for the revenues and expenditures associated with the HOME grant program.

**CITY OF SHASTA LAKE**  
**Combining Balance Sheet**  
**Nonmajor Special Revenue Funds**  
**June 30, 2015**

	<b>Law Enforcement Fund (COPS)</b>	<b>Water P&amp;FCC Charges</b>	<b>State Trafficway</b>	<b>Electric P&amp;FCC Charges</b>
<b>ASSETS</b>				
Cash and investments	\$ 7,558	\$ 13,917	\$ 2,505,089	\$ 234,824
Receivables:				
Taxes	-	-	156,895	-
Intergovernmental	9,349	-	-	-
Land held for resale	-	-	-	-
Loans receivable	-	-	-	-
<b>Total Assets</b>	<b>\$ 16,907</b>	<b>\$ 13,917</b>	<b>\$ 2,661,984</b>	<b>\$ 234,824</b>
<b>LIABILITIES</b>				
Accounts payable	\$ -	\$ -	\$ 385	\$ -
Due to other governments	16,667	-	1,717	-
Deposits payable	-	-	7,875	-
Unearned revenues	-	-	106,812	-
Due to other funds	-	-	-	-
<b>Total Liabilities</b>	<b>16,667</b>	<b>-</b>	<b>116,789</b>	<b>-</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenues	-	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES (DEFICIT)</b>				
Restricted	240	13,917	2,545,195	234,824
Unassigned	-	-	-	-
<b>Total Fund Balances (Deficit)</b>	<b>240</b>	<b>13,917</b>	<b>2,545,195</b>	<b>234,824</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 16,907</b>	<b>\$ 13,917</b>	<b>\$ 2,661,984</b>	<b>\$ 234,824</b>

<b>CDBG Project Fund</b>	<b>CDBG Housing Rehabilitation</b>	<b>Wastewater P&amp;FCC Charges</b>	<b>Parks P&amp;FCC Charges</b>	<b>Housing Authority</b>	<b>HOME</b>	<b>Totals</b>
\$ 352	\$ 16	\$ 555,560	\$ 101,771	\$ 102,620	\$ 108,943	\$ 3,630,650
-	-	-	-	-	-	156,895
95,780	-	-	-	-	42,015	147,144
-	-	-	-	594,927	-	594,927
-	169,401	-	-	516,917	4,338,028	5,024,346
<u>\$ 96,132</u>	<u>\$ 169,417</u>	<u>\$ 555,560</u>	<u>\$ 101,771</u>	<u>\$ 1,214,464</u>	<u>\$ 4,488,986</u>	<u>\$ 9,553,962</u>
\$ 42,333	\$ -	\$ -	\$ -	\$ 18,375	\$ -	\$ 61,093
-	-	-	-	-	-	18,384
-	-	-	-	-	-	7,875
-	-	-	-	-	-	106,812
53,000	-	-	-	-	-	53,000
<u>95,333</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>18,375</u>	<u>-</u>	<u>247,164</u>
<u>95,780</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>95,780</u>
<u>95,780</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>95,780</u>
-	169,417	555,560	101,771	1,196,089	4,488,986	9,305,999
(94,981)	-	-	-	-	-	(94,981)
<u>(94,981)</u>	<u>169,417</u>	<u>555,560</u>	<u>101,771</u>	<u>1,196,089</u>	<u>4,488,986</u>	<u>9,211,018</u>
<u>\$ 96,132</u>	<u>\$ 169,417</u>	<u>\$ 555,560</u>	<u>\$ 101,771</u>	<u>\$ 1,214,464</u>	<u>\$ 4,488,986</u>	<u>\$ 9,553,962</u>

**CITY OF SHASTA LAKE**  
**Combining Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances**  
**Nonmajor Special Revenue Funds**  
**For the Year Ended June 30, 2015**

	<b>Law Enforcement Fund (COPS)</b>	<b>Water P&amp;FCC Charges</b>	<b>State Trafficway</b>	<b>Electric P&amp;FCC Charges</b>
<b>REVENUES</b>				
Taxes and assessments	\$ -	\$ -	\$ 407,384	\$ -
Use of money and property	-	128	6,268	607
Intergovernmental	100,000	-	652,546	-
Charges for services	-	66,712	15,797	5,761
<b>Total Revenues</b>	<u>100,000</u>	<u>66,840</u>	<u>1,081,995</u>	<u>6,368</u>
<b>EXPENDITURES</b>				
Current:				
General government	-	2,125	-	3,160
Public safety	103,500	-	-	-
Public ways and facilities	-	-	695,408	-
Community development	-	-	-	-
Capital outlay	-	-	10,950	-
<b>Total Expenditures</b>	<u>103,500</u>	<u>2,125</u>	<u>706,358</u>	<u>3,160</u>
<b>Excess of Revenues Over (Under) Expenditures</b>	<u>(3,500)</u>	<u>64,715</u>	<u>375,637</u>	<u>3,208</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Gain (loss) on sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	(65,000)	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>(65,000)</u>	<u>-</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	<u>(3,500)</u>	<u>(285)</u>	<u>375,637</u>	<u>3,208</u>
<b>Fund Balances (Deficit) - Beginning</b>	<u>3,740</u>	<u>14,202</u>	<u>2,169,558</u>	<u>231,616</u>
<b>Fund Balances (Deficit) - Ending</b>	<u>\$ 240</u>	<u>\$ 13,917</u>	<u>\$ 2,545,195</u>	<u>\$ 234,824</u>

<b>CDBG Project Fund</b>	<b>CDBG Housing Rehabilitation</b>	<b>Wastewater P&amp;FCC Charges</b>	<b>Parks P&amp;FCC Charges</b>	<b>Housing Authority</b>	<b>HOME</b>	<b>Totals</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 407,384
-	395	1,383	243	98	124	9,246
52,461	-	-	-	-	646,447	1,451,454
-	-	65,337	20,957	12,303	-	186,867
<u>52,461</u>	<u>395</u>	<u>66,720</u>	<u>21,200</u>	<u>12,401</u>	<u>646,571</u>	<u>2,054,951</u>
-	-	2,090	555	-	-	7,930
-	-	-	-	-	-	103,500
-	-	-	-	-	-	695,408
112,506	-	-	-	73,287	121,335	307,128
-	-	-	-	-	-	10,950
<u>112,506</u>	<u>-</u>	<u>2,090</u>	<u>555</u>	<u>73,287</u>	<u>121,335</u>	<u>1,124,916</u>
<u>(60,045)</u>	<u>395</u>	<u>64,630</u>	<u>20,645</u>	<u>(60,886)</u>	<u>525,236</u>	<u>930,035</u>
-	-	-	-	14,000	-	14,000
15,365	1,141	-	-	-	-	16,506
-	(17,662)	-	-	-	-	(82,662)
<u>15,365</u>	<u>(16,521)</u>	<u>-</u>	<u>-</u>	<u>14,000</u>	<u>-</u>	<u>(52,156)</u>
(44,680)	(16,126)	64,630	20,645	(46,886)	525,236	877,879
(50,301)	185,543	490,930	81,126	1,242,975	3,963,750	8,333,139
<u>\$ (94,981)</u>	<u>\$ 169,417</u>	<u>\$ 555,560</u>	<u>\$ 101,771</u>	<u>\$ 1,196,089</u>	<u>\$ 4,488,986</u>	<u>\$ 9,211,018</u>

**CITY OF SHASTA LAKE**  
**Budgetary Comparison Schedule**  
**Law Enforcement Fund (COPS) - Nonmajor Special Revenue Fund**  
**For the Year Ended June 30, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>				
Intergovernmental	\$ 100,000	\$ 100,000	\$ 100,000	\$ -
<b>Total Revenues</b>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>-</u>
<b>EXPENDITURES</b>				
Current:				
Public safety	<u>100,000</u>	<u>100,000</u>	<u>103,500</u>	<u>(3,500)</u>
<b>Total Expenditures</b>	<u>100,000</u>	<u>100,000</u>	<u>103,500</u>	<u>(3,500)</u>
<b>Net Change in Fund Balance</b>	-	-	(3,500)	(3,500)
<b>Fund Balance - Beginning</b>	<u>3,740</u>	<u>3,740</u>	<u>3,740</u>	<u>-</u>
<b>Fund Balance - Ending</b>	<u><u>\$ 3,740</u></u>	<u><u>\$ 3,740</u></u>	<u><u>\$ 240</u></u>	<u><u>\$ (3,500)</u></u>

**CITY OF SHASTA LAKE**  
**Budgetary Comparison Schedule**  
**Water P&FCC Charges - Nonmajor Special Revenue Fund**  
**For the Year Ended June 30, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>				
Use of money and property	\$ 200	\$ 200	\$ 128	\$ (72)
Charges for services	40,000	50,000	66,712	16,712
<b>Total Revenues</b>	<u>40,200</u>	<u>50,200</u>	<u>66,840</u>	<u>16,640</u>
<b>EXPENDITURES</b>				
Current:				
General government	2,125	2,125	2,125	-
<b>Total Expenditures</b>	<u>2,125</u>	<u>2,125</u>	<u>2,125</u>	<u>-</u>
<b>Excess of Revenues Over (Under) Expenditures</b>	<u>38,075</u>	<u>48,075</u>	<u>64,715</u>	<u>16,640</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	-	-	(65,000)	(65,000)
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>(65,000)</u>	<u>(65,000)</u>
<b>Net Change in Fund Balance</b>	38,075	48,075	(285)	(48,360)
<b>Fund Balance - Beginning</b>	<u>14,202</u>	<u>14,202</u>	<u>14,202</u>	<u>-</u>
<b>Fund Balance - Ending</b>	<u>\$ 52,277</u>	<u>\$ 62,277</u>	<u>\$ 13,917</u>	<u>\$ (48,360)</u>

**CITY OF SHASTA LAKE**  
**Budgetary Comparison Schedule**  
**State Trafficway - Nonmajor Special Revenue Fund**  
**For the Year Ended June 30, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>				
Taxes and assessments	\$ 314,800	\$ 279,480	\$ 407,384	\$ 127,904
Use of money and property	8,000	8,000	6,268	(1,732)
Intergovernmental	493,000	584,260	652,546	68,286
Charges for services	4,000	12,785	15,797	3,012
<b>Total Revenues</b>	<u>819,800</u>	<u>884,525</u>	<u>1,081,995</u>	<u>197,470</u>
<b>EXPENDITURES</b>				
Current:				
Public ways and facilities	980,409	980,409	695,408	285,001
Capital outlay	10,950	10,950	10,950	-
<b>Total Expenditures</b>	<u>991,359</u>	<u>991,359</u>	<u>706,358</u>	<u>285,001</u>
<b>Net Change in Fund Balance</b>	(171,559)	(106,834)	375,637	482,471
<b>Fund Balance - Beginning</b>	<u>2,169,558</u>	<u>2,169,558</u>	<u>2,169,558</u>	<u>-</u>
<b>Fund Balance - Ending</b>	<u>\$ 1,997,999</u>	<u>\$ 2,062,724</u>	<u>\$ 2,545,195</u>	<u>\$ 482,471</u>

**CITY OF SHASTA LAKE**  
**Budgetary Comparison Schedule**  
**Electric P&FCC Charges - Nonmajor Special Revenue Fund**  
**For the Year Ended June 30, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>				
Use of money and property	\$ 1,000	\$ 1,000	\$ 607	\$ (393)
Charges for services	100,000	5,000	5,761	761
<b>Total Revenues</b>	<u>101,000</u>	<u>6,000</u>	<u>6,368</u>	<u>368</u>
<b>EXPENDITURES</b>				
Current:				
General government	3,160	3,160	3,160	-
Capital outlay	100,000	5,000	-	5,000
<b>Total Expenditures</b>	<u>103,160</u>	<u>8,160</u>	<u>3,160</u>	<u>5,000</u>
<b>Net Change in Fund Balance</b>	(2,160)	(2,160)	3,208	5,368
<b>Fund Balance - Beginning</b>	231,616	231,616	231,616	-
<b>Fund Balance - Ending</b>	<u>\$ 229,456</u>	<u>\$ 229,456</u>	<u>\$ 234,824</u>	<u>\$ 5,368</u>

**CITY OF SHASTA LAKE**  
**Budgetary Comparison Schedule**  
**CDBG Project Fund - Nonmajor Special Revenue Fund**  
**For the Year Ended June 30, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>REVENUES</b>				
Intergovernmental	\$ 52,500	\$ 1,681,920	\$ 52,461	\$ (1,629,459)
<b>Total Revenues</b>	<u>52,500</u>	<u>1,681,920</u>	<u>52,461</u>	<u>(1,629,459)</u>
<b>EXPENDITURES</b>				
Community development	52,500	1,681,920	112,506	1,569,414
<b>Total Expenditures</b>	<u>52,500</u>	<u>1,681,920</u>	<u>112,506</u>	<u>1,569,414</u>
<b>Excess of Revenues Over (Under) Expenditures</b>	<u>-</u>	<u>-</u>	<u>(60,045)</u>	<u>(60,045)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	15,365	15,365
Transfers out	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>15,365</u>	<u>15,365</u>
<b>Net Change in Fund Balance</b>	<u>-</u>	<u>-</u>	<u>(44,680)</u>	<u>(44,680)</u>
<b>Fund Balance (Deficit) - Beginning</b>	<u>(50,301)</u>	<u>(50,301)</u>	<u>(50,301)</u>	<u>-</u>
<b>Fund Balance (Deficit) - Ending</b>	<u>\$ (50,301)</u>	<u>\$ (50,301)</u>	<u>\$ (94,981)</u>	<u>\$ (44,680)</u>

**CITY OF SHASTA LAKE**  
**Budgetary Comparison Schedule**  
**CDBG Housing Rehabilitation - Nonmajor Special Revenue Fund**  
**For the Year Ended June 30, 2015**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>				
Use of money and property	\$ 100	\$ 100	\$ 395	\$ 295
Other revenue	1,500	1,500	-	(1,500)
<b>Total Revenues</b>	<b>1,600</b>	<b>1,600</b>	<b>395</b>	<b>(1,205)</b>
<b>EXPENDITURES</b>				
Current:				
Community development	-	-	-	-
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>1,600</b>	<b>1,600</b>	<b>395</b>	<b>(1,205)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	1,141	1,141
Transfers out	-	-	(17,662)	(17,662)
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>(16,521)</b>	<b>(16,521)</b>
<b>Net Change in Fund Balance</b>	<b>1,600</b>	<b>1,600</b>	<b>(16,126)</b>	<b>(17,726)</b>
<b>Fund Balance - Beginning</b>	<b>185,543</b>	<b>185,543</b>	<b>185,543</b>	<b>-</b>
<b>Fund Balance - Ending</b>	<b>\$ 187,143</b>	<b>\$ 187,143</b>	<b>\$ 169,417</b>	<b>\$ (17,726)</b>

**CITY OF SHASTA LAKE**  
**Budgetary Comparison Schedule**  
**Wastewater P&FCC Charges - Nonmajor Special Revenue Fund**  
**For the Year Ended June 30, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>				
Use of money and property	\$ 2,000	\$ 2,000	\$ 1,383	\$ (617)
Charges for services	37,500	67,500	65,337	(2,163)
<b>Total Revenues</b>	<u>39,500</u>	<u>69,500</u>	<u>66,720</u>	<u>(2,780)</u>
<b>EXPENDITURES</b>				
Current:				
General government	2,090	2,090	2,090	-
<b>Total Expenditures</b>	<u>2,090</u>	<u>2,090</u>	<u>2,090</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	37,410	67,410	64,630	(2,780)
<b>Fund Balance - Beginning</b>	<u>490,930</u>	<u>490,930</u>	<u>490,930</u>	<u>-</u>
<b>Fund Balance - Ending</b>	<u>\$ 528,340</u>	<u>\$ 558,340</u>	<u>\$ 555,560</u>	<u>\$ (2,780)</u>

**CITY OF SHASTA LAKE**  
**Budgetary Comparison Schedule**  
**Parks P&FCC Charges - Nonmajor Special Revenue Fund**  
**For the Year Ended June 30, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>				
Use of money and property			\$ 243	\$ 243
Charges for services	-	20,000	20,957	957
<b>Total Revenues</b>	-	20,000	21,200	1,200
<b>EXPENDITURES</b>				
Current:				
General government	555	555	555	-
<b>Total Expenditures</b>	555	555	555	-
<b>Net Change in Fund Balance</b>	(555)	19,445	20,645	1,200
<b>Fund Balance - Beginning</b>	81,126	81,126	81,126	-
<b>Fund Balance - Ending</b>	<u>\$ 80,571</u>	<u>\$ 100,571</u>	<u>\$ 101,771</u>	<u>\$ 1,200</u>

**CITY OF SHASTA LAKE**  
**Budgetary Comparison Schedule**  
**Housing Authority - Nonmajor Special Revenue Fund**  
**For the Year Ended June 30, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>				
Use of money and property	\$ -	\$ -	\$ 98	\$ 98
Charges for services	-	12,000	12,303	303
<b>Total Revenues</b>	<u>-</u>	<u>12,000</u>	<u>12,401</u>	<u>401</u>
<b>EXPENDITURES</b>				
Community development	9,750	31,750	73,287	(41,537)
<b>Total Expenditures</b>	<u>9,750</u>	<u>31,750</u>	<u>73,287</u>	<u>(41,537)</u>
<b>Excess of Revenues Over (Under) Expenditures</b>	<u>(9,750)</u>	<u>(19,750)</u>	<u>(60,886)</u>	<u>41,938</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Gain on sale of capital assets	-	-	14,000	14,000
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>14,000</u>	<u>14,000</u>
<b>Net Change in Fund Balance</b>	(9,750)	(19,750)	(46,886)	(27,136)
<b>Fund Balance - Beginning</b>	<u>1,242,975</u>	<u>1,242,975</u>	<u>1,242,975</u>	<u>-</u>
<b>Fund Balance - Ending</b>	<u>\$ 1,233,225</u>	<u>\$ 1,223,225</u>	<u>\$ 1,196,089</u>	<u>\$ (27,136)</u>

**CITY OF SHASTA LAKE**  
**Budgetary Comparison Schedule**  
**HOME - Nonmajor Special Revenue Fund**  
**For the Year Ended June 30, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>				
Use of money and property	\$ 7,500	\$ 7,500	\$ 124	\$ (7,376)
Intergovernmental	420,000	713,961	\$ 646,447	(67,514)
Other Revenue	80,000	80,000	-	(80,000)
<b>Total Revenues</b>	<u>507,500</u>	<u>801,461</u>	<u>646,571</u>	<u>(154,890)</u>
<b>EXPENDITURES</b>				
Current:				
Community development	<u>706,215</u>	<u>801,461</u>	<u>121,335</u>	<u>680,126</u>
<b>Total Expenditures</b>	<u>706,215</u>	<u>801,461</u>	<u>121,335</u>	<u>680,126</u>
<b>Net Change in Fund Balance</b>	(198,715)	-	525,236	525,236
<b>Fund Balance - Beginning</b>	<u>3,963,750</u>	<u>3,963,750</u>	<u>3,963,750</u>	<u>-</u>
<b>Fund Balance - Ending</b>	<u>\$ 3,765,035</u>	<u>\$ 3,963,750</u>	<u>\$ 4,488,986</u>	<u>\$ 525,236</u>

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## **Nonmajor Governmental Funds**

- **Debt Service Funds**

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**CITY OF SHASTA LAKE**  
**Nonmajor Debt Service Funds**

Debt Service funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for principal and interest. Nonmajor debt service funds used by the City are listed below:

**Rosamond Debt Service**

This fund accounts for the revenue and expenditures associated with the retirement of assessments for roadway improvements.

**Riddle Road Water Bond**

This fund accounts for the revenue and expenditures associated with the retirement of assessments for the construction of water system improvements.

**Davis-Grunsky Loan Act**

This fund accounts for the revenue and expenditures associated with the retirement voter approved tax override debt for the construction of water system improvements.

**California Sewer Loan**

This fund was used to account for the revenue and expenditures associated with the retired California sewer loan.

**CITY OF SHASTA LAKE**  
**Combining Balance Sheet**  
**Nonmajor Debt Service Funds**  
**June 30, 2015**

	<b>Rosamond Debt Service</b>	<b>Riddle Road Water Bond</b>	<b>Davis Grunsky Loan Act</b>	<b>California Sewer Loan</b>	<b>Totals</b>
<b>ASSETS</b>					
Cash and investments	\$ 26,927	\$ 7,058	\$ 81,690	\$ -	\$ 115,675
Receivables:					
Taxes	690	455	109	-	1,254
Special assessments	20,000	38,000	-	-	58,000
Restricted cash and investments	2,000	-	-	-	2,000
<b>Total Assets</b>	<u>\$ 49,617</u>	<u>\$ 45,513</u>	<u>\$ 81,799</u>	<u>\$ -</u>	<u>\$ 176,929</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenues	20,000	38,000	-	-	58,000
<b>Total Deferred Inflows of Resources</b>	<u>20,000</u>	<u>38,000</u>	<u>-</u>	<u>-</u>	<u>58,000</u>
<b>FUND BALANCES</b>					
Restricted	29,617	7,513	81,799	-	118,929
<b>Total Fund Balances</b>	<u>29,617</u>	<u>7,513</u>	<u>81,799</u>	<u>-</u>	<u>118,929</u>
<b>Total Deferred Inflows of Resources, and Fund Balances</b>	<u>\$ 49,617</u>	<u>\$ 45,513</u>	<u>\$ 81,799</u>	<u>\$ -</u>	<u>\$ 176,929</u>

**CITY OF SHASTA LAKE**  
**Combining Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances**  
**Nonmajor Debt Service Funds**  
**For the Year Ended June 30, 2015**

	<b>Rosamond Debt Service</b>	<b>Riddle Road Water Bond</b>	<b>Davis Grunsky Loan Act</b>	<b>California Sewer Loan</b>	<b>Totals</b>
<b>REVENUES</b>					
Taxes and assessments	\$ 22,032	\$ 3,877	\$ 15,929	\$ -	\$ 41,838
Use of money and property	36	15	209	-	260
Intergovernmental	-	-	209	-	209
<b>Total Revenues</b>	<b>22,068</b>	<b>3,892</b>	<b>16,347</b>	<b>-</b>	<b>42,307</b>
<b>EXPENDITURES</b>					
Current:					
General government	2,383	-	-	-	2,383
Debt service:					
Principal	15,000	2,000	8,449	-	25,449
Interest	2,063	1,950	3,737	-	7,750
<b>Total Expenditures</b>	<b>19,446</b>	<b>3,950</b>	<b>12,186</b>	<b>-</b>	<b>35,582</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>2,622</b>	<b>(58)</b>	<b>4,161</b>	<b>-</b>	<b>6,725</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	(8,411)	(8,411)
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(8,411)</b>	<b>(8,411)</b>
<b>Net Change in Fund Balances</b>	<b>2,622</b>	<b>(58)</b>	<b>4,161</b>	<b>(8,411)</b>	<b>(1,686)</b>
<b>Fund Balances - Beginning</b>	<b>26,995</b>	<b>7,571</b>	<b>77,638</b>	<b>8,411</b>	<b>120,615</b>
<b>Fund Balances - Ending</b>	<b>\$ 29,617</b>	<b>\$ 7,513</b>	<b>\$ 81,799</b>	<b>\$ -</b>	<b>\$ 118,929</b>

**CITY OF SHASTA LAKE**  
**Budgetary Comparison Schedule**  
**Rosamond Debt Service - Nonmajor Debt Service Fund**  
**For the Year Ended June 30, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>				
Taxes and assessments	\$ 21,750	\$ 21,750	\$ 22,032	\$ 282
Use of money and property	100	100	36	(64)
<b>Total Revenues</b>	<u>21,850</u>	<u>21,850</u>	<u>22,068</u>	<u>218</u>
<b>EXPENDITURES</b>				
Current:				
General government	2,400	2,400	2,383	17
Debt service:				
Principal	15,000	15,000	15,000	-
Interest	2,063	2,063	2,063	-
<b>Total Expenditures</b>	<u>19,463</u>	<u>19,463</u>	<u>19,446</u>	<u>17</u>
<b>Net Change in Fund Balance</b>	2,387	2,387	2,622	235
<b>Fund Balance - Beginning</b>	<u>26,995</u>	<u>26,995</u>	<u>26,995</u>	<u>-</u>
<b>Fund Balance - Ending</b>	<u><u>\$ 29,382</u></u>	<u><u>\$ 29,382</u></u>	<u><u>\$ 29,617</u></u>	<u><u>\$ 235</u></u>

**CITY OF SHASTA LAKE**  
**Budgetary Comparison Schedule**  
**Riddle Road Debt Service - Nonmajor Debt Service Fund**  
**For the Year Ended June 30, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>				
Taxes and assessments	\$ 3,045	\$ 3,045	\$ 3,877	\$ 832
Use of money and property	-	-	15	15
<b>Total Revenues</b>	<u>3,045</u>	<u>3,045</u>	<u>3,892</u>	<u>847</u>
<b>EXPENDITURES</b>				
Debt service:				
Principal	2,000	2,000	2,000	-
Interest	1,950	1,950	1,950	-
<b>Total Expenditures</b>	<u>3,950</u>	<u>3,950</u>	<u>3,950</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	(905)	(905)	(58)	847
<b>Fund Balance - Beginning</b>	<u>7,571</u>	<u>7,571</u>	<u>7,571</u>	<u>-</u>
<b>Fund Balance - Ending</b>	<u>\$ 6,666</u>	<u>\$ 6,666</u>	<u>\$ 7,513</u>	<u>\$ 847</u>

**CITY OF SHASTA LAKE**  
**Budgetary Comparison Schedule**  
**Davis Grunsky Loan Act - Nonmajor Debt Service Fund**  
**For the Year Ended June 30, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>				
Taxes and assessments	\$ 12,000	\$ 12,000	\$ 15,929	\$ 3,929
Use of money and property	100	100	209	109
Intergovernmental	-	-	209	209
<b>Total Revenues</b>	<u>12,100</u>	<u>12,100</u>	<u>16,347</u>	<u>4,247</u>
<b>EXPENDITURES</b>				
Debt service:				
Principal	8,235	8,450	8,449	1
Interest	2,738	2,738	3,737	(999)
<b>Total Expenditures</b>	<u>10,973</u>	<u>11,188</u>	<u>12,186</u>	<u>(998)</u>
<b>Net Change in Fund Balance</b>	1,127	912	4,161	3,249
<b>Fund Balance - Beginning</b>	<u>77,638</u>	<u>77,638</u>	<u>77,638</u>	<u>-</u>
<b>Fund Balance - Ending</b>	<u>\$ 78,765</u>	<u>\$ 78,550</u>	<u>\$ 81,799</u>	<u>\$ 3,249</u>

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## **Nonmajor Proprietary Funds**

- **Enterprise Funds**

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**CITY OF SHASTA LAKE**  
**Nonmajor Enterprise Funds**

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 of providing goods or services to the general public on a continuing basis be financed primarily through user charges; or where the City has decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. Nonmajor enterprise funds of the City are listed below:

**Industrial Park**

This fund accounts for general maintenance and operation of the Shasta Gateway Industrial Park.

**CITY OF SHASTA LAKE**  
**Combining Statement of Net Position**  
**Nonmajor Enterprise Funds**  
**June 30, 2015**

	<b>Industrial Park</b>	<b>Totals</b>
<b>ASSETS</b>		
Current Assets:		
Cash and investments	\$ 17,178	\$ 17,178
Receivables:		
Accounts, net	570	570
Taxes	1,284	1,284
Special assessments	640,896	640,896
<b>Total Current Assets</b>	<b>659,928</b>	<b>659,928</b>
Noncurrent Assets:		
Capital assets:		
Non-depreciable	1,677,716	1,677,716
Depreciable, net	447,956	447,956
<b>Total Noncurrent Assets</b>	<b>2,125,672</b>	<b>2,125,672</b>
<b>Total Assets</b>	<b>2,785,600</b>	<b>2,785,600</b>
<b>LIABILITIES</b>		
Current Liabilities:		
Accounts payable	828	828
Due to other governments	8,351	8,351
Deposits payable	1,199	1,199
Interest payable	14,700	14,700
Bonds payable	30,000	30,000
<b>Total Current Liabilities</b>	<b>55,078</b>	<b>55,078</b>
Noncurrent Liabilities:		
Bonds payable	810,000	810,000
<b>Total Noncurrent Liabilities</b>	<b>810,000</b>	<b>810,000</b>
<b>Total Liabilities</b>	<b>865,078</b>	<b>865,078</b>
<b>NET POSITION</b>		
Net investment in capital assets	1,285,672	1,285,672
Unrestricted	634,850	634,850
<b>Total Net Position</b>	<b>\$ 1,920,522</b>	<b>\$ 1,920,522</b>

**CITY OF SHASTA LAKE**  
**Combining Statement of Revenues, Expenses, and Changes in Net Position**  
**Nonmajor Enterprise Funds**  
**For the Year Ended June 30, 2015**

	<b>Industrial Park</b>	<b>Totals</b>
<b>OPERATING REVENUES</b>		
Other revenue	\$ 77,600	\$ 77,600
<b>Total Operating Revenues</b>	77,600	77,600
<b>OPERATING EXPENSES</b>		
Administration	7,845	7,845
Power	26,222	26,222
Insurance	1,163	1,163
Supplies	96	96
Repair and maintenance	17,594	17,594
Professional services	17,001	17,001
Depreciation	23,464	23,464
Other expense	4,755	4,755
<b>Total Operating Expenses</b>	98,140	98,140
<b>Operating Income (Loss)</b>	(20,540)	(20,540)
<b>NON-OPERATING REVENUES (EXPENSES)</b>		
Assessment revenue	50,320	50,320
Interest expense	(44,319)	(44,319)
<b>Total Non-Operating Revenues (Expenses)</b>	6,001	6,001
<b>Change in Net Position</b>	(14,539)	(14,539)
<b>Total Net Position - Beginning</b>	1,935,061	1,935,061
<b>Total Net Position - Ending</b>	\$ 1,920,522	\$ 1,920,522

**CITY OF SHASTA LAKE**  
**Combining Statement of Cash Flows**  
**Nonmajor Enterprise Funds**  
**For the Year Ended June 30, 2015**

	<b>Industrial Park</b>	<b>Totals</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from customers	\$ 77,543	\$ 77,543
Payments to suppliers	(62,566)	(62,566)
Payments to interfund services	(7,845)	(7,845)
	7,132	7,132
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>		
Assessments and other receipts	79,290	79,290
	79,290	79,290
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Principal paid on debt	(25,000)	(25,000)
Interest paid on debt	(44,758)	(44,758)
	(69,758)	(69,758)
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>7,132</b>	<b>7,132</b>
<b>Net Cash Provided (Used) by Non-Capital Financing Activities</b>	<b>79,290</b>	<b>79,290</b>
<b>Net Cash Provided (Used) by Capital and Related Financing Activities</b>	<b>(69,758)</b>	<b>(69,758)</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>16,664</b>	<b>16,664</b>
<b>Balances - Beginning</b>	<b>514</b>	<b>514</b>
<b>Balances - Ending</b>	<b>\$ 17,178</b>	<b>\$ 17,178</b>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>		
Operating income (loss)	\$ (20,540)	\$ (20,540)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation	23,464	23,464
Decrease (increase) in:		
Accounts receivable	(57)	(57)
Increase (decrease) in:		
Accounts payable	(4,086)	(4,086)
Due to other governments	8,351	8,351
	7,132	(1,219)
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>\$ 7,132</b>	<b>\$ (1,219)</b>

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## **Internal Service Funds**

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**CITY OF SHASTA LAKE**  
**Internal Service Funds**

Internal Service funds are used to account for the financing of good or services provided by one department or agency to other departments on a cost-reimbursement basis. Internal Service funds used at the City are listed below:

**Motor Pool**

The fund accounts for the management of a program to ensure that both current and future vehicle needs are met for all City departments.

**Public Works**

The fund accounts for the services related to providing City departments with service and support for water distribution, wastewater collection, and streets and drainage maintenance.

**CITY OF SHASTA LAKE**  
**Combining Statement of Net Position**  
**Internal Service Funds**  
**June 30, 2015**

	<b>Motor Pool</b>	<b>Public Works</b>	<b>Totals</b>
<b>ASSETS</b>			
Current Assets:			
Cash and investments	\$ 269,129	\$ 434,063	\$ 703,192
Receivables:			
Accounts, net	336	1,102	1,438
<b>Total Current Assets</b>	<b>269,465</b>	<b>435,165</b>	<b>704,630</b>
Noncurrent Assets:			
Other postemployment benefits asset	193,976	490,414	684,390
Capital assets:			
Depreciable, net	1,128,219	221,364	1,349,583
<b>Total Noncurrent Assets</b>	<b>1,322,195</b>	<b>711,778</b>	<b>2,033,973</b>
<b>Total Assets</b>	<b>1,591,660</b>	<b>1,146,943</b>	<b>2,738,603</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension adjustments	9,948	95,828	105,776
<b>Total Deferred Outflows of Resources</b>	<b>9,948</b>	<b>95,828</b>	<b>105,776</b>
<b>LIABILITIES</b>			
Current Liabilities:			
Accounts payable	20,371	4,395	24,766
Salaries and benefits payable	1,850	21,616	23,466
Due to other governments	933	1,869	2,802
Compensated absences payable	4,736	41,315	46,051
Capital lease payable	55,393	-	55,393
<b>Total Current Liabilities</b>	<b>83,283</b>	<b>69,195</b>	<b>152,478</b>
Noncurrent Liabilities:			
Advances from other funds	29,661	348,255	377,916
Net pension liability	80,397	774,449	854,846
Compensated absences payable	3,292	9,725	13,017
Capital lease payable	28,486	-	28,486
<b>Total Noncurrent Liabilities</b>	<b>141,836</b>	<b>1,132,429</b>	<b>1,274,265</b>
<b>Total Liabilities</b>	<b>225,119</b>	<b>1,201,624</b>	<b>1,426,743</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Pension adjustments	26,443	254,722	281,165
<b>Total Deferred Inflows of Resources</b>	<b>26,443</b>	<b>254,722</b>	<b>281,165</b>
<b>NET POSITION</b>			
Net investment in capital assets	1,044,340	221,364	1,265,704
Unrestricted	305,706	(434,939)	(129,233)
<b>Total Net Position</b>	<b>\$ 1,350,046</b>	<b>\$ (213,575)</b>	<b>\$ 1,136,471</b>

**CITY OF SHASTA LAKE**  
**Combining Statement of Revenues, Expenses, and Changes in Net Position**  
**Internal Service Funds**  
**For the Year Ended June 30, 2015**

	<b>Motor Pool</b>	<b>Public Works</b>	<b>Totals</b>
<b>OPERATING REVENUES</b>			
Charges for services	\$ 620,825	\$ 1,485,295	\$ 2,106,120
Other revenue	-	514	514
<b>Total Operating Revenues</b>	<u>620,825</u>	<u>1,485,809</u>	<u>2,106,634</u>
<b>OPERATING EXPENSES</b>			
Salaries and benefits	117,113	1,061,492	1,178,605
Administration	181,961	343,851	525,812
Insurance	4,914	8,388	13,302
Supplies	2,956	22,398	25,354
Repair and maintenance	128,020	13,012	141,032
Professional services	2,125	18,901	21,026
Depreciation	215,593	7,633	223,226
<b>Total Operating Expenses</b>	<u>652,682</u>	<u>1,475,675</u>	<u>2,128,357</u>
<b>Operating Income (Loss)</b>	<u>(31,857)</u>	<u>10,134</u>	<u>(21,723)</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>			
Gain (loss) on sale of capital assets	35,179	-	35,179
Interest expense	(4,846)	(7,039)	(11,885)
<b>Total Non-Operating Revenues (Expenses)</b>	<u>30,333</u>	<u>(7,039)</u>	<u>23,294</u>
<b>Change in Net Position</b>	<u>(1,524)</u>	<u>3,095</u>	<u>1,571</u>
<b>Total Net Position - Beginning</b>	1,447,948	711,714	2,159,662
Cumulative effect of a change in accounting principal	(96,378)	(928,384)	(1,024,762)
<b>Total Net Position - Beginning, Restated</b>	<u>1,351,570</u>	<u>(216,670)</u>	<u>1,134,900</u>
<b>Total Net Position - Ending</b>	<u>\$ 1,350,046</u>	<u>\$ (213,575)</u>	<u>\$ 1,136,471</u>

**CITY OF SHASTA LAKE**  
**Combining Statement of Cash Flows**  
**Internal Service Funds**  
**For the Year Ended June 30, 2015**

	<b>Motor Pool</b>	<b>Public Works</b>	<b>Totals</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from interfund services	\$ 620,487	\$ 1,484,707	\$ 2,105,194
Payments to suppliers	(289,064)	(111,900)	(400,964)
Payments for interfund services	(38,600)	(299,684)	(338,284)
Payments to employees	(112,587)	(1,041,551)	(1,154,138)
<b>Net Cash Provided (Used) by Operating Activities</b>	<u>180,236</u>	<u>31,572</u>	<u>211,808</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>			
Interfund loan payments repaid	(2,499)	(29,338)	(31,837)
<b>Net Cash Provided (Used) by Non-Capital Financing Activities</b>	<u>(2,499)</u>	<u>(29,338)</u>	<u>(31,837)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Acquisition of capital assets	(204,075)	-	(204,075)
Proceeds from the sale of capital assets	35,179	-	35,179
Principal paid on debt	(53,353)	-	(53,353)
Interest paid on debt	(4,846)	(7,039)	(11,885)
<b>Net Cash Provided (Used) by Capital and Related Financing Activities</b>	<u>(227,095)</u>	<u>(7,039)</u>	<u>(234,134)</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	(49,358)	(4,805)	(54,163)
<b>Balances - Beginning</b>	<u>318,487</u>	<u>438,868</u>	<u>757,355</u>
<b>Balances - Ending</b>	<u>\$ 269,129</u>	<u>\$ 434,063</u>	<u>\$ 703,192</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>			
Operating income (loss)	\$ (31,857)	\$ 10,134	\$ (21,723)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	215,593	7,633	223,226
Decrease (increase) in:			
Accounts receivable	(336)	(1,102)	(1,438)
Net OPEB asset	3,998	12,113	16,111
Pension adjustment - deferred outflows	35,848	345,314	381,162
Increase (decrease) in:			
Accounts payable	(8,621)	(6,903)	(15,524)
Salaries and benefits payable	313	3,818	4,131
Due to other governments	933	1,869	2,802
Compensated absences	(301)	(950)	(1,251)
Net pension liability	(61,777)	(595,076)	(656,853)
Pension adjustment - deferred inflows	26,443	254,722	281,165
<b>Net Cash Provided (Used) by Operating Activities</b>	<u>\$ 180,236</u>	<u>\$ 31,572</u>	<u>\$ 211,808</u>

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## **Fiduciary Funds**

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**CITY OF SHASTA LAKE**  
**Fiduciary Funds**

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore cannot be used to support the government's own programs.

**Agency Fund**

This fund is used to report resources held by the City in a purely custodial capacity. The agency fund maintained by the City is listed below:

- **Community Facility Districts** - The Community Facilities District was formed in 2000 to maintain designated open space and water retention facilities in the Windsor Estates and Hazelwood/Oakridge Estates subdivisions. It is used to account for revenue and expenses related to maintaining weed and sediment control, tree care, and storm water retention.

**CITY OF SHASTA LAKE**  
**Statement of Assets and Liabilities**  
**Agency Fund**  
**June 30, 2015**

	<b>Community Facility Districts</b>	<b>Totals</b>
<b>ASSETS</b>		
Cash and investments	\$ 253,548	\$ 253,548
Receivables:		
Taxes	378	378
<b>Total Assets</b>	<b>\$ 253,926</b>	<b>\$ 253,926</b>
<b>LIABILITIES</b>		
Agency obligations	\$ 253,926	\$ 253,926
<b>Total Liabilities</b>	<b>\$ 253,926</b>	<b>\$ 253,926</b>

**CITY OF SHASTA LAKE**  
**Statement of Changes in Assets and Liabilities**  
**Agency Fund**  
**For the Year Ended June 30, 2015**

	<u>Balance</u> <u>June 30, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2015</u>
<b>COMMUNITY FACILITY DISTRICTS</b>				
<b>ASSETS</b>				
Cash and investments	\$ 227,412	\$ 40,423	\$ 14,287	\$ 253,548
Receivables:				
Taxes	502	378	502	378
<u>                    </u>				
<u>                    </u>	<u>502</u>	<u>378</u>	<u>502</u>	<u>378</u>
<u>                    </u>				
<u>                    </u>	<u>502</u>	<u>378</u>	<u>502</u>	<u>378</u>
<u>                    </u>				
<u>                    </u>	<u>502</u>	<u>378</u>	<u>502</u>	<u>378</u>
<u>                    </u>				
<u>                    </u>	<u>502</u>	<u>378</u>	<u>502</u>	<u>378</u>
<u>                    </u>				
<u>                    </u>	<u>502</u>	<u>378</u>	<u>502</u>	<u>378</u>
<u>                    </u>				
<u>                    </u>	<u>502</u>	<u>378</u>	<u>502</u>	<u>378</u>
<u>                    </u>				
<u>                    </u>	<u>502</u>	<u>378</u>	<u>502</u>	<u>378</u>
<u>                    </u>				
<u>                    </u>	<u>502</u>	<u>378</u>	<u>502</u>	<u>378</u>
<u>                    </u>				
<u>                    </u>	<u>502</u>	<u>378</u>	<u>502</u>	<u>378</u>
<u>                    </u>				
<u>                    </u>	<u>502</u>	<u>378</u>	<u>502</u>	<u>378</u>
<u>                    </u>				
<u>                    </u>	<u>502</u>	<u>378</u>	<u>502</u>	<u>378</u>
<u>                    </u>				
<u>                    </u>	<u>502</u>	<u>378</u>	<u>502</u>	<u>378</u>
<u>                    </u>				
<u>                    </u>	<u>502</u>	<u>378</u>	<u>502</u>	<u>378</u>
<u>                    </u>				
<u>                    </u>	<u>502</u>	<u>378</u>	<u>502</u>	<u>378</u>
<u>                    </u>				
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**STATISTICAL SECTION**

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## **CITY OF SHASTA LAKE**

### **Statistical Section**

This part of the City's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

#### **Financial Trends**

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

#### **Revenue Capacity**

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

#### **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.

#### **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 and to help make comparisons over time and with other governments.

#### **Operating Information**

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

#### **Sources:**

Unless otherwise stated, the information in this section is derived from the comprehensive annual financial reports for the relevant year.

**CITY OF SHASTA LAKE**  
**Net Position by Component**  
**Last Ten Fiscal Years**  
**(full accrual basis of accounting)**

	<b>Fiscal Year</b>			
	<b>2005/2006</b>	<b>2006/2007</b>	<b>2007/2008</b>	<b>2008/2009</b>
<b>Governmental Activities</b>				
Net investment in capital assets	\$ 14,035,177	\$ 42,276,380	\$ 42,518,150	\$ 44,251,610
Restricted	8,573,928	11,416,796	12,781,389	13,620,477
Unrestricted	2,819,195	3,523,764	3,955,119	3,503,525
<b>Total governmental activities net position</b>	<b>\$ 25,428,300</b>	<b>\$ 57,216,940</b>	<b>\$ 59,254,658</b>	<b>\$ 61,375,612</b>
<b>Business-type Activities</b>				
Net investment in capital assets	\$ 31,072,814	\$ 31,072,814	\$ 35,334,222	\$ 35,670,069
Restricted	6,111,623	6,111,623	2,830,859	1,006,091
Unrestricted	6,150,418	11,906,131	14,290,305	16,070,235
<b>Total business-type activities net position</b>	<b>\$ 43,334,855</b>	<b>\$ 49,090,568</b>	<b>\$ 52,455,386</b>	<b>\$ 52,746,395</b>
<b>Primary Government</b>				
Net investment in capital assets	\$ 45,107,991	\$ 73,349,194	\$ 77,852,372	\$ 79,921,679
Restricted	14,685,551	17,528,419	15,612,248	14,626,568
Unrestricted	8,969,613	15,429,895	18,245,424	19,573,760
<b>Total primary government net position</b>	<b>\$ 68,763,155</b>	<b>\$106,307,508</b>	<b>\$111,710,044</b>	<b>\$114,122,007</b>

<u>2009/2010</u>	<u>2010/2011</u>	<u>2011/2012</u>	<u>2012/2013</u>	<u>2013/2014</u>	<u>2014/2015</u>
\$ 45,358,187	\$ 49,643,294	\$ 52,274,952	\$ 52,295,145	\$ 48,273,741	\$ 47,105,807
14,159,185	14,803,221	8,110,724	8,633,920	9,833,597	10,781,288
1,785,070	(1,103,484)	2,313,537	2,789,860	4,716,258	3,162,244
<u>\$ 61,302,442</u>	<u>\$ 63,343,031</u>	<u>\$ 62,699,213</u>	<u>\$ 63,718,925</u>	<u>\$ 62,823,596</u>	<u>\$ 61,049,339</u>
\$ 34,118,950	\$ 32,604,718	\$ 31,579,360	\$ 37,184,118	\$ 23,037,784	\$ 23,395,913
992,149	998,403	998,185	997,747	977,967	987,219
16,414,994	17,001,652	18,096,357	12,587,267	25,934,191	22,916,967
<u>\$ 51,526,093</u>	<u>\$ 50,604,773</u>	<u>\$ 50,673,902</u>	<u>\$ 50,769,132</u>	<u>\$ 49,949,942</u>	<u>\$ 47,300,099</u>
\$ 79,477,137	\$ 82,248,012	\$ 83,854,312	\$ 89,479,263	\$ 71,311,525	\$ 70,501,720
15,151,334	15,801,624	9,108,909	9,631,667	10,811,564	11,768,507
18,200,064	15,898,168	20,409,894	15,377,127	30,650,449	26,079,211
<u>\$112,828,535</u>	<u>\$113,947,804</u>	<u>\$113,373,115</u>	<u>\$114,488,057</u>	<u>\$112,773,538</u>	<u>\$108,349,438</u>

**CITY OF SHASTA LAKE**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
**(full accrual basis of accounting)**

	<b>Fiscal Year</b>			
	<b>2005/2006</b>	<b>2006/2007</b>	<b>2007/2008</b>	<b>2008/2009</b>
<b>Expenses</b>				
Governmental Activities:				
General government	\$ 2,267,341	\$ 2,865,683	\$ 2,884,859	\$ 3,067,756
Public safety	2,520,506	2,446,781	2,830,146	2,874,156
Public ways and facilities	597,240	1,242,080	1,242,598	50,259
Planning	314,774	381,661	482,136	407,431
Culture and recreation	233,442	301,235	357,993	386,623
Community development	2,322,845	1,206,696	1,723,742	2,935,471
Interest on long-term debt	-	-	-	-
Total Governmental Activities Expenses	<u>8,256,148</u>	<u>8,444,136</u>	<u>9,521,474</u>	<u>9,721,696</u>
Business-Type Activities:				
Water	1,667,080	1,789,359	1,796,805	2,651,243
Electric	12,797,024	15,001,329	19,046,728	18,422,891
Wastewater	2,029,975	2,125,633	2,193,838	2,331,054
Industrial park	171,942	165,284	165,061	147,544
Total Business-Type Activities Expenses	<u>16,666,021</u>	<u>19,081,605</u>	<u>23,202,432</u>	<u>23,552,732</u>
Total Primary Government Expenses	<u>\$ 24,922,169</u>	<u>\$ 27,525,741</u>	<u>\$ 32,723,906</u>	<u>\$ 33,274,428</u>
<b>Program Revenues</b>				
Governmental Activities:				
Charges for services:				
General government	\$ 2,236,908	\$ 2,609,730	\$ 2,784,349	\$ 2,864,793
Public safety	238,303	130,705	181,727	106,344
Public ways and facilities	26,560	10,545	-	11,895
Planning	19,646	106,329	51,305	22,095
Culture and recreation	345	1,325	9,036	16,172
Community development	76,192	54,132	48,345	15,270
Operating grants and contributions	3,128,170	2,508,386	2,413,959	4,213,084
Capital grants and contributions	1,854,937	1,348,571	1,090,107	594,325
Total Governmental Activities Program Revenues	<u>7,581,061</u>	<u>6,769,723</u>	<u>6,578,828</u>	<u>7,843,978</u>
Business-Type Activities:				
Charges for services:				
Water	1,733,091	1,918,290	1,880,046	1,843,969
Electric	15,794,157	17,173,529	20,041,141	17,830,444
Wastewater	1,380,979	1,548,979	1,622,343	1,710,520
Industrial park	3,827	4,913	6,470	6,152
Operating grants and contributions	-	2,100,113	388,318	-
Capital grants and contributions	2,596,518	96,543	104,067	101,290
Total Business-Type Activities Program Revenues	<u>21,508,572</u>	<u>22,842,367</u>	<u>24,042,385</u>	<u>21,492,375</u>
Total Primary Government Program Revenues	<u>\$ 29,089,633</u>	<u>\$ 29,612,090</u>	<u>\$ 30,621,213</u>	<u>\$ 29,336,353</u>

<b>2009/2010</b>	<b>2010/2011</b>	<b>2011/2012</b>	<b>2012/2013</b>	<b>2013/2014</b>	<b>2014/2015</b>
\$ 2,886,441	\$ 2,902,975	\$ 2,796,741	\$ 2,492,722	\$ 2,636,610	\$ 2,061,600
2,966,827	2,751,631	2,747,717	2,848,143	2,761,952	2,802,199
1,953,478	1,947,459	1,589,908	1,883,790	2,041,296	1,949,843
356,499	348,835	334,373	371,593	514,828	668,710
311,831	282,910	274,282	254,399	298,171	302,959
2,485,092	2,436,714	506,149	117,714	389,440	328,401
-	-	-	-	169,850	159,790
<u>10,960,168</u>	<u>10,670,524</u>	<u>8,249,170</u>	<u>7,968,361</u>	<u>8,812,147</u>	<u>8,273,502</u>
2,391,584	2,056,226	1,930,159	2,255,672	2,748,608	2,459,582
18,224,258	15,456,282	15,603,541	17,526,105	20,114,409	19,374,664
2,367,035	2,437,577	2,152,763	2,524,844	2,735,434	2,141,935
140,737	130,142	119,011	147,052	132,300	142,459
<u>23,123,614</u>	<u>20,080,227</u>	<u>19,805,474</u>	<u>22,453,673</u>	<u>25,730,751</u>	<u>24,118,640</u>
<u>\$ 34,083,782</u>	<u>\$ 30,750,751</u>	<u>\$ 28,054,644</u>	<u>\$ 30,422,034</u>	<u>\$ 34,542,898</u>	<u>\$ 32,392,142</u>
\$ 3,011,768	\$ 2,743,366	\$ 2,889,853	\$ 2,998,406	\$ 2,944,400	\$ 3,006,016
100,917	73,335	69,222	71,291	98,883	108,154
70,186	1,766	6,068	72,064	274,347	329,996
34,113	30,328	37,272	15,661	-	-
8,030	3,461	3,263	3,966	5,432	7,000
21,695	22,083	41,205	11,678	-	12,303
1,819,835	2,542,442	1,424,029	2,459,906	1,847,156	1,749,838
535,921	1,200,951	618,903	217,806	333,623	304,440
<u>5,602,465</u>	<u>6,617,732</u>	<u>5,089,815</u>	<u>5,850,778</u>	<u>5,503,841</u>	<u>5,517,747</u>
1,901,864	1,965,585	2,143,515	2,447,152	2,518,565	2,454,424
17,303,120	14,469,256	14,921,718	17,038,476	19,271,837	19,027,126
2,080,443	2,226,744	2,178,308	2,368,044	2,584,526	2,651,905
44,948	45,732	49,451	51,300	-	-
-	-	-	-	-	-
56,634	61,943	53,730	417,370	51,087	151,046
<u>21,387,009</u>	<u>18,769,260</u>	<u>19,346,722</u>	<u>22,322,342</u>	<u>24,426,015</u>	<u>24,284,501</u>
<u>\$ 26,989,474</u>	<u>\$ 25,386,992</u>	<u>\$ 24,436,537</u>	<u>\$ 28,173,120</u>	<u>\$ 29,929,856</u>	<u>\$ 29,802,248</u>

**CITY OF SHASTA LAKE**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
**(full accrual basis of accounting)**

	<b>Fiscal Year</b>			
	<b>2005/2006</b>	<b>2006/2007</b>	<b>2007/2008</b>	<b>2008/2009</b>
<b>Net (Expense)/Revenue<sup>1</sup></b>				
Governmental Activities	\$ (675,087)	\$ (1,674,413)	\$ (2,942,646)	\$ (1,877,718)
Business-Type Activities	4,842,551	3,760,762	839,953	(2,060,357)
 Total Primary Government Net Expense	 <u>\$ 4,167,464</u>	 <u>\$ 2,086,349</u>	 <u>\$ (2,102,693)</u>	 <u>\$ (3,938,075)</u>
 <b>General Revenues and Other Changes in Net Position</b>				
Governmental Activities:				
Taxes:				
Property taxes	\$ 3,597,426	\$ 3,954,335	\$ 4,094,899	\$ 4,121,837
Sales and use taxes	612,471	600,145	628,969	446,298
Transient occupancy taxes	8,796	16,290	13,285	9,136
Other taxes	198,601	185,959	184,756	184,597
Motor vehicle in-lieu	661,718	768,887	823,530	844,126
Interest and investment earnings	(38,438)	566,345	528,054	203,269
Miscellaneous	49,364	41,679	37,133	28,917
Transfers	(536,361)	(509,854)	(1,330,262)	(1,839,508)
Gain/loss on sale of asset	-	-	-	-
Extraordinary gain	-	-	-	-
 Total Governmental Activities	 <u>4,553,577</u>	 <u>5,623,786</u>	 <u>4,980,364</u>	 <u>3,998,672</u>
Business-Type Activities:				
Interest and investment earnings	701,261	1,373,799	1,071,344	475,770
Miscellaneous	211,549	111,298	123,259	36,088
Transfers	536,361	509,854	1,330,262	1,839,508
 Total Business-Type Activities	 <u>1,449,171</u>	 <u>1,994,951</u>	 <u>2,524,865</u>	 <u>2,351,366</u>
 Total Primary Government	 <u>\$ 6,002,748</u>	 <u>\$ 7,618,737</u>	 <u>\$ 7,505,229</u>	 <u>\$ 6,350,038</u>
 <b>Change in Net Position</b>				
Governmental Activities	\$ 3,878,490	\$ 3,949,373	\$ 2,037,718	\$ 2,120,954
Business-Type Activities	6,291,722	5,755,713	3,364,818	291,009
 Total Primary Government	 <u>\$ 10,170,212</u>	 <u>\$ 9,705,086</u>	 <u>\$ 5,402,536</u>	 <u>\$ 2,411,963</u>

**Note:**

<sup>1</sup> Net expense is the difference between the expenses and program revenues of a function or program. It indicates the degree to which a function or program supports itself with its own fees and grants versus its reliance upon funding from taxes and general revenues. Numbers in parentheses are net expenses, indicating that expenses were greater than program revenues and therefore general revenues were needed to finance that function or program.

<u>2009/2010</u>	<u>2010/2011</u>	<u>2011/2012</u>	<u>2012/2013</u>	<u>2013/2014</u>	<u>2014/2015</u>
\$ (5,357,703)	\$ (4,052,792)	\$ (3,159,355)	\$ (2,117,583)	\$ (3,308,306)	\$ (2,755,755)
(1,736,605)	(1,310,967)	(458,752)	(131,331)	(1,304,736)	165,861
<u>\$ (7,094,308)</u>	<u>\$ (5,363,759)</u>	<u>\$ (3,618,107)</u>	<u>\$ (2,248,914)</u>	<u>\$ (4,613,042)</u>	<u>\$ (2,589,894)</u>
\$ 3,850,713	\$ 4,535,646	\$ 2,472,818	\$ 1,543,442	\$ 911,458	\$ 1,020,590
455,952	510,472	414,712	390,461	480,926	777,837
7,750	8,300	5,280	4,900	7,215	8,036
153,181	153,855	153,522	152,940	189,712	408,405
814,202	839,556	757,878	732,158	733,665	759,393
80,752	85,919	62,835	24,682	35,232	21,089
32,590	23,855	85,742	329,902	164,769	28,329
(110,607)	(86,000)	(196,739)	(41,186)	(110,000)	(65,000)
-	21,778	-	-	-	14,000
-	-	(705,676)	-	-	-
<u>5,284,533</u>	<u>6,093,381</u>	<u>3,050,372</u>	<u>3,137,299</u>	<u>2,412,977</u>	<u>2,972,679</u>
304,857	212,123	215,606	150,238	157,207	130,341
100,839	91,524	115,536	35,132	408,876	263,754
110,607	86,000	196,739	41,187	110,000	65,000
<u>516,303</u>	<u>389,647</u>	<u>527,881</u>	<u>226,557</u>	<u>676,083</u>	<u>459,095</u>
<u>\$ 5,800,836</u>	<u>\$ 6,483,028</u>	<u>\$ 3,578,253</u>	<u>\$ 3,363,856</u>	<u>\$ 3,089,060</u>	<u>\$ 3,431,774</u>
\$ (73,170)	\$ 2,040,589	\$ (108,983)	\$ 1,019,716	\$ (895,329)	\$ 216,924
(1,220,302)	(921,320)	69,129	95,226	(628,653)	624,956
<u>\$ (1,293,472)</u>	<u>\$ 1,119,269</u>	<u>\$ (39,854)</u>	<u>\$ 1,114,942</u>	<u>\$ (1,523,982)</u>	<u>\$ 841,880</u>

**CITY OF SHASTA LAKE**  
**Fund Balances - Governmental Funds**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

	Fiscal Year				
	2005/2006	2006/2007	2007/2008	2008/2009	2009/2010
General Fund					
Reserved	\$ 156,993	\$ 156,993	\$ 156,994	\$ 156,993	\$ 72,503
Unreserved	2,622,583	3,286,498	3,660,648	3,222,503	3,564,483
Total General Fund	<u>\$ 2,779,576</u>	<u>\$ 3,443,491</u>	<u>\$ 3,817,642</u>	<u>\$ 3,379,496</u>	<u>\$ 3,636,986</u>
All Other Governmental Funds					
Reserved	\$ 11,387,433	\$ 13,103,041	\$ 14,253,582	\$ 14,653,474	\$ 12,745,664
Unreserved, reported in: Special revenue funds	3,596,748	4,460,178	4,392,777	4,523,970	5,037,755
Total All Other Governmental Funds	<u>\$ 14,984,181</u>	<u>\$ 17,563,219</u>	<u>\$ 18,646,359</u>	<u>\$ 19,177,444</u>	<u>\$ 17,783,419</u>

	Fiscal Year				
	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015
General Fund					
Restricted	\$ 4,481,416	\$ 3,677,876	\$ 3,322,038	\$ 641,692	\$ 630,748
Assigned	-	-	-	1,046,606	1,154,764
Unassigned	(1,413,127)	(1,309,733)	(488,173)	719,127	1,205,470
Total General Fund	<u>\$ 3,068,289</u>	<u>\$ 2,368,143</u>	<u>\$ 2,833,865</u>	<u>\$ 2,407,425</u>	<u>\$ 2,990,982</u>
All Other Governmental Funds					
Restricted	\$ 15,851,076	\$ 8,206,752	\$ 8,727,876	\$ 9,061,761	\$ 9,974,045
Unassigned	-	-	-	(50,301)	(94,981)
Total All Other Governmental Funds	<u>\$ 15,851,076</u>	<u>\$ 8,206,752</u>	<u>\$ 8,727,876</u>	<u>\$ 9,011,460</u>	<u>\$ 9,879,064</u>

**Note:**

The City implemented GASB 54 for fiscal year June 30, 2011 under which fund balances are reported as nonspendable, restricted, committed, assigned and unassigned as compared to reserved and unreserved.

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**CITY OF SHASTA LAKE**  
**Changes in Fund Balances - Governmental Funds**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

	<b>Fiscal Year</b>			
	<b>2005/2006</b>	<b>2006/2007</b>	<b>2007/2008</b>	<b>2008/2009</b>
<b>Revenues</b>				
Taxes and assessments	\$ 5,090,273	\$ 5,291,715	\$ 5,870,194	\$ 5,362,411
Licenses and permits	146,431	206,670	168,359	103,845
Fines and forfeitures	113,500	19,264	24,090	26,761
Use of money	337,210	726,318	678,082	274,034
Intergovernmental	4,223,947	3,474,403	2,944,031	4,898,038
Charges for services	3,016,182	3,235,628	3,235,596	3,069,691
Other revenues	56,661	48,366	52,102	34,376
<b>Total Revenues</b>	<b>12,984,204</b>	<b>13,002,364</b>	<b>12,972,454</b>	<b>13,769,156</b>
<b>Expenditures</b>				
Current:				
General government	2,060,656	2,152,231	2,364,435	2,554,374
Public safety	2,480,395	2,411,849	2,821,343	2,863,740
Public ways and facilities	529,270	481,744	510,061	523,949
Planning	312,358	377,544	478,194	403,488
Culture and recreation	215,030	258,093	283,951	337,806
Community development	2,263,764	1,462,576	1,949,983	4,441,991
Debt service				
Principal	902,355	377,364	379,487	333,904
Interest	607,591	521,015	496,854	479,645
Capital outlay	2,548,758	1,570,696	2,055,855	1,705,920
<b>Total Expenditures</b>	<b>11,920,177</b>	<b>9,613,112</b>	<b>11,340,163</b>	<b>13,644,817</b>
Excess of Revenues Over (Under) Expenditures	1,064,027	3,389,252	1,632,291	124,339
<b>Other Financing Sources (Uses)</b>				
Debt proceeds	6,225,000	-	-	-
Transfers in	598,678	1,005,766	1,151,547	920,265
Transfers out	(1,134,673)	(1,152,066)	(1,326,547)	(951,665)
<b>Total Other Financing Sources (Uses)</b>	<b>5,689,005</b>	<b>(146,300)</b>	<b>(175,000)</b>	<b>(31,400)</b>
Extraordinary loss	-	-	-	-
<b>Net Change in Fund Balances (Deficits)</b>	<b>\$ 6,753,032</b>	<b>\$ 3,242,952</b>	<b>\$ 1,457,291</b>	<b>\$ 92,939</b>
Debt Service as a Percentage of Noncapital Expenditures	16.11%	11.17%	9.44%	6.81%

<u>2009/2010</u>	<u>2010/2011</u>	<u>2011/2012</u>	<u>2012/2013</u>	<u>2013/2014</u>	<u>2014/2015</u>
\$ 5,069,637	\$ 5,808,266	\$ 3,672,060	\$ 2,749,373	\$ 2,321,000	\$ 2,869,231
115,615	87,440	100,801	68,367	98,638	106,596
14,361	11,710	8,959	21,722	18,107	18,671
105,227	114,036	85,263	46,091	35,232	21,089
2,655,155	3,452,138	1,959,472	2,733,862	2,242,654	2,218,629
3,286,705	2,775,660	3,008,184	3,169,464	3,206,317	3,338,202
41,905	333,872	94,841	340,384	164,769	28,329
<u>11,288,605</u>	<u>12,583,122</u>	<u>8,929,580</u>	<u>9,129,263</u>	<u>8,086,717</u>	<u>8,600,747</u>
2,289,272	2,469,149	2,399,456	2,312,602	2,672,669	2,045,628
2,760,245	2,716,676	2,740,964	2,841,390	2,730,507	2,770,937
661,154	558,748	262,238	850,563	981,087	740,775
352,557	344,893	330,431	367,652	510,886	681,406
309,232	615,465	291,405	199,546	246,507	247,479
3,532,795	2,376,820	353,125	116,467	388,106	307,128
543,082	308,461	103,647	107,829	113,243	117,449
458,786	437,365	423,254	156,510	162,044	158,891
1,427,517	5,200,585	4,109,715	1,165,359	439,949	28,893
<u>12,334,640</u>	<u>15,028,162</u>	<u>11,014,235</u>	<u>8,117,918</u>	<u>8,244,998</u>	<u>7,098,586</u>
<u>(1,046,035)</u>	<u>(2,445,040)</u>	<u>(2,084,655)</u>	<u>1,011,345</u>	<u>(158,281)</u>	<u>1,502,161</u>
-	-	-	-	-	14,000
789,509	791,811	686,192	10,856	23,299	26,073
<u>(880,009)</u>	<u>(847,811)</u>	<u>(686,192)</u>	<u>(35,356)</u>	<u>(133,299)</u>	<u>(91,073)</u>
<u>(90,500)</u>	<u>(56,000)</u>	<u>-</u>	<u>(24,500)</u>	<u>(110,000)</u>	<u>(51,000)</u>
-	-	(5,724,980)	-	-	-
<u>\$ (1,136,535)</u>	<u>\$ (2,501,040)</u>	<u>\$ (7,809,635)</u>	<u>\$ 986,845</u>	<u>\$ (268,281)</u>	<u>\$ 1,451,161</u>

9.19%

7.59%

7.63%

3.80%

3.53%

3.91%

**CITY OF SHASTA LAKE**  
**General Fund Balance Compared to Annual Appropriations**  
**Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>Undesignated Fund Balance</u>	<u>Annual Appropriations</u>	<u>Balance as % of Appropriations</u>
2005/2006	2,622,583	4,808,962	54.5%
2006/2007	3,286,498	5,483,073	59.9%
2007/2008	3,660,648	5,737,640	63.8%
2008/2009	3,222,503	5,761,220	55.9%
2009/2010	3,564,483	5,653,836	63.0%
2010/2011	3,068,289	5,318,718	57.7%
2011/2012	2,368,143	5,338,139	44.4%
2012/2013	2,833,865	6,325,471	44.8%
2013/2014	2,407,425	6,604,576	36.5%
2014/2015	2,990,982	6,287,668	47.6%

**Note:**

Due to Governmental Accounting Standards Board Statement 54 reporting requirements, Undesignated Fund Balance for 2011-2015 is Total Fund Balance.

**Source:**

City of Shasta Lake Financial Records

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**CITY OF SHASTA LAKE**  
**General Fund Revenues by Source**  
**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Taxes</b>	<b>Licenses and Permits</b>	<b>Fines and Forfeitures</b>	<b>Use of Money</b>	<b>Intergovern- mental</b>	<b>Charges for Services</b>	<b>Miscellaneous</b>
2005/2006	1,780,991	146,431	20,400	95,165	673,713	2,330,851	54,373
2006/2007	1,745,347	206,670	19,264	127,869	781,071	2,680,220	48,282
2007/2008	1,790,270	168,359	24,090	170,862	835,103	2,877,479	29,454
2008/2009	1,549,247	103,845	26,761	74,157	857,071	2,900,501	34,322
2009/2010	1,416,233	115,615	14,361	30,301	848,170	3,107,426	30,992
2010/2011	1,507,924	87,440	11,710	31,516	851,116	2,762,945	26,554
2011/2012	1,508,997	100,801	8,959	23,477	769,547	2,899,163	27,195
2012/2013	2,071,651	68,367	21,722	21,731	740,194	3,072,595	329,211
2013/2014	1,564,553	98,638	18,107	16,702	748,837	3,082,745	164,769
2014/2015	2,191,158	106,596	18,671	10,447	766,966	3,151,335	28,329

**Note:**

The schedule above includes only those revenues recorded in the General Fund.

**Source:**

City of Shasta Lake Financial Records

**Total**

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5,101,924

5,608,723

5,895,617

5,545,904

5,563,098

5,279,205

5,338,139

6,325,471

5,694,351

6,273,502

**CITY OF SHASTA LAKE**  
**General Fund Tax Revenues by Source**  
**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>General Property Tax*</b>	<b>Sales and Use Tax</b>	<b>Transient Occupancy Tax</b>	<b>Property Transfer Tax</b>	<b>Franchise Tax</b>	<b>Special Business Tax</b>
2005/2006	911,228	612,471	8,796	49,894	198,601	-
2006/2007	915,139	600,144	16,290	27,815	185,959	-
2007/2008	940,398	628,968	13,285	22,864	184,756	-
2008/2009	895,744	446,298	9,135	13,472	184,597	-
2009/2010	785,607	455,952	7,750	13,743	153,181	-
2010/2011	824,729	510,472	8,300	10,557	153,865	-
2011/2012	921,790	414,713	5,280	13,693	153,522	-
2012/2013	1,507,137	390,462	4,900	16,212	152,940	-
2013/2014	891,906	475,720	7,215	19,317	170,395	-
2014/2015	996,878	777,837	8,036	20,213	199,752	188,442

**Notes:**

The schedule above includes only those revenues recorded in the General Fund.  
 \* Includes tax revenue from the Educational Revenue Augmentation Fund (ERAF).

**Source:**

City of Shasta Lake Financial Records

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**CITY OF SHASTA LAKE**  
**Governmental Funds Expenditures by Function**  
**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>General Government</b>	<b>Public Safety</b>	<b>Public Ways and Facilities</b>	<b>Planning</b>	<b>Culture and Recreation</b>	<b>Community Development</b>	<b>Debt Service</b>
2005/2006	2,060,656	2,480,395	529,270	312,358	215,030	2,263,764	1,509,946
2006/2007	2,152,231	2,411,849	481,744	377,544	258,093	1,462,576	898,379
2007/2008	2,364,435	2,821,343	510,061	478,194	283,951	1,949,983	876,341
2008/2009	2,554,374	2,863,740	523,949	403,488	337,806	4,441,991	813,549
2009/2010	2,289,272	2,760,245	661,154	352,557	309,232	3,532,795	1,001,868
2010/2011	2,469,149	2,716,676	558,748	344,893	615,465	2,376,820	745,826
2011/2012	2,399,456	2,740,964	262,238	330,431	291,405	353,125	526,901
2012/2013	2,312,602	2,841,390	850,563	367,652	199,546	116,467	264,338
2013/2014	2,672,669	2,730,507	981,087	510,886	246,507	388,106	275,287
2014/2015	2,045,628	2,770,937	740,775	681,406	247,479	307,128	276,340

**Note:**

The schedule above includes only those expenditures recorded in the General Fund, Special Revenue, Debt Service, and Capital Projects Funds.

**Source:**

City of Shasta Lake Financial Records

<b>Capital Outlay</b>	<b>Total</b>
2,548,758	11,920,177
1,570,696	9,613,112
2,055,855	11,340,163
1,705,920	13,644,817
1,427,517	12,334,640
5,200,585	15,028,162
4,109,715	11,014,235
1,165,359	8,117,917
439,949	8,244,998
28,893	7,098,586

**CITY OF SHASTA LAKE**  
**Assessed Value and Estimated Actual Value of Taxable Property**  
**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Secured Roll Assessed Value</b>	<b>Unsecured Roll Assessed Value</b>	<b>Less Exemptions</b>	<b>Net Assessed Value</b>	<b>% Change</b>	<b>Direct Rate</b>
2005/2006	559,822,537	11,222,381	(25,523,730)	545,521,188	10.001%	1.000%
2006/2007	628,924,328	12,946,017	(27,548,279)	614,322,066	12.612%	1.000%
2007/2008	693,883,501	12,611,910	(29,871,825)	676,623,586	10.142%	1.000%
2008/2009	720,044,156	14,260,646	(29,893,902)	704,410,900	4.107%	1.000%
2009/2010	698,338,056	13,673,159	(29,830,360)	682,180,855	-3.156%	1.000%
2010/2011	667,495,725	12,058,431	(30,486,666)	649,067,490	-4.854%	1.000%
2011/2012	617,728,356	12,007,690	(30,102,800)	599,633,246	-7.616%	1.000%
2012/2013	623,470,665	11,560,623	(30,403,885)	604,627,403	0.833%	1.000%
2013/2014	643,002,063	10,520,113	(30,569,761)	622,952,415	3.031%	1.000%
2014/2015	666,135,128	9,971,155	(31,463,673)	644,642,610	3.482%	1.000%

**Notes:**

In 1978, the voters of the State of California passed Proposition 13 which limited property taxes to a maximum rate of 1% based upon the assessed value of the property being taxed. Each year, the assessed value of property tax may be increased by an "inflation factor" (limited to a maximum increase of 2%). With few exceptions, property is only reassessed 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 the taxable property and is subject to the limitations described above.

**Source:**

Shasta County Assessor's Annual Report

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**CITY OF SHASTA LAKE**  
**Property Tax - Rates (Direct and Overlapping Governments)**  
**Last Ten Fiscal Years**

Fiscal Year	City of Shasta Lake Rates			Overlapping Rates			
	Basic Countywide Levy*	City*	Total Direct Tax Rate*	Gateway Unified School District 2002	Gateway Unified School District 2008	Shasta Tehama Trinity Community College	Shasta Dam PUD Davis Grunsky
2006	1.0000%	0.0000%	1.0000%	0.0329%	0.0000%	0.0037%	0.0026%
2007	1.0000%	0.0000%	1.0000%	0.0440%	0.0000%	0.0069%	0.0010%
2008	1.0000%	0.0000%	1.0000%	0.0352%	0.0000%	0.0118%	0.0002%
2009	1.0000%	0.0000%	1.0000%	0.0343%	0.0000%	0.0091%	0.0001%
2010	1.0000%	0.0000%	1.0000%	0.0397%	0.0101%	0.0101%	0.0001%
2011	1.0000%	0.0000%	1.0000%	0.0442%	0.0062%	0.0162%	0.0001%
2012	1.0000%	0.0000%	1.0000%	0.0604%	0.0188%	0.0095%	0.0001%
2013**	1.0000%	0.0000%	1.0000%	0.0621%	0.0141%	0.0054%	0.0001%
2014	1.0000%	0.0000%	1.0000%	0.0194%	0.0138%	0.0880%	0.0019%
2015	1.0000%	0.0000%	1.0000%	0.0680%	0.0291%	0.0107%	0.0014%

**Notes:**

\*On June 6, 1978, California voters approved an amendment to Article XIII A of the State Constitution. The amendment, commonly known as Proposition 13, limits the taxing power of California public agencies. The California Legislature enacted legislation to implement Article XIII A (Statutes of 1978, Chapter 292, as amended) providing that local agencies may not levy any property tax, except to pay debt service on indebtedness approved by voters prior to July 1, 1978, and that each county will levy the maximum tax permitted of \$1.00 per \$100 of full assessed value.

\*\*RDA pass through removed from AB8 factor. These numbers represent current secured and separate pass through.

**Source:**

Shasta County Auditor/Controller's Office

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<b>Shasta DamPUD CA State Loan</b>	<b>Bella Vista Water (land only)</b>	<b>Total Direct and Overlapping Rates</b>
0.0124%	0.3544%	1.4060%
0.0129%	0.3332%	1.3980%
0.0033%	0.3346%	1.3851%
0.0000%	0.3529%	1.3964%
0.0000%	0.3700%	1.4300%
0.0000%	0.3700%	1.4367%
0.0000%	0.3700%	1.4588%
0.0000%	0.3700%	1.4517%
0.0000%	0.3700%	1.4931%
0.0000%	0.3608%	1.4700%

**CITY OF SHASTA LAKE**  
**Property Tax Levies and Collections**  
**Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>Taxes Levied for the Fiscal Year</u>	<u>Collections within the Fiscal Year of the Levy</u>		<u>Collections in Subsequent Years**</u>	<u>Total Collections to Date</u>	
		<u>Amount*</u>	<u>Percent of Levy</u>		<u>Amount</u>	<u>Percent of Levy</u>
2006	489,025	479,084	97.97%	-	479,084	97.97%
2007	530,547	514,134	96.91%	-	514,134	96.91%
2008	583,001	559,771	96.02%	-	559,771	96.02%
2009	599,640	571,735	95.35%	-	571,735	95.35%
2010	576,012	562,903	97.72%	-	562,903	97.72%
2011	576,156	551,352	95.69%	-	551,352	95.69%
2012	563,585	547,036	97.06%	-	547,036	97.06%
2013	563,574	563,432	99.97%	-	563,432	99.97%
2014	586,005	586,005	100.00%	-	586,005	100.00%
2015	608,083	608,083	100.00%	-	608,083	100.00%

**Note:**

\*Amounts affected by alternate method of apportioning. Participating agencies are paid 100% of the current levy adjusted by file maintenance.

\*\*Collections in subsequent years information was not available in City records prior to the 2013/2014 fiscal year due to Shasta County not having the records.

**Source:**

Shasta County Auditor/Controller's Office

**CITY OF SHASTA LAKE**  
**Principal Property Tax Payers**  
**Current Year and Four Years Ago**

<u>Taxpayer</u>	<u>Fiscal Year 2014/2015</u>			
	<u>Type of Business</u>	<u>Rank</u>	<u>2015 Assessed Value</u>	<u>Percent of Total Assessed Value</u>
Knauf Fiber Glass	Industrial	1	\$ 129,155,608	19.39%
Humboldt Flakeboard	Industrial	2	8,741,481	1.31%
Rite Aid	Retail	3	5,572,773	0.84%
Tara Hills Garden Investors	Housing	4	5,310,960	0.80%
Fresenius	Industrial	5	4,866,900	0.73%
Shasta Community Health Center	Medical	6	2,899,099	0.44%
Bronze Court LLC	Industrial	7	1,500,000	0.23%
Central Valley Investment Group	Housing	8	1,438,699	0.22%
McDonald's	Food Service	9	1,292,100	0.19%
Circle K	Fuel/Market	10	1,167,330	0.18%
Top Ten Secured Valuation			\$ 161,944,950	24.31%
Total City of Shasta Lake Assessed Property Valuation Fiscal Year 2014/2015.				\$ 666,135,128

<u>Taxpayer</u>	<u>Fiscal Year 2010/2011</u>			
	<u>Type of Business</u>	<u>Rank</u>	<u>2011 Assessed Value</u>	<u>Percent of Total Assessed Value</u>
Knauf Fiber Glass	Industrial	1	\$ 136,647,609	20.47%
Humboldt Flakeboard	Industrial	2	6,811,724	1.02%
ARC FRSHLCA001 LLC	Industrial	3	5,425,000	0.81%
Tara Hills Garden Investors	Apartments	4	4,946,002	0.74%
Ridge Limited Partnership	Retail	5	2,800,000	0.42%
Shasta Community Health Center	Medical	6	2,150,121	0.32%
Bronze Court LLC	Industrial	7	1,800,000	0.27%
SVB Resolution Holdings LLC	Inv. Property	8	1,750,000	0.26%
Central Valley Investment Group	Apartments	9	1,381,000	0.21%
Golden Arch Ltd. Partnership	Retail	10	1,212,100	0.18%
Top Ten Secured Valuation			\$ 164,923,556	24.71%
Total City of Shasta Lake Assessed Property Valuation Fiscal Year 2010/2011.				\$ 667,495,725

**Note:**

Data pertaining to fiscal year 2005/2006 is not available, the latest prior year available is fiscal year 2010/2011. The City did not begin preparing a CAFR until the fiscal year 2010/2011.

**Source:**

Shasta County Assessor's Annual Report

**CITY OF SHASTA LAKE**  
**Property Value and Construction**  
**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Commercial Construction</b>		<b>Residential Construction</b>	
	<b>Number of Permits</b>	<b>Value</b>	<b>Number of Permits</b>	<b>Value</b>
2005/2006	10	2,460,827	162	10,855,672
2006/2007	15	3,020,474	101	6,642,117
2007/2008	10	253,545	67	4,695,464
2008/2009	5	252,682	36	1,951,381
2009/2010	5	617,444	38	1,742,629
2010/2011	8	1,773,401	26	942,518
2011/2012	6	353,466	21	598,440
2012/2013	1	1,000	13	1,080,739
2013/2014	1	184,000	13	1,689,821
2014/2015	2	405,095	25	2,958,623

**Notes:**

Residential and commercial constructions reflects new additions to building activity only.  
 New construction residential includes both single family and multi-family dwellings.

**Source:**

City of Shasta Lake Development Services Department

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**CITY OF SHASTA LAKE**  
**Ratio of Outstanding Debt by Type**  
**Last Ten Fiscal Years**

Fiscal Year	Governmental Activities				Business-Type Activities		
	Special Assessment and Revenue Bonds	Tax Allocation Bonds	Loans	Total	Special Assessment and Revenue Bonds	Loans	Financing Leases
2005/2006	178,000	10,183,000	448,439	10,809,439	12,140,000	5,576,677	-
2006/2007	167,000	9,920,000	345,077	10,432,077	11,730,000	5,542,416	-
2007/2008	156,000	9,658,000	238,588	10,052,588	11,310,000	5,390,785	-
2008/2009	145,000	9,382,000	191,684	9,718,684	10,870,000	5,234,096	-
2009/2010	3,576,000	5,455,000	144,593	9,175,593	10,415,000	5,072,252	-
2010/2011	3,490,000	5,240,000	137,142	8,867,142	9,940,000	4,905,056	285,790
2011/2012	3,394,000	-	129,486	3,523,486	9,445,000	4,732,358	238,117
2012/2013	3,294,000	-	121,656	3,415,656	8,930,000	4,553,880	188,621
2013/2014	3,188,000	-	113,412	3,301,412	8,395,000	4,369,516	137,232
2014/2015	3,079,000	-	104,963	3,183,963	7,840,000	4,179,037	83,879

**Notes:**

(1) See Economic Information schedule for personal income data.

**Source:**

U.S. Census Bureau  
State of California, Department of Finance, Demographic Research Unit

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<b>Total</b>	<b>Total Primary Government</b>	<b>Percentage of Personal Income (1)</b>	<b>Population</b>	<b>Debt Per Capita</b>
17,716,677	28,526,116	8.76%	10,204	2,796
17,272,416	27,704,493	8.19%	10,325	2,683
16,700,785	26,753,373	7.92%	10,293	2,599
16,104,096	25,822,780	7.77%	10,279	2,512
15,487,252	24,662,845	7.24%	10,269	2,402
15,130,846	23,997,988	6.83%	10,294	2,331
14,415,475	17,938,961	4.99%	10,125	1,772
13,672,501	17,088,157	4.67%	10,077	1,696
12,901,748	16,203,160	4.26%	10,100	1,604
12,102,916	15,286,879	3.88%	10,020	1,526

**CITY OF SHASTA LAKE**  
**Ratio of Net Bonded Debt to Assessed Value and Net Bonded Debt per Capita**  
**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Estimated Population</b>	<b>Gross Bonded Debt</b>	<b>Debt Payable from Enterprise Revenue</b>	<b>Net Bonded Debt</b>	<b>Total Assessed Valuation</b>	<b>% of Net Bonded Debt to Assessed Value</b>	<b>Net Bonded Debt per Capita</b>
2005/2006	10,204	28,526,116	17,716,677	10,809,439	545,521,188	1.98%	1,059.33
2006/2007	10,325	27,704,493	17,272,416	10,432,077	614,322,066	1.70%	1,010.37
2007/2008	10,293	26,753,373	16,700,785	10,052,588	676,623,586	1.49%	976.64
2008/2009	10,279	25,822,790	16,104,096	9,718,694	704,410,900	1.38%	945.49
2009/2010	10,269	24,662,845	15,487,252	9,175,593	682,180,855	1.35%	893.52
2010/2011	10,294	23,997,979	14,845,056	9,152,923	649,067,490	1.41%	889.15
2011/2012	10,125	17,938,961	14,177,358	3,761,603	620,144,622	0.61%	371.52
2012/2013	10,077	17,088,157	13,483,880	3,604,277	635,031,288	0.57%	357.67
2013/2014	10,100	16,202,520	12,764,498	3,438,022	653,522,176	0.53%	340.40
2014/2015	10,020	15,286,879	12,019,037	3,267,842	676,106,283	0.48%	326.13

**Source:**  
City of Shasta Lake Financial Records

**CITY OF SHASTA LAKE**  
**Ratio of Annual Debt Service for Bonded Debt to Total General Expenditures**  
**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Net Bonded Debt</b>	<b>Total Debt Service</b>	<b>Total General Expenditures*</b>	<b>Ratio of Debt Service to General Expenditures</b>
2005/2006	10,809,439	1,509,946	11,920,177	12.67%
2006/2007	10,432,077	898,379	9,613,112	9.35%
2007/2008	10,052,588	876,341	11,340,163	7.73%
2008/2009	9,718,684	813,549	13,644,817	5.96%
2009/2010	9,175,593	1,001,868	12,334,640	8.12%
2010/2011	9,152,923	745,826	15,028,162	4.96%
2011/2012	3,761,603	526,901	11,014,235	4.78%
2012/2013	3,604,277	264,338	8,117,917	3.26%
2013/2014	3,438,022	275,287	7,529,761	3.66%
2014/2015	3,267,842	276,340	6,793,353	4.07%

**Note:**

\*Total Governmental fund expenditures including debt service and capital outlay.

**CITY OF SHASTA LAKE**  
**Computation of Legal Bonded Debt Margin**  
**Last Ten Fiscal Years**

	<b>Fiscal Year</b>			
	<b>2005/2006</b>	<b>2006/2007</b>	<b>2007/2008</b>	<b>2008/2009</b>
Net Assessed Value	\$ 545,521,188	\$ 614,322,066	\$ 676,623,586	\$ 704,410,900
Plus Exempt Property	<u>25,523,730</u>	<u>27,548,279</u>	<u>29,871,825</u>	<u>29,893,900</u>
Total Assessed Value	<u><u>\$ 571,044,918</u></u>	<u><u>\$ 641,870,345</u></u>	<u><u>\$ 706,495,411</u></u>	<u><u>\$ 734,304,800</u></u>
Debt Limit				
15% of Total Assessed Value	\$ 85,656,738	\$ 96,280,552	\$ 105,974,312	\$ 110,145,720
Less Outstanding General Obligation Debt	<u>10,809,439</u>	<u>10,432,077</u>	<u>10,052,588</u>	<u>9,718,684</u>
Legal Debt Margin	<u><u>\$ 74,847,299</u></u>	<u><u>\$ 85,848,475</u></u>	<u><u>\$ 95,921,724</u></u>	<u><u>\$ 100,427,036</u></u>

**Source:**  
City of Shasta Lake Financial Records

<u>2009/2010</u>	<u>2010/2011</u>	<u>2011/2012</u>	<u>2012/2013</u>	<u>2013/2014</u>	<u>2014/2015</u>
\$ 682,180,855	\$ 649,067,490	\$ 599,633,246	\$ 604,627,403	\$ 622,952,415	\$ 644,642,610
<u>29,830,360</u>	<u>30,486,666</u>	<u>30,102,800</u>	<u>30,403,885</u>	<u>30,569,761</u>	<u>31,463,673</u>
<u>\$ 712,011,215</u>	<u>\$ 679,554,156</u>	<u>\$ 629,736,046</u>	<u>\$ 635,031,288</u>	<u>\$ 653,522,176</u>	<u>\$ 676,106,283</u>
\$ 106,801,682	\$ 101,933,123	\$ 94,460,407	\$ 95,254,693	\$ 98,028,326	\$ 101,415,942
<u>9,175,593</u>	<u>9,152,923</u>	<u>3,761,603</u>	<u>3,604,277</u>	<u>3,438,022</u>	<u>3,267,842</u>
<u>\$ 97,626,089</u>	<u>\$ 92,780,200</u>	<u>\$ 90,698,804</u>	<u>\$ 91,650,416</u>	<u>\$ 94,590,304</u>	<u>\$ 98,148,100</u>

**CITY OF SHASTA LAKE**  
**Economic Information**  
**Last Ten Calendar Years**

<b>Calendar Year</b>	<b>Population</b>	<b>Personal Income</b>		<b>Unemployment Rate (1)</b>
		<b>Total</b>	<b>Per Capita</b>	
2006	10,204	325,806,030	32,274	9.1%
2007	10,325	338,397,972	33,366	10.3%
2008	10,293	337,806,624	33,288	13.6%
2009	10,279	332,384,344	32,744	19.7%
2010	10,269	340,463,508	33,497	21.1%
2011	10,294	351,147,852	34,774	20.0%
2012	10,125	359,653,964	35,758	18.1%
2013	10,077	365,967,296	36,364	14.9%
2014	10,100	380,717,820	37,905	9.1%
2015	10,020	394,316,769	39,353	6.0%

**Note:**

(1) These are annual average rates.

**Source:**

California Employment Development Department  
U.S. Department of Commerce, Bureau of Economic Analysis

**CITY OF SHASTA LAKE**  
**Principal Employers**  
**Current Year and Four Year Ago**

<b>Employer</b>	<b>Fiscal Year 2014/2015</b>			<b>Fiscal Year 2010/2011</b>		
	<b>Number of Employees</b>	<b>Rank</b>	<b>Percentage of Total City Employment</b>	<b>Number of Employees</b>	<b>Rank</b>	<b>Percentage of Total City Employment</b>
Gateway Unified School District	397	1	10.4%	120	3	3.2%
Sierra Pacific	148	2	3.9%	145	1	3.8%
Knauf Insulation	115	3	3.0%	123	2	3.2%
City of Shasta Lake	47	4	1.2%	43	4	1.1%
McDonald's	40	5	1.1%	40	6	1.1%
Farmers Market Place	38	6	1.0%	31	7	0.8%
Fresinius Medical Care	20	7	0.5%	42	5	1.1%
Premiere Brand Meats	26	8	0.7%	22	9	0.6%
Lawrence & Associates	18	9	0.5%	-	-	-
Rite Aid	15	10	0.4%	10	10	0.3%
Trenchless Pipe Company	-	-	-	22	8	0.6%

**Note:**

Data pertaining to fiscal year 2005/2006 is not available, the latest prior year available is fiscal year 2010/2011. Total estimated employees in the City of Shasta Lake for 2010/2011 and 2014/15 was 3,800. The City did not begin preparing a CAFR until the fiscal year 2010/2011.

**Source:**

City Business License records  
California Employment Development Department

**CITY OF SHASTA LAKE**  
**Authorized Full-time Equivalent Employees (FTE) by Department**  
**Last Ten Fiscal Years**

	<u>June 30, 2006</u>	<u>June 30, 2007</u>	<u>June 30, 2008</u>	<u>June 30, 2009</u>
Water	2.00	2.00	2.00	3.00
Electric	10.00	11.00	11.00	11.00
Wastewater	3.00	3.00	3.00	3.00
City Manager, City Clerk, and Grant	6.60	6.60	6.60	6.60
Finance & Customer Service	9.10	10.00	10.00	10.30
Building Use & Planning	4.40	5.40	5.40	5.40
Public Works & Motor Pool & Other	12.70	14.50	15.10	16.20
Animal Control	1.90	1.90	1.90	1.90
Total Full-Time Equivalent Employees	<u>49.70</u>	<u>54.40</u>	<u>55.00</u>	<u>57.40</u>

**Source:**

City of Shasta Lake Personnel Department

<u>June 30, 2010</u>	<u>June 30, 2011</u>	<u>June 30, 2012</u>	<u>June 30, 2013</u>	<u>June 30, 2014</u>	<u>June 30, 2015</u>
3.00	3.00	2.00	3.00	3.00	3.00
11.00	10.00	9.00	10.00	10.00	9.00
3.00	3.00	3.00	3.00	3.00	3.00
7.10	6.50	4.00	4.00	4.37	4.00
10.10	8.90	7.45	8.95	8.00	7.00
6.10	4.20	4.00	4.50	5.00	5.00
16.40	12.60	11.75	11.80	12.50	13.50
1.90	1.90	2.00	1.75	2.63	2.63
<u>58.60</u>	<u>50.10</u>	<u>43.20</u>	<u>47.00</u>	<u>48.50</u>	<u>47.13</u>

**CITY OF SHASTA LAKE**  
**Operating and Capital Indicators**  
**Last Ten Calendar Years**

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Area in acres	6,950	6,950	6,950	6,950
Street miles	64	64	64	64
Park acreage	45	45	45	45
Environment and Utilities				
Water connections	3,682	3,718	3,722	3,700
Electric connections	4,428	4,443	4,469	4,450
Sewer connections	3,240	3,264	3,333	3,331
Police				
Calls for service	11,016	11,062	11,829	11,005

**Notes:**

\* Reported on calendar year excludes November 2014 to December 2014.

\*\* Reported on calendar year excludes November 2015 to December 2015.

**Source:**

California Department of Finance

City of Shasta Lake records

<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
6,950	6,950	6,950	6,950	6,950	6,950
64	64	64	64	64	65
45	45	45	45	45	45
3,679	3,655	3,646	3,665	3,672	3,700
4,419	4,407	4,385	4,401	4,406	4,434
3,322	3,295	3,283	3,300	3,314	3,336
11,651	10,517	10,842	11,829	*12,138	**10,960

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