



**AGENDA  
ADMINISTRATION AND FINANCE COMMITTEE**

**John Zaitz  
Tim Brown**

**February 2, 2016  
8:00 a.m.**

**Canyon Lake Council Chambers  
31516 Railroad Canyon Road  
Canyon Lake, CA 92587**

1. Call to Order
2. Pledge of Allegiance
3. Roll Call
4. Public Comments
5. Accept Meeting Minutes
  - 5.1 Meeting Minutes January 5, 2016 **Page 3**
6. Review of February 3, 2016 City Council Meeting Agenda – Recommendations to Council
  - a. Claims and Demands
  - b. Credit Card Review **Page 5**
7. November and December Financial Statements **Page 31**
8. December Investment Report **Page 33**
9. Update Regarding Utility Users Tax Collected to Date **Page 43**
10. Review Mid-Year Budget Adjustments **Page 55**
11. Discussion Period with New Public Works, Engineering, Building and Planning Consultant Firm.
12. Review of Fiscal Year 2014/2015 Annual Financial Report **Page 63**
13. Committee Member Comments
14. Staff Comments
15. Adjournment

Next Meeting Date: March 1, 2016



**MINUTES**  
**REGULAR MEETING OF THE CANYON LAKE**  
**ADMINISTRATION AND FINANCE COMMITTEE**  
**Tuesday, January 5, 2016 8:00 a.m.**

**Canyon Lake Council Chambers**  
**31516 Railroad Canyon Road**  
**Canyon Lake, CA 92587**

**1. Call to Order**

Committee Member Tim Brown called the meeting to order at 8:00 a.m.

**2. Pledge of Allegiance**

Kirsten Rowe, Administrative Services Manager, led the flag salute.

**3. Roll Call**

Present: Committee Chair John Zaitz  
Committee Member Tim Brown

**4. Public Comments**

There were no public comments.

Committee Member Tim Brown requested the order of the agenda be changed to discuss item 10 before item 6.

It was the decision of the Committee to move forward with item 10 and discuss the additional items after.

**5. Accept Meeting Minutes**

**5.1 Meeting Minutes December 1 2015**

The minutes for December 1, 2015 were accepted as presented.

**6. Review of January 6, 2016 City Council Meeting Agenda – Recommendations to Council**

**a. Claims and Demands**

This item was not addressed.

**b. Credit Card Review**

This item was not addressed.

**7. November Investment Report**

This item was moved to the February 2, 2016 Administration and Finance Committee meeting.

**8. Review of Draft Audit FY 2014-2015**

This item was moved to the February 2, 2016 Administration and Finance Committee meeting.

**9. Update Regarding Utility Users Tax Collected to Date**

This item was moved to the February 2, 2016 Administration and Finance Committee meeting.

**10. Review of Staff Recommendation for Public Works, Building and Safety, Planning, and Engineering Firm**

This item was addressed before item 6. It was the decision of the Committee to move forward with staff's recommendation, and to bring the Committee's recommendation to the City Council.

**11. Committee Member Comments**

This item was addressed.

**12. Staff Comments**

This item was addressed.

**13. Adjournment**

The meeting was adjourned at 9:25 a.m.

Respectfully submitted,

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Courtney C. Shurtleff  
Deputy City Clerk

**City of Canyon Lake  
City Council  
Staff Report**

**TO:** Mayor and City Council  
**FROM:** Michelle Gomez, Accountant  
**DATE:** February 3, 2016  
**SUBJECT:** List of Demands

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**Recommendation:**

That the City Council adopts a resolution entitled: RESOLUTION NO. 2016-04

A RESOLUTION OF THE CITY COUNCIL OF THE  
CITY OF CANYON LAKE ALLOWING CERTAIN  
CLAIMS AND DEMANDS AS SET FORTH IN EXHIBIT A

**Background:**

All claims and demands are reported and summarized for review and approval by the City Council on a routine basis at each City Council meeting. The attached claims represent the paid claims and demands since the City Council meeting of January 6, 2016.

**Budget (or Fiscal) Impact:**

All claims and demands are paid from appropriated funds or authorized resources of the City and have been recorded in accordance with the City's policies.

**Attachments:**

Resolution  
List of Demands

RESOLUTION NO. 2016-04

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CANYON LAKE, CALIFORNIA, ALLOWING CERTAIN CLAIMS AND DEMANDS AS SET FORTH IN EXHIBIT A

The City Council of the City of Canyon Lake does hereby resolve as follows:

Demands are approved as shown on the Demand\Warrant Register of February 3rd, in the amount of \$881,219.60 as follows:

|                          |    |                   |  |
|--------------------------|----|-------------------|--|
| Payroll Earnings (Gross) | \$ | 28,094.56         | (2nd Half of December & 1st Half of January) |
| Payroll Taxes - Employer | \$ | 1,236.33          | (2nd Half of December & 1st Half of January) |
| On-line Retirement       |    | 2,912.14          | (2nd Half of December & 1st Half of January) |
| On-line Health           |    | 126.03            | (For the Month of January)                   |
| General                  |    | 848,850.54        |  |
| TOTAL                    | \$ | <u>881,219.60</u> |  |

PASSED, APPROVED AND ADOPTED this 3rd day of February 2016.

\_\_\_\_\_  
Mayor, Timothy Brown

ATTEST:

\_\_\_\_\_  
Ariel M. Hall, City Clerk

State of California  
County of Riverside ) ss  
City of Canyon Lake )

I, Ariel M. Hall, City Clerk of the City of Canyon Lake, California, DO HEREBY CERTIFY, that the foregoing is a true and correct copy of the Resolution No. 2016-04 adopted by the City Council of the City of Canyon Lake, California, at a regular meeting thereof, held on February 3, 2016, by the following vote:

AYES:  
NOES:  
ABSTAIN:  
ABSENT:

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Ariel M. Hall, City Clerk

**City of Canyon Lake**  
 Check/Voucher Register - Council Report - Expenditures  
 From 1/1/2016 Through 1/31/2016

| Check Num...   | Matching Docum...<br>Date | Vendor Name                                | Transaction Description                        | Check Amount | Fund Code | Fund Short Title |
|----------------|---------------------------|--|--|--------------|-----------|------------------|
| 22057          | 11/19/2...                | Eagle Graphic Creations Inc.               | KATHY BENNETT<br>RETIREMENT GIFT               | (48.60)      | 10        | GENERAL          |
| Total<br>22057 | 11/19/2...                |  |  | (48.60)      |           |                  |
| 22127          | 1/6/2016                  | Air Force 1                                | Maint for scheduled filter<br>change           | 1,194.00     | 10        | GENERAL          |
| Total<br>22127 | 1/6/2016                  |  |  | 1,194.00     |           |                  |
| 22128          | 1/6/2016                  | AMERICAN<br>FORENSIC NURSES<br>LLC         | Blood Draw                                     | 40.00        | 10        | GENERAL          |
| Total<br>22128 | 1/6/2016                  |  |  | 40.00        |           |                  |
| 22129          | 1/6/2016                  | BIO-TOX<br>LABORATORIES                    | BLOOD ANALYSIS                                 | 390.94       | 10        | GENERAL          |
| Total<br>22129 | 1/6/2016                  |  |  | 390.94       |           |                  |
| 22130          | 1/6/2016                  | California Bulding<br>Standards Commission | Building Standards Admin<br>Fee Oct - Dec 2015 | 66.73        | 10        | GENERAL          |
| Total<br>22130 | 1/6/2016                  |  |  | 66.73        |           |                  |
| 22131          | 1/6/2016                  | Corelogic Information<br>Solutions, INC.   | Property Detail Rpt                            | 17.50        | 10        | GENERAL          |
| Total<br>22131 | 1/6/2016                  |  |  | 17.50        |           |                  |
| 22132          | 1/6/2016                  | Cota Cole LLP                              | Attorney Services December<br>2015             | 3,270.48     | 10        | GENERAL          |
| Total<br>22132 | 1/6/2016                  |  |  | 3,270.48     |           |                  |
| 22133          | 1/6/2016                  | CTAI PACIFIC<br>GREENSCAPE                 | LANDSCAPE MAINT SRV<br>DEC 2015                | 5,200.00     | 20        | GAS TAX          |

**City of Canyon Lake**  
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| Check Numb... | Matching Docum... Date | Vendor Name                             | Transaction Description                          | Check Amount | Fund Code | Fund Short Title |
|---------------|------------------------|---|--|--------------|-----------|------------------|
| Total 22133   | 1/6/2016               |   |  | 5,200.00     |           |                  |
| 22134         | 1/6/2016               | DATA TICKET                             | CITATION PROCESSING NOV 2015                     | 100.00       | 10        | GENERAL          |
| 22134         | 1/6/2016               | DATA TICKET                             | FTB PAYMENTS NOV 2015                            | 100.00       | 10        | GENERAL          |
| Total 22134   | 1/6/2016               |   |  | 200.00       |           |                  |
| 22135         | 1/6/2016               | Department of Justice Accounting Office | BLOOD ALCOHOL ANALYSIS                           | 35.00        | 10        | GENERAL          |
| Total 22135   | 1/6/2016               |   |  | 35.00        |           |                  |
| 22136         | 1/6/2016               | DEPARTMENT OF CONSERVATION              | Building Permit Fees                             | 255.57       | 10        | GENERAL          |
| Total 22136   | 1/6/2016               |   |  | 255.57       |           |                  |
| 22137         | 1/6/2016               | DFM ASSOCIATES                          | CALIFORNIA ELECTIONS CODE HANDBOOK 2016          | 54.00        | 10        | GENERAL          |
| Total 22137   | 1/6/2016               |   |  | 54.00        |           |                  |
| 22138         | 1/6/2016               | Division of the State Architech         | Disability Access and Education Fee Oct-Dec 2015 | 54.60        | 10        | GENERAL          |
| Total 22138   | 1/6/2016               |   |  | 54.60        |           |                  |
| 22139         | 1/6/2016               | ELSINORE VALLEY MUNI WATER DIS          | Billing Period 11/20 - 12/21                     | 105.49       | 10        | GENERAL          |
| 22139         | 1/6/2016               | ELSINORE VALLEY MUNI WATER DIS          | Billing Period 11/23 - 12/22                     | 233.85       | 10        | GENERAL          |
| 22139         | 1/6/2016               | ELSINORE VALLEY MUNI WATER DIS          | WATER  | 243.57       | 10        | GENERAL          |
| 22139         | 1/6/2016               | ELSINORE VALLEY MUNI WATER DIS          | Billing Period 11/23 - 12/22                     | 604.45       | 20        | GAS TAX          |
| Total 22139   | 1/6/2016               |   |  | 1,187.36     |           |                  |

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|---------------|------------------------|----------------------------------|--|--------------|-----------|------------------|
| 22140         | 1/6/2016               | Executive Cleaning Services, LLC | CLEANING JAN 2016                                    | 925.00       | 10        | GENERAL          |
| Total 22140   | 1/6/2016               |                                  |  | 925.00       |           |                  |
| 22141         | 1/6/2016               | THE GAS COMPANY                  | Billing Period 12/1 - 12/31                          | 158.86       | 10        | GENERAL          |
| Total 22141   | 1/6/2016               |                                  |  | 158.86       |           |                  |
| 22142         | 1/6/2016               | Lake Chevrolet                   | SERVICE  | 987.12       | 10        | GENERAL          |
| Total 22142   | 1/6/2016               |                                  |  | 987.12       |           |                  |
| 22143         | 1/6/2016               | LANCE, SOLL & LUNGHARD           | City Audit 2014/2015                                 | 10,000.00    | 10        | GENERAL          |
| Total 22143   | 1/6/2016               |                                  |  | 10,000.00    |           |                  |
| 22144         | 1/6/2016               | League of California Cities      | League 2016 Membership dues                          | 100.00       | 10        | GENERAL          |
| 22144         | 1/6/2016               | League of California Cities      | LEAGUE OF CA CITIES-RIVERSIDE DIVISION MEETING BROWN | 40.00        | 10        | GENERAL          |
| Total 22144   | 1/6/2016               |                                  |  | 140.00       |           |                  |
| 22145         | 1/6/2016               | Riverside County Division / LCC  | Annual Membership Dues 2016                          | 5,617.00     | 10        | GENERAL          |
| Total 22145   | 1/6/2016               |                                  |  | 5,617.00     |           |                  |
| 22146         | 1/6/2016               | WARD MAXWELL                     | OVERPAYMENT OF BUSINESS LICENSE RENEWAL              | 1.00         | 10        | GENERAL          |
| Total 22146   | 1/6/2016               |                                  |  | 1.00         |           |                  |

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|---------------|------------------------|---------------------------------------|--|--------------|-----------|------------------|
| 22147         | 1/6/2016               | MIRAGE POOL PLASTERING, INC.          | REFUND OVERPAYMENT ON BUSINESS LICENSE RENEWAL | 20.00        | 10        | GENERAL          |
| Total 22147   | 1/6/2016               |                                       |  | 20.00        |           |                  |
| 22148         | 1/6/2016               | MR. WINDOW & CO.                      | Window Cleaning                                | 95.00        | 10        | GENERAL          |
| Total 22148   | 1/6/2016               |                                       |  | 95.00        |           |                  |
| 22149         | 1/6/2016               | NEXTEL COMMUNICATIONS                 | CELL PHONE 11/25 - 12/24                       | 206.34       | 10        | GENERAL          |
| Total 22149   | 1/6/2016               |                                       |  | 206.34       |           |                  |
| 22150         | 1/6/2016               | OTIS ELEVATOR COMPANY                 | ELEVATOR MAINTENANCE                           | 4,238.35     | 10        | GENERAL          |
| Total 22150   | 1/6/2016               |                                       |  | 4,238.35     |           |                  |
| 22151         | 1/6/2016               | CASH                                  | PETTY CASH NOV-JAN 2016                        | 174.48       | 10        | GENERAL          |
| Total 22151   | 1/6/2016               |                                       |  | 174.48       |           |                  |
| 22152         | 1/6/2016               | PRESS ENTERPRISE                      | ADVERTISING - FIRE DEPARTMENT CONSULTING SRVS  | 326.60       | 10        | GENERAL          |
| 22152         | 1/6/2016               | PRESS ENTERPRISE                      | LAST BILL                                      | 12.87        | 10        | GENERAL          |
| Total 22152   | 1/6/2016               |                                       |  | 339.47       |           |                  |
| 22153         | 1/6/2016               | Edward Aguirre, c/o Production Video  | VIDEO OF COUNCIL MEETINGS FEB 2016             | 2,500.00     | 10        | GENERAL          |
| Total 22153   | 1/6/2016               |                                       |  | 2,500.00     |           |                  |
| 22154         | 1/6/2016               | Rogers, Anderson, Malody & Scott, LLP | ACCOUNTING SERVICES                            | 6,500.00     | 10        | GENERAL          |

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|---------------|---------------------------|----------------------------|---------------------------------------|--------------|-----------|------------------|
| Total 22154   | 1/6/2016                  |                            |                                       | 6,500.00     |           |                  |
| 22155         | 1/6/2016                  | JOHN REGUS                 | LIBRARY LEASE MARCH 2016              | 983.45       | 10        | GENERAL          |
| Total 22155   | 1/6/2016                  |                            |                                       | 983.45       |           |                  |
| 22156         | 1/6/2016                  | County Executive Office    | DEBT SERVICING INVOICE 2015/2016      | 29,298.00    | 10        | GENERAL          |
| 22156         | 1/6/2016                  | County Executive Office    | SHELTERING SERVICES JAN TO MAR 2016   | 11,938.23    | 10        | GENERAL          |
| Total 22156   | 1/6/2016                  |                            |                                       | 41,236.23    |           |                  |
| 22157         | 1/6/2016                  | COUNTY OF RIVERSIDE-TLMA   | Signal Repair and Maint November 2015 | 3,514.38     | 20        | GAS TAX          |
| Total 22157   | 1/6/2016                  |                            |                                       | 3,514.38     |           |                  |
| 22158         | 1/6/2016                  | SOUTHERN CALIFORNIA EDISON | BILLING PERIOD: NOV 20 TO DEC 21      | 26.88        | 10        | GENERAL          |
| 22158         | 1/6/2016                  | SOUTHERN CALIFORNIA EDISON | BILLING PERIOD: NOV 16 TO DEC 16      | 1,170.80     | 10        | GENERAL          |
| 22158         | 1/6/2016                  | SOUTHERN CALIFORNIA EDISON | BILLING PERIOD: NOV 16 TO DEC 16      | 208.64       | 20        | GAS TAX          |
| 22158         | 1/6/2016                  | SOUTHERN CALIFORNIA EDISON | BILLING PERIOD: NOV 21 TO DEC 22      | 108.47       | 20        | GAS TAX          |
| 22158         | 1/6/2016                  | SOUTHERN CALIFORNIA EDISON | BILLING PERIOD: OCT 21 TO NOV 20      | 15.53        | 20        | GAS TAX          |
| 22158         | 1/6/2016                  | SOUTHERN CALIFORNIA EDISON | BILLING PERIOD 12/15 - 12/30          | 446.90       | 20        | GAS TAX          |
| Total 22158   | 1/6/2016                  |                            |                                       | 1,977.22     |           |                  |
| 22159         | 1/6/2016                  | Courtney Shurtleff         | MILEAGE REIMBURSEMENT DEC 2015        | 29.90        | 10        | GENERAL          |
| Total 22159   | 1/6/2016                  |                            |                                       | 29.90        |           |                  |

City of Canyon Lake  
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|---------------|------------------------|----------------------------|--|--------------|-----------|------------------|
| 22160         | 1/6/2016               | So Cal Sandbags, Inc.      | Sand and Bags                                    | 736.00       | 10        | GENERAL          |
| Total 22160   | 1/6/2016               |                            |  | 736.00       |           |                  |
| 22161         | 1/6/2016               | Sparkletts                 | SPARKLETTS DRINKING WATER                        | 69.31        | 10        | GENERAL          |
| Total 22161   | 1/6/2016               |                            |  | 69.31        |           |                  |
| 22162         | 1/6/2016               | STAPLES                    | OFFICE SUPPLIES                                  | 30.51        | 10        | GENERAL          |
| 22162         | 1/6/2016               | STAPLES                    | SUPPLIES   | 285.44       | 10        | GENERAL          |
| Total 22162   | 1/6/2016               |                            |  | 315.95       |           |                  |
| 22163         | 1/6/2016               | STATE COMP. INS. FUND      | Additional Deposit Premium                       | 281.71       | 10        | GENERAL          |
| Total 22163   | 1/6/2016               |                            |  | 281.71       |           |                  |
| 22164         | 1/6/2016               | STATE COMP. INS. FUND      | WORKERS COMP FEB 2016                            | 975.75       | 10        | GENERAL          |
| Total 22164   | 1/6/2016               |                            |  | 975.75       |           |                  |
| 22165         | 1/6/2016               | TelePacific Communications | PHONES   | 491.29       | 10        | GENERAL          |
| Total 22165   | 1/6/2016               |                            |  | 491.29       |           |                  |
| 22166         | 1/6/2016               | TRI LAKE CONSULTANTS, INC. | ENGINEER SERVICES                                | 399.38       | 10        | GENERAL          |
| Total 22166   | 1/6/2016               |                            |  | 399.38       |           |                  |
| 22167         | 1/6/2016               | U. S. Bank                 | Postage, Council Snacks, Chip Reader, Office 365 | 896.86       | 10        | GENERAL          |
| Total 22167   | 1/6/2016               |                            |  | 896.86       |           |                  |

**City of Canyon Lake**  
 Check/Voucher Register - Council Report - Expenditures  
 From 1/1/2016 Through 1/31/2016

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|---------------|------------------------|-------------------------------|---|--------------|-----------|------------------|
| 22168         | 1/6/2016               | VERIZON CALIFORNIA            | BILLING PERIOD: DEC 19 TO JAN 9         | 150.00       | 10        | GENERAL          |
| Total 22168   | 1/6/2016               |                               |   | 150.00       |           |                  |
| 22169         | 1/6/2016               | VERIZON CALIFORNIA            | BILLING PERIOD: DEC 13 TO JAN 12        | 122.19       | 10        | GENERAL          |
| Total 22169   | 1/6/2016               |                               |   | 122.19       |           |                  |
| 22170         | 1/6/2016               | VERIZON CALIFORNIA            | BILLING PERIOD: DEC 13 TO JAN 12        | 221.39       | 10        | GENERAL          |
| Total 22170   | 1/6/2016               |                               |   | 221.39       |           |                  |
| 22171         | 1/6/2016               | WRCOG                         | FY 15/16 WRCOG MEMBER DUES              | 1,406.00     | 10        | GENERAL          |
| Total 22171   | 1/6/2016               |                               |   | 1,406.00     |           |                  |
| 22172         | 1/6/2016               | XEROX                         | MONTHLY COPIER MAINT DECEMBER 2015      | 766.65       | 10        | GENERAL          |
| Total 22172   | 1/6/2016               |                               |   | 766.65       |           |                  |
| 22173         | 1/28/2016              | AMERICAN FORENSIC NURSES LLC  | Blood Draw                              | 40.00        | 10        | GENERAL          |
| Total 22173   | 1/28/2016              |                               |   | 40.00        |           |                  |
| 22174         | 1/28/2016              | ANIMAL FRIENDS OF THE VALLEYS | Animal Control Services Nov 2015        | 3,500.00     | 10        | GENERAL          |
| Total 22174   | 1/28/2016              |                               |   | 3,500.00     |           |                  |
| 22175         | 1/28/2016              | BIO-TOX LABORATORIES          | Blood and Alcohol Screening Dec 3, 2015 | 222.94       | 10        | GENERAL          |

**City of Canyon Lake**  
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|---------------|------------------------|-------------------------------|---|--------------|-----------|------------------|
| 22175         | 1/28/2016              | BIO-TOX LABORATORIES          | Blood Screen Dec 2015                           | 41.70        | 10        | GENERAL          |
| Total 22175   | 1/28/2016              |                               |   | 264.64       |           |                  |
| 22176         | 1/28/2016              | CANYON LAKE MERCHANT-S ASSOC. | 2016 Assessment Lots 51 & 52                    | 3,820.00     | 10        | GENERAL          |
| Total 22176   | 1/28/2016              |                               |   | 3,820.00     |           |                  |
| 22177         | 1/28/2016              | CR&R                          | Refuse  | 600,533.39   | 50        | AGENCY           |
| Total 22177   | 1/28/2016              |                               |   | 600,533.39   |           |                  |
| 22178         | 1/28/2016              | DATA TICKET                   | Citation Monthly Dec 2015                       | 88.45        | 10        | GENERAL          |
| Total 22178   | 1/28/2016              |                               |   | 88.45        |           |                  |
| 22179         | 1/28/2016              | Eagle Graphic Creations Inc.  | Reissue check for Kathy Bennett Retirement Gift | 48.60        | 10        | GENERAL          |
| Total 22179   | 1/28/2016              |                               |   | 48.60        |           |                  |
| 22180         | 1/28/2016              | FRIDAY FLYER                  | Advertising for City Manager                    | 77.00        | 10        | GENERAL          |
| Total 22180   | 1/28/2016              |                               |   | 77.00        |           |                  |
| 22181         | 1/28/2016              | MIG / HOGLE-IRELAND           | Planning Service Dec 2015                       | 5,825.00     | 10        | GENERAL          |
| Total 22181   | 1/28/2016              |                               |   | 5,825.00     |           |                  |
| 22182         | 1/28/2016              | Joe's Hardware                | Copy of Conference Room Key                     | 4.08         | 10        | GENERAL          |
| Total 22182   | 1/28/2016              |                               |   | 4.08         |           |                  |
| 22183         | 1/28/2016              | NP Solutions, Inc.            | 2016 NPS Priority Support Plan                  | 595.00       | 10        | GENERAL          |

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|--------------|------------------------|---------------------------------------|-----------------------------------|--------------|-----------|------------------|
| Total 22183  | 1/28/2016              |                                       |                                   | 595.00       |           |                  |
| 22184        | 1/28/2016              | Norman Phillips                       | Refund Building Permit # 16000    | 131.65       | 10        | GENERAL          |
| Total 22184  | 1/28/2016              |                                       |                                   | 131.65       |           |                  |
| 22185        | 1/28/2016              | Rogers, Anderson, Malody & Scott, LLP | Accounting Services Dec 2015      | 6,500.00     | 10        | GENERAL          |
| Total 22185  | 1/28/2016              |                                       |                                   | 6,500.00     |           |                  |
| 22186        | 1/28/2016              | Regional Conservation Authority       | MSHCP Fee January 2016            | 1,938.00     | 50        | AGENCY           |
| Total 22186  | 1/28/2016              |                                       |                                   | 1,938.00     |           |                  |
| 22187        | 1/28/2016              | RIV. CO. SHERIFF'S DEPT., Acctg & Fin | Law Enforcement Contract Nov 2015 | 109,038.80   | 10        | GENERAL          |
| Total 22187  | 1/28/2016              |                                       |                                   | 109,038.80   |           |                  |
| 22188        | 1/28/2016              | COUNTY OF RIVERSIDE-TLMA              | FY16 Dec SLF Costs                | 75.07        | 20        | GAS TAX          |
| Total 22188  | 1/28/2016              |                                       |                                   | 75.07        |           |                  |
| 22189        | 1/28/2016              | KIRSTEN ROWE                          | Mileage and Reimbursement January | 185.44       | 10        | GENERAL          |
| Total 22189  | 1/28/2016              |                                       |                                   | 185.44       |           |                  |
| 22190        | 1/28/2016              | SOUTHERN CALIFORNIA EDISON            | Billing Period 12/16 - 1/15       | 1,135.64     | 10        | GENERAL          |
| 22190        | 1/28/2016              | SOUTHERN CALIFORNIA EDISON            | Billing Period 12/21 - 1/22       | 28.85        | 10        | GENERAL          |
| 22190        | 1/28/2016              | SOUTHERN CALIFORNIA EDISON            | Billing Period 12/16 - 1/15       | 207.42       | 20        | GAS TAX          |

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 Check/Voucher Register - Council Report - Expenditures  
 From 1/1/2016 Through 1/31/2016

| Check Numb... | Matching Docum... Date | Vendor Name                                | Transaction Description                        | Check Amount | Fund Code | Fund Short Title |
|---------------|------------------------|--|--|--------------|-----------|------------------|
| 22190         | 1/28/2016              | SOUTHERN CALIFORNIA EDISON                 | Billing Period 12/22 - 1/23                    | 109.21       | 20        | GAS TAX          |
| 22190         | 1/28/2016              | SOUTHERN CALIFORNIA EDISON                 | Billing Period 11/20 - 12/21                   | 15.53        | 20        | GAS TAX          |
| 22190         | 1/28/2016              | SOUTHERN CALIFORNIA EDISON                 | Billing Period 12/10 - 1/11                    | 151.10       | 20        | GAS TAX          |
| Total 22190   | 1/28/2016              |  |  | 1,647.75     |           |                  |
| 22191         | 1/28/2016              | Special District Risk Management Authority | Dental Ins Feb 2016                            | 92.09        | 10        | GENERAL          |
| Total 22191   | 1/28/2016              |  |  | 92.09        |           |                  |
| 22192         | 1/28/2016              | Sparkletts                                 | Water Service Dec 2015                         | 22.52        | 10        | GENERAL          |
| Total 22192   | 1/28/2016              |  |  | 22.52        |           |                  |
| 22193         | 1/28/2016              | STAPLES                                    | Office Supplies                                | 328.04       | 10        | GENERAL          |
| Total 22193   | 1/28/2016              |  |  | 328.04       |           |                  |
| 22194         | 1/28/2016              | STATE COMP. INS. FUND                      | Workers Comp adj 6/1/14 - 6/1/15               | 4.50         | 10        | GENERAL          |
| Total 22194   | 1/28/2016              |  |  | 4.50         |           |                  |
| 22195         | 1/28/2016              | STATE COMP. INS. FUND                      | Additional State Fund Monthly Payment Feb 2016 | 177.00       | 10        | GENERAL          |
| Total 22195   | 1/28/2016              |  |  | 177.00       |           |                  |
| 22196         | 1/28/2016              | Synoptek                                   | IT services Feb 2016                           | 1,725.00     | 10        | GENERAL          |
| 22196         | 1/28/2016              | Synoptek                                   | Monthly IT services Jan 2016                   | 1,725.00     | 10        | GENERAL          |
| Total 22196   | 1/28/2016              |  |  | 3,450.00     |           |                  |
| 22197         | 1/28/2016              | TelePacific Communications                 | Telephone 1/16 - 2/15                          | 491.57       | 10        | GENERAL          |

**City of Canyon Lake**  
**Check/Voucher Register - Council Report - Expenditures**  
**From 1/1/2016 Through 1/31/2016**

| Check Numb...       | Matching Docum... Date | Vendor Name        | Transaction Description             | Check Amount      | Fund Code | Fund Short Title |
|---------------------|------------------------|--------------------|-------------------------------------|-------------------|-----------|------------------|
| Total 22197         | 1/28/2016              |                    |                                     | 491.57            |           |                  |
| 22198               | 1/28/2016              | VERIZON CALIFORNIA | Fios Jan 2016                       | 150.00            | 10        | GENERAL          |
| Total 22198         | 1/28/2016              |                    |                                     | 150.00            |           |                  |
| 22199               | 1/28/2016              | VERIZON CALIFORNIA | Phone Jan 2016                      | 228.23            | 10        | GENERAL          |
| Total 22199         | 1/28/2016              |                    |                                     | 228.23            |           |                  |
| 22200               | 1/28/2016              | VERIZON CALIFORNIA | Phone Jan 2016                      | 128.89            | 10        | GENERAL          |
| Total 22200         | 1/28/2016              |                    |                                     | 128.89            |           |                  |
| 22201               | 1/28/2016              | Verizon Wireless   | Billing Period 12/4 - 1/3           | 239.10            | 10        | GENERAL          |
| Total 22201         | 1/28/2016              |                    |                                     | 239.10            |           |                  |
| 22202               | 1/28/2016              | Willdan            | Building & Safety Services Dec 2015 | 6,394.87          | 10        | GENERAL          |
| Total 22202         | 1/28/2016              |                    |                                     | 6,394.87          |           |                  |
| 22203               | 1/28/2016              | WRCOG              | TUMF Jan 2016 Fees                  | 4,437.00          | 50        | AGENCY           |
| Total 22203         | 1/28/2016              |                    |                                     | 4,437.00          |           |                  |
| <b>Report Total</b> |                        |                    |                                     | <b>848,850.54</b> |           |                  |

City of Canyon Lake  
Invoices Selected for Payment - COUNCIL CHECK REPORT

| Vendor ID                           | Invoice Description                                      | Cash Required |
|-------------------------------------|--|---------------|
| Air Force 1                         | Maint for scheduled filter change                        | 1,194.00      |
| AMERICAN FORENSIC                   | Blood Draw   | 40.00         |
| BIO-TOX                             | BLOOD ANALYSIS   | 351.94        |
|                                     | BLOOD ANALYSIS   | 39.00         |
| CBSC                                | Building Standards Admin Fee Oct - Dec 2015              | 66.73         |
| Corelogic                           | Property Detail Rpt                                      | 17.50         |
| Cota Cole                           | Attorney Services December 2015                          | 3,270.48      |
| CTAI PACIFIC<br>GREENSCAP           | LANDSCAPE MAINT SRV DEC 2015                             | 5,200.00      |
| DATA TICKET                         | CITATION PROCESSING NOV 2015                             | 100.00        |
|                                     | FTB PAYMENTS NOV 2015                                    | 100.00        |
| Department of Justice               | BLOOD ALCOHOL ANALYSIS                                   | 35.00         |
| DEPT OF CONSER                      | Building Permit Fees                                     | 255.57        |
| DFM                                 | CALIFORNIA ELECTIONS CODE HANDBOOK 2016                  | 54.00         |
| DSA                                 | Disability Access and Education Fee Oct-Dec 2015         | 54.60         |
| EVMWD                               | Billing Period 11/20 - 12/21                             | 105.49        |
|                                     | Billing Period 11/23 - 12/22                             | 604.45        |
|                                     | Billing Period 11/23 - 12/22                             | 233.85        |
|                                     | WATER  | 243.57        |
| Executive Cleaning<br>Services, LLC | CLEANING JAN 2016  | 925.00        |
| GAS CO                              | Billing Period 12/1 - 12/31                              | 158.86        |
| Lake Chevrolet                      | SERVICE  | 987.12        |
| LANCE, SOLL                         | City Audit 2014/2015                                     | 10,000.00     |
| LCC                                 | League 2016 Membership dues                              | 100.00        |
|                                     | LEAGUE OF CA CITIES- RIVERSIDE DIVISION<br>MEETING BROWN | 40.00         |
| LCC, Riv. Co. Div.                  | Annual Membership Dues 2016                              | 5,617.00      |
| MAXWELL, WARD                       | OVERPAYMENT OF BUSINESS LICENSE RENEWAL                  | 1.00          |
| MIRAGE POOL<br>PLASTERING, INC.     | REFUND OVERPAYMENT ON BUSINESS LICENSE<br>RENEWAL        | 20.00         |
| MR. WINDOW                          | Window Cleaning  | 95.00         |
| NEXTEL                              | CELL PHONE 11/25 - 12/24                                 | 206.34        |
| OTIS                                | ELEVATOR MAINTENANCE                                     | 4,238.35      |
| PETTY CASH                          | PETTY CASH NOV-JAN 2016                                  | 174.48        |
| PRESS ENT                           | ADVERTISING - FIRE DEPARTMENT CONSULTING<br>SRVS         | 326.60        |
|                                     | LAST BILL  | 12.87         |
| Prod. Video                         | VIDEO OF COUNCIL MEETINGS FEB 2016                       | 2,500.00      |
| RAMS                                | ACCOUNTING SERVICES                                      | 6,500.00      |
| REGUS                               | LIBRARY LEASE MARCH 2016                                 | 983.45        |
| riv Co Exec                         | DEBT SERVICING INVOICE 2015/2016                         | 29,298.00     |
|                                     | SHELTERING SERVICES JAN TO MAR 2016                      | 11,938.23     |
| Riv Co TLMA                         | Signal Repair and Maint November 2015                    | 3,514.38      |

Date: 1/14/16  
12:54:37 PM

Page: 1

City of Canyon Lake  
Invoices Selected for Payment - COUNCIL CHECK REPORT

| Vendor ID    | Invoice Description                              | Cash Required |
|--------------|--|---------------|
| SCE          | BILLING PERIOD 12/15 - 12/30                     | 446.90        |
|              | BILLING PERIOD: NOV 16 TO DEC 16                 | 742.65        |
|              | BILLING PERIOD: NOV 16 TO DEC 16                 | 428.15        |
|              | BILLING PERIOD: NOV 16 TO DEC 16                 | 208.64        |
|              | BILLING PERIOD: NOV 20 TO DEC 21                 | 26.88         |
|              | BILLING PERIOD: NOV 21 TO DEC 22                 | 108.47        |
|              | BILLING PERIOD: OCT 21 TO NOV 20                 | 15.53         |
| Shurtleff    | MILEAGE REIMBURSEMENT DEC 2015                   | 29.90         |
| So Cal Sand  | Sand and Bags                                    | 736.00        |
| Sparkletts   | SPARKLETTS DRINKING WATER                        | 69.31         |
| STAPLES      | OFFICE SUPPLIES                                  | 30.51         |
|              | SUPPLIES   | 285.44        |
| STATE FUND   | Additional Deposit Premium                       | 281.71        |
|              | WORKERS COMP FEB 2016                            | 975.75        |
| TelePacific  | PHONES   | 491.29        |
| TRI LAKE     | ENGINEER SERVICES                                | 399.38        |
| US Bank      | Postage, Council Snacks, Chip Reader, Office 365 | 896.86        |
| VERIZON      | BILLING PERIOD: DEC 13 TO JAN 12                 | 221.39        |
|              | BILLING PERIOD: DEC 13 TO JAN 12                 | 122.19        |
|              | BILLING PERIOD: DEC 19 TO JAN 9                  | 150.00        |
| WRCOG        | FY 15/16 WRCOG MEMBER DUES                       | 1,406.00      |
| XEROX        | MONTHLY COPIER MAINT DECEMBER 2015               | 766.65        |
| Report Total |  | 98,442.46     |

City of Canyon Lake  
Invoices Selected for Payment - COUNCIL CHECK REPORT

| Vendor ID            | Invoice Description                             | Cash Required |
|----------------------|---|---------------|
| AMERICAN FORENSIC    | Blood Draw                                      | 40.00         |
| ANIMAL FRIENDS       | Animal Control Services Nov 2015                | 3,500.00      |
| BIO-TOX              | Blood and Alcohol Screening Dec 3, 2015         | 222.94        |
|                      | Blood Screen Dec 2015                           | 41.70         |
| CL MERCHANTS         | 2016 Assessment Lots 51 & 52                    | 3,820.00      |
| CR&R                 | Refuse  | 600,533.39    |
| DATA TICKET          | Citation Monthly Dec 2015                       | 88.45         |
| Eagle                | Reissue check for Kathy Bennett Retirement Gift | 48.60         |
| FRIDAY FLYER         | Advertising for City Manager                    | 77.00         |
| HOGLE-IRELAND        | Planning Service Dec 2015                       | 5,825.00      |
| Joe's                | Copy of Conference Room Key                     | 4.08          |
| NP Solutions         | 2016 NPS Priority Support Plan                  | 595.00        |
| Phillips             | Refund Building Permit # 16000                  | 131.65        |
| RAMS                 | Accounting Services Dec 2015                    | 6,500.00      |
| RCA                  | MSHCP Fee January 2016                          | 1,938.00      |
| Riv Co Sheriff Acctg | Law Enforcement Contract Nov 2015               | 109,038.80    |
| Riv Co TLMA          | FY16 Dec SLF Costs                              | 75.07         |
| ROWEKIRSTEN          | Mileage and Reimbursement January               | 185.44        |
| SCE                  | Billing Period 11/20 - 12/21                    | 15.53         |
|                      | Billing Period 12/10 - 1/11                     | 151.10        |
|                      | Billing Period 12/16 - 1/15                     | 706.84        |
|                      | Billing Period 12/16 - 1/15                     | 428.80        |
|                      | Billing Period 12/16 - 1/15                     | 207.42        |
|                      | Billing Period 12/22 - 1/23                     | 109.21        |
|                      | Billing Period 12/21 - 1/22                     | 28.85         |
| SDRMA                | Dental Ins Feb 2016                             | 92.09         |
| Sparkletts           | Water Service Dec 2015                          | 22.52         |
| STAPLES              | Office Supplies                                 | 328.04        |
| STATE FUND           | Additional State Fund Monthly Payment Feb 2016  | 177.00        |
|                      | Workers Comp adj 6/1/14 - 6/1/15                | 4.50          |
| Synoptek             | IT services Feb 2016                            | 1,725.00      |
|                      | Monthly IT services Jan 2016                    | 1,725.00      |
| TelePacific          | Telephone 1/16 - 2/15                           | 491.57        |
| VERIZON              | Fios Jan 2016                                   | 150.00        |
|                      | Phone Jan 2016                                  | 228.23        |
|                      | Phone Jan 2016                                  | 128.89        |
| VerizonW             | Billing Period 12/4 - 1/3                       | 239.10        |
| Willdan              | Building & Safety Services Dec 2015             | 6,394.87      |
| WRCOG                | TUMF Jan 2016 Fees                              | 4,437.00      |
| Report Total         |   | 750,456.68    |



RECEIVED RECEIVED  
 DEC 23 2015 DEC 23 2015  
 BY: \_\_\_\_\_ BY: *[Signature]*

# INVOICE

DATE: November 30, 2015  
 INVOICE # 11346

**Remit Payment to:**  
 P.O. Box 606  
 Perris, CA 92572-0606  
 PH: (951) 943-6504

**BILL TO:**

City of Canyon Lake  
 31516 Railroad Canyon Road  
 Canyon Lake, CA 92587

Job # CL-001  
 Job Name City of Canyon Lake -  
 General Engineering

Service Period: 10/31/15 - 11/27/15

| DESCRIPTION  | HOURS | RATE     | AMOUNT    |
|--|-------|----------|-----------|
| City Engineer<br>- Review Miscellaneous Documents Including Water Quality Report and Follow Up.  | 1.00  | \$115.00 | 115.00    |
| Senior Engineer<br>- Attend Southwest Zone TAC Meeting   | 3.00  | \$90.00  | 270.00    |
| 10-510-6610<br><i>[Signature]</i><br>1/4/16  |       |          |           |
| <div style="border: 1px solid black; padding: 5px; transform: rotate(-5deg);">             Copies for City Council<br/>             as directed by<br/>             the Finance Committee           </div> |       |          |           |
| <b>SUBTOTAL</b>  |       |          | \$ 385.00 |
| <b>MILEAGE</b>   |       |          | 14.38     |
| <b>TOTAL</b>   |       |          | \$ 399.38 |

THANK YOU FOR YOUR BUSINESS!

RECEIVED

JAN 19 2016

Invoice

BY: RM



MOORE IACOFANO GOLTSMAN, INC.

City of Canyon Lake  
31516 Railroad Canyon #101  
Canyon Lake, CA 92587

January 14, 2016  
Project No: 11815.00  
Invoice No: 0042755

Project 11815.00 Staffing Services, Canyon Lake

Professional Services from December 01, 2015 to December 31, 2015

Phase 004 Project Billable

Professional Personnel

|                         | Hours | Rate   | Amount            |
|-------------------------|-------|--------|-------------------|
| Project Associate       |       |        |                   |
| Alvarez, David          | 11.50 | 100.00 | 1,150.00          |
| Totals                  | 11.50 |        | 1,150.00          |
| <b>Total Labor</b>      |       |        | <b>1,150.00</b>   |
| <b>Total this Phase</b> |       |        | <b>\$1,150.00</b> |

Phase 005 Non-project Billable 2015-2016

Professional Personnel

|                           | Hours | Rate   | Amount            |
|---------------------------|-------|--------|-------------------|
| Project Associate         |       |        |                   |
| Alvarez, David            | 46.75 | 100.00 | 4,675.00          |
| Totals                    | 46.75 |        | 4,675.00          |
| <b>Total Labor</b>        |       |        | <b>4,675.00</b>   |
| <b>Total this Phase</b>   |       |        | <b>\$4,675.00</b> |
| <b>Total this Invoice</b> |       |        | <b>\$5,825.00</b> |

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as directed by  
the Finance Committee

10.350.6619  
dsj  
1/21/16



RECEIVED

JAN 21 2016

BY: RM

INVOICE

Remit

To: 2401 E. Katella Avenue, Suite 300  
Anaheim, CA 92806-6073

Invoice No.: 002-16313

Date: 12-Jan-2016

To: City of Canyon Lake  
Finance Department  
31516 Railroad Canyon Road  
Canyon Lake, CA 92587

Project No.: 101718

**BUILDING and SAFETY SERVICES - December 2015**

|                      |                      |   |             |
|----------------------|----------------------|---|-------------|
| Total Revenue for    | 07/01/15 to 12/31/15 | = | \$84,845.52 |
| Total Charges for    | 07/01/15 to 12/31/15 | = | \$63,634.15 |
| Total Fees collected | 12/01/15 to 12/31/15 | = | \$8,526.49  |

\$8,526.49 X 75% = \$6,394.87

10-360-6610

*dst*  
*1/25/16*

*Copies for City Council  
as directed by  
the Finance Committee*

TOTAL AMOUNT DUE THIS INVOICE: \$6,394.87



Home Profile Reporting Person Information Education Other Organizations

Manage Reports Billing and Payments Payroll Schedule Member Requests Health Reconciliation

Common Tasks **Name:** City of Canyon Lake **CalPERS ID:** 3813045770

Menu

- Billing and Payments
- Super Funded Accounts
- Rate Plan Details
- Payment Accounts

**Payment Request Acceptance**

**Your request for payment has been accepted.**

- **Please print this page for your records.**
- If you need to contact us with questions regarding this payment, please have your Payment Confirmation Number for faster access.
- Your payment will be reflected in your CalPERS account once the payment has been received by CalPERS.
- Your payment account may take longer to post, depending upon your Financial Institution. Once your payment is processed, CalPERS will send a confirmation email to the email address in your profile.

**Payment Setup Total**

**Total Payment Amount: \$1,444.68**

**Payment Summary**

| Payment Confirmation Number | Payment Authorization Date | Receivable ID   | Receivable Description                                      | Payment Method | Payment Account Nickname | Selected Payment Amount |
|-----------------------------|----------------------------|-----------------|---|----------------|--------------------------|-------------------------|
| 1000652641                  | 01/21/2016                 | 100000014551452 | Employer Contribution, Classic, 1684, CalPERS, 2015/2016    | EFT - Debit    | 122234149                | \$1,333.42              |
| 1000652642                  | 01/21/2016                 | 100000014554330 | Employer Contribution, PEPRA New, 26189, CalPERS, 2015/2016 | EFT - Debit    | 122234149                | \$111.26                |

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Build: v5.6.0.a Baseline: 151210 130810 v5.6 Int 2531 UID: 318

*OK [Signature]*  
1/21/16



Home Profile Reporting Person Information Education Other Organizations  
Manage Reports Billing and Payments Payroll Schedule Member Requests Health Reconciliation

Common Tasks Name: City of Canyon Lake CalPERS ID: 3813045770

Menu **Payment Request Acceptance**

- Billing and Payments
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- Your payment account may take longer to post, depending upon your Financial Institution. Once your payment is processed, CalPERS will send a confirmation email to the email address in your profile.

**Payment Setup Total**  
Total Payment Amount: \$126.03

**Payment Summary**

| Payment Confirmation Number | Payment Authorization Date | Receivable ID   | Receivable Description             | Payment Method | Payment Account Nickname | Selected Payment Amount |
|-----------------------------|----------------------------|-----------------|------------------------------------|----------------|--------------------------|-------------------------|
| 1000646873                  | 01/06/2016                 | 100000014673842 | Employer Billing, Health - Medical | EFT - Debit    | 122234149                | \$126.03                |

*draft*  
*1/7/16*

**Labor Distribution**

**City of Canyon Lake**  
Company (10756)

Check Date: 12/31/2015  
Process: 2015123101  
Period: 12/16/2015 to 12/31/2015

| Code   | Earning | Hours | Amount | Code | Tax           | Amount | Code | Tax   | Amount | Code | Tax           | Amount |
|--------|---------|-------|--------|------|---------------|--------|------|-------|--------|------|---------------|--------|
| Reg    | Regular |       | 300.00 | CA   | California SI | 300.00 | CA   | CAETT | 300.00 | CA   | CA Edu & T    | 0.30   |
| 95     |         |       |        | FITW | Federal Inco  | 300.00 | FITW | CASUJ | 300.00 | FITW | California SI | 12.90  |
| 300.00 |         |       |        | MED  | Medicare      | 300.00 | MED  | MED-R | 300.00 | MED  | Medicare - E  | 4.35   |
|        |         |       |        |      |               |        |      |       |        |      |               | 300.00 |
|        |         |       |        |      |               |        |      |       |        |      |               | 317.55 |
|        |         |       |        |      |               |        |      |       |        |      |               | 265.65 |
|        |         |       |        |      |               |        |      |       |        |      |               | 17.55  |
|        |         |       |        |      |               |        |      |       |        |      |               | 0.30   |
|        |         |       |        |      |               |        |      |       |        |      |               | 12.90  |
|        |         |       |        |      |               |        |      |       |        |      |               | 4.35   |
|        |         |       |        |      |               |        |      |       |        |      |               | 300.00 |
|        |         |       |        |      |               |        |      |       |        |      |               | 317.55 |
|        |         |       |        |      |               |        |      |       |        |      |               | 295.65 |
|        |         |       |        |      |               |        |      |       |        |      |               | 17.55  |
|        |         |       |        |      |               |        |      |       |        |      |               | 0.30   |
|        |         |       |        |      |               |        |      |       |        |      |               | 12.90  |
|        |         |       |        |      |               |        |      |       |        |      |               | 4.35   |
|        |         |       |        |      |               |        |      |       |        |      |               | 300.00 |
|        |         |       |        |      |               |        |      |       |        |      |               | 317.55 |
|        |         |       |        |      |               |        |      |       |        |      |               | 95.65  |
|        |         |       |        |      |               |        |      |       |        |      |               | 17.55  |

**Department: (50)Council Members Total**

| Code | Earning | Hours | Amount  | Code | Tax           | Amount  | Code | Tax   | Amount  | Code | Tax           | Amount  |
|------|---------|-------|---------|------|---------------|---------|------|-------|---------|------|---------------|---------|
| 5    | Reg     |       | 1500.00 | CA   | California SI | 1500.00 | CA   | CAETT | 1500.00 | CA   | CA Edu & T    | 1.51    |
| 2    | Reg     |       |         | FITW | Federal Inco  | 1500.00 | FITW | CASUJ | 1500.00 | FITW | California SI | 64.50   |
| 3    | Reg     |       |         | MED  | Medicare      | 1500.00 | MED  | MED-R | 1500.00 | MED  | Medicare - E  | 21.75   |
|      |         |       |         |      |               |         |      |       |         |      |               | 1500.00 |
|      |         |       |         |      |               |         |      |       |         |      |               | 1587.76 |
|      |         |       |         |      |               |         |      |       |         |      |               | 1248.25 |
|      |         |       |         |      |               |         |      |       |         |      |               | 87.76   |

**Report Total**

| Code | Earning        | Hours  | Amount   | Code   | Tax          | Amount   | Code  | Tax   | Amount   | Code  | Tax           | Amount   |
|------|----------------|--------|----------|--------|--------------|----------|-------|-------|----------|-------|---------------|----------|
| 12   | 125CO Cash     |        | 1514.15  | MEDI   | Health Ins   | 13282.88 | CA    | CAETT | 2197.52  | CA    | CA Edu & T    | 2.20     |
| 7    | ADJML Admin Le | 67.50  | 0.00     | PTAXI  | Pre-Tax P.   | 10497.85 | CASUJ | CASUJ | 2197.52  | CASUJ | California SI | 94.49    |
| 3    | Hol Holiday    | 87.00  | 609.00   | CA SDI | Eir          | 13282.88 | MED-R | MED-R | 13970.08 | MED-R | Medicare - E  | 202.57   |
|      | Reg Regular    | 121.00 | 11386.83 | FITW   | Federal Inco | 13970.08 |       |       |          |       |               | 14211.98 |
|      | Sick Sick      | 24.00  | 408.00   | MED    | Medicare     |          |       |       |          |       |               | 14511.24 |
|      | Vac Vacation   | 37.50  | 294.00   |        |              |          |       |       |          |       |               | 10341.01 |
|      |                |        |          |        |              |          |       |       |          |       |               | 299.26   |
|      |                |        |          |        |              |          |       |       |          |       |               | 299.26   |

*[Signature]*  
Ariel Hall, Interim City Manager

1/7/16  
Date

**Labor Distribution**

**City of Canyon Lake**  
Company (10756)

Check Date: 01/15/2016  
Process: 2016011501  
Period: 01/01/2016 to 01/15/2016

**Department: (30)Special Enforcement Team**

| Feeney, Michael S | Emp Id | Rate    | Code | Earning | Hours | Amount | Deduction | Code  | Amount        | Code  | Tax           | Amount | Taxable | Code          | Tax   | Amount | Taxable | Amount   |
|-------------------|--------|---------|------|---------|-------|--------|-----------|-------|---------------|-------|---------------|--------|---------|---------------|-------|--------|---------|----------|
|                   | 83     | 25.8800 | Reg  | Regular | 18.00 | 465.84 |           | CA    | California SI | CA    | CAETT         | 0.00   | 465.84  | CA Edu & T    | CAETT | 0.47   | 465.84  | 0.47     |
|                   |        |         |      |         |       |        |           | CASDI | CA SDI - Err  | CASUI | California SI | 4.19   | 465.84  | California SI | CASUI | 24.22  | 465.84  | Gross    |
|                   |        |         |      |         |       |        |           | FITW  | Federal Inco  | MED-R | Medicare - E  | 37.21  | 465.84  | Medicare - E  | MED-R | 6.76   | 465.84  | Tot Liab |
|                   |        |         |      |         |       |        |           | MED   | Medicare      |       |               | 6.75   | 465.84  |               |       |        | 465.84  | Net Amt  |
|                   |        |         |      |         |       |        |           |       |               |       |               | 48.15  |         |               |       |        |         | 417.69   |
|                   |        |         |      |         |       |        |           |       |               |       |               |        |         |               |       |        |         | 31.45    |

| Henery, Ivan R | Emp Id | Rate    | Code | Earning | Hours | Amount | Deduction | Code  | Amount        | Code  | Tax           | Amount | Taxable | Code          | Tax   | Amount | Taxable | Amount   |
|----------------|--------|---------|------|---------|-------|--------|-----------|-------|---------------|-------|---------------|--------|---------|---------------|-------|--------|---------|----------|
|                | 70     | 28.0000 | Reg  | Regular | 35.50 | 994.00 |           | CA    | California SI | CA    | CAETT         | 15.66  | 994.00  | CA Edu & T    | CAETT | 0.99   | 994.00  | 0.99     |
|                |        |         |      |         |       |        |           | CASDI | CA SDI - Err  | CASUI | California SI | 8.95   | 994.00  | California SI | CASUI | 51.69  | 994.00  | Gross    |
|                |        |         |      |         |       |        |           | FITW  | Federal Inco  | MED-R | Medicare - E  | 115.71 | 994.00  | Medicare - E  | MED-R | 14.41  | 994.00  | Tot Liab |
|                |        |         |      |         |       |        |           | MED   | Medicare      |       |               | 14.41  | 994.00  |               |       |        | 1061.09 | Net Amt  |
|                |        |         |      |         |       |        |           |       |               |       |               | 154.73 |         |               |       |        |         | 839.27   |
|                |        |         |      |         |       |        |           |       |               |       |               |        |         |               |       |        |         | 67.09    |

| Parker, Marianne L | Emp Id | Rate    | Code | Earning | Hours | Amount | Deduction | Code  | Amount        | Code  | Tax           | Amount | Taxable | Code          | Tax   | Amount | Taxable | Amount   |
|--------------------|--------|---------|------|---------|-------|--------|-----------|-------|---------------|-------|---------------|--------|---------|---------------|-------|--------|---------|----------|
|                    | 93     | 25.8800 | Reg  | Regular | 16.00 | 414.08 |           | CA    | California SI | CA    | CAETT         | 25.00  | 414.08  | CA Edu & T    | CAETT | 0.41   | 414.08  | 0.41     |
|                    |        |         |      |         |       |        |           | CASDI | CA SDI - Err  | CASUI | California SI | 3.73   | 414.08  | California SI | CASUI | 21.53  | 414.08  | Gross    |
|                    |        |         |      |         |       |        |           | FITW  | Federal Inco  | MED-R | Medicare - E  | 132.03 | 414.08  | Medicare - E  | MED-R | 6.00   | 414.08  | Tot Liab |
|                    |        |         |      |         |       |        |           | MED   | Medicare      |       |               | 6.00   | 414.08  |               |       |        | 414.08  | Net Amt  |
|                    |        |         |      |         |       |        |           |       |               |       |               | 166.76 |         |               |       |        |         | 247.32   |
|                    |        |         |      |         |       |        |           |       |               |       |               |        |         |               |       |        |         | 27.94    |

| Voshall, Jean M | Emp Id | Rate    | Code | Earning | Hours | Amount  | Deduction | Code  | Amount        | Code  | Tax           | Amount | Taxable | Code          | Tax   | Amount | Taxable | Amount   |
|-----------------|--------|---------|------|---------|-------|---------|-----------|-------|---------------|-------|---------------|--------|---------|---------------|-------|--------|---------|----------|
|                 | 72     | 26.9200 | Reg  | Regular | 40.00 | 1076.80 |           | CA    | California SI | CA    | CAETT         | 219.31 | 1076.80 | CA Edu & T    | CAETT | 1.08   | 1076.80 | 1.08     |
|                 |        |         |      |         |       |         |           | CASDI | CA SDI - Err  | CASUI | California SI | 9.69   | 1076.80 | California SI | CASUI | 55.99  | 1076.80 | Gross    |
|                 |        |         |      |         |       |         |           | FITW  | Federal Inco  | MED-R | Medicare - E  | 128.13 | 1076.80 | Medicare - E  | MED-R | 15.61  | 1076.80 | Tot Liab |
|                 |        |         |      |         |       |         |           | MED   | Medicare      |       |               | 15.61  | 1076.80 |               |       |        | 1149.48 | Net Amt  |
|                 |        |         |      |         |       |         |           |       |               |       |               | 372.74 |         |               |       |        |         | 704.06   |
|                 |        |         |      |         |       |         |           |       |               |       |               |        |         |               |       |        |         | 72.68    |

**Department: (30)Special Enforcement Team Total**

| Employees | Code | Earning | Hours  | Amount  | Deduction | Code  | Amount        | Code  | Tax           | Amount | Taxable | Code          | Tax   | Amount | Taxable | Amount |         |
|-----------|------|---------|--------|---------|-----------|-------|---------------|-------|---------------|--------|---------|---------------|-------|--------|---------|--------|---------|
| Female    | 1    | Regular | 109.50 | 2950.72 |           | CA    | California SI | CA    | CAETT         | 259.97 | 2950.72 | CA Edu & T    | CAETT | 2.95   | 2950.72 | 2.95   |         |
| Male      | 1    | Regular | 109.50 | 2950.72 |           | CASDI | CA SDI - Err  | CASUI | California SI | 26.56  | 2950.72 | California SI | CASUI | 153.43 | 2950.72 | 153.43 |         |
|           |      | Sick    |        |         |           | FITW  | Federal Inco  | MED-R | Medicare - E  | 413.08 | 2950.72 | Medicare - E  | MED-R | 42.78  | 2950.72 | 42.78  |         |
|           |      |         |        |         |           | MED   | Medicare      |       |               | 42.77  | 2950.72 |               |       |        |         |        | 2950.72 |
|           |      |         |        |         |           |       |               |       |               | 742.38 |         |               |       |        |         |        | 2208.34 |
|           |      |         |        |         |           |       |               |       |               |        |         |               |       |        |         |        | 199.16  |

**Report Total**

| Employees | Code | Earning        | Hours  | Amount   | Deduction        | Code   | Amount       | Code          | Tax          | Amount        | Taxable  | Code          | Tax   | Amount | Taxable  | Amount |          |
|-----------|------|----------------|--------|----------|------------------|--------|--------------|---------------|--------------|---------------|----------|---------------|-------|--------|----------|--------|----------|
| Female    | 5    | 125CO 125 Cash |        | 1153.19  | PTAXI Pre-Tax P. | 622.14 | CA           | California SI | CA           | CAETT         | 665.43   | CA Edu & T    | CAETT | 13.88  | 13882.58 | 13.88  |          |
| Male      | 1    | Regular        | 251.50 | 12729.39 | PTXPE Pre-Tax P. | 55.69  | CASDI        | CA SDI - Err  | CASUI        | California SI | 124.95   | California SI | CASUI | 721.89 | 13882.58 | 721.89 |          |
|           |      | Sick           | 6.75   | 0.00     |                  | FITW   | Federal Inco | MED-R         | Medicare - E | 1785.09       | 13204.75 | Medicare - E  | MED-R | 201.30 | 13882.58 | 201.30 |          |
|           |      |                |        |          |                  | MED    | Medicare     |               |              | 201.28        | 13882.58 |               |       |        |          |        | 14819.65 |
|           |      |                |        |          |                  |        |              |               |              | 2776.75       |          |               |       |        |          |        | 10428.00 |
|           |      |                |        |          |                  |        |              |               |              |               |          |               |       |        |          |        | 937.07   |

*Adel M. Hall*  
Adel M. Hall, Interim City Manager  
Date: 1/14/16



P.O. BOX 6343  
FARGO ND 58125-6343

**ACCOUNT NUMBER** 4246 0445 5568 4145  
**STATEMENT DATE** 01-06-2016  
**AMOUNT DUE** \$896.86  
**NEW BALANCE** \$896.86  
PAYMENT DUE ON RECEIPT

*change*



000000212 1 SP 0.500 106481341292598 P  
CITY OF CANYON LAKE  
ATTN KEITH BRESKIN  
31516 RAILROAD CANYON RD  
CANYON LAKE CA 92587-9400

**AMOUNT ENCLOSED**  
\$

Please make check payable to "U.S. Bank"

U.S. BANK CORPORATE PAYMENT SYSTEM  
P.O. BOX 790428  
ST. LOUIS, MO 63179-0428

Notary  
Association

ormation:

RECEIVED

JAN 12 2016

BY: RS

4246044555684145 000089686 000089686

**U S BANK Statement dated 1/6/2016**

| ITEM #                   | CREDITOR                                   | DESCRIPTION                | AMOUNT           | ACCOUNT     |
|--------------------------|--|----------------------------|------------------|-------------|
| 1                        | USPS                                       | Postage                    | \$ 6.74          | 10-310-6210 |
| 2                        | USPS                                       | Postage                    | \$ 196.00        | 10-310-6210 |
| 3                        | USPS                                       | Postage                    | \$ 294.00        | 10-310-6210 |
| 4                        | MSFT                                       | Office 365 Monthly Fee     | \$ 237.50        | 10-310-6610 |
| 5                        | Stater Bros                                | Council Snacks             | \$ 7.98          | 10-100-6510 |
| 6                        | NNA Services                               | Stamp - Amend/remake bond  | \$ 47.62         | 10-310-6210 |
| 7                        | Canyon Lake Market                         | Hot Chocolate for Hanukkah | \$ 12.98         | 10-100-6510 |
| 8                        | Square Hardware                            | Chip Reader                | \$ 52.92         | 10-310-6210 |
| 9                        | Square Hardware                            | Refund Tax on Chip Reader  | \$ (3.92)        | 10-310-6210 |
| 10                       | Canyon Lake Country Club                   | Round Table EVMWD          | \$ 45.04         | 10-310-6510 |
|                          |  |                            | <b>\$ 896.86</b> |             |
| <b>Account Breakdown</b> |  |                            |                  |             |
|                          | City Council Conference/Meeting/Travel Exp | 10-100-6510                | \$ 20.96         |             |
|                          | Professional/Specialized Services          | 10-310-6610                | \$ 237.50        |             |
|                          | City Council Snacks                        | 10-100-6510                | \$ -             |             |
|                          | Postage                                    | 10-310-6210                | \$ 593.36        |             |
|                          | City Manager Conference/Meeting/Travel Exp | 10-310-6510                | \$ 45.04         |             |
|                          | Veterans Day                               | 10-100-6830                |                  |             |
|                          |  |                            | <b>\$ 896.86</b> |             |
|                          |  |                            | Check Figure \$  | -           |

*Copies for City Council  
as directed by  
the Finance Committee*

*[Signature]*  
1/14/16



Home Profile Reporting Person Information Education Other Organizations  
 Manage Reports Billing and Payments Payroll Schedule Member Requests Health Reconciliation

Common Tasks Name: City of Canyon Lake CalPERS ID: 3813045770

Menu   
Billing and Payments  
 Super Funded Accounts  
 Rate Plan Details  
 Payment Accounts

Payment Request Acceptance

Your request for payment has been accepted.

- Please print this page for your records.
- If you need to contact us with questions regarding this payment, please have your Payment Confirmation Number for faster access.
- Your payment will be reflected in your CalPERS account once the payment has been received by CalPERS.
- Your payment account may take longer to post, depending upon your Financial Institution. Once your payment is processed, CalPERS will send a confirmation email to the email address in your profile.

Payment Setup Total

Total Payment Amount: \$1,467.46

Payment Summary

| Payment Confirmation Number | Payment Authorization Date | Receivable ID   | Receivable Description                                     | Payment Method | Payment Account Nickname | Selected Payment Amount |
|-----------------------------|----------------------------|-----------------|--|----------------|--------------------------|-------------------------|
| 1000646892                  | 01/06/2016                 | 100000014551452 | Employer Contribution, Classic, 1684, CalPERS, 2015/2016   | EFT - Debit    | 122234149                | \$1,393.28              |
| 1000646893                  | 01/06/2016                 | 100000014554330 | Employer Contribution, PEPR New, 26189, CalPERS, 2015/2016 | EFT - Debit    | 122234149                | \$74.18                 |

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Build: v5.6.0 a Baseline 151210 130910 v5.6 Int 2531 UID: 318

*de*  
1/7/16

**CITY OF CANYON LAKE**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-UNAUDITED**  
**GENERAL FUND**  
**FOR THE ONE MONTH AND FIVE MONTHS ENDED NOVEMBER 30, 2015**

|  | Current<br>Period Actual | Year-to-Date<br>Actual          | July-November<br>Budget | % Total<br>of Budget<br>Used |
|--|--------------------------|---------------------------------|-------------------------|------------------------------|
| <b>REVENUES</b>  |                          |                                 |                         |                              |
| Taxes  | \$ 128,025.89            | \$ 484,877.71                   | \$ 401,000              | 120.92                       |
| Licenses and Permits                                     | 36,882.25                | 122,475.21                      | 107,675                 | 113.75                       |
| Fines  | 1,920.48                 | 11,412.72                       | 6,250                   | 182.60                       |
| Franchise Fees   | 29,029.33                | 50,776.19                       | 50,250                  | 101.05                       |
| Investment earnings                                      | 1,642.86                 | 24,794.46                       | 26,940                  | 92.04                        |
| Intergovernmental  | -                        | 106.34                          | 2,000                   | 5.32                         |
| Other Income   | 8,604.00                 | 17,270.04                       | 19,000                  | 90.89                        |
| Total Revenues   | <u>206,104.81</u>        | <u>711,712.67</u>               | <u>613,115</u>          | <u>116.08</u>                |
| <b>EXPENDITURES</b>                                      |                          |                                 |                         |                              |
| <b>DEPARTMENTS</b>                                       |                          |                                 |                         |                              |
| City Council   | 7,284.36                 | 24,274.73                       | 38,390                  | 63.23                        |
| City Attorney  | 17,267.84                | 48,586.79                       | 31,250                  | 155.48                       |
| City Manager   | 16,249.05                | 120,427.45                      | 143,980                 | 83.64                        |
| City Clerk   | 9,287.20                 | 62,392.52                       | 61,340                  | 101.72                       |
| Finance  | 1,613.91                 | 29,103.09                       | 35,000                  | 83.15                        |
| Planning   | 4,950.00                 | 22,490.00                       | 18,693                  | 120.31                       |
| Building & Safety  | 17,392.54                | 44,233.73                       | 50,942                  | 86.83                        |
| Law Enforcement  | 107,677.22               | 300,444.81                      | 518,306                 | 57.97                        |
| Fire & Medical   | 207.00                   | 44,857.53                       | 50,475                  | 88.87                        |
| Emergency Preparedness                                   | -                        | 412.00                          | 520                     | 79.23                        |
| Animal Control   | 3,500.00                 | 63,674.46                       | 69,050                  | 92.22                        |
| Public Works Administration                              | 925.15                   | 8,197.36                        | 5,090                   | 161.05                       |
| NPDES  | 5,853.40                 | 45,387.74                       | 49,160                  | 92.33                        |
| Special Enforcement                                      | 5,776.31                 | 28,289.37                       | 46,875                  | 60.35                        |
| Building & Facility                                      | 1,360.25                 | 34,289.83                       | 30,025                  | 114.20                       |
| Total Expenditures                                       | <u>199,344.23</u>        | <u>877,061.41</u>               | <u>1,149,096</u>        | <u>76.33</u>                 |
| Excess (Deficit)   | <u>\$ 6,760.58</u>       | <u>\$ (165,348.74)</u>          | <u>\$ (535,981)</u>     |                              |
| <b>Fund Balance - Beginning of Year</b>                  |                          | <u>2,332,584.92</u>             |                         |                              |
| <b>Fund Balance - November 30, 2015 (before closing)</b> |                          | <u><b>\$ 2,167,236.18</b></u> * |                         |                              |

\* Fund Balance is based on modified accrual basis as no closing procedures are performed until year end.

**CITY OF CANYON LAKE**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-UNAUDITED**  
**GENERAL FUND**  
**FOR THE ONE MONTH AND SIX MONTHS ENDED DECEMBER 31, 2015**

|  | Current<br>Period Actual | Year-to-Date<br>Actual   | July-November<br>Budget | % Total<br>of Budget<br>Used |
|--|--------------------------|--------------------------|-------------------------|------------------------------|
| <b>REVENUES</b>  |                          |                          |                         |                              |
| Taxes  | \$ 568,888.57            | \$ 1,053,766.28          | \$ 958,000              | 110.00                       |
| Licenses and Permits                                     | 17,162.91                | 139,638.12               | 134,110                 | 104.12                       |
| Fines  | 751.84                   | 12,164.56                | 7,500                   | 162.19                       |
| Franchise Fees   | -                        | 50,776.19                | 50,250                  | 101.05                       |
| Investment earnings                                      | 2,404.53                 | 27,198.99                | 32,328                  | 84.13                        |
| Intergovernmental  | 4,398.37                 | 4,504.71                 | 2,000                   | 225.24                       |
| Other Income   | 733.17                   | 18,003.21                | 23,000                  | 78.27                        |
| Total Revenues   | <u>594,339.39</u>        | <u>1,306,052.06</u>      | <u>1,207,188</u>        | <u>108.19</u>                |
| <b>EXPENDITURES</b>                                      |                          |                          |                         |                              |
| <b>DEPARTMENTS</b>                                       |                          |                          |                         |                              |
| City Council   | 2,220.42                 | 26,495.15                | 43,096                  | 61.48                        |
| City Attorney  | 5,970.57                 | 54,557.36                | 37,500                  | 145.49                       |
| City Manager   | 20,865.86                | 141,293.31               | 166,340                 | 84.94                        |
| City Clerk   | 9,872.00                 | 72,264.52                | 73,248                  | 98.66                        |
| Finance  | 8,976.54                 | 38,079.63                | 52,090                  | 73.10                        |
| Planning   | 3,205.00                 | 25,695.00                | 23,385                  | 109.88                       |
| Building & Safety  | 13,345.54                | 57,579.27                | 63,794                  | 90.26                        |
| Law Enforcement  | 110,100.05               | 410,544.86               | 643,681                 | 63.78                        |
| Fire & Medical   | 222.64                   | 45,080.17                | 51,450                  | 87.62                        |
| Emergency Preparedness                                   | -                        | 412.00                   | 1,200                   | 34.33                        |
| Animal Control   | 7,997.47                 | 71,671.93                | 72,550                  | 98.79                        |
| Public Works Administration                              | -                        | 8,197.36                 | 6,120                   | 133.94                       |
| NPDES  | 1,003.59                 | 46,391.33                | 50,492                  | 91.88                        |
| Special Enforcement                                      | 5,829.08                 | 34,118.45                | 57,570                  | 59.26                        |
| Building & Facility                                      | 5,378.53                 | 39,668.36                | 34,675                  | 114.40                       |
| Total Expenditures                                       | <u>194,987.29</u>        | <u>1,072,048.70</u>      | <u>1,377,191</u>        | <u>77.84</u>                 |
| Excess (Deficit)   | <u>\$ 399,352.10</u>     | <u>\$ 234,003.36</u>     | <u>\$ (170,003)</u>     |                              |
| <b>Fund Balance - Beginning of Year</b>                  |                          | <u>2,332,584.92</u>      |                         |                              |
| <b>Fund Balance - December 31, 2015 (before closing)</b> |                          | <u>\$ 2,566,588.28</u> * |                         |                              |

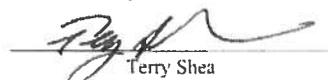
\* Fund Balance is based on modified accrual basis as no closing procedures are performed until year end.

City of Canyon Lake  
Schedule of Investments  
as of December 31, 2015

ITEM 8

| Institution                           | Par Value       | Book Value<br>Price @<br>Cost | (Fair Value)<br>Market<br>Value | Yield  | Purchase Date | Maturity Date |
|---------------------------------------|-----------------|-------------------------------|---------------------------------|--------|---------------|---------------|
| <b><u>ACTIVE DEPOSITS</u></b>         |                 |                               |                                 |        |               |               |
| <i>Money Market Accounts:</i>         |                 |                               |                                 |        |               |               |
| Citizens Business Bank - Money Market | \$ 309,119.92   | \$ 309,119.92                 | \$ 309,119.92                   | 0.200% | N/A           | N/A           |
| Total Money Market                    | \$ 309,119.92   | \$ 309,119.92                 | \$ 309,119.92                   |        |               |               |
| <i>Pooled Investment Accounts:</i>    |                 |                               |                                 |        |               |               |
| Local Agency Investment Fund          | \$ 9,538.66     | \$ 9,538.66                   | \$ 9,538.66                     | 0.370% | N/A           | N/A           |
| Total Pooled Investment               | \$ 9,538.66     | \$ 9,538.66                   | \$ 9,538.66                     |        |               |               |
| <i>Certificates of Deposit:</i>       |                 |                               |                                 |        |               |               |
| Alta Pacific CD                       | \$ 108,848.62   | \$ 108,848.62                 | \$ 108,848.62                   | 1.110% | 04/21/15      | 04/21/16      |
| Total Certificates of Deposit         | \$ 108,848.62   | \$ 108,848.62                 | \$ 108,848.62                   |        |               |               |
| <i>Citizens Trust:</i>                |                 |                               |                                 |        |               |               |
| Citizens Business Bank Mmkt Fund      | \$ 97,590.49    | \$ 97,590.49                  | \$ 97,590.49                    | 0.200% | N/A           | N/A           |
| American Medium Term CD               | \$ 100,000.00   | \$ 99,975.00                  | \$ 100,734.31                   | 1.600% | 09/24/15      | 09/17/18      |
| Caterpillar Financial Service Corp    | \$ 200,000.00   | \$ 207,764.00                 | \$ 201,224.00                   | 2.050% | 01/09/13      | 08/01/16      |
| Federal Home Loan Bank                | \$ 200,000.00   | \$ 199,880.00                 | \$ 200,008.00                   | 1.750% | 02/20/15      | 02/20/20      |
| Federal Home Loan Bank                | \$ 70,000.00    | \$ 70,920.50                  | \$ 70,425.60                    | 2.000% | 12/27/15      | 12/27/19      |
| Federal Home Loan Bank                | \$ 92,683.00    | \$ 92,682.93                  | \$ 92,516.10                    | 0.625% | 11/28/12      | 11/28/16      |
| Federal Home Loan Bank                | \$ 25,000.00    | \$ 24,808.75                  | \$ 24,850.75                    | 1.550% | 01/28/15      | 01/17/20      |
| Federal Home Loan Bank                | \$ 100,000.00   | \$ 100,000.00                 | \$ 98,685.00                    | 1.400% | 10/29/15      | 10/29/19      |
| Federal Home Loan Bank                | \$ 100,000.00   | \$ 100,000.00                 | \$ 99,539.00                    | 1.750% | 12/30/15      | 12/30/19      |
| Federal Farm Credit Bank              | \$ 100,000.00   | \$ 99,700.00                  | \$ 98,994.00                    | 1.730% | 02/11/15      | 02/11/20      |
| Federal Home Loan Bank                | \$ 100,000.00   | \$ 99,667.18                  | \$ 98,816.00                    | 1.375% | 10/01/15      | 09/13/19      |
| Freddie Mac                           | \$ 100,000.00   | \$ 100,000.00                 | \$ 99,219.00                    | 1.200% | 11/23/15      | 11/23/18      |
| Freddie Mac                           | \$ 100,000.00   | \$ 100,000.00                 | \$ 100,169.00                   | 2.000% | 09/30/15      | 09/30/20      |
| Freddie Mac                           | \$ 100,000.00   | \$ 100,000.00                 | \$ 100,015.00                   | 2.000% | 11/30/15      | 11/25/20      |
| BMW Bank North America                | \$ 100,000.00   | \$ 99,980.00                  | \$ 102,376.72                   | 2.200% | 10/01/15      | 09/30/20      |
| Capital One CD                        | \$ 100,000.00   | \$ 99,615.00                  | \$ 102,329.66                   | 2.200% | 10/07/15      | 10/07/20      |
| Enerbank USA CD                       | \$ 100,000.00   | \$ 100,000.00                 | \$ 100,251.88                   | 1.750% | 10/16/15      | 10/16/20      |
| Freddie Mac                           | \$ 100,000.00   | \$ 99,890.00                  | \$ 100,130.00                   | 1.620% | 04/17/15      | 11/21/19      |
| Freddie Mac                           | \$ 100,000.00   | \$ 99,859.00                  | \$ 100,121.00                   | 1.750% | 06/16/15      | 12/16/19      |
| GE Capital Corp                       | \$ 105,000.00   | \$ 113,211.00                 | \$ 107,022.30                   | 3.350% | 11/30/12      | 10/17/16      |
| GE Capital Corp                       | \$ 75,000.00    | \$ 78,075.75                  | \$ 75,920.25                    | 2.300% | 05/09/13      | 04/27/17      |
| JP Mogan Chase                        | \$ 150,000.00   | \$ 149,340.00                 | \$ 150,508.50                   | 2.000% | 08/26/13      | 08/15/17      |
| Federal Farm Credit Bank              | \$ 75,000.00    | \$ 73,208.25                  | \$ 74,113.50                    | 1.290% | 06/04/14      | 11/29/16      |
| Fannie Mae                            | \$ 100,000.00   | \$ 100,000.00                 | \$ 100,147.00                   | 1.750% | 05/20/15      | 05/20/20      |
| BB&T Corporation                      | \$ 75,000.00    | \$ 75,502.70                  | \$ 75,435.75                    | 2.625% | 09/08/15      | 06/29/20      |
| Pepsico                               | \$ 25,000.00    | \$ 28,169.00                  | \$ 27,152.25                    | 4.500% | 02/03/15      | 01/15/20      |
| Total Citizens Trust                  | \$ 2,590,273.49 | \$ 2,609,839.55               | \$ 2,598,295.06                 |        |               |               |
| <b><u>ACTIVE DEPOSITS TOTAL</u></b>   | \$ 3,017,780.69 | \$ 3,037,346.75               | \$ 3,025,802.26                 |        |               |               |
| <b><u>INACTIVE DEPOSITS</u></b>       |                 |                               |                                 |        |               |               |
| <i>Checking Account:</i>              |                 |                               |                                 |        |               |               |
| Citizens Business Bank - Checking     |                 | \$ 1,186,673.20               | \$ 1,186,673.20                 | 0.000% | N/A           | N/A           |
| Total                                 |                 | \$ 1,186,673.20               | \$ 1,186,673.20                 | 0.000% |               |               |
| <b><u>INACTIVE DEPOSITS TOTAL</u></b> |                 | \$ 1,186,673.20               | \$ 1,186,673.20                 |        |               |               |
| <b><u>GRAND TOTAL CASH</u></b>        |                 | \$ 4,224,019.95               | \$ 4,212,475.46                 |        |               |               |

Per Government Code requirements, the Investment Report is in compliance with the City of Canyon Lake's Investment Policy, and there are adequate funds available to meet budgeted and actual expenditures for the next six months

  
Terry Shea  
12/31/2015

# CITIZENSTRUST™

RECEIVED

JAN 19 2016

BY: RM

CITY OF CANYON LAKE  
31516 RAILROAD CANYON RD  
CANYON LAKE CA 92587

STATEMENT FOR THE PERIOD FROM 12/01/2015 TO 12/31/2015  
ACCOUNT 1035003119

THIS IS YOUR REPORT OF INVESTMENTS AND TRANSACTIONS FOR THE PERIOD. INCLUDED  
IN THE REPORT ARE

\* PORTFOLIO: SUMMARY GRAPHICAL DISPLAY WITH MARKET VALUE & PERCENT

\* ACTIVITY SUMMARY: MARKET VALUE WITH TRANSACTION SUMMARY

\* PORTFOLIO STATEMENT: A LISTING OF COST AND MARKET VALUE OF ASSETS  
HELD IN THE PORTFOLIO

COST BASIS APPLICABLE FOR CALCULATING CAPITAL GAINS AND LOSSES.  
MARKET VALUE IS THE CURRENT VALUE OF EACH ASSET FOR MOST STOCKS AND BONDS.  
MARKETS ARE THE CLOSING PRICES ON THE LAST TRADING DAY OF THE PERIOD.

\* TRANSACTION STATEMENT: A COMPLETE LISTING FOR THE PERIOD GROUPED BY  
TRANSACTION TYPE.

\* DISCLOSURES: CITIZENS BUSINESS BANK MAY RECEIVE RESEARCH AND OTHER BENEFITS  
FROM BROKER DEALERS WHICH MAY BE CONSIDERED COMPENSATION TO US. UPON REQUEST  
WE WILL DISCLOSE DETAILS OF ANY COMPENSATION RECEIVED.

\* TO TRUST BENEFICIARIES: UNDER SECTION 17200 OF CALIFORNIA PROBATE CODE,  
YOU MAY PETITION THE COURT TO OBTAIN A COURT REVIEW OF THE ACCOUNT AND  
THE ACTS OF THE TRUSTEE. CLAIMS AGAINST THE TRUSTEE FOR BREACH OF TRUST  
MUST BE MADE WITHIN THREE YEARS FROM THE DATE OF RECEIPT OF AN ACCOUNTING  
OR OTHER REPORT DISCLOSING FACTS GIVING RISE TO THE CLAIM.

# CITIZENSTRUST™ Account Summary Statement

Statement Period: Dec 01, 2015 Through Dec 31, 2015

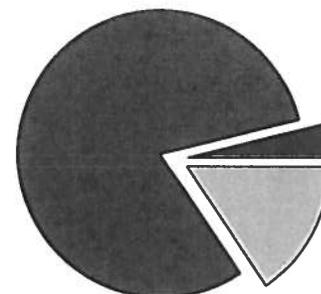


CITY OF CANYON LAKE  
31516 RAILROAD CANYON RD  
CANYON LAKE, CA 92587

|                                  |   |
|----------------------------------|---|
| Account Name:                    | <b>CITY OF CANYON LAKE<br/>CITIZENS BUSINESS BANK</b> |
| Account Number:                  | <b>1035003119</b>                                     |
| Your Relationship<br>Manager Is: | <b>ROBERT SWAN</b>                                    |
| Phone:                           | <b>909-483-4390</b>                                   |

## Investment Portfolio Summary

| Market Value As Of   | 12/01/2015          | 12/31/2015          | % Of Account  |
|--|---------------------|---------------------|---------------|
|  CASH & CASH EQUIVALENTS | 195,162.61          | 97,590.49           | 3.8%          |
|  FIXED INCOME           | 2,000,376.53        | 2,095,012.00        | 80.6%         |
|  MISCELLANEOUS         | 409,520.09          | 405,692.57          | 15.6%         |
| <b>Total</b>   | <b>2,605,059.23</b> | <b>2,598,295.06</b> | <b>100.0%</b> |



## Activity Summary

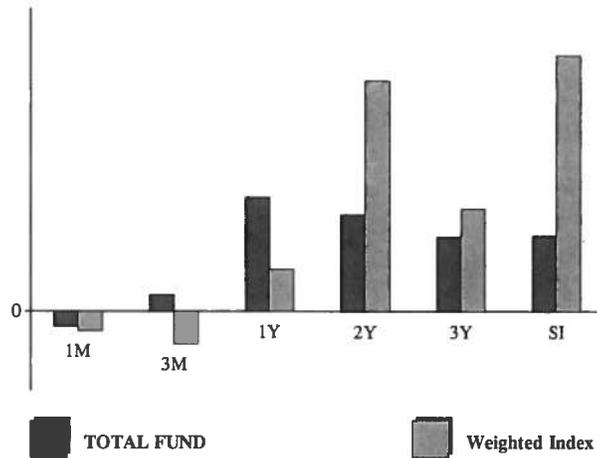
|                               | This Period         | Year To Date        | Realized Capital Gains / Losses |                   |
|-------------------------------|---------------------|---------------------|---------------------------------|-------------------|
|                               |                     |                     | This Period                     | Year To Date      |
| <b>Beginning Market Value</b> | <b>2,605,059.23</b> | <b>2,570,099.77</b> |                                 |                   |
| Income                        | 3,249.80            | 40,579.14           | Long Term                       | 0.00              |
| Asset Activity                | 100,000.00-         | 116,934.63-         | Short Term                      | 0.00              |
| Fees                          | 821.92-             | 10,000.00-          | <b>Total Gains / Losses</b>     | <b>0.00</b>       |
| Cash Management               | 97,572.12           | 86,355.49           |                                 | <b>16,551.88-</b> |
| Change In Market Value        | 6,764.17-           | 28,195.29           |                                 | 130.00            |
| <b>Ending Market Value</b>    | <b>2,598,295.06</b> | <b>2,598,295.06</b> |                                 |                   |

Statement Period: Dec 01, 2015 Through Dec 31, 2015

## Performance Summary - Total Returns

|  | Market Value | 1 Month | 3 Months | 1 Year | 2 Years | 3 Years | Since Inception 03/01/2010 |
|--|--------------|---------|----------|--------|---------|---------|----------------------------|
| TOTAL FUND                                 | 2,598,295    | 0.20-   | 0.22     | 1.55   | 1.31    | 1.01    | 1.02                       |
| Return On Indexes Weighted Index           |              | 0.26-   | 0.44-    | 0.57   | 3.13    | 1.39    | 3.48                       |
| Return On Indexes Fixed GT (95% FX / 5% C) |              | 0.16-   | 0.53-    | 1.02   | 1.18    | 0.82    | 1.64                       |

### Return Comparison



PAST RESULTS ARE NOT INDICATIVE OF FUTURE INVESTMENT RESULTS. FUND DATA IS ON A TRADE DATE BASIS. PERFORMANCE RESULTS ARE GROSS OF MANAGEMENT FEES. RETURNS FOR PERIODS LONGER THAN ONE YEAR ARE ANNUALIZED. MARKET VALUE DOES NOT INCLUDE ACCRUED INCOME.

Statement Period: Dec 01, 2015 Through Dec 31, 2015

## Portfolio Statement

| Quantity                               | Description   | Market Value | Cost Basis |
|--|---|--------------|------------|
| <b>Cash &amp; Cash Equivalents</b>     |   |              |            |
| Cash Equivalents                       |   |              |            |
| Citizens Business Bank Mmkt Fund       |   |              |            |
| 97,590.490                             | CBBMMKFM1<br>CITIZENS BUSINESS BANK<br>CBB-CITIZENSTRUST SWEEP ACCOUNT                        | 97,590.49    | 97,590.49  |
| Total Citizens Business Bank Mmkt Fund |   | 97,590.49    | 97,590.49  |
| Total                                  | Cash Equivalents  | 97,590.49    | 97,590.49  |
| <b>Total</b>                           | <b>Cash &amp; Cash Equivalents</b>  | 97,590.49    | 97,590.49  |
| <b>Fixed Income Taxable</b>            |   |              |            |
| 75,000.000                             | 05531FAU7<br>BB&T CORPORATION DTD 06/29/15<br>CALL 2.625% 06/29/2020-2020                     | 75,435.75    | 75,502.70  |
| 200,000.000                            | 14912L4X6<br>CATERPILLAR FINANCIAL SERV CORP<br>DTD 07/29/2011 2.05% 08/01/2016               | 201,224.00   | 207,764.00 |
| 70,000.000                             | 3130A1CE6<br>FEDERAL HOME LOAN DTD 03/27/14<br>2% 12/27/2019                                  | 70,425.60    | 70,920.50  |
| 200,000.000                            | 3130A43J9<br>FEDERAL HOME LOAN BANK DTD<br>02/20/15 CALL 1.75%<br>02/20/2020-2015             | 200,008.00   | 199,880.00 |
| 100,000.000                            | 3130A6NA1<br>FEDERAL HOME LOAN DTD 10/29/15<br>CALL 1.4% 10/29/2019-2016                      | 98,685.00    | 100,000.00 |
| 100,000.000                            | 3130A6VT1<br>FEDERAL HOME LOAN US UNSECURED<br>CALLABLE DTD 12/30/15 1.75%<br>12/30/2019-2016 | 99,539.00    | 100,000.00 |
| 100,000.000                            | 313380FB8<br>FEDERAL HOME LOAN BANK DTD<br>08/09/12 1.375% 09/13/2019                         | 98,816.00    | 99,667.18  |
| 92,682.926                             | 313381BG9<br>FEDERAL HOME LOAN BANK DTD<br>11/28/2012 CALL .625%<br>11/28/2016-2013           | 92,516.10    | 92,682.93  |
| 25,000.000                             | 313381T88<br>FEDERAL HOME LOAN BANK DTD<br>01/17/2013 CALL 1.55%<br>01/17/2020-2015           | 24,850.75    | 24,808.75  |
| 75,000.000                             | 3133EC7L2<br>FEDERAL FARM CREDIT BANK DTD<br>12/14/2012 CALL 1.29%<br>06/14/2019-2014         | 74,113.50    | 73,208.25  |
| 100,000.000                            | 3133EENR7<br>FEDERAL FARM CREDIT BANK DTD<br>02/11/2015 CALL 1.73%<br>02/11/2020-2015         | 98,994.00    | 99,700.00  |

Statement Period: Dec 01, 2015 Through Dec 31, 2015

## Portfolio Statement ( Continued )

| Quantity                       | Description  | Market Value        | Cost Basis          |
|--------------------------------|--|---------------------|---------------------|
| <b>Taxable</b>                 |  |                     |                     |
| 100,000.000                    | 3134G3V72<br>FREDDIE MAC DTD 11/21/2012 CALL<br>1.62% 11/21/2019-2015                      | 100,130.00          | 99,890.00           |
| 100,000.000                    | 3134G6S53<br>FREDDIE MAC DTD 06/16/15 CALL<br>1.75% 12/16/2019-2015                        | 100,121.00          | 99,859.00           |
| 100,000.000                    | 3134G76C0<br>FREDDIE MAC DTD 11/23/15 CALL<br>1.2% 11/23/2018-2016                         | 99,219.00           | 100,000.00          |
| 100,000.000                    | 3134G7UY5<br>FREDDIE MAC DTD 09/30/15 CALL 2%<br>09/30/2020-2015                           | 100,169.00          | 100,000.00          |
| 100,000.000                    | 3134G84G1<br>FREDDIE MAC DTD 11/30/15 CALL 2%<br>11/25/2020-2016                           | 100,015.00          | 100,000.00          |
| 100,000.000                    | 3136G2H34<br>FANNIE MAE DTD 05/20/15 1.75%<br>05/20/2020-2015                              | 100,147.00          | 100,000.00          |
| 105,000.000                    | 36962G5H3<br>GENERAL ELECTRIC CAP CORP DTD<br>10/17/2011 3.35% 10/17/2016                  | 107,022.30          | 113,211.00          |
| 75,000.000                     | 36962G5W0<br>GENERAL ELECTRIC CAP CORP DTD<br>04/27/2012 2.3% 04/27/2017                   | 75,920.25           | 78,075.75           |
| 150,000.000                    | 48126EAA5<br>JPMORGAN CHASE DTD 08/20/2012 2%<br>08/15/2017                                | 150,508.50          | 149,340.00          |
| 25,000.000                     | 713448BN7<br>PEPSICO INC DTD 01/14/10 4.5%<br>01/15/2020                                   | 27,152.25           | 28,169.00           |
| <b>Total</b>                   | <b>Taxable</b>   | <b>2,095,012.00</b> | <b>2,112,679.06</b> |
| <b>Total</b>                   | <b>Fixed Income</b>  | <b>2,095,012.00</b> | <b>2,112,679.06</b> |
| <b>Miscellaneous</b>           |  |                     |                     |
| <b>Certificates Of Deposit</b> |  |                     |                     |
| <b>Other Banks</b>             |  |                     |                     |
| 100,000.000                    | 02587DA99<br>AMERICAN MEDIUM-TERM CD DTD<br>09/16/15 1.6% 09/17/2018                       | 100,734.31          | 99,975.00           |
| 100,000.000                    | 05580ACZ5<br>BMW BANK BANK NORTH AMERICA DTD<br>09/30/15 MEDIUM-TERM CD 2.2%<br>09/30/2020 | 102,376.72          | 99,980.00           |
| 100,000.000                    | 14042RAR2<br>CAPITAL ONE NA MEDIUM-TERM CD<br>DTD 10/07/2015 2.2% 10/07/2020               | 102,329.66          | 99,615.00           |

Statement Period: Dec 01, 2015 Through Dec 31, 2015

## Portfolio Statement ( Continued )

| Quantity                           | Description  | Market Value        | Cost Basis          |
|------------------------------------|--|---------------------|---------------------|
| <b>Other Banks</b>                 |  |                     |                     |
| 100,000.000                        | 29266NS32<br>ENERBANK USA DTD 10/16/2015<br>MEDIUM-TERM CD 1.75% 10/16/2020            | 100,251.88          | 100,000.00          |
| <b>Total Other Banks</b>           |  | 405,692.57          | 399,570.00          |
| <b>Total</b>                       | <b>Certificates Of Deposit</b>   | 405,692.57          | 399,570.00          |
| <b>Miscellaneous Sundry Assets</b> |  |                     |                     |
| <b>Documents</b>                   |  |                     |                     |
| 1.000                              | DOC199647<br>INVESTMENT MANAGEMENT AGREEMENT<br>CITY OF CANYON LAKE A/C#<br>1035003119 | 0.00                | 0.00                |
| <b>Total Documents</b>             |  | 0.00                | 0.00                |
| <b>Total</b>                       | <b>Miscellaneous Sundry Assets</b>   | 0.00                | 0.00                |
| <b>Total</b>                       | <b>Miscellaneous</b>   | 405,692.57          | 399,570.00          |
| <b>Grand Total Assets</b>          |  | <b>2,598,295.06</b> | <b>2,609,839.55</b> |

## Account Activity Summary

|                                     | Total Cash  | Cost Basis<br>Excluding Cash | Market Value<br>Including Cash |
|-------------------------------------|-------------|------------------------------|--------------------------------|
| <b>Balances Beginning Of Period</b> | 0.00        | 2,607,411.67                 | 2,614,745.67                   |
| Prior Accruals                      |             |                              | 9,686.44-                      |
| Unrealized Depreciation This Period |             |                              | 6,764.17-                      |
| Current Accruals                    |             |                              | 10,244.76                      |
| Asset Activity                      | 100,000.00- | 100,000.00                   | 100,000.00-                    |
| Cash Management                     | 97,572.12   | 97,572.12-                   | 97,572.12                      |
| Fees                                | 821.92-     | 0.00                         | 821.92-                        |
| Income                              | 3,249.80    | 0.00                         | 3,249.80                       |
| Realized Gain/loss                  |             |                              | 0.00                           |
| Non Cash Asset Changes              |             |                              |                                |
| <b>Balances End Of Period</b>       | 0.00        | 2,609,839.55                 | 2,608,539.82                   |

## Transaction Statement

| Date     | Quantity | Description              | Transaction<br>Type | Cash | Cost Basis   |
|----------|----------|--------------------------|---------------------|------|--------------|
| 12/01/15 |          | <b>Beginning Balance</b> |                     | 0.00 | 2,607,411.67 |

Statement Period: Dec 01, 2015 Through Dec 31, 2015

## Transaction Statement ( Continued )

| Date                         | Quantity    | Description  | Transaction Type | Cash               | Cost Basis          |
|------------------------------|-------------|--|------------------|--------------------|---------------------|
| <b>Income</b>                |             |  |                  |                    |                     |
| Dividends                    |             |  |                  |                    |                     |
| 12/01/15                     |             | CBBMMKFM1<br>CITIZENS BUSINESS BANK<br>CBB-CITIZENSTRUST SWEEP ACCOUNT                         | DIVIDEND         | 62.83              |                     |
| Total Dividends              |             |  |                  | 62.83              | 0.00                |
| Interest                     |             |  |                  |                    |                     |
| 12/14/15                     |             | 3133EC7L2<br>FEDERAL FARM CREDIT BANK DTD<br>12/14/2012 CALL 1.29 %<br>06/14/2019-2014         | INTEREST RCVD    | 483.75             |                     |
| 12/16/15                     |             | 29266NS32<br>ENERBANK USA DTD 10/16/2015<br>MEDIUM-TERM CD 1.75 % 10/16/2020                   | INTEREST RCVD    | 143.84             |                     |
| 12/21/15                     |             | 3134G6S53<br>FREDDIE MAC DTD 06/16/15 CALL<br>1.75 % 12/16/2019-2015                           | INTEREST RCVD    | 875.00             |                     |
| 12/28/15                     |             | 3130A1CE6<br>FEDERAL HOME LOAN DTD 03/27/14<br>2 % 12/27/2019                                  | INTEREST RCVD    | 700.00             |                     |
| 12/29/15                     |             | 05531FAU7<br>BB&T CORPORATION DTD 06/29/15<br>CALL 2.625 % 06/29/2020-2020                     | INTEREST RCVD    | 984.38             |                     |
| Total Interest               |             |  |                  | 3,186.97           | 0.00                |
| <b>Total Income</b>          |             |  |                  | <b>3,249.80</b>    | <b>0.00</b>         |
| <b>Asset Activity</b>        |             |  |                  |                    |                     |
| Assets Purchased             |             |  |                  |                    |                     |
| 12/30/15                     | 100,000.000 | 3130A6VT1<br>FEDERAL HOME LOAN US UNSECURED<br>CALLABLE DTD 12/30/15 1.75 %<br>12/30/2019-2016 | BUY              | 100,000.00-        | 100,000.00          |
| Total Assets Purchased       |             |  |                  | 100,000.00-        | 100,000.00          |
| <b>Total Asset Activity</b>  |             |  |                  | <b>100,000.00-</b> | <b>100,000.00</b>   |
| <b>Fees</b>                  |             |  |                  |                    |                     |
| 12/24/15                     |             | MANAGEMENT FEES CITIZENS<br>BUSINESS BANK<br>FOR THE PERIOD ENDING 12/20/2015                  | DISBURSEMENT     | 821.92-            |                     |
| <b>Total Fees</b>            |             |  |                  | <b>821.92-</b>     | <b>0.00</b>         |
| <b>Cash Management</b>       |             |  |                  |                    |                     |
| 12/31/15                     | 97,572.120- | CBBMMKFM1<br>NET CASH MANAGEMENT   | NET CASH MGMT    | 97,572.12          | 97,572.12-          |
| <b>Total Cash Management</b> |             |  |                  | <b>97,572.12</b>   | <b>97,572.12-</b>   |
| 12/31/15                     |             | <b>Ending Balance</b>  |                  | <b>0.00</b>        | <b>2,609,839.55</b> |

Statement Period: Dec 01, 2015 Through Dec 31, 2015

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## Disclosure

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CitizensTrust may receive research and other benefits from Brokers/Dealers which may be considered compensation. Upon request, we will disclose details of any compensation received. We have added an additional benchmark to your performance insert. Call for details.



# ITEM 9

| Electric                      | Jan | Feb | Mar      | Apr       | May       | Jun       | Jul       | Aug       | Sep       | Oct       | Nov       | Dec       | Total      |
|-------------------------------|-----|-----|----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|
| Constellation New Energy, Inc |     |     | 22.52    | 17.19     | 13.33     | 17.25     | 17.79     | 21.10     | 12.66     | 30.78     | -         | 39.32     | 191.94     |
| Southern California Edison    |     |     | 3,197.47 | 18,590.20 | 21,635.76 | 26,372.58 | 37,886.44 | 40,826.24 | 49,111.24 | 47,191.04 | 32,349.31 | 36,304.86 | 313,465.14 |
|                               | -   | -   | 3,219.99 | 18,607.39 | 21,649.09 | 26,389.83 | 37,904.23 | 40,847.34 | 49,123.90 | 47,221.82 | 32,349.31 | 36,344.18 | 313,657.08 |

Mailed in a Zero Return

| Water | Jan | Feb | Mar       | Apr       | May       | Jun       | Jul       | Aug       | Sep       | Oct       | Nov       | Dec       | Total      |
|-------|-----|-----|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|
| EMWD  |     |     | 479.77    | 1,725.14  | 1,892.80  | 1,849.97  | 2,028.10  | 1,926.36  | 1,829.93  | 2,085.75  | 1,911.26  | 2,078.58  | 17,807.66  |
| EVMWD |     |     | 15,856.61 | 16,017.08 | 22,786.97 | 20,864.11 | 20,844.26 | 20,593.55 | 17,657.21 | 28,493.92 | 23,493.50 | 22,060.21 | 208,667.42 |
|       | -   | -   | 16,336.38 | 17,742.22 | 24,679.77 | 22,714.08 | 22,872.36 | 22,519.91 | 19,487.14 | 30,579.67 | 25,404.76 | 24,138.79 | 226,475.08 |

|      | Jan | Feb    | Mar    | Apr      | May    | Jun      | Jul    | Aug    | Sep      | Oct | Nov | Dec      | Total     |
|------|-----|--------|--------|----------|--------|----------|--------|--------|----------|-----|-----|----------|-----------|
| CR&R |     | 416.79 | 719.23 | 2,279.01 | 933.02 | 1,288.57 | 913.74 | 883.04 | 1,037.58 |     |     | 9,270.41 | 17,741.39 |
| CR&R |     |        |        |          |        |          |        |        |          |     |     |          |           |

| Gas             | Jan | Feb   | Mar    | Apr    | May    | Jun    | Jul    | Aug    | Sep    | Oct   | Nov    | Dec    | Total    |
|-----------------|-----|-------|--------|--------|--------|--------|--------|--------|--------|-------|--------|--------|----------|
| The Gas Company |     | 59.37 | 147.88 | 128.57 | 122.59 | 118.49 | 100.99 | 101.44 | 100.48 | 96.11 | 123.57 | 196.35 | 1,295.84 |

| Telecom  | Jan      | Feb      | Mar       | Apr       | May       | Jun       | Jul       | Aug       | Sep       | Oct       | Nov       | Dec       | Total      |
|--|----------|----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|
| AT&T Corp  |          |          |           |           | 178.14    | 68.69     | 67.25     | 64.94     | 67.19     | 65.85     | 68.79     | 69.42     | 650.27     |
| Century Link Communications                          | 1.22     | 0.81     | 0.86      | 0.86      | 0.91      | 0.86      | 0.91      | 0.72      | 0.72      | 0.86      | 0.91      | 0.86      | 10.50      |
| Compliance Solutions - GreatCall, Inc. dba Jitterbug |          |          |           | 36.95     | 40.51     | 45.79     | 43.70     | 38.76     | 40.66     | 49.60     | 47.36     | 47.96     | 391.29     |
| Compliance Solutions - Nextiva, Inc.                 |          |          | 33.80     | 34.53     | 34.27     | 34.53     | 34.63     | 33.14     | 11.51     | 29.77     | 25.05     | 24.79     | 296.02     |
| Compliance Solutions - Ready Wireless, LLC           |          |          |           |           |           | 1.58      | 1.51      | 1.51      | 1.51      | 1.51      | 1.51      | 1.51      | 10.64      |
| Compliance Solutions - Spectrotel, Inc.              |          |          |           |           |           |           |           |           |           |           |           |           | 1.68       |
| Granite Tele LLC                                     |          | 2.61     | 2.71      | 2.71      | 2.72      | 2.71      | 2.73      | 2.75      | 2.75      | 2.80      | 2.82      | 2.80      | 30.11      |
| iWireless  |          |          |           | 1.71      | 1.86      | 1.22      | 1.38      | 1.67      | -         | -         | -         | -         | 7.84       |
| Level 3 Communications LLC                           | 3.12     | 2.40     | 2.86      | 3.05      | 3.13      | 2.83      | 3.11      | 3.08      | 2.61      | 2.81      | 3.34      | 2.39      | 34.73      |
| Los Angeles SMSA Limited Part                        |          |          |           | 5,226.49  | 5,039.78  | 4,835.54  | 4,896.73  | 4,804.54  | 4,489.89  | 4,542.78  | 4,517.86  | 4,459.19  | 42,812.80  |
| MCI Communications Services, Inc                     |          |          | 20.63     | 22.10     | 23.05     | 21.84     | 21.41     | 19.30     | 17.48     | 14.39     | 15.22     | 16.10     | 223.58     |
| MetroPCS California, LLC                             |          |          |           |           |           |           |           | 25.67     | 24.67     | 25.42     | 25.18     | 28.98     | 129.92     |
| New Cingular Wireless PCS LLC                        | 3,292.12 | 3,200.36 | 4,010.23  | 3,744.33  | 3,581.11  | 3,471.84  | 3,839.91  | 3,346.62  | 3,647.19  | 3,672.46  | 3,167.20  | 3,847.07  | 42,820.44  |
| Spok, Inc  |          |          | 0.83      | 0.84      | 0.84      | 0.84      | -         | -         | -         | -         | -         | -         | 3.35       |
| Sprint Communications                                | 5.34     | 6.71     | 6.82      | 5.49      | 7.57      | 7.93      | 6.88      | 8.45      | 8.98      | 8.46      | 7.30      | 5.23      | 85.16      |
| Sprint Spectrum                                      | 46.98    | 65.19    | 50.01     | 46.18     | 61.68     | 50.46     | 50.61     | 51.76     | 54.03     | 41.36     | 57.12     | 56.72     | 632.10     |
| Sprint Telephony PCS, LP                             | 2,214.76 | 1,791.29 | 2,303.34  | 1,687.96  | 2,130.88  | 1,617.43  | 2,363.26  | 1,744.90  | 1,744.90  | 1,948.51  | 1,644.53  | 1,931.61  | 21,378.47  |
| Star2star Communications                             | 6.69     | 6.69     | 7.18      | 15.37     | 6.70      | 6.70      | 6.91      | 6.91      | 7.08      | 7.08      | 7.43      | 7.43      | 84.74      |
| T-Mobile West  |          |          | 3,871.08  | 1,043.78  | 1,045.13  | 1,034.42  | 1,037.94  | 974.68    | 1,029.49  | 1,018.76  | 986.21    | 1,074.00  | 13,115.49  |
| TWC Digital Phone LLC                                |          |          |           |           | 3,841.06  |           |           |           |           |           |           |           | 3,841.06   |
| U.S. Telepacific Corp.                               | 15.19    | 20.27    | 20.05     | 165.31    | 83.31     | 78.61     | 82.56     | 88.28     | 83.62     | 82.40     | 93.54     | 92.94     | 850.57     |
| Utility Telephone, Inc                               |          |          |           | 20.91     | 20.11     | 20.24     | 20.38     | 20.73     | 22.24     | 24.61     | 24.61     | -         | 204.73     |
| Verizon Long Distance, LLC                           | 296.23   | 547.14   | 530.49    | 529.69    | 540.06    | 520.62    | 523.17    | 503.47    | 414.37    | 364.52    | 351.31    | 387.46    | 5,508.53   |
| Vonage American c/o Extax Serv                       | 61.57    | 60.98    | 58.07     | 58.03     | 57.41     | 56.60     | 55.03     | 52.93     | 52.72     | 51.17     | 50.91     | 49.69     | 665.11     |
| Vonage Business Solutions c/o Extax                  |          |          |           |           | 3.02      | 3.24      | 3.23      | 3.25      | 3.25      | 4.22      | 4.38      | 6.29      | 27.63      |
|  | 5,954.40 | 5,725.33 | 10,918.96 | 12,646.29 | 16,703.25 | 11,884.52 | 13,063.24 | 10,049.91 | 11,726.86 | 11,934.73 | 11,095.15 | 12,114.12 | 133,816.76 |

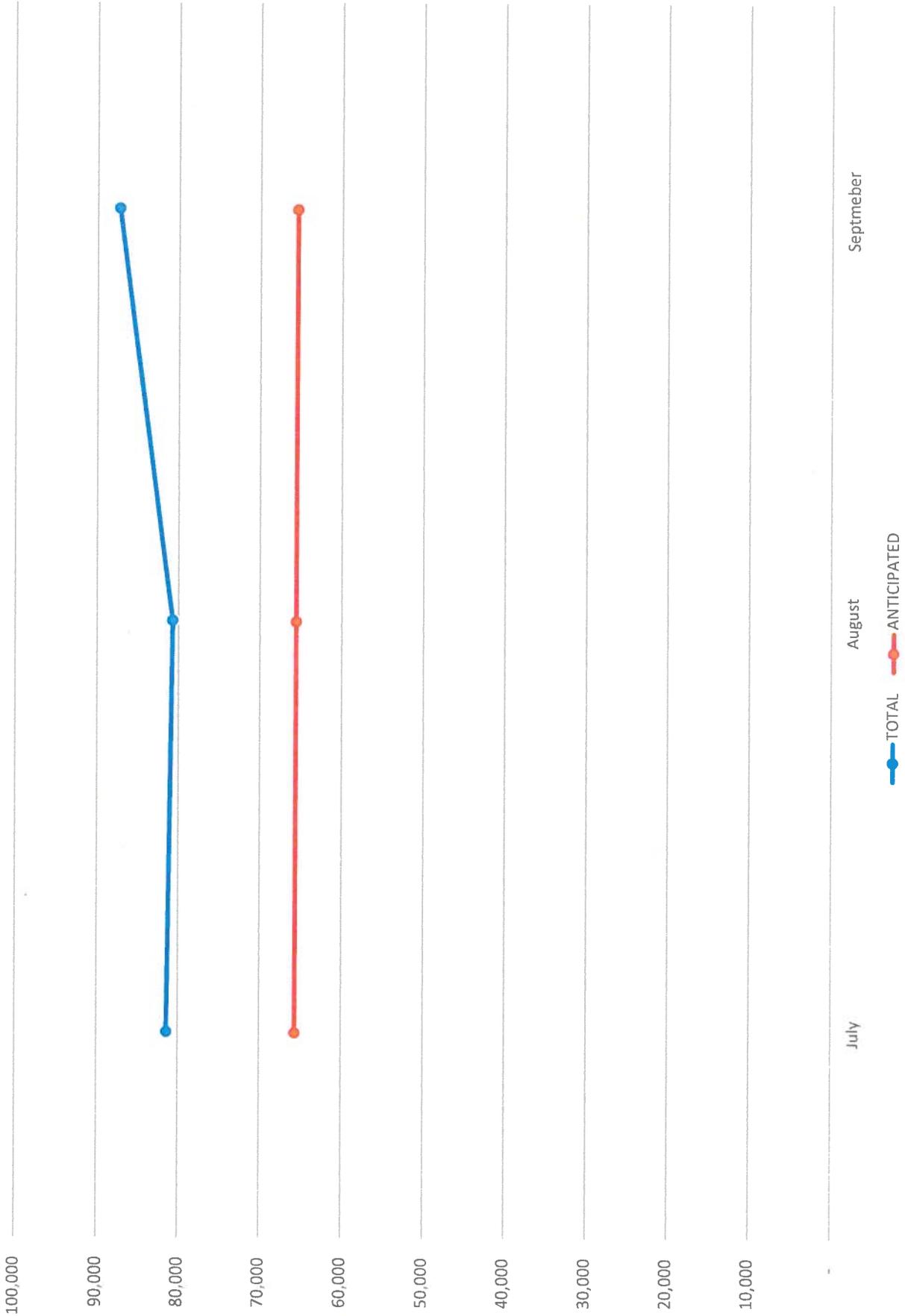
Sent in a zero report

| Video Users                              | Jan      | Feb      | Mar      | Apr      | May      | Jun      | Jul      | Aug      | Sep      | Oct      | Nov      | Dec      | Total     |
|--|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|-----------|
| Verizon California, Inc                  | 2,806.06 | 5,404.73 | 5,404.77 | 5,382.01 | 5,502.61 | 5,312.94 | 5,349.92 | 5,229.90 | 4,751.71 | 4,980.24 | 4,899.15 | 5,126.90 | 60,150.94 |
| Time Warner Cable Business LLC           |          |          |          |          |          |          | 98.89    | 33.40    | 33.40    | 33.94    | 33.94    | 33.94    | 267.51    |
| Time Warner Cable Info Services (CA) LLC |          |          |          |          |          |          | 941.62   | 952.37   | 997.21   | 1,015.95 | 1,033.87 | 1,065.20 | 6,006.22  |
|  | 2,806.06 | 5,404.73 | 5,404.77 | 5,382.01 | 5,502.61 | 5,312.94 | 6,390.43 | 6,215.67 | 5,782.32 | 6,030.13 | 5,966.96 | 6,226.04 | 66,424.67 |

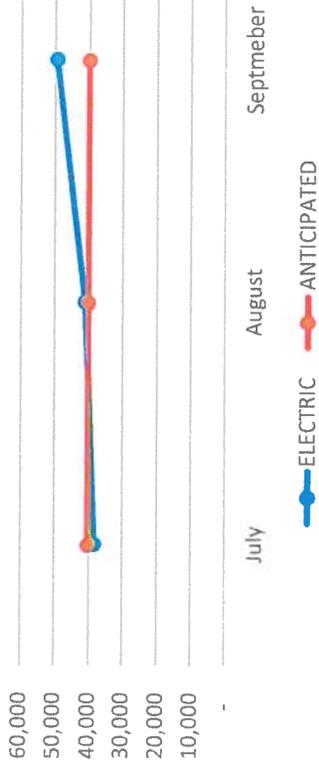
**City of Canyon Lake Utility User Tax**  
July through December 2015

|             | Jul       | Aug       | Sept      | 3rd<br>Quarter | Oct       | Nov       | Dec       | 4th<br>Quarter | Total     |
|-------------|-----------|-----------|-----------|----------------|-----------|-----------|-----------|----------------|-----------|
| ELECTRIC    | 37,904    | 40,847    | 49,124    | 127,875        | 47,222    | 32,349    | 36,344    | 115,915        | 243,791   |
| ANTICIPATED | 39,927    | 39,927    | 39,927    | 119,781        | 39,927    | 39,927    | 39,927    | 119,781        | 239,562   |
| VARIANCE    | (\$2,023) | \$920     | \$9,197   | \$8,094        | \$7,295   | (\$7,578) | (\$3,583) | (\$3,866)      | \$4,229   |
| WATER       | 22,872    | 22,520    | 19,487    | 64,879         | 30,580    | 25,405    | 24,139    | 226,475        | 291,354   |
| ANTICIPATED | 9,980     | 9,980     | 9,980     | 29,940         | 9,980     | 9,980     | 9,980     | 29,940         | 59,880    |
| VARIANCE    | \$12,892  | \$12,540  | \$9,507   | \$34,939       | \$20,600  | \$15,425  | \$14,159  | \$196,535      | \$231,474 |
| SOLID WASTE | 914       | 883       | 1,038     | 2,834          | -         | -         | 9,270     | 9,270          | 12,105    |
| ANTICIPATED | 3,466     | 3,466     | 3,466     | 10,398         | 3,466     | 3,466     | 3,466     | 10,398         | 20,796    |
| VARIANCE    | (\$2,552) | (\$2,583) | (\$2,428) | (\$7,564)      | (\$3,466) | (\$3,466) | \$5,804   | (\$1,128)      | (\$8,691) |
| GAS         | 101       | 101       | 100       | 303            | 96        | 124       | 196       | 416            | 719       |
| ANTICIPATED | 107       | 107       | 107       | 321            | 107       | 107       | 107       | 321            | 642       |
| VARIANCE    | (\$6)     | (\$6)     | (\$7)     | (\$18)         | (\$11)    | \$17      | \$89      | \$95           | \$77      |
| TELECOM     | 13,063    | 10,050    | 11,727    | 34,840         | 11,935    | 11,095    | 12,114    | 35,144         | 69,984    |
| ANTICIPATED | 4,580     | 4,580     | 4,580     | 13,740         | 4,580     | 4,580     | 4,580     | 13,740         | 27,480    |
| VARIANCE    | \$8,483   | \$5,470   | \$7,147   | \$21,100       | \$7,355   | \$6,515   | \$7,534   | \$21,404       | \$42,504  |
| VIDEO USERS | 6,390     | 6,216     | 5,782     | 18,388         | 6,030     | 5,967     | 6,226     | 18,223         | 36,612    |
| ANTICIPATED | 7,507     | 7,507     | 7,507     | 22,521         | 7,507     | 7,507     | 7,507     | 22,521         | 45,042    |
| VARIANCE    | (\$1,117) | (\$1,291) | (\$1,725) | (\$4,133)      | (\$1,477) | (\$1,540) | (\$1,281) | (\$4,298)      | (\$8,430) |
| TOTAL       | 81,245    | 80,617    | 87,258    | 249,121        | 95,862    | 74,940    | 88,290    | 405,444        | 654,565   |
| ANTICIPATED | 65,567    | 65,567    | 65,567    | 196,701        | 65,567    | 65,567    | 65,567    | 196,701        | 393,402   |
| VARIANCE    | \$15,678  | \$15,050  | \$21,691  | \$52,420       | \$30,295  | \$9,373   | \$22,723  | \$208,743      | \$261,163 |

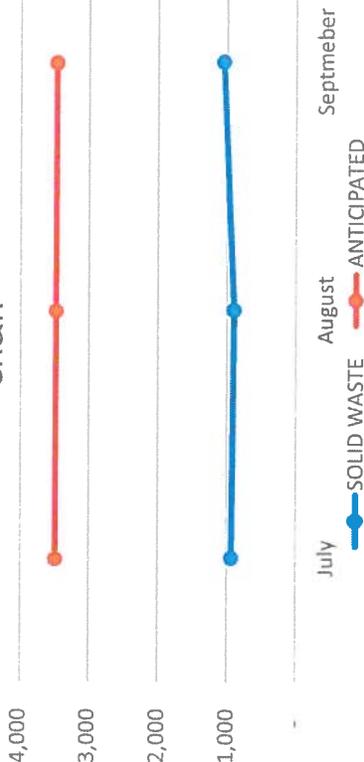
# TOTAL UTILITY USERS TAX - JULY TO SEPTEMBER 2015



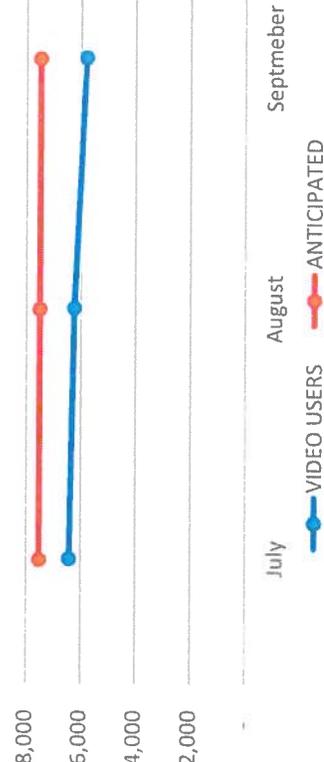
### ELECTRIC



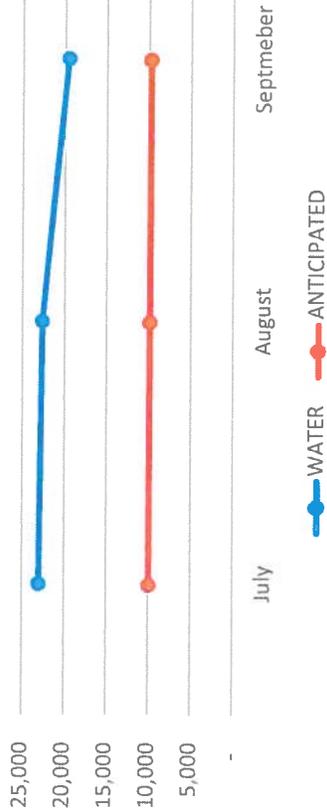
### CR&R



### VIDEO USERS



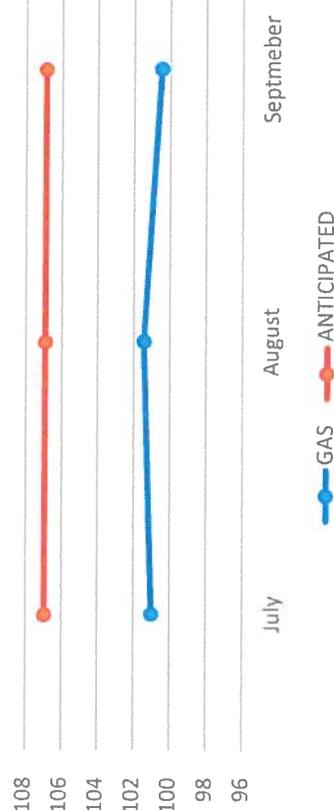
### WATER



### TELECOM

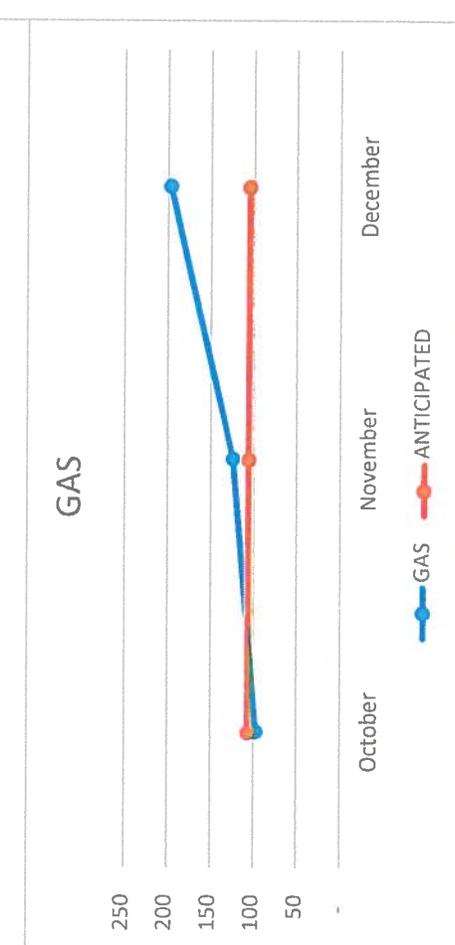
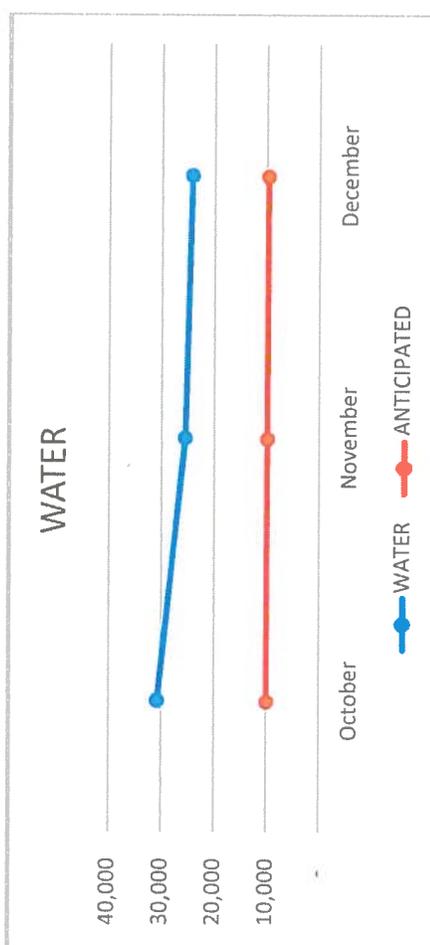
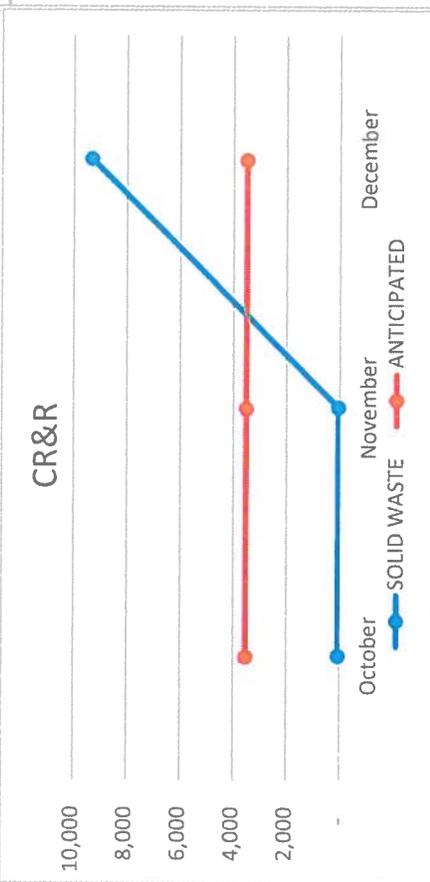
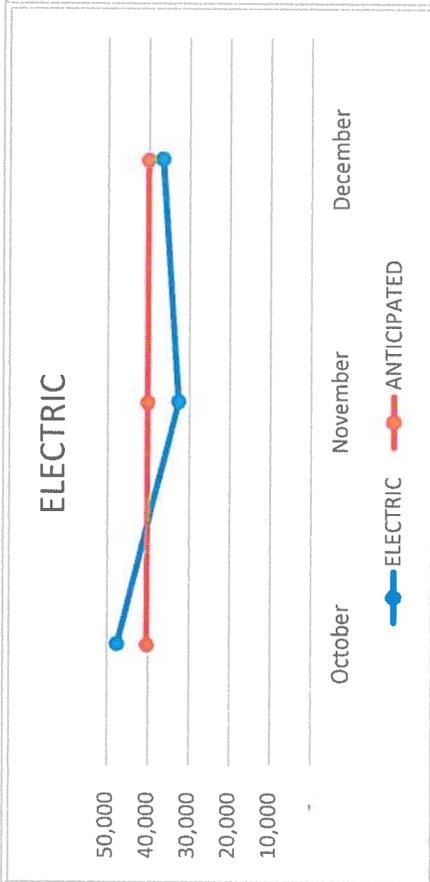


### GAS



# TOTAL UTILITY USERS TAX - OCTOBER - DECEMBER 2015







City of Canyon Lake  
City Council  
Staff Report

**TO:** Honorable Mayor and Members of the City Council

**FROM:** Ariel Hall, Interim City Manager/City Clerk

**BY:** Terry Shea, Accountant

**DATE:** February 3, 2016

**SUBJECT:** Consideration of the Fiscal Year 2015-2016 Mid-Year Budget Review and Projections and proposed Budget Adjustments

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**Recommendation**

It is recommended that the City Council: receive and file the Fiscal Year 2015-16 mid-year budget review and approve the recommended budget adjustments.

**Background**

On July 1, 2015 the City Council adopted Resolution 2015-15 for adoption of the 2015-16 (FY 15/16) budget and appropriations limit. The Adopted General Fund FY 15/16 budget included \$4,334,000 in revenues, \$4,661,969 in expenditures, for a budgeted deficit of \$327,969.

**Discussion**

At the mid-year point of FY 15/16, total General Fund year-to-date actual and projected revenues are \$4,511,620 which is \$177,620 more than expected, with the largest increase in the Utility Users Tax of \$163,200. All other General Fund Revenues are within the original estimates. The year-to-date actual and projected General Fund expenditures are \$4,085,335 which is \$576,633 less than originally budgeted. The largest decrease is for public safety fire costs, which is \$382,000 less due to entering into a new contract with Riverside County, offset by increases in salary and benefits, fire consultant costs and the purchase of equipment. Total expenditures for all other Departments are in line with the original budget with the exception of City Attorney and Law Enforcement. City Attorney costs are projected to be about \$16,000 over the original budget due to litigation costs. However, Law Enforcement costs are projected to be approximately \$105,000 less than anticipated.

### **Mid-year Budget Adjustments**

We are proposing an increase in Utility Users Tax revenue of \$163,200. With this being a new item we did not have a history of the actual revenues and we used the original estimates included in the study. The actual revenues are coming in higher than projected.

The General Fund proposed expenditure adjustments are an increase of \$16,000 for Legal expenditures. The \$16,000 needed for legal costs correspond with higher than anticipated monthly costs and the carryover of litigation from the previous year.

In addition for Fire we are proposing the following increases and decreases:

|                    |    |                  |
|--------------------|----|------------------|
| Salaries and Wages | \$ | 56,000           |
| Benefits           |    | 1,000            |
| Fire Consultant    |    | 50,000           |
| County Contract    |    | (889,307)        |
| Mutual Aid         |    | 5,800            |
| Equipment          |    | 400,000          |
| Total Change       | \$ | <u>(376,507)</u> |

Please see the attached worksheet for the recommended Budget Adjustments.

### **Budget (or Fiscal) Impact**

If the proposed Budget Adjustments are adopted then the budgeted deficit goes from \$327,969 to a surplus of \$195,738.

### **Attachments**

1. Mid-Year Review and Expenditures - General Fund
2. Mid-Year Proposed Budget Adjustments

**CITY OF CANYON LAKE  
MID-YEAR PROPOSED BUDGET ADJUSTMENTS  
FISCAL YEAR 2015-2016 BUDGET ADJUSTMENT #1**

| Account#                     | Account Name      | Reason for Adjustment                   | Mid-Year Adj. | Budget FY 2015/16 | Mid-Year Adjustment | Adjusted Budget FY 2015/16 |
|------------------------------|-------------------|---|---------------|-------------------|---------------------|----------------------------|
| <b>GENERAL FUND REVENUES</b> |                   |   |               |                   |                     |                            |
| 10-000-4120                  | Utility Users Tax | Revenues are higher than anticipated    | \$ 163,200    | \$ 786,800        | \$ 163,200          | \$ 950,000                 |
|                              |                   | Increase in Revenues                    |               | \$ -              | \$ -                |                            |
|                              |                   | Original General Fund Budget - Revenues |               | \$ 163,200        | \$ 163,200          |                            |
|                              |                   | Adjusted General Fund Budget - Revenues |               | \$ 4,334,000      | \$ 4,334,000        |                            |
|                              |                   |   |               | \$ 4,497,200      | \$ 4,497,200        |                            |

**GENERAL FUND EXPENDITURES**

|  |                                   |   |              |              |              |            |
|--|-----------------------------------|---|--------------|--------------|--------------|------------|
| <b>City Attorney</b>                           |                                   |   |              |              |              |            |
| 10-200-6610                                    | Professional /Specialized Service | Increased costs and litigation                | \$ 16,000    | \$ 75,000    | \$ 16,000    | \$ 91,000  |
| <b>Fire &amp; Medical Aid</b>                  |                                   |   |              |              |              |            |
| 10-420-6010                                    | Salaries and Wages                | Hiring new employee                           | \$ 56,000    | \$ -         | \$ 56,000    | \$ 56,000  |
| 10-420-6080                                    | Benefits                          | Hiring new employee                           | \$ 1,000     | \$ -         | \$ 1,000     | \$ 1,000   |
| 10-420-6610                                    | Professional /Specialized Service | Change in Fire Contract (75% of new contract) | \$ (889,307) | \$ 1,753,307 | \$ (833,507) | \$ 919,800 |
|  |                                   | Mutual aide charges year to date              | \$ 5,800     | \$ -         | \$ -         |            |
|  |                                   | Fire Consultant                               | \$ 50,000    | \$ -         | \$ -         |            |
|  |                                   |   | \$ (833,507) | \$ -         | \$ -         |            |
| 10-420-8000                                    | Capital Equipment                 | New equipment for Fire Department             | \$ 400,000   | \$ -         | \$ 400,000   | \$ 400,000 |
| <b>Total Budget Adjustments - Expenditures</b> |                                   |   |              |              |              |            |
|  |                                   | Original General Fund Budget - Expenditures   |              |              | \$ (360,507) |            |
|  |                                   | Adjusted General Fund Budget - Expenditures   |              |              | \$ 4,661,969 |            |
|  |                                   | Original General Fund Budget - Deficit        |              |              | \$ 4,301,462 |            |
|  |                                   | Adjusted General Fund Budget - Surplus        |              |              | \$ (327,969) |            |
|  |                                   |   |              |              | \$ 195,738   |            |

**CITY OF CANYON LAKE  
MIDYEAR PROJECTIONS  
GENERAL FUND  
FISCAL YEAR 2015-16**

|                                |            | Current Year<br>Actual July to<br>December 2015 | Projected Actual<br>January to June<br>2016 | Total               | Total Budget -<br>Original | Variance<br>Favorable<br>(unfavorable) |
|--------------------------------|------------|---|---|---------------------|----------------------------|--|
| <b>REVENUES</b>                |            |   |   |                     |                            |  |
| BASE PROPERTY TAX (S)          | 4020       | 209,731.18                                      | 466,567.70                                  | 676,298.88          | 671,000.00                 | 5,298.88                               |
| BASE PROPERTY TAX (U)          | 4030       | 28,568.62                                       | 519.00                                      | 29,087.62           | 32,400.00                  | (3,312.38)                             |
| PROPERTY TAX FIRE              | 4032       | 304,615.20                                      | 643,570.12                                  | 948,185.32          | 933,000.00                 | 15,185.32                              |
| HOMEOWNER-S EXEMPTION          | 4040       | 1,339.29  | 7,707.00                                    | 9,046.29            | 10,000.00                  | (953.71)                               |
| REAL PROPERTY TRANSFER TAX     | 4050       | 25,015.71                                       | 45,048.00                                   | 70,063.71           | 72,000.00                  | (1,936.29)                             |
| PROPERTY TAX-PY (S)            | 4060       | -   | 30,202.64                                   | 30,202.64           | 32,600.00                  | (2,397.36)                             |
| PROPERTY TAX - PY (U)          | 4070       | -   | 2,705.00                                    | 2,705.00            | 2,400.00                   | 305.00                                 |
| PROPERTY TAX 2345/CUR/SUP      | 4080       | -   | 10,897.00                                   | 10,897.00           | 11,000.00                  | (103.00)                               |
| PROPERTY TAX 2345/PY/SUP       | 4090       | -   | 4,355.20                                    | 4,355.20            | 6,000.00                   | (1,644.80)                             |
| SALES & USE TAX                | 4100       | 61,523.02                                       | 128,500.00                                  | 190,023.02          | 192,000.00                 | (1,976.98)                             |
| UTILITY USERS TAX - MEAS. DD   | 4130       | 407,000.66                                      | 543,000.00                                  | 950,000.66          | 786,800.00                 | 163,200.66                             |
| FRANCHISE FEE - CABLE TV       | 4150       | 29,029.33                                       | 87,600.00                                   | 116,629.33          | 118,000.00                 | (1,370.67)                             |
| TRANSIENT LODGING TAX          | 4160       | 15,972.60                                       | 40,000.00                                   | 55,972.60           | 48,000.00                  | 7,972.60                               |
| EDISON FRANCHISE FEE           | 4170       | -   | 115,000.00                                  | 115,000.00          | 115,000.00                 | -                                      |
| REFUSE DISPOSAL FRANCHISE FEE  | 4180       | 21,746.86                                       | 65,200.00                                   | 86,946.86           | 85,000.00                  | 1,946.86                               |
| SO. CAL GAS FRANCHISE FEE      | 4190       | -   | 5,900.00                                    | 5,900.00            | 5,900.00                   | -                                      |
| Credit Card Convenience Fee    | 4225       | 267.00  | 150.00                                      | 417.00              | -                          | 417.00                                 |
| BUSINESS LICENSE FEES          | 4400       | 22,850.12                                       | 25,000.00                                   | 47,850.12           | 47,000.00                  | 850.12                                 |
| FORCLOSURE FEES                | 4450       | 2,080.00  | 750.00                                      | 2,830.00            | 3,000.00                   | (170.00)                               |
| GRANT REVENUE                  | 4590       | 106.34  | 1,980.00                                    | 2,086.34            | 2,000.00                   | 86.34                                  |
| LIBRARY LEASE INCOME           | 4690       | 19,641.78                                       | 19,644.00                                   | 39,285.78           | 38,500.00                  | 785.78                                 |
| MULTI-PURPOSE LEASE INCOME     | 4695       | 25.00   | 125.00                                      | 150.00              | 1,000.00                   | (850.00)                               |
| MOTOR VEHICLE LICENSE FEES     | 4700       | 4,398.37  | -   | 4,398.37            | -                          | 4,398.37                               |
| PROPERTY TAX VLF SWAP          | 4705       | -   | 810,400.00                                  | 810,400.00          | 810,400.00                 | -                                      |
| CABLE ACCESS FEE               | 4786       | 4,167.47  | 12,900.00                                   | 17,067.47           | 17,200.00                  | (132.53)                               |
| MISCELLANEOUS INCOME           | 4790       | 18,003.21                                       | 24,000.00                                   | 42,003.21           | 44,000.00                  | (1,996.79)                             |
| INTEREST INCOME                | 4900       | 10,979.12                                       | 14,400.00                                   | 25,379.12           | 25,000.00                  | 379.12                                 |
| SITE PLAN REVIEW               | 4220       | 19,500.00                                       | -   | 19,500.00           | 6,000.00                   | 13,500.00                              |
| MISCELLANEOUS PLANNING FEES    | 4230       | -   | 2,000.00                                    | 2,000.00            | 2,000.00                   | -                                      |
| CONSTRUCTION/BLDG PERMIT FEE   | 4200       | 90,773.53                                       | 90,000.00                                   | 180,773.53          | 201,800.00                 | (21,026.47)                            |
| COURT, VEHICLE & PARKING FEES  | 4600       | 12,164.56                                       | 4,000.00                                    | 16,164.56           | 15,000.00                  | 1,164.56                               |
| <b>Total REVENUES</b>          |            | <u>1,309,498.97</u>                             | <u>3,202,120.66</u>                         | <u>4,511,619.63</u> | <u>4,334,000.00</u>        | <u>177,619.63</u>                      |
| <b>EXPENDITURES</b>            |            |   |   |                     |                            |  |
| <b>CITY COUNCIL</b>            | <b>100</b> |   |   |                     |                            |  |
| SALARIES & WAGES               | 6010       | 9,000.00  | 9,000.00                                    | 18,000.00           | 18,000.00                  | -                                      |
| BENEFITS                       | 6080       | 1,406.04  | 1,440.00                                    | 2,846.04            | 2,572.00                   | (274.04)                               |
| SPECIAL DEPARTMENTAL EXPENSE   | 6220       | 2,563.54  | 6,200.00                                    | 8,763.54            | 9,750.00                   | 986.46                                 |
| PRINTING & ADVERTISING         | 6240       | -   | 150.00                                      | 150.00              | 150.00                     | -                                      |
| CONFERENCE/MEETING/TRAVEL EXP  | 6510       | 6,866.74  | 700.00                                      | 7,566.74            | 8,700.00                   | 1,133.26                               |
| MEMBERSHIP/DUES/PUBLICATIONS   | 6520       | 670.00  | 15,000.00                                   | 15,670.00           | 16,190.00                  | 520.00                                 |
| PROFESSIONAL/SPECIALIZED SERV. | 6610       | -   | -   | -                   | 0.00                       | -                                      |
| PROMOTION & ADVERTISING        | 6830       | 4,798.17  | 3,550.00                                    | 8,348.17            | 8,400.00                   | 51.83                                  |
| <b>Total CITY COUNCIL</b>      |            | <u>25,304.49</u>                                | <u>36,040.00</u>                            | <u>61,344.49</u>    | <u>63,762.00</u>           | <u>2,417.51</u>                        |

|                                |      | Current Year<br>Actual July to<br>December 2015 | Projected Actual<br>January to June<br>2016 | Total             | Total Budget -<br>Original | Variance<br>Favorable<br>(unfavorable) |
|--------------------------------|------|---|---|-------------------|----------------------------|--|
| <b>CITY ATTORNEY</b>           | 200  |   |   | -                 |                            |  |
| PROFESSIONAL/SPECIALIZED SERV. | 6610 | 54,557.36                                       | 36,000.00                                   | 90,557.36         | 75,000.00                  | (15,557.36)                            |
| <b>Total CITY ATTORNEY</b>     |      | <b>54,557.36</b>                                | <b>36,000.00</b>                            | <b>90,557.36</b>  | <b>75,000.00</b>           | <b>(15,557.36)</b>                     |
| <b>CITY MANAGER</b>            | 310  |   |   |                   |                            |  |
| SALARIES & WAGES               | 6010 | 72,474.90                                       | 82,878.00                                   | 155,352.90        | 150,000.00                 | (5,352.90)                             |
| BENEFITS                       | 6080 | 12,590.81                                       | 9,600.00                                    | 22,190.81         | 40,678.00                  | 18,487.19                              |
| OFFICE EXPENSE & SUPPLIES      | 6210 | 6,001.63  | 7,800.00                                    | 13,801.63         | 14,600.00                  | 798.37                                 |
| SPECIAL DEPARTMENTAL EXPENSE   | 6220 | 67.25   | 233.00                                      | 300.25            | 300.00                     | (0.25)                                 |
| COMMUNICATIONS                 | 6310 | 223.52  | 525.00                                      | 748.52            | 900.00                     | 151.48                                 |
| MILEAGE ALLOWANCE              | 6440 | 298.54  | 512.00                                      | 810.54            | 1,000.00                   | 189.46                                 |
| CONFERENCE/MEETING/TRAVEL EXP  | 6510 | -   | 1,000.00                                    | 1,000.00          | 1,800.00                   | 800.00                                 |
| PROFESSIONAL/SPECIALIZED SERV. | 6610 | 18,198.82                                       | 18,475.00                                   | 36,673.82         | 49,200.00                  | 12,526.18                              |
| TRAINING & EDUCATION           | 6710 | 354.73  | 350.00                                      | 704.73            | 10,000.00                  | 9,295.27                               |
| LIABILITY PROPERTY INS AND DED | 6840 | 30,450.00                                       | 550.00                                      | 31,000.00         | 31,000.00                  | -                                      |
| Credit Card Fees               | 6965 | 633.11  | 450.00                                      | 1,083.11          | -                          | (1,083.11)                             |
| COMPUTER UPGRADE               | 8010 | -   | 900.00                                      | 900.00            | 900.00                     | -                                      |
| <b>Total CITY MANAGER</b>      |      | <b>141,293.31</b>                               | <b>123,273.00</b>                           | <b>264,566.31</b> | <b>300,378.00</b>          | <b>35,811.69</b>                       |
| <b>CITY CLERK</b>              | 320  |   |   |                   |                            |  |
| SALARIES & WAGES               | 6010 | 48,260.09                                       | 45,300.00                                   | 93,560.09         | 104,605.00                 | 11,044.91                              |
| BENEFITS                       | 6080 | 14,565.83                                       | 9,600.00                                    | 24,165.83         | 26,408.00                  | 2,242.17                               |
| SPECIAL DEPARTMENTAL EXPENSE   | 6220 | 5,204.20  | 2,190.00                                    | 7,394.20          | 7,300.00                   | (94.20)                                |
| PRINTING & ADVERTISING         | 6240 | 2,244.54  | 900.00                                      | 3,144.54          | 3,200.00                   | 55.46                                  |
| MILEAGE ALLOWANCE              | 6440 | 33.35   | 105.00                                      | 138.35            | 400.00                     | 261.65                                 |
| CONFERENCE/MEETING/TRAVEL EXP  | 6510 | 1,500.00  | -   | 1,500.00          | 2,000.00                   | 500.00                                 |
| MEMBERSHIP/DUES/PUBLICATIONS   | 6520 | 430.00  | 230.00                                      | 660.00            | 1,070.00                   | 410.00                                 |
| TRAINING & EDUCATION           | 6710 | -   | 1,000.00                                    | 1,000.00          | 1,000.00                   | -                                      |
| <b>Total CITY CLERK</b>        |      | <b>72,238.01</b>                                | <b>59,325.00</b>                            | <b>131,563.01</b> | <b>145,983.00</b>          | <b>14,419.99</b>                       |
| <b>FINANCE</b>                 | 330  |   |   |                   |                            |  |
| BENEFITS                       | 6080 | 5,015.68  | 980.00                                      | 5,995.68          | 6,000.00                   | 4.32                                   |
| OFFICE EXPENSE & SUPPLIES      | 6210 | 4,548.02  | 5,400.00                                    | 9,948.02          | 10,200.00                  | 251.98                                 |
| SPECIAL DEPARTMENTAL EXPENSE   | 6220 | -   | 500.00                                      | 500.00            | 500.00                     | -                                      |
| MILEAGE ALLOWANCE              | 6440 | 35.65   | 165.00                                      | 200.65            | 500.00                     | 299.35                                 |
| MEMBERSHIP/DUES/PUBLICATIONS   | 6520 | -   | 110.00                                      | 110.00            | 110.00                     | -                                      |
| SOFTWARE                       | 6530 | -   | 790.00                                      | 790.00            | 790.00                     | -                                      |
| PROFESSIONAL/SPECIALIZED SERV. | 6610 | 28,480.28                                       | 53,560.00                                   | 82,040.28         | 83,800.00                  | 1,759.72                               |
| ANNUAL AUDIT EXPENSE           | 6612 | -   | 9,000.00                                    | 9,000.00          | 8,000.00                   | (1,000.00)                             |
| TRAINING & EDUCATION           | 6710 | -   | -   | -                 | 200.00                     | 200.00                                 |
| <b>Total FINANCE</b>           |      | <b>38,079.63</b>                                | <b>70,505.00</b>                            | <b>108,584.63</b> | <b>110,100.00</b>          | <b>1,515.37</b>                        |
| <b>PLANNING</b>                | 350  |   |   |                   |                            |  |
| SPECIAL DEPARTMENTAL EXPENSE   | 6220 | -   | 100.00                                      | 100.00            | 100.00                     | -                                      |
| REGULAR PLANNING SERVICES      | 6616 | 25,695.00                                       | 30,800.00                                   | 56,495.00         | 56,000.00                  | (495.00)                               |
| GENERAL PLAN SERVICES          | 6619 | -   | -   | -                 | -                          | -                                      |
| <b>Total PLANNING</b>          |      | <b>25,695.00</b>                                | <b>30,900.00</b>                            | <b>56,595.00</b>  | <b>56,100.00</b>           | <b>(495.00)</b>                        |

|  |      | Current Year<br>Actual July to<br>December 2015 | Projected Actual<br>January to June<br>2016 | Total               | Total Budget -<br>Original | Variance<br>Favorable<br>(unfavorable) |
|--|------|---|---|---------------------|----------------------------|--|
| <b>BUILDING &amp; SAFETY</b>             | 360  |   |   |                     |                            |  |
| SPECIAL DEPARTMENTAL EXPENSE             | 6220 | 339.99  | 511.01                                      | 851.00              | 950.00                     | 99.00                                  |
| PROFESSIONAL/SPECIALIZED SERV.           | 6610 | 57,239.28                                       | 90,000.00                                   | 147,239.28          | 152,380.00                 | 5,140.72                               |
| <b>Total BUILDING &amp; SAFETY</b>       |      | <u>57,579.27</u>                                | <u>90,511.01</u>                            | <u>148,090.28</u>   | <u>153,330.00</u>          | <u>5,239.72</u>                        |
| <b>LAW ENFORCEMENT</b>                   | 410  |   |   |                     |                            |  |
| SPECIAL DEPARTMENTAL EXPENSE             | 6220 | -   | 350.00                                      | 350.00              | 350.00                     | -                                      |
| PRINTING & ADVERTISING                   | 6240 | 1,932.34  | -   | 1,932.34            | 200.00                     | (1,732.34)                             |
| RSA LEASES                               | 6335 | -   | 57,389.00                                   | 57,389.00           | 57,389.00                  | -                                      |
| VEHICLE & EQUIP MAINT                    | 6410 | -   | 1,800.00                                    | 1,800.00            | 1,800.00                   | -                                      |
| PROFESSIONAL/SPECIALIZED SERV.           | 6610 | 397,046.49                                      | 994,039.00                                  | 1,391,085.49        | 1,487,920.00               | 96,834.51                              |
| BOOKING FEES                             | 6845 | 1,826.92  | 5,250.00                                    | 7,076.92            | 16,496.00                  | 9,419.08                               |
| CAL ID                                   | 6850 | 10,826.00                                       | -   | 10,826.00           | 10,826.00                  | -                                      |
| COUNTY RMS SYSTEM                        | 6861 | -   | 8,071.00                                    | 8,071.00            | 8,071.00                   | -                                      |
| <b>Total LAW ENFORCEMENT</b>             |      | <u>411,631.75</u>                               | <u>1,066,899.00</u>                         | <u>1,478,530.75</u> | <u>1,583,052.00</u>        | <u>104,521.25</u>                      |
| <b>FIRE &amp; MEDICAL AID</b>            | 420  |   |   |                     |                            |  |
| SALARIES & WAGES                         | 6010 | 36,020.00                                       | 20,000.00                                   | 56,020.00           | -                          | (56,020.00)                            |
| BENEFITS                                 | 6080 | 830.29  | -   | 830.29              | -                          | (830.29)                               |
| SPECIAL DEPARTMENTAL EXPENSE             | 6220 | 7.71  | -   | 7.71                | 2,000.00                   | 1,992.29                               |
| UTILITIES                                | 6320 | 2,446.84  | 3,960.00                                    | 6,406.84            | 9,300.00                   | 2,893.16                               |
| PROFESSIONAL/SPECIALIZED SERV.           | 6610 | 5,775.33  | 914,000.00                                  | 919,775.33          | 1,753,307.00               | 833,531.67                             |
| Fire & Life Saving Equipment             | 8017 | -   | 400,000.00                                  | 400,000.00          | -                          | (400,000.00)                           |
| STATION UPGRADES                         | 8018 | -   | -   | -                   | -                          | -                                      |
| <b>Total FIRE &amp; MEDICAL AID</b>      |      | <u>45,080.17</u>                                | <u>1,337,960.00</u>                         | <u>1,383,040.17</u> | <u>1,764,607.00</u>        | <u>381,566.83</u>                      |
| <b>EMERGENCY PREPAREDNESS</b>            | 425  |   |   |                     |                            |  |
| SPECIAL DEPARTMENTAL EXPENSE             | 6220 | 412.00  | -   | 412.00              | 8,900.00                   | 8,488.00                               |
| COMMUNICATIONS                           | 6310 | -   | -   | -                   | 1,080.00                   | 1,080.00                               |
| <b>Total EMERGENCY PREPAREDNESS</b>      |      | <u>412.00</u>                                   | <u>-</u>                                    | <u>412.00</u>       | <u>9,980.00</u>            | <u>9,568.00</u>                        |
| <b>ANIMAL CONTROL</b>                    | 430  |   |   |                     |                            |  |
| PROFESSIONAL/SPECIALIZED SERV.           | 6610 | 41,376.46                                       | 48,380.00                                   | 89,756.46           | 90,000.00                  | 243.54                                 |
| INTEREST EXPENSE                         | 6900 | 30,295.47                                       | 31,750.00                                   | 62,045.47           | 62,100.00                  | 54.53                                  |
| <b>Total ANIMAL CONTROL</b>              |      | <u>71,671.93</u>                                | <u>80,130.00</u>                            | <u>151,801.93</u>   | <u>152,100.00</u>          | <u>298.07</u>                          |
| <b>PUBLIC WORKS ADMINISTRATION</b>       | 510  |   |   |                     |                            |  |
| SPECIAL DEPARTMENTAL EXPENSE             | 6220 | -   | 300.00                                      | 300.00              | 300.00                     | -                                      |
| PROFESSIONAL/SPECIALIZED SERV.           | 6610 | 8,197.36  | 3,802.64                                    | 12,000.00           | 12,000.00                  | -                                      |
| <b>Total PUBLIC WORKS ADMINISTRATION</b> |      | <u>8,197.36</u>                                 | <u>4,102.64</u>                             | <u>12,300.00</u>    | <u>12,300.00</u>           | <u>-</u>                               |
| <b>NPDES</b>                             | 515  |   |   |                     |                            |  |
| RSA-SPC-L ENFORCEMENT SALARY             | 6015 | 7,560.71  | 5,850.00                                    | 13,410.71           | 14,110.00                  | 699.29                                 |
| BENEFITS                                 | 6080 | 109.62  | 150.00                                      | 259.62              | 1,874.00                   | 1,614.38                               |
| MEMBERSHIP/DUES/PUBLICATIONS             | 6520 | 38,721.00                                       | 7,939.00                                    | 46,660.00           | 46,660.00                  | -                                      |
| <b>Total NPDES</b>                       |      | <u>46,391.33</u>                                | <u>13,939.00</u>                            | <u>60,330.33</u>    | <u>62,644.00</u>           | <u>2,313.67</u>                        |

|   |      | Current Year<br>Actual July to<br>December 2015 | Projected Actual<br>January to June<br>2016 | Total               | Total Budget -<br>Original | Variance<br>Favorable<br>(unfavorable) |
|---|------|---|---|---------------------|----------------------------|--|
| <b>SPECIAL ENFORCEMENT</b>                    | 520  |   |   |                     |                            |  |
| RSA-SPC-L ENFORCEMENT SALARY                  | 6015 | 26,310.77                                       | 24,000.00                                   | 50,310.77           | 85,742.00                  | 35,431.23                              |
| BENEFITS                                      | 6080 | 3,439.04  | 3,900.00                                    | 7,339.04            | 11,390.00                  | 4,050.96                               |
| SPECIAL DEPARTMENTAL EXPENSE                  | 6220 | 3,903.16  | 1,125.00                                    | 5,028.16            | 5,000.00                   | (28.16)                                |
| COMMUNICATIONS                                | 6310 | 423.23  | 525.00                                      | 948.23              | 1,200.00                   | 251.77                                 |
| RSA BOAT MAINTENANCE                          | 6415 | 42.25   | 2,658.00                                    | 2,700.25            | 3,000.00                   | 299.75                                 |
| RSA BOAT FUELS & LUBRICANTS                   | 6425 | -   | 4,000.00                                    | 4,000.00            | 4,000.00                   | -                                      |
| MEMBERSHIP/DUES/PUBLICATIONS                  | 6520 | -   | 1,500.00                                    | 1,500.00            | 1,500.00                   | -                                      |
| COMPUTER EQUIPMENT                            | 6610 | -   | 900.00                                      | 900.00              | 900.00                     | -                                      |
| <b>Total STREETS</b>                          |      | <b>34,118.45</b>                                | <b>38,608.00</b>                            | <b>72,726.45</b>    | <b>112,732.00</b>          | <b>40,005.55</b>                       |
| <br>  |      |   |   |                     |                            |  |
| <b>BUILDING &amp; FACILITIES MAINT.</b>       | 550  |   |   |                     |                            |  |
| COMMUNICATIONS                                | 6310 | 534.61  | -   | 534.61              | 2,100.00                   | 1,565.39                               |
| UTILITIES                                     | 6320 | 12,997.84                                       | 12,990.00                                   | 25,987.84           | 24,600.00                  | (1,387.84)                             |
| RENTAL & LEASES                               | 6330 | 8,462.31  | 6,165.00                                    | 14,627.31           | 14,400.00                  | (227.31)                               |
| PROFESSIONAL/SPECIALIZED SERV.                | 6610 | 17,673.60                                       | 6,069.00                                    | 23,742.60           | 18,800.00                  | (4,942.60)                             |
| <b>Total BUILDING &amp; FACILITIES MAINT.</b> |      | <b>39,668.36</b>                                | <b>25,224.00</b>                            | <b>64,892.36</b>    | <b>59,900.00</b>           | <b>(4,992.36)</b>                      |
| <b>Total EXPENDITURES</b>                     |      | <b>1,071,918.42</b>                             | <b>3,013,416.65</b>                         | <b>4,085,335.07</b> | <b>4,661,968.00</b>        | <b>576,632.93</b>                      |
| <br>  |      |   |   |                     |                            |  |
| <b>EXCESS (DEFICIT) REVENUES OVER EXP.</b>    |      | <b>237,580.55</b>                               | <b>188,704.01</b>                           | <b>426,284.56</b>   | <b>(327,968.00)</b>        | <b>(399,013.30)</b>                    |



**City of Canyon Lake  
City Council  
Staff Report**

**TO:** Honorable Mayor and Members of the City Council

**FROM:** Ariel M. Hall, Interim City Manager

**BY:** Kirsten Rowe, Administrative Services Manager

**DATE:** February 3, 2016

**SUBJECT:** Consideration of the Fiscal Year 2014-2015 Annual Financial Report

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**Recommendation**

It is recommended that the City Council: receive and file the Fiscal Year 2014-2015 Annual Financial Report.

**Background**

Attached you will find the City of Canyon Lake's Fiscal Year 2014-2015 Annual Financial Report and associated letter prepared by Lance, Soll & Lunghard, LLP (LSL). The Annual Financial Report stated that the financial statements for the City presented fairly, in all material aspects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information.

**Budget (or Fiscal) Impact**

None

**Attachments**

1. Annual Financial Report for Year Ended June 30, 2015



***CITY OF CANYON LAKE,  
CALIFORNIA***

**ANNUAL FINANCIAL REPORT**

**YEAR ENDED JUNE 30, 2015**

**CITY OF CANYON LAKE,  
CALIFORNIA**

**ANNUAL FINANCIAL REPORT**

**Year Ended June 30, 2015**

**City of Canyon Lake**  
**Annual Financial Report**  
**June 30, 2015**  
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## INDEPENDENT AUDITORS' REPORT

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

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of City of Canyon Lake, California, (the 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 Canyon 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, each major fund, and the aggregate remaining fund information of the City of Canyon Lake, California, 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.

### ***Change in Accounting Principle***

As discussed in Note 13 to the financial statements, in 2015 the City adopted new accounting guidance, GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27* as amended by GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison schedules for the General Fund and Gas Tax Special Revenue Fund, the schedule of proportionate share of the net position liability and the schedule of plan contributions 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 combining and individual nonmajor fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the 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



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

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.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 28, 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.

*Lance, Soll & Loughard, LLP*

Brea California  
December 28, 2015

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## Management's Discussion and Analysis

As management of the City of Canyon Lake, California (City), we are pleased to offer to the 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.

### Financial Highlights

- The assets of the City exceeded its liabilities at the end of fiscal year 2015 by \$11,928,127. The difference between assets and liabilities is referred to as net position.
- The City's total net position decreased by \$390,178 during fiscal year 2014-2015.
- As of June 30, 2015, the City's governmental funds reported combined fund balances of \$3,866,668, an increase of \$5,265 from the prior fiscal year, and \$2,331,025 of the governmental funds' fund balances are assigned and unassigned.
- As of June 30, 2015, assigned and unassigned fund balances for the General Fund was \$2,331,025 or 56.2 percent of total General Fund expenditures.
- The City's total debt decreased by \$128,432 during the fiscal year as a result of the principal payments paid on the Riverside County Transportation Commission and Riverside County loans. With the implementation of GASB 68 the unfunded pension liability of \$233,356 is included in these financial statements.

### Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the City of Canyon Lake'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 that is similar to a private-sector business.

Government-wide financial statements include a statement of net position and a statement of activities. The statement of net position presents information on all of the City's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases may provide a useful indicator on whether the financial position of the City is improving or deteriorating.

The *statement of activities* provides information showing how the City's net position changed during the most recent fiscal year. These changes are reported using the full accrual basis of accounting that is when the economic event occurs, rather than when cash is received or paid. Under this basis of accounting, revenues and expenses are reported in the statement for some items that will only result in future cash inflows or outflows such as vacation earned but not paid and uncollected taxes.

Both of the 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, economic development, building and planning, animal control, and public works. The City does not have any business-type activities.

The government-wide financial statements can be found on pages 12 - 13 of this report.

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

***Governmental funds:*** *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike 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 the City's near-term financing requirements.

Because the focus of governmental funds is more narrow 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 City'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 ten individual governmental funds for financial reporting purposes. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and Capital Projects Fund, which are considered to be major funds. Data from the remaining governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The City adopts an annual appropriated budget for its General Fund, Special Revenue Funds, Debt Service Fund and Capital Projects Fund. A budgetary comparison statement has been provided for the General Fund and Capital Projects Fund in order to demonstrate compliance with this budget.

The governmental fund financial statements can be found on pages 14 - 17 of this report.

***Fiduciary funds:*** *Fiduciary funds* are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not included 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 fund financial statement can be found on page 18 of this report.

**Notes to the basic financial statements:** The notes to the basic financial statements 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 basic financial statements can be found on pages 19 - 44 of this report.

**Other information:** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information (RSI), as listed on the Table of Contents and which can be found on pages 45 - 48.

Combining statements for nonmajor governmental funds are presented immediately following the required supplementary information and can be found on pages 50 - 53 of this report.

**Government-wide financial analysis**

As noted earlier, net position may, over time, serve as a useful indicator of the City's financial position. For the fiscal year ended June 30, 2015, the City's assets exceeded its liabilities by \$11,928,127 as summarized below:

**Statement of Net position**

|  | <b>Governmental Activities</b> |                      |
|--|--------------------------------|----------------------|
|  | <b>2015</b>                    | <b>2014</b>          |
| <b>Assets:</b>                         |                                |                      |
| Current and other assets               | \$ 5,895,905                   | \$ 4,688,959         |
| Capital assets (net of depreciation)   | 8,981,235                      | 9,521,139            |
| <b>Total assets</b>                    | <b>14,877,140</b>              | <b>14,210,098</b>    |
| <br>                                   |                                |                      |
| <b>Deferred outflows of resources:</b> |                                |                      |
| Pension related items                  | 22,545                         | -                    |
| <br>                                   |                                |                      |
| <b>Liabilities:</b>                    |                                |                      |
| Current and other liabilities          | 2,164,492                      | 961,899              |
| Long-term liabilities                  | 712,870                        | 618,503              |
| <b>Total liabilities</b>               | <b>2,877,362</b>               | <b>1,580,402</b>     |
| <br>                                   |                                |                      |
| <b>Deferred inflows of resources:</b>  |                                |                      |
| Pension related items                  | 94,196                         | -                    |
| <br>                                   |                                |                      |
| <b>Net position:</b>                   |                                |                      |
| Net investment in capital assets       | 8,368,642                      | 8,780,114            |
| Restricted                             | 1,534,087                      | 1,228,490            |
| Unrestricted                           | 2,025,398                      | 2,621,092            |
| <b>Total net position</b>              | <b>\$ 11,928,127</b>           | <b>\$ 12,629,696</b> |

The City's net position only include infrastructure assets such as roads, streets, lighting systems, drainage systems, bridges, etc. that were added in the fiscal years ending June 30, 2004 through 2015. Historically, the City has not recorded these assets. Under GASB 34, the City has elected not to retroactively include the value of major infrastructure assets in the statement of net position.

Excluding the unknown value of infrastructure assets, net investment in capital assets represents 70.16 percent of the City's net position. The City uses capital assets to provide services to citizens; consequently, these assets are not available for future spending. An additional portion of the City's net position, \$1,534,087 or 12.86 percent, represent resources that are subject to restrictions on how they may be used. The remaining balance, (unrestricted net position), is \$2,025,398.

**Statement of Activities:** The statement of activities shows how the City's net position changed during the fiscal years 2014-15 and 2013-14. Provided below is a summary of changes in net position.

### Statement of Changes in Net position

|                                       | <b>Governmental Activities</b> |               |
|---------------------------------------|--------------------------------|---------------|
|                                       | <b>2015</b>                    | <b>2014</b>   |
| Revenues:                             |                                |               |
| Program Revenues:                     |                                |               |
| Charges for services                  | \$ 262,802                     | \$ 249,199    |
| Operating grants and contributions    | 758,202                        | 835,474       |
| Capital grants and contributions      | -                              | -             |
| General revenues                      | 3,439,629                      | 3,044,995     |
| Total revenues                        | 4,460,633                      | 4,129,668     |
| Expenses:                             |                                |               |
| General government                    | 975,211                        | 726,827       |
| Public safety                         | 3,010,785                      | 2,956,134     |
| Public works                          | 649,656                        | 673,236       |
| Community development                 | 211,591                        | 182,639       |
| Interest on long-term debt            | 3,568                          | 11,731        |
| Total expenses                        | 4,850,811                      | 4,550,567     |
| Change in net position                | (390,178)                      | (420,899)     |
| Net position - beginning, as restated | 12,318,305                     | 13,050,595    |
| Net position - ending                 | \$ 11,928,127                  | \$ 12,629,696 |

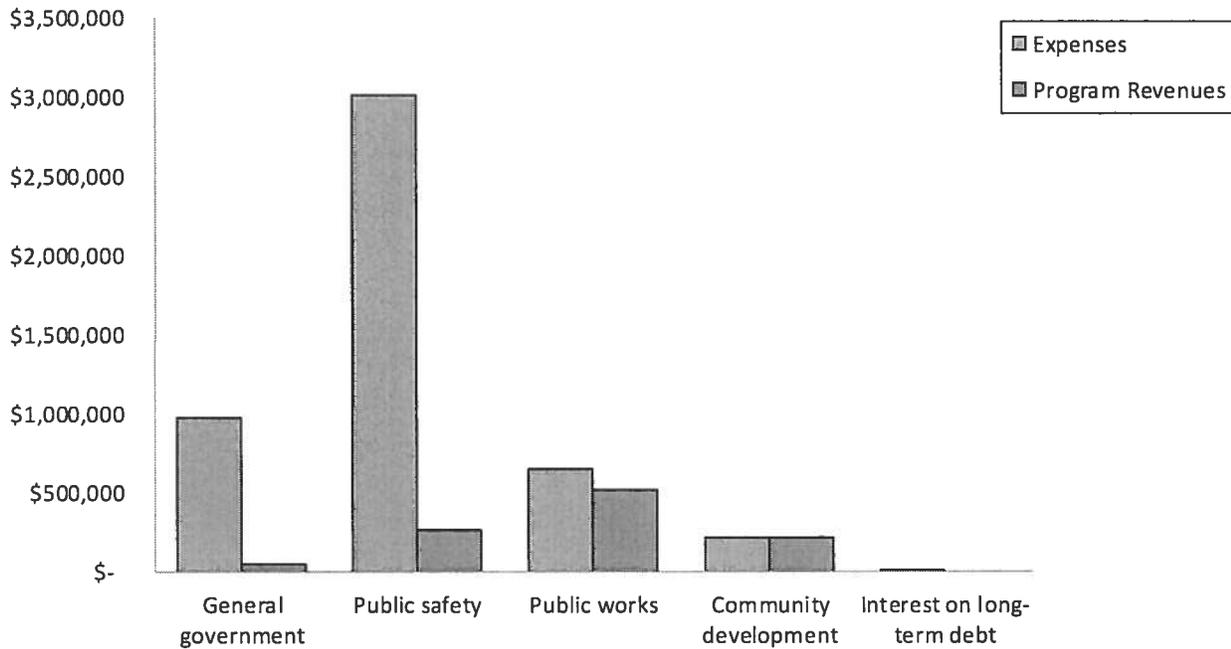
The City's net position decreased overall by \$390,178 during the current fiscal year. The reason for the decrease is explained in the governmental activities discussion below.

**Governmental activities:** Net position from governmental activities assets decreased by \$390,178. Key element of the decrease is as follows:

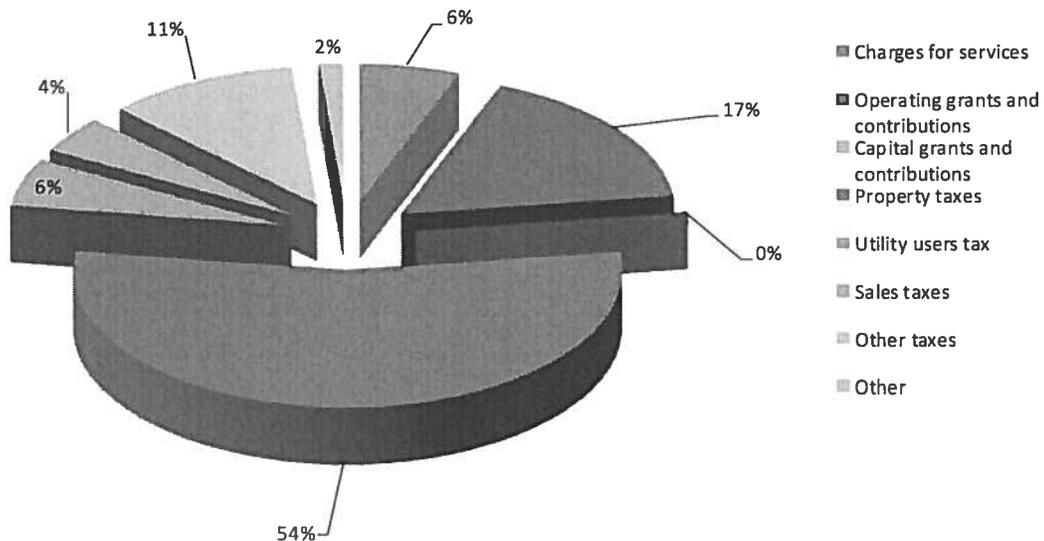
- Depreciation expense of \$421,429 on the capitalization of the Railroad Canyon Road Widening project.

The charts below provide graphic representation of the City's expenses compared to program revenues by function and its revenue by source.

### Expenses and Program Revenues - Governmental Activities



### Revenues by Source - Governmental Activities



The governmental activities expenses and program revenues chart is designed to reflect expenses associated with each City function and the revenues that are directly attributable to each function. It is important to note that general revenues such as property, sales and other taxes are not directly attributable to specific functions and are therefore used to support program activities citywide. Regarding the revenues by source chart, it shows that 54 percent of governmental activities revenues came from property tax revenue, which has decreased by 1 percent from the previous fiscal year.

### **Financial Analysis of City's 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, unreserved fund balance may serve as a useful measure of the City's net resources available for spending at the end of the fiscal year. Please refer to pages 14 - 17 for more detail on governmental funds.

As of June 30, 2015, the City's governmental funds reported combined ending fund balances of \$3,866,668, an increase of \$5,265 in comparison with the prior year. Of the \$3,866,668, \$2,331,025 or 60.29 percent constitutes assigned and unassigned fund balance. The remainder of fund balance is nonspendable, restricted or committed to indicate that it is not available for new spending or constraints are placed on the use of resources, respectively. The increase in governmental fund balance is due to a decrease in the fund balance of the General Fund of \$300,332 as a result of increased public safety costs offset by an increase in fund balance of the Gas Tax Major Governmental Fund of \$211,869, due to an increase in Gas Tax revenues and a reduction in expenditures for the year. Also, it was offset by an increase in fund balance of the Non-Major Governmental funds of \$93,728.

### **General Fund Financial and Budgetary Highlights**

The General Fund is the chief operating fund of the City. At June 30, 2015, assigned and unassigned fund balance was \$2,331,025. As a measure of the General Fund's financial condition, it may be useful to compare the unassigned fund balance to total expenditures. Assigned and unassigned fund balances represent 56.23 percent of General Fund expenditures. For the fiscal year, the General Fund's fund balance decreased \$300,332 from the prior year. The differences between the General Fund budget and actual are summarized below:

- General Fund actual revenues were above budget by \$297,984 mainly due to higher than anticipated property taxes, utility users tax and building permit revenues.
- Actual expenditures were \$61,488 less than the final budgeted amount of \$4,207,194, with General Government being more due to higher than anticipated legal costs, and Community Development being more than anticipated due to increased planning and building activity, which is offset by Public Safety costs being less than anticipated due to fire protection services being less than budgeted.

## Capital Assets and Debt Administration

**Capital Assets:** City investment in capital assets for its governmental type activities as of June 30, 2015, amounted to \$8,981,235 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, machinery/vehicles and infrastructure assets. During the year, no capital assets were added for the governmental activities; however, several vehicles were declared surplus and disposed of.

Major capital assets events during the current fiscal year included the following:

- Police vehicles were declared surplus and disposed of with an original cost of \$130,545.

Additional information on the City's capital assets can be found on page 30 in the notes to the basic financial statements and a summary is provided below.

### City of Canyon Lake Capital Assets (net of depreciation)

|                                   | Governmental Activities |                     |
|-----------------------------------|-------------------------|---------------------|
|                                   | 2015                    | 2014                |
| Land                              | \$ 130,000              | \$ 130,000          |
| Building and improvements         | 494,634                 | 516,656             |
| Machinery, equipment and vehicles | 62,027                  | 79,561              |
| Infrastructure                    | 8,294,574               | 8,794,922           |
| Total                             | <u>\$ 8,981,235</u>     | <u>\$ 9,521,139</u> |

**Long-term debt:** At the end of fiscal year 2015, the City's total long-term debt outstanding was \$614,769. This amount was comprised of \$264,184 in loans from Riverside County which are secured by several different sources of revenues, \$348,409 in loans from RCTC which are secured by Measure A revenues, and \$2,176 in compensated absences.

Outstanding long-term debt of the City is summarized below, and additional information can be found on pages 31 - 32 in the notes to basic financial statements.

### City of Canyon Lake Outstanding Long-Term Debt

|                                  | Governmental Activities |                   |
|----------------------------------|-------------------------|-------------------|
|                                  | 2015                    | 2014              |
| Compensated absences             | \$ 2,176                | \$ 11,821         |
| Loan payable County of Riverside | 264,184                 | 312,184           |
| Loan payable RCTC                | 348,409                 | 428,841           |
| Total long-term debt             | <u>\$ 614,769</u>       | <u>\$ 752,846</u> |

## **Pension Plan Obligations**

The City implemented GASB Statement 68 during the current fiscal year which resulted in a restatement of the beginning net position of governmental activities of \$311,391 and an ending net pension liability of \$233,356. Additional information can be found on pages 33-41 and page 43 in the notes to the basic financial statements.

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

In preparing the budget for fiscal year 2015-16, management looked at the possible impact to the City's revenue due to the State of California's budget deficit and continued economic downturn.

The Operating Budget for fiscal year 2015-16 anticipates using \$327,969 of the General Fund fund balance reserve.

- Anticipated General Fund Revenues of \$4,334,000, an increase of \$1,090,000 from the previous year due the passing of the Utility Users Tax.
- Proposed General Fund Expenditures of \$4,661,969, an increase of \$1,253,031 over the previous year, due increased costs in public safety and an additional full time staff person.

Detailed information about the economic analysis, revenue assumptions, and other budgetary process parameters utilized in the annual budget preparation, can be obtained from the City's 2015-16 Budget which is available at City Hall.

## **Requests for Information**

This financial report is designed to provide a general overview of the City's finances for all those with interest in the government's finances. Questions concerning any of the information provided in this report, or requests for additional information, should be addressed to the City Clerk, City of Canyon Lake, 31516 Railroad Canyon Road, Canyon Lake, California 92587, or call (951) 244-2955.

**City of Canyon Lake  
Statement of Net Position  
June 30, 2015**

**ASSETS**

|   |                       |
|---|-----------------------|
| Cash and investments                            | \$ 5,541,056          |
| Receivables:                                    |                       |
| Accounts  | 179,974               |
| Interest  | 10,289                |
| Intergovernmental                               | 163,030               |
| Prepaid items                                   | 1,556                 |
| Capital assets, net of accumulated depreciation | <u>8,981,235</u>      |
| <br>Total assets                                | <br><u>14,877,140</u> |

**DEFERRED OUTFLOWS OF RESOURCES**

|                       |               |
|-----------------------|---------------|
| Pension related items | <u>22,545</u> |
|-----------------------|---------------|

**LIABILITIES**

|                           |                      |
|---------------------------|----------------------|
| Accounts payable          | 2,029,237            |
| Noncurrent liabilities:   |                      |
| Due within one year       | 135,255              |
| Due in more than one year | 479,514              |
| Net pension liability     | <u>233,356</u>       |
| <br>Total liabilities     | <br><u>2,877,362</u> |

**DEFERRED INFLOWS OF RESOURCES**

|                       |               |
|-----------------------|---------------|
| Pension related items | <u>94,196</u> |
|-----------------------|---------------|

**NET POSITION**

|                                  |                                 |
|----------------------------------|---------------------------------|
| Net investment in capital assets | 8,368,642                       |
| Restricted:                      |                                 |
| Public works                     | 1,486,920                       |
| Community development            | 25,494                          |
| Equipment                        | 21,673                          |
| Unrestricted                     | <u>2,025,398</u>                |
| <br>Total net position           | <br><u><u>\$ 11,928,127</u></u> |

The accompanying notes are an integral part of these financial statements

**City of Canyon Lake  
Statement of Activities  
For the Year Ended June 30, 2015**

|                                      | Program Revenues    |                         |  |  | Net (Expense)<br>Revenue and<br>Changes in<br>Net Position |
|--------------------------------------|---------------------|-------------------------|--|--|--|
|                                      | Expenses            | Charges for<br>Services | Operating<br>Grants and<br>Contributions | Capital<br>Grants and<br>Contributions |  |
| Governmental activities:             |                     |                         |  |  |  |
| General government                   | \$ 975,211          | \$ 38,980               | \$ -                                     | \$ -                                   | \$ (936,231)   |
| Public safety                        | 3,010,785           | 16,963                  | 242,809                                  | -                                      | (2,751,013)  |
| Public works                         | 649,656             | -                       | 515,393                                  | -                                      | (134,263)  |
| Community development                | 211,591             | 206,859                 | -  | -                                      | (4,732)  |
| Interest on long-term debt           | 3,568               | -                       | -  | -                                      | (3,568)  |
| <b>Total governmental activities</b> | <b>\$ 4,850,811</b> | <b>\$ 262,802</b>       | <b>\$ 758,202</b>                        | <b>\$ -</b>                            | <b>(3,829,807)</b>   |

General revenues:

Taxes:

|  |                      |
|--|----------------------|
| Property tax, levied for general purpose                   | 2,425,730            |
| Utility users tax  | 250,483              |
| Transient occupancy tax                                    | 50,656               |
| Franchise tax  | 320,286              |
| Sales tax  | 193,097              |
| Other taxes  | 134,652              |
| Use of money and property                                  | 10,487               |
| Other  | 54,238               |
| <b>Total general revenues</b>                              | <b>3,439,629</b>     |
| Change in net position                                     | (390,178)            |
| Net position, beginning of year, as restated (see note 13) | 12,318,305           |
| Net position, end of year                                  | <b>\$ 11,928,127</b> |

The accompanying notes are an integral part of these financial statements

**City of Canyon Lake  
Balance Sheet  
Governmental Funds  
June 30, 2015**

|  | General             | Special<br>Revenue<br>Gas Tax<br>Fund | Total<br>Non-major<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|--|---------------------|---------------------------------------|---|--------------------------------|
| <b>ASSETS</b>                            |                     |                                       |   |                                |
| Cash and investments                     | \$ 4,038,749        | \$ 751,805                            | \$ 750,502                                  | \$ 5,541,056                   |
| Receivables:                             |                     |                                       |   |                                |
| Accounts                                 | 179,974             | -                                     | -   | 179,974                        |
| Interest                                 | 10,289              | -                                     | -   | 10,289                         |
| Intergovernmental                        | 121,704             | -                                     | 41,326                                      | 163,030                        |
| Prepaid items                            | 1,556               | -                                     | -   | 1,556                          |
|  | <u>1,556</u>        | <u>-</u>                              | <u>-</u>                                    | <u>1,556</u>                   |
| Total assets                             | <u>\$ 4,352,272</u> | <u>\$ 751,805</u>                     | <u>\$ 791,828</u>                           | <u>\$ 5,895,905</u>            |
| <br><b>LIABILITIES AND FUND BALANCES</b> |                     |                                       |   |                                |
| Liabilities:                             |                     |                                       |   |                                |
| Accounts payable                         | \$ 2,019,691        | \$ 9,546                              | \$ -  | \$ 2,029,237                   |
|  | <u>2,019,691</u>    | <u>9,546</u>                          | <u>-</u>                                    | <u>2,029,237</u>               |
| Fund Balances:                           |                     |                                       |   |                                |
| Nonspendable                             | 1,556               | -                                     | -   | 1,556                          |
| Restricted                               | -                   | 742,259                               | 791,828                                     | 1,534,087                      |
| Assigned                                 | 75,000              | -                                     | -   | 75,000                         |
| Unassigned                               | 2,256,025           | -                                     | -   | 2,256,025                      |
|  | <u>2,332,581</u>    | <u>742,259</u>                        | <u>791,828</u>                              | <u>3,866,668</u>               |
| Total fund balances                      | <u>2,332,581</u>    | <u>742,259</u>                        | <u>791,828</u>                              | <u>3,866,668</u>               |
| Total liabilities and fund balances      | <u>\$ 4,352,272</u> | <u>\$ 751,805</u>                     | <u>\$ 791,828</u>                           | <u>\$ 5,895,905</u>            |

The accompanying notes are an integral part of these financial statements

**City of Canyon Lake  
Reconciliation of the Balance Sheet of  
Governmental Funds to the Statement of Net Position  
June 30, 2015**

|   |                  |                      |
|---|------------------|----------------------|
| Fund balances of governmental funds   |                  | \$ 3,866,668         |
| 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 funds.   |                  | 8,981,235            |
| Deferred outflow of resources relate to:  |                  |                      |
| Pension contributions made after the measurement date   |                  | 15,177               |
| Adjustment due to differences in proportions  |                  | 7,368                |
| Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities, both current and long-term are reported in the statement of net position. |                  |                      |
| Balances at June 30, are:   |                  |                      |
| Compensated absences  | \$ (2,176)       |                      |
| Loan payable - County of Riverside  | (264,184)        |                      |
| Loan payable- RCTC  | (348,409)        |                      |
| Net pension liability   | <u>(233,356)</u> | (848,125)            |
| Deferred inflows of resources relate to:  |                  |                      |
| Net difference between projected and actual earnings pension plan investments   |                  | (72,325)             |
| Difference between contribution and proportionate share of contribution   |                  | <u>(21,871)</u>      |
| Net position of governmental activities   |                  | <u>\$ 11,928,127</u> |

The accompanying notes are an integral part of these financial statements

**City of Canyon Lake**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended June 30, 2015**

|   | General             | Special<br>Revenue<br>Gas Tax<br>Fund | Total<br>Non-major<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|---|---------------------|---------------------------------------|---|--------------------------------|
| <b>REVENUES</b>   |                     |                                       |   |                                |
| Taxes   | \$ 3,315,035        | \$ -                                  | \$ -  | \$ 3,315,035                   |
| Licenses and permits                                      | 279,271             | -                                     | -   | 279,271                        |
| Fines and forfeitures                                     | 16,963              | -                                     | -   | 16,963                         |
| Intergovernmental   | 141,153             | 287,499                               | 280,492                                     | 709,144                        |
| Use of money and property                                 | 49,467              | 1,785                                 | 757   | 52,009                         |
| Other   | 37,095              | -                                     | 51,116                                      | 88,211                         |
|   | <u>3,838,984</u>    | <u>289,284</u>                        | <u>332,365</u>                              | <u>4,460,633</u>               |
| <b>EXPENDITURES</b>                                       |                     |                                       |   |                                |
| Current:  |                     |                                       |   |                                |
| General government  | 969,645             | -                                     | -   | 969,645                        |
| Public safety   | 2,900,155           | -                                     | 100,000                                     | 3,000,155                      |
| Public works  | 64,315              | 77,415                                | -   | 141,730                        |
| Community development                                     | 211,591             | -                                     | -   | 211,591                        |
| Capital outlay  | -                   | -                                     | 247   | 247                            |
| Debt service:   |                     |                                       |   |                                |
| Principal   | -                   | -                                     | 128,432                                     | 128,432                        |
| Interest and fiscal charges                               | -                   | -                                     | 3,568                                       | 3,568                          |
|   | <u>4,145,706</u>    | <u>77,415</u>                         | <u>232,247</u>                              | <u>4,455,368</u>               |
| Excess (deficiency) of revenues over (under) expenditures | <u>(306,722)</u>    | <u>211,869</u>                        | <u>100,118</u>                              | <u>5,265</u>                   |
| <b>OTHER FINANCING SOURCES (USES)</b>                     |                     |                                       |   |                                |
| Transfers in  | 6,390               | -                                     | -   | 6,390                          |
| Transfers out   | -                   | -                                     | (6,390)                                     | (6,390)                        |
|   | <u>6,390</u>        | <u>-</u>                              | <u>(6,390)</u>                              | <u>-</u>                       |
| Net change in fund balances                               | (300,332)           | 211,869                               | 93,728                                      | 5,265                          |
| Fund balances, beginning of year                          | <u>2,632,913</u>    | <u>530,390</u>                        | <u>698,100</u>                              | <u>3,861,403</u>               |
| Fund balances, end of year                                | <u>\$ 2,332,581</u> | <u>\$ 742,259</u>                     | <u>\$ 791,828</u>                           | <u>\$ 3,866,668</u>            |

The accompanying notes are an integral part of these financial statements

**City of Canyon Lake  
 Reconciliation of the Statement of Revenues,  
 Expenditures, and Changes in Fund Balances of  
 Governmental Funds to the Statement of Activities  
 For the Year Ended June 30, 2015**

|   |    |           |
|---|----|-----------|
| Net change in fund balances - total governmental funds  | \$ | 5,265     |
| <p>Amounts reported for governmental activities in the statement of activities different because:</p>   |    |           |
| <p>Governmental funds report capital outlays as expenditures. However, in statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense or are allocated to the appropriate functional expense when the cost is below capitalization threshold. This activity is reconciled as follows:</p> |    |           |
| Depreciation expense  |    | (539,904) |
| <p>Governmental funds report principal payments as expenditures. In the statement of activities, principal payments are applied to the appropriate long-term liability.</p>   |    |           |
|   |    | 128,432   |
| <p>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:</p>  |    |           |
| Pension related net of adjustments  |    | 6,384     |
| Decrease in compensated absences payable  |    | 9,645     |
|   |    | 9,645     |
| Change in net position of governmental activities   | \$ | (390,178) |

The accompanying notes are an integral part of these financial statements

**City of Canyon Lake  
Statement of Fiduciary Assets and Liabilities  
June 30, 2015**

|                            | Agency<br>Fund |
|----------------------------|----------------|
| <b>ASSETS</b>              |                |
| Cash and investments       | \$ 19,124      |
| Due from other governments | 41,400         |
| Total assets               | \$ 60,524      |
| <b>LIABILITIES</b>         |                |
| Deposits                   | \$ 60,524      |
| Total liabilities          | \$ 60,524      |

The accompanying notes are an integral part of these financial statements

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**City of Canyon Lake**  
**Notes to the Basic Financial Statements**  
**June 30, 2015**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Note 1: Organization and Summary of Significant Accounting Policies**

**a. Description of the reporting entity**

The City of Canyon Lake was incorporated on December 1, 1990 under the laws of the State of California and enjoys all the rights and privileges pertaining to "General Law" cities. The City operates under a council-manager form of government and currently provides a wide variety of services to its citizens, including public safety, public services, community development, general administrative and other services.

There are no separate legal entities over which the City is financially accountable for.

**b. Government-wide and fund financial statements**

The government-wide financial statements include a statement of net position and a statement of activities. These statements present summaries of governmental and business-type activities for the City accompanied by a total column. Fiduciary activities of the City are not included in these statements. Certain eliminations have been made as prescribed by GASB Statement No. 34 in regard to interfund activities, payables, and receivables. All internal balances in the statement of net position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct and indirect expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions, that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenue are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. The City does not have any proprietary funds.

**City of Canyon Lake**  
**Notes to the Basic Financial Statements**  
**June 30, 2015**

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

**c. Measurement focus, basis of accounting, and financial statement presentation**

The government-wide statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the cash flows. Accordingly, all of the City's assets and liabilities, including capital assets, as well as infrastructure assets, and long-term liabilities, are included in the accompanying statement of net position. The statement of activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred. The types of transactions reported as program revenues for the City are reported in three categories: 1) charges for services, 2) operating grants and contributions, and 3) capital grants and contributions.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified-accrual basis of accounting*. Under the modified-accrual basis of accounting, revenues are recognized in these funds when susceptible to accrual (i.e. when they are both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the City considers property taxes collected after year-end, as available if they are collected within 60 days of the end of the current fiscal period. Other revenue susceptible to accrual includes sales tax, state gasoline taxes, investment income, and certain other intergovernmental revenues. Expenditures in the governmental funds are generally recognized in the accounting period in which the related fund liability is incurred, if measurable, except for unmatured principal and interest on general long-term debt, as well as compensated absences and claims and judgments, which are recognized when due.

The City reports the following major governmental funds:

The *General Fund* is the government's primary operating fund. It accounts for all financial resources of the general government not accounted and reported in another fund.

The *Gas Tax Fund* accounts for the repair and maintenance of streets and traffic signals of the City.

Additionally, the City reports the following fund types:

The *Special Revenue Funds* are used to account for the proceeds of specific revenue resources that are restricted or committed to expenditures for specific purposes other than debt service and capital projects.

The *Capital Projects Fund* accounts for city-wide capital improvement projects.

The *Debt Service Fund* is used to account for all financial resources that are restricted, committed, or assigned to expenditure for principal, interest, and related costs.

**City of Canyon Lake**  
**Notes to the Basic Financial Statements**  
**June 30, 2015**

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

The *Agency Fund* is used to account for the resources held by the City in a fiduciary capacity.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

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

**Other Accounting Policies**

***Deposits and investments***

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

Investments are reported at fair value. The City's policy is to hold investments until maturity or until market values equal or exceed cost. The State Treasurers Investment Pool operates in accordance with appropriate State laws and regulations. The reported value of the Pool is the same as the fair value of the Pool shares.

***Receivables and payables***

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

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

***Property taxes***

The County of Riverside collects property taxes for the City. Tax liens attach annually as of 12:01 A.M. on the first day in January preceding the fiscal year for which the taxes are levied. The tax levy covers the fiscal period July 1<sup>st</sup> to June 30<sup>th</sup>. All secured personal property taxes and one-half of the taxes on real property are due November 1<sup>st</sup>, the second installment is due February 1<sup>st</sup>. All taxes are delinquent, if unpaid, on December 10<sup>th</sup> and April 10<sup>th</sup> respectively. Unsecured personal property taxes become due on the first of March each year and are delinquent, if unpaid, on August 31<sup>st</sup>.

**City of Canyon Lake**  
**Notes to the Basic Financial Statements**  
**June 30, 2015**

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

***Restricted assets***

Certain proceeds of the City's certificates of participation, as well as certain resources set aside for their repayment, are classified as restricted assets on the statement of net position because they are maintained in separate bank accounts and their use is limited by applicable debt covenants.

***Capital assets***

Capital assets, which include property, plant and equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are, reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than or equal to \$1,000 (amount not rounded) and an estimated useful life of at least two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the assets or materially extend the assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant and equipment of the primary government, is depreciated using the straight-line method over the following estimated useful lives.

| Assets                | Years   |
|-----------------------|---------|
| Buildings             | 39      |
| Building improvements | 10      |
| Infrastructure        | 20 - 50 |
| Vehicles              | 5 - 10  |
| Office equipment      | 5 - 10  |
| Computer equipment    | 5       |

***Use of estimates***

The financial statements have been prepared in accordance with generally accepted accounting principles in the United States of America and include amounts based on estimates and assumptions by management. Actual results could differ from those amounts.

**City of Canyon Lake**  
**Notes to the Basic Financial Statements**  
**June 30, 2015**

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

***Compensated absences***

The City provides to its employees a comprehensive annual leave program. Leave pay is payable at the time it is taken or upon termination.

The total amount of liability for compensated absences is segregated between short-term and long-term with both portions reflected in the government-wide statements. The short-term portion is determined to be the amount due to employees for future absences which is attributable to services already rendered and which is expected to be paid during the next fiscal year.

***Long-term obligations***

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

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

***Pension Plan***

For purposes of measuring the net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position have been determined on the same basis as they are reported by the CalPERS Financial Office. For this purpose, benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value. CalPERS audited financial statements are publicly available reports that can be obtained at CalPERS' website under Forms and Publications.

GASB 68 requires that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used.

|                         |                               |
|-------------------------|-------------------------------|
| Valuation Date (VD)     | June 30, 2013                 |
| Measurement Date (MD)   | June 30, 2014                 |
| Measurement Period (MP) | July 1, 2013 to June 30, 2014 |

**City of Canyon Lake**  
**Notes to the Basic Financial Statements**  
**June 30, 2015**

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

***Unearned revenues***

In the government-wide financial statements and the fund financial statements, unearned revenues represent cash advances by various grantors that have not been spent; therefore, no revenue has been recognized.

***Fund equity***

Beginning with fiscal year 2011, the City implemented GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

Nonspendable – amounts that are not in a spendable form (such as inventory) or are required to be maintained intact.

Restricted – amounts constrained to specific purposes by their providers (such as grantors, bondholders and higher levels of government), through constitutional provisions or by enabling legislation.

Committed – amounts constrained to specific purposes by a government itself, using the highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level of action to remove or change the constraint.

Assigned – amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority.

Unassigned – amounts that are for any purpose; positive amounts are reported only in a general fund.

The City Council may establish (and modify or rescind) fund balance commitments by passage of an ordinance or resolution.

When both restricted and unrestricted resources are available for use when an expenditure is incurred, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed. It is the City's policy to consider committed amounts as being reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

**City of Canyon Lake**  
**Notes to the Basic Financial Statements**  
**June 30, 2015**

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

***Implementation of new GASB pronouncements***

*Implementation of new pronouncement*

GASB has issued Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27*. The primary objective of this Statement is to improve 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. This statement establishes standards for measuring and recognizing liabilities, deferred outflows of resources, and deferred inflows of resources, and expense/expenditures. For defined benefit pension plans, this Statement identifies the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service.

GASB has issued Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB Statement No. 68*. The objective of this Statement is to address an issue regarding application of the transition provisions of Statement No. 68, *Accounting and Financial Reporting for Pensions*. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability.

These pronouncements have been implemented for purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense/expenditures. Information about the fiduciary net position of the City's California Public Employees' Retirement System (CalPERS) plans (Plans) and additions to/deductions from the Plan's(s') 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.

**II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**Note 2: Budgetary Information**

The City prepares its budgets on the basis of estimated actual expenditures and, accordingly, the budget amounts included in the accompanying financial statements are presented on a basis consistent with generally accepted accounting principles.

Each year, the City Manager submits a proposed budget to the City Council during May. The City Council holds budget hearings during May and June. The final budget is adopted by the City Council in June.

No budget expenditures can be disbursed without proper appropriations. Once the budget is adopted, no additional funds can be authorized without the City Council's approval. The level of budgetary control (the level on which expenditures may not legally exceed appropriations) is at the individual fund level. The City Manager can authorize budget transfers between departments without additional appropriations.

**City of Canyon Lake**  
**Notes to the Basic Financial Statements**  
**June 30, 2015**

**Note 2: Budgetary Information (continued)**

Throughout the year, budgeted expenditures are reviewed and projections are made by the City Manager. Therefore, any necessary changes are submitted for approval to the City Council with a recorded action for any budget adjustments.

Formal budgetary integration is employed as a management control device during the year for all the governmental type funds. Budgets for all the governmental type funds are adopted on a basis consistent with generally accepted accounting principles, except for the Capital Projects Fund which does not have a legally adopted budget. Budgeted amounts are as originally adopted and are further amended by the City Council.

**III. DETAILED NOTES ON ALL FUNDS**

**Note 3: Cash and Investments**

Cash and investments as of June 30, 2015 are classified in the accompanying financial statements as follows:

|   |              |
|---|--------------|
| Statement of Net position                     |              |
| Cash and investments                          | \$ 5,541,056 |
|   |              |
| Statement of Fiduciary Assets and Liabilities |              |
| Cash and investments                          | 19,124       |
| Total cash and investments                    | \$ 5,560,180 |

Cash and Investments as of June 30, 2015 consists of the following:

|                                      |              |
|--------------------------------------|--------------|
| Deposits with financial institutions | \$ 2,554,243 |
| Cash on hand                         | 300          |
| Investments                          | 3,005,637    |
| Total cash and investments           | \$ 5,560,180 |

The City follows the practice of pooling cash and investments of all funds except for funds held by a fiscal agent. Interest income earned on pooled cash and investments is allocated quarterly to the various funds based on cash balances. Interest income from cash and investments with a fiscal agent is credited directly to the related fund.

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

**City of Canyon Lake**  
**Notes to the Basic Financial Statements**  
**June 30, 2015**

**Note 3: Cash and Investments (continued)**

***Authorized investments***

The table below identifies the investment types that are authorized for the City by the California Government Code (or the City's investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the City's investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk. This table does not address investments of debt proceeds held by bond trustees that are governed by the provisions of debt agreements of the City, rather than the general provisions of the California Government Code or the City's investment policy.

| <u>Authorized Investment Type</u>   | <u>Maximum Maturity</u> | <u>Maximum Percentage of Portfolio</u> | <u>Maximum Investment in one Issuer</u> |
|-------------------------------------|-------------------------|--|---|
| U. S. Treasuries                    | 5 years                 | None                                   | None                                    |
| Money Market Accounts               | N/A                     | 10%                                    | 5%                                      |
| Certificates of Deposit             | 5 years                 | None                                   | None                                    |
| Local Agency Investment Fund (LAIF) | N/A                     | 50%                                    | None                                    |
| Federal Agency Securities           | 5 years                 | None                                   | None                                    |
| Bankers Acceptances                 | 180 days                | 10%                                    | 5%                                      |
| Commercial Paper                    | 270 days                | 10%                                    | 10%                                     |
| Medium-Term Notes                   | 5 years                 | 15%                                    | 5%                                      |
| Negotiable Certificates of Deposit  | 5 years                 | 30%                                    | 5%                                      |
| Repurchase Agreements               | 1 year                  | 10%                                    | None                                    |

***Disclosures relating to interest rate risk***

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the City manages its exposure to interest rate risk is by purchasing a combination of shorter and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations. Information about the sensitivity of the fair values of the City's investments to market interest rate fluctuations are presented below.

| <u>Investment type</u>       | <u>Total</u>        | <u>12 months or less</u> | <u>13 to 24 months</u> | <u>25 to 60 months</u> |
|------------------------------|---------------------|--------------------------|------------------------|------------------------|
| Local Agency Investment Fund | \$ 9,539            | \$ 9,539                 | \$ -                   | \$ -                   |
| Money market sweep           | 308,808             | 308,808                  | -                      | -                      |
| Certificates of deposit      | 108,256             | 108,256                  | -                      | -                      |
| Federal agency securities    | 1,859,315           | 23,433                   | 392,608                | 1,443,274              |
| Corporate debt securities    | 640,891             | -                        | 437,225                | 203,666                |
| Money market                 | 78,828              | 78,828                   | -                      | -                      |
| <b>Totals</b>                | <b>\$ 3,005,637</b> | <b>\$ 528,864</b>        | <b>\$ 829,833</b>      | <b>\$ 1,646,940</b>    |

**City of Canyon Lake**  
**Notes to the Basic Financial Statements**  
**June 30, 2015**

**Note 3: Cash and Investments (continued)**

***Disclosures relating to credit risk***

Generally, 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. Information about the minimum rating required by the California Government Code, the City's investment policy, or debt agreements, and the actual rating as of year-end for each type of investment held by the City can be found below.

| Investment type              | Total                      | Minimum legal rating | Ratings as of year end |
|------------------------------|----------------------------|----------------------|------------------------|
| Local Agency Investment Fund | \$ 9,539                   | N/A                  | Not rated              |
| Money market sweep           | 308,808                    | N/A                  | Not rated              |
| Certificates of deposit      | 108,256                    | N/A                  | Not rated              |
| Federal agency securities    | 1,859,315                  | AA-a2                | AA+                    |
| Corporate debt securities    | 640,891                    | A                    | AA+ A                  |
| Money market                 | 78,828                     | N/A                  | Not rated              |
| <b>Totals</b>                | <b><u>\$ 3,005,637</u></b> |                      |                        |

***Concentration of credit risk***

The investment policy of the City contains no limitations on the amount that can be invested in any one issuer beyond the amount stipulated by the California Government Code. Investments in any one issuer (other than Mutual Funds and External Investment Pools) that represent 5% or more of the City's investments are as follows:

| Issuer                        | Investment Type           | Reported Amounts |
|-------------------------------|---------------------------|------------------|
| Federal Home Loan Bank        | Federal agency securities | \$ 987,751       |
| GE Capital Corp               | Corporate debt securities | 184,780          |
| Federal Farm Credit Bank      | Federal agency securities | 374,045          |
| Caterpillar Fin Services Corp | Corporate debt securities | 202,646          |
| JP Morgan Chase               | Corporate debt securities | 151,521          |
| Fannie Mae                    | Federal agency securities | 198,490          |
| Freddie Mac                   | Federal agency securities | 299,030          |

**City of Canyon Lake**  
**Notes to the Basic Financial Statements**  
**June 30, 2015**

**Note 3: Cash and Investments (continued)**

***Custodial credit risk***

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure deposits by pledging first deed mortgage notes having a value of 150% of the secured public deposits. As of June 30, 2015, the City had deposits of \$2,830,028 with financial institutions in excess of federal depository insurance limits that were held in collateralized accounts.

***Investments in State Investment Pool***

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the City's investment in this Pool is reported in the accompanying financial statements at amounts based upon the City's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

LAIF has reported to its participating agencies that, as of June 30, 2015, the carrying amount (at amortized cost) of the Pool was \$69,606,487,716 and the estimated fair value of the pool was \$69,672,945,247. The City's proportionate share of the Pool's market value (as determined by LAIF) as of June 30, 2015, was \$9,539. Included in LAIF's investment portfolio are collateralized mortgage obligations, mortgage-backed securities, other asset-backed securities, loans to certain state funds, and floating rate securities issued by federal agencies, government-sponsored enterprises, and corporations.

**City of Canyon Lake**  
**Notes to the Basic Financial Statements**  
**June 30, 2015**

**Note 4: Interfund Receivables, Payables and Transfers**

The composition of Interfund balances at June 30, 2015 is as follows:

**Interfund transfers:**

| <u>Fund Receiving Transfers</u> | <u>Fund Making Transfers</u> | <u>Amount</u>   |
|---------------------------------|------------------------------|-----------------|
| General Fund                    | Debt Service                 | <u>\$ 6,930</u> |

The above transfer was to transfer the balance of the reserve fund not used to the General Fund as the bonds were paid off in the previous fiscal year.

**Note 5: Capital Assets**

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

|  | <u>Beginning<br/>Balance</u> | <u>Additions</u>    | <u>Deletions</u> | <u>Ending<br/>Balance</u> |
|--|------------------------------|---------------------|------------------|---------------------------|
| <b>Governmental activities:</b>              |                              |                     |                  |                           |
| Capital assets, not being depreciated:       |                              |                     |                  |                           |
| Land   | \$ 130,000                   | \$ -                | \$ -             | \$ 130,000                |
| Total capital assets, not being depreciated  | <u>130,000</u>               | <u>-</u>            | <u>-</u>         | <u>130,000</u>            |
| Capital assets, being depreciated:           |                              |                     |                  |                           |
| Buildings                                    | 735,150                      | -                   | -                | 735,150                   |
| Machinery & equipment                        | 273,290                      | -                   | -                | 273,290                   |
| Vehicles                                     | 272,267                      | -                   | (130,545)        | 141,722                   |
| Infrastructure                               | 9,961,648                    | -                   | -                | 9,961,648                 |
| Total capital assets, being depreciated      | <u>11,242,355</u>            | <u>-</u>            | <u>(130,545)</u> | <u>11,111,810</u>         |
| Less accumulated depreciation for:           |                              |                     |                  |                           |
| Buildings                                    | (218,494)                    | (22,022)            | -                | (240,516)                 |
| Machinery & equipment                        | (213,430)                    | (13,798)            | -                | (227,228)                 |
| Vehicles                                     | (252,566)                    | (3,736)             | 130,545          | (125,757)                 |
| Infrastructure                               | (1,166,726)                  | (500,348)           | -                | (1,667,074)               |
| Total accumulated depreciation               | <u>(1,851,216)</u>           | <u>(539,904)</u>    | <u>130,545</u>   | <u>(2,260,575)</u>        |
| Total capital assets, being depreciated, net | <u>9,391,139</u>             | <u>(539,904)</u>    | <u>-</u>         | <u>8,851,235</u>          |
| Governmental activities capital assets, net  | <u>\$ 9,521,139</u>          | <u>\$ (539,904)</u> | <u>\$ -</u>      | <u>\$ 8,981,235</u>       |

**City of Canyon Lake**  
**Notes to the Basic Financial Statements**  
**June 30, 2015**

**Note 5: Capital Assets (continued)**

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

|  |                              |
|--|------------------------------|
| Governmental activities:                                 |                              |
| General government                                       | \$ 21,348                    |
| Public safety  | 10,630                       |
| Public works   | <u>507,926</u>               |
| <br>Total depreciation expense - governmental activities | <br><u><u>\$ 539,904</u></u> |

**Note 6: Long-Term Liabilities**

Long-term liability activity for the year ended June 30, 2015 was as follows:

***Governmental Activities:***

|  | <u>Beginning<br/>Balance</u> | <u>Additions</u>            | <u>Reductions</u>            | <u>Ending<br/>Balance</u>    | <u>Due Within<br/>One Year</u> |
|--|------------------------------|-----------------------------|------------------------------|------------------------------|--------------------------------|
| Loan Payable - County of<br>Riverside                | \$ 312,184                   | \$ -                        | \$ 48,000                    | \$ 264,184                   | \$ 53,000                      |
| RCTC Loan  | 428,841                      | -                           | 80,432                       | 348,409                      | 81,167                         |
| Compensated Absences                                 | <u>11,821</u>                | <u>16,101</u>               | <u>25,746</u>                | <u>2,176</u>                 | <u>1,088</u>                   |
| <br>Governmental activities<br>long-term liabilities | <br><u><u>\$ 752,846</u></u> | <br><u><u>\$ 16,101</u></u> | <br><u><u>\$ 154,178</u></u> | <br><u><u>\$ 614,769</u></u> | <br><u><u>\$ 135,255</u></u>   |

***Loan Payable - County of Riverside***

In June 2003, the City entered into an agreement with the County of Riverside (the County) to obtain a loan for \$1,000,000 to finance the costs of structural repairs to Railroad Canyon Road. The loan is interest free. The loan did not have a set debt service schedule and was due within ten (10) years of the agreement and no later than June 30, 2013. The agreement was amended subsequent to June 30, 2013 and is now due within seven years, and has a set schedule of repayment, and is due no later than October 15, 2019. The City has pledged all of its Proposition 12 and 40 park bond funds, Community Development Block Grant funds, and commencing in fiscal year 2010-2011 Measure A and/or Proposition 42 funds for repayment of the debt. The principal balance as of June 30, 2015 is \$264,184.

**City of Canyon Lake**  
**Notes to the Basic Financial Statements**  
**June 30, 2015**

**Note 6: Long-Term Liabilities (continued)**

***Loan Payable - County of Riverside (continued)***

The annual requirements to amortize the outstanding County of Riverside Loan payable as of June 30, 2015 are as follows:

| Year Ending<br>June 30, | Loan<br>County of<br>Riverside<br>Principal |
|-------------------------|---|
| 2016                    | \$ 53,000                                   |
| 2017                    | 58,000                                      |
| 2018                    | 63,000                                      |
| 2019                    | 63,000                                      |
| 2020                    | 27,184                                      |
| Total                   | \$ 264,184                                  |

***Loan Payable – Riverside County Transportation Commission***

In January 2013, the City entered into an agreement with the Riverside County Transportation Commission (RCTC) to obtain a loan for \$557,000 of Measure A Funds to finance construction costs for Railroad Canyon Road. The Loan bears interest at the rate of .91% per annum. Principal and interest are payable in monthly installments of \$7,000 commencing on January 18, 2013, until paid in full on December 18, 2019. The City has pledged its future Measure A revenues for the repayment of the Loan. The principal balance as of June 30, 2015 is \$348,409.

***Loan Payable – Riverside County Transportation Commission***

The annual requirements to amortize the outstanding RCTC Loan payable as of June 30, 2015 are as follows:

| Year Ending<br>June 30, | RCTC Loan Payable |          |
|-------------------------|-------------------|----------|
|                         | Principal         | Interest |
| 2016                    | \$ 81,167         | \$ 2,833 |
| 2017                    | 81,909            | 2,091    |
| 2018                    | 82,658            | 1,342    |
| 2019                    | 83,413            | 587      |
| 2020                    | 19,262            | 28       |
| Total                   | \$ 348,409        | \$ 6,881 |

**City of Canyon Lake  
Notes to the Basic Financial Statements  
June 30, 2015**

**Note 7: Operating Lease**

The City leases equipment under a noncancelable operating lease. Total costs for the lease was \$5,708 for the fiscal year ended June 30, 2015. The future minimum annual lease payments for the lease are as follows:

| Year Ending<br>June 30, | Total    |
|-------------------------|----------|
| 2016                    | \$ 5,708 |
| 2017                    | 4,122    |
|                         | \$ 9,830 |

**Note 8: Retirement Plan**

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

***Plan Description***

The Plan is a cost-sharing, multiple-employer defined benefit pension plan administered by the California Public Employees' Retirement System (CalPERS). A full description of the pension plan regarding number of employees covered, benefit provisions, assumptions (for funding, but not account purposes), and membership information is listed in the June 30, 2013 Annual Actuarial Valuation Report. Details of the benefits provided can be obtained in Appendix B of the actuarial valuation report. The actuarial valuation report and CalPERS' audited financial statements are publicly available reports that can be obtained at CalPERS' website under Forms and Publications, at [www.calpers.ca.gov](http://www.calpers.ca.gov).

***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. 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.

The Plan operate under the provisions of the California Public Employees' Retirement Law (PERL), the California Public Employees' Pension Reform Act of 2013 (PEPRA), and the regulations, procedures and policies adopted by the CalPERS Board of Administration. The Plan's authority to establish and amend the benefit terms are set by the PERL and PEPRA, and may be amended by the California state legislature and in some cases require approval by the CalPERS Board.

**City of Canyon Lake  
Notes to the Basic Financial Statements  
June 30, 2015**

**Note 8: Retirement Plan (continued)**

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

The Plan's provisions and benefits in effect at June 30, 2014 (measurement date) are summarized as follows:

|   | Miscellaneous               |                                |
|---|-----------------------------|--------------------------------|
|   | Prior to<br>January 1, 2013 | On or after<br>January 1, 2013 |
| Hire date   |                             |                                |
| Benefit formula                                   | 2 % @ 55                    | 2% @ 62                        |
| Benefit vesting schedule                          | 5 years service             | 5 years service                |
| Benefit payments                                  | monthly for life            | monthly for life               |
| Retirement age                                    | 50-63                       | 52 - 67                        |
| Monthly benefits, as a % of eligible compensation | 1.426% to 2.418%            | 1.0% to 2.5%                   |
| Required employee contribution rates              | 7.00%                       | 6.25%                          |
| Required employer contribution rates              | 11.032%                     | 6.25%                          |

**Contributions**

Section 20814(c) of the California Public Employees' Retirement Law (PERL) 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. The total plan contributions are determined through CalPERS' annual actuarial valuation process. For public agency cost-sharing plans covered by either the Miscellaneous or Safety risk pools, the Plan's actuarially determined rate is based on the estimated amount necessary to pay the Plan's allocated share of the risk pool's costs of benefits earned by employees during the year, and any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employer contribution rates may change if plan contracts are amended. Employer Contributions for the measurement period ended June 30, 2014 for the respective miscellaneous plan is \$16,671. The actual employer payments of \$16,671 made to CalPERS by the City during the measurement period ended June 30, 2014 differed from the City's proportionate share of the employer's contributions of \$46,353 by \$29,682, which is being amortized over the expected average remaining service lifetime in the Public Agency Cost-Sharing Multiple Employer Plan.

**B. Net Pension Liability**

The City's net pension liability for the Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of the Plan is measured as of June 30, 2014, using an annual actuarial valuation as of June 30, 2013 rolled forward to June 30, 2014 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is as follows.

**City of Canyon Lake  
Notes to the Basic Financial Statements  
June 30, 2015**

**Note 8: Retirement Plan (continued)**

**B. Net Pension Liability (continued)**

**Actuarial Methods and Assumptions Used to Determine Total Pension Liability**

For the measurement period ended June 30, 2014 (the measurement date), the total pension liability was determined by rolling forward the June 30, 2013 total pension liability. The June 30, 2013 and June 30, 2014 total pension liabilities were based on the following actuarial methods and assumptions:

|                                  |   |
|----------------------------------|---|
|                                  | <u>Miscellaneous</u>                          |
| Valuation Date                   | 6/30/2013                                     |
| Measurement Date                 | 6/30/2014                                     |
| Actuarial Cost Method            | Entry Age Normal                              |
| Asset Valuation Method           | Market Value of Assets                        |
| Actuarial Assumptions:           |   |
| Discount Rate                    | 7.50%   |
| Inflation                        | 2.75%   |
| Salary Increases (1)             | 3.30% to 14.20%                               |
| Investment Rate of Return (2)    | 7.50%   |
| Mortality Rate Table (3)         | Derived using CALPERS'<br>Contract COLA up to |
| Post Retirement Benefit Increase | 2.75% until purchasing                        |

(1) Annual increases vary by category, entry age, and duration of service

(2) Net of pension plan investment and administrative expenses; includes inflation

(3) The mortality table used was developed based on CalPERS' specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB. For

All other actuarial assumptions used in the June 30, 2013 valuation were based on the results of an actuarial experience study for the period from 1997 to 2011, including updates to salary increase, mortality and retirement rates. The Experience Study report can be obtained at CalPERS' website under Forms and Publications.

**Discount Rate**

The discount rate used to measure the total pension liability was 7.50 percent for the 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 percent 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 percent is applied to all plans in the Public Employees Retirement Fund. The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained at CalPERS' website under the GASB 68 section.

**City of Canyon Lake**  
**Notes to the Basic Financial Statements**  
**June 30, 2015**

**Note 8: Retirement Plan (continued)**

**B. Net Pension Liability (continued)**

***Discount Rate (continued)***

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 percent 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 percent. Using this lower discount rate has resulted in a slightly higher total pension liability and net pension liability. This difference was deemed immaterial to the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan. Refer to the *sensitivity of the net pension liability to changes in the discount rate* section of this note, which provides information on the sensitivity of the net pension liability to changes in the discount rate.

CalPERS is scheduled to review all actuarial assumptions as part of its regular Asset Liability Management 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 they have changed their 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. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the funds' asset classes, expected compound (geometric) 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 Canyon Lake**  
**Notes to the Basic Financial Statements**  
**June 30, 2015**

**Note 8: Retirement Plan (continued)**

**B. Net Pension Liability (continued)**

**Discount Rate (continued)**

The following table reflects 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 geometric rates of return are net of administrative expenses.

| Asset Class                   | New Strategic Allocation | Real Return Years 1 - 10 <sup>1</sup> | Real Return Years 11+ <sup>2</sup> |
|-------------------------------|--------------------------|---------------------------------------|------------------------------------|
| 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>              |                                       |                                    |

<sup>1</sup> An expected inflation of 2.5% used for this period

<sup>2</sup> An expected inflation of 3.0% used for this period

**Pension Plan Fiduciary Net Position**

Information about the pension plan's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fiduciary net position are presented in CalPERS' audited financial statements, which are publicly available reports that can be obtained at CalPERS' website under Forms and Publications, at [www.calpers.ca.gov](http://www.calpers.ca.gov). The plan's fiduciary net position and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis used by the pension plan, which is the economic resources measurement focus and the accrual basis of accounting. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan. Investments are reported at fair value.

The plan fiduciary net position disclosed in the GASB 68 accounting valuation report may differ from the plan assets reported in the funding actuarial valuation report due to several reasons. First, for the accounting valuations, CalPERS must keep items such as deficiency reserves, fiduciary self-insurance and Other Post-Employment Benefits (OPEB) expense included as assets. These amounts are excluded for rate setting purposes in the funding actuarial valuation. In addition, differences may result from early Comprehensive Annual Financial Report closing and final reconciled reserves.

**City of Canyon Lake**  
**Notes to the Basic Financial Statements**  
**June 30, 2015**

**Note 8: Retirement Plan (continued)**

**C. Proportionate Share of Net Pension Liability**

The following table shows the Plan's proportionate share of the net pension liability over the measurement period.

*Miscellaneous Plan:*

|                            | Increase(Decrease)                     |                                       |  |
|----------------------------|--|---------------------------------------|--|
|                            | Plan Total Pension<br>Liability<br>(a) | Plan Fiduciary<br>Net Position<br>(b) | Plan Net Pension<br>Liability<br>(c) = (a) - (b) |
| Balance at: 6/30/2013 (VD) | \$ 1,230,924                           | \$ 902,862                            | \$ 328,062                                       |
| Balance at: 6/30/2014 (MD) | \$ 1,304,176                           | \$ 1,070,820                          | \$ 233,356                                       |
| Net Changes during 2013-14 | \$ 73,252                              | \$ 167,958                            | \$ (94,706)                                      |

Valuation Date (VD), Measurement Date (MD).

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 the Plan is measured as of June 30, 2014, and the total pension liability for the 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 determined by CalPERS using the output from the Actuarial Valuation System and the fiduciary net position, as provided in the CalPERS Public Agency Cost-Sharing Allocation Methodology Report, which is a publicly available report that can be obtained at CalPERS' website under Forms and Publications, at [www.calpers.ca.gov](http://www.calpers.ca.gov). [For non-CalPERS plans (in place of the preceding sentence): 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.] The City's proportionate share of the net pension liability for the Plan as of June 30, 2013 and 2014 was as follows:

|                                     | Miscellaneous |
|-------------------------------------|---------------|
| Proportionate Share - June 30, 2013 | 0.01001%      |
| Proportionate Share - June 30, 2014 | 0.00944%      |
| Change - Increase (Decrease)        | -0.0006%      |

**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 of the Plan as of the measurement date, calculated using the discount rate of 7.50 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (6.50 percent) or 1 percentage-point higher (8.50 percent) than the current rate:

|  | Discount Rate - 1%<br>(6.50%) | Current Discount<br>Rate (7.50%) | Discount Rate + 1%<br>(8.50%) |
|--|-------------------------------|----------------------------------|-------------------------------|
| Miscellaneous Plan's Net Pension Liability/(Asset) | \$ 406,371                    | \$ 233,356                       | \$ 89,769                     |

**City of Canyon Lake**  
**Notes to the Basic Financial Statements**  
**June 30, 2015**

**Note 8: Retirement Plan (continued)**

**C. Proportionate Share of Net Pension Liability (continued)**

***Subsequent Events***

There were no subsequent events that would materially affect the results presented in this disclosure.

***Recognition of Gains and Losses***

Under GASB 68, gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time.

The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense.

The amortization period differs depending on the source of the gain or loss:

|  |  |
|--|--|
| Difference between projected and actual earnings | 5 year straight-line amortization  |
| All other amounts                                | Straight-line amortization over the average expected remaining service lives of all members that are provided with benefits (active, inactive and retired) as of the beginning of the measurement period |

The expected average remaining service lifetime (EARSL) is calculated by dividing the total future service years by the total number of plan participants (active, inactive, and retired) in the Public Agency Cost-Sharing Multiple-Employer Plan (PERF C).

The EARSL for the Plan for the 2013-14 measurement period is 3.8 years, which was obtained by dividing the total service years of 460,700 (the sum of remaining service lifetimes of the active employees) by 122,789 (the total number of participants: active, inactive, and retired). Note that inactive employees and retirees have remaining service lifetimes equal to 0. Also note that total future service is based on the members' probability of decrementing due to an event other than receiving a cash refund.

**City of Canyon Lake**  
**Notes to the Basic Financial Statements**  
**June 30, 2015**

**Note 8: Retirement Plan (continued)**

***D. Pension Expense and Deferred Outflows and Deferred Inflows of Resources Related to Pensions***

As of the measurement date July 1, 2014, the net pension liability for the plan is \$233,356.

For the measurement period ending June 30, 2014 (the measurement date), the City incurred a pension expense/(income) of \$8,793 for the Plan. A complete breakdown of the pension expense is as follows:

| <u>Description</u>  | <u>Risk Pool Amounts</u> | <u>Employer's Share</u> | <u>Percentage of Employer's Share</u> |
|---|--------------------------|-------------------------|---------------------------------------|
| Service Cost  | \$ 338,829,351           | \$ 14,297               | 0.00422%                              |
| Interest on the Total Pension Liability   | 921,162,366              | 91,630                  | 0.00995%                              |
| Recognized Differences between Expected and Actual Experience                         | -                        | -                       | N/A                                   |
| Recognized Changes of Assumptions   | -                        | -                       | N/A                                   |
| Employee Contributions  | (159,834,203)            | (6,577)                 | 0.00411%                              |
| Projected Earnings on Pension Plan Investments  | (678,133,636)            | (67,297)                | 0.00992%                              |
| Recognized Differences between Projected and Actual Earnings on Plan Investments      | (182,199,413)            | (18,081)                | 0.00992%                              |
| Other Changes in Fiduciary Net Position   | -                        | -                       | N/A                                   |
| Recognized Portion of Adjustment due to Differences in Proportions                    | -                        | 2,632                   | N/A                                   |
| Recognized Differences Between Contributions and Proportionate Share of Contributions | -                        | (7,811)                 | N/A                                   |
| Subtotal: Employer's Share of Expense Components                                      | <u>\$ 239,824,465</u>    | 8,793                   | 0.00367%                              |
| Changes of Benefit Terms  | -                        | -                       |                                       |
| Employer's Proportionate Share of Pension Expense                                     |                          | <u>\$ 8,793</u>         |                                       |

Note: Plan administrative expenses are not displayed in the above pension expense table. Since the expected investment return of 7.50 percent is net of administrative expenses, administrative expenses are excluded from the above table, but implicitly included as part of investment earnings.

**City of Canyon Lake**  
**Notes to the Basic Financial Statements**  
**June 30, 2015**

**Note 8: Retirement Plan (continued)**

**D. Pension Expense and Deferred Outflows and Deferred Inflows of Resources Related to Pensions (continued)**

As of June 30, 2015, the City has deferred outflows and deferred inflows of resources related to pensions as follows:

|  | Deferred Outflows<br>of Resources | Deferred Inflows<br>of Resources |
|--|-----------------------------------|----------------------------------|
| Employer contribution made subsequent to measurement date                        | \$ 15,177                         | \$ -                             |
| Net Difference between Projected and Actual Earnings on Pension Plan Investments | -                                 | (72,325)                         |
| Adjustment due to Differences in Proportions                                     | 7,368                             | -                                |
| Difference between contributions and proportionate share of contributions        | -                                 | (21,871)                         |
| Total  | \$ 22,545                         | \$ (94,196)                      |

These amounts above are net of outflows and inflow recognized in the 2013-14 measurement period expense. \$15,177 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. Amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in future pension expense as follows:

| Measurement<br>Period Ended<br>June 30: | Deferred<br>Outflows/(Inflows)<br>of Resources |
|---|--|
| 2015                                    | \$ (15,449)                                    |
| 2016                                    | (23,260)                                       |
| 2017                                    | (23,788)                                       |
| 2018                                    | (24,331)                                       |
| 2019                                    | -  |
| Thereafter                              | -  |

**E. Payable to the Pension Plan**

At June 30, 2015, the City reported a payable of \$0 for the outstanding amount of contributions to the pension plan required for the year ended June 30, 2015.

**City of Canyon Lake**  
**Notes to the Basic Financial Statements**  
**June 30, 2015**

**Note 9: Risk Management**

The City is a member of the Public Entity Risk Management Authority (PERMA), a joint powers authority formed under Section 990 of the California Government Code for the purpose of jointly funding programs of insurance coverage for its members. PERMA is comprised of thirty-one participating member agencies: twenty-two cities, three transit agencies and six special districts. The City participates in the liability, employment practices liability, property, auto physical damage, and crime insurance programs of PERMA.

The liability program provides coverage up to \$50 million per occurrence for personal injury, bodily injury, property damage and public officials' errors and omissions. The City has selected a \$0 self-insured retention for this coverage and participates in risk sharing pools for losses up to \$1 million, followed by PERMA's membership in the CSAC Excess Insurance Authority (EIA) for \$49 million of excess liability coverage.

The employment practices liability program provides up to \$1 million per occurrence. The City has selected a \$25,000 self-insured retention for this coverage. Coverage above \$25,000 is with Employment Risk Management Authority (ERMA) to a limit of \$1,000,000, followed by PERMA's membership in CSAC-EIA for \$49 million of excess employment practices liability coverage.

The property insurance program is group purchased under a master property insurance policy with accumulated values from all participants effecting lower rates and broader coverage for members. The program covers real property, business personal property, inland marine coverage for special mobile equipment and business interruption. Commercial property coverage is written on a replacement cost basis and all risk, eliminating the traditional commercial "named peril" policy.

The auto physical damage insurance program is also group purchased under a master insurance policy with accumulated values from all participants effecting lower rates for members. Auto physical damage coverage is written on an agreed amount basis.

The crime insurance program provides public employee dishonesty, forgery or alteration, and computer fraud coverage under a master insurance policy.

The City is insured with the State Compensation Insurance Fund for workers' compensation claims. There is no deductible requirement for this coverage.

**Note 10: Commitments and Contingencies**

The City has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursement to the grantor agency for expenditures disallowed under terms of the grant. City management believes such disallowances, if any, would not have a material effect on the City's financial position.

**City of Canyon Lake**  
**Notes to the Basic Financial Statements**  
**June 30, 2015**

**Note 11: Fund Equity**

The City has established certain fund balance designations to report the amounts in the following funds, which represent available spendable resources which are restricted, committed or assigned for a specific purpose:

|                        | General<br>Fund     | Major Fund<br>Gas Tax<br>Fund | Non-Major<br>Governmental<br>Funds | Total               |
|------------------------|---------------------|-------------------------------|------------------------------------|---------------------|
| Fund Balances:         |                     |                               |                                    |                     |
| Nonspendable:          |                     |                               |                                    |                     |
| Prepaid items          | \$ 1,556            | \$ -                          | \$ -                               | \$ 1,556            |
| Restricted for:        |                     |                               |                                    |                     |
| Public works           | -                   | 742,259                       | 744,661                            | 1,486,920           |
| Public safety          | -                   | -                             | 25,494                             | 25,494              |
| Debt service           | -                   | -                             | -                                  | -                   |
| Equipment              | -                   | -                             | 21,673                             | 21,673              |
| Assigned to:           |                     |                               |                                    |                     |
| Self-insured retention | 15,000              | -                             | -                                  | 15,000              |
| Litigation             | 25,000              | -                             | -                                  | 25,000              |
| Equipment replacement  | 35,000              | -                             | -                                  | 35,000              |
| Unassigned:            | 2,256,025           | -                             | -                                  | 2,256,025           |
|                        | <u>\$ 2,332,581</u> | <u>\$ 742,259</u>             | <u>\$ 791,828</u>                  | <u>\$ 3,866,668</u> |

**Note 12: Jointly Governed Organization**

The City, in conjunction with 4 other governmental entities, created the Southwest Communities Financing Authority (Authority) on November 30, 2004. The Authority was formed to issue bonds for the construction of an animal shelter to be used by the member agencies. The Authority's board is comprised of one member from each participating entity. The City has the following fiscal obligations: debt repayment of bonds issued, administrative costs and operation of the animal shelter. The debt service payments and the animal shelter operating costs will be prorated to each member based on the percentage of the animals housed at the facility, on an annual basis. The administrative costs will be borne equally by all members. The City incurred costs of \$93,712 for the fiscal year ended June 30, 2015, which included \$49,382 in interest on the bonds issued.

**City of Canyon Lake**  
**Notes to the Basic Financial Statements**  
**June 30, 2015**

**Note 13: Prior Year Restatement**

*Change in Accounting Principle*

As discussed in Note 1, the City implemented GASB Statements No. 68 and 71 effective July 1, 2014. GASB Statements No. 68 and 71, among other provisions, amended prior guidance with respect to the reporting of pensions, and established standards for measuring and recognizing liabilities, deferred outflows of resources, and deferred inflows of resources, and expense/expenditures. For defined benefit pensions, the City's net pension liability/(asset) was not previously recorded on the statement of net position. GASB 68 requires that accounting changes adopted to conform to the provisions of the Statement be applied retroactively by restating financial statements. [Restatement of the comparative financial data for the prior periods presented is not practical due to the unavailability of information from the pension plan, therefore the provisions of GASB Statements No. 68 and 71 were not applied to prior periods. The cumulative effects of applying the provisions of GASB Statements No. 68 and 71 have been reported as a restatement of beginning net position for the year ended June 30, 2015 in accordance with the Statements.

Accordingly, beginning net position on the Statement of Activities has been restated for changes related to GASB 68 as follows:

Government Wide Statement of Activities

|   |                             |
|---|-----------------------------|
| Beginning net position, as previously reported    | \$ 12,629,696               |
| Restatement due to change in accounting principle | <u>(311,391)</u>            |
| Beginning net position, as restated               | <u><u>\$ 12,318,305</u></u> |

**REQUIRED SUPPLEMENTARY INFORMATION**

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**City of Canyon Lake**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**General Fund**  
**For the Year Ended June 30, 2015**

|  | Budgeted Amounts    |                     | Actual<br>Amounts   | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|--|---------------------|---------------------|---------------------|---|
|  | Original            | Final               |                     | (Negative)  |
| <b>REVENUES</b>  |                     |                     |                     |   |
| Taxes  | \$ 2,924,700        | \$ 3,046,700        | \$ 3,315,035        | \$ 268,335  |
| Licenses and permits   | 212,000             | 262,000             | 279,271             | 17,271  |
| Fines and forfeitures  | 15,000              | 15,000              | 16,963              | 1,963   |
| Intergovernmental  | 2,000               | 127,000             | 141,153             | 14,153  |
| Use of money and property                                    | 50,300              | 50,300              | 49,467              | (833)   |
| Other  | 40,000              | 40,000              | 37,095              | (2,905)   |
| <b>Total revenues</b>  | <b>3,244,000</b>    | <b>3,541,000</b>    | <b>3,838,984</b>    | <b>297,984</b>  |
| <b>EXPENDITURES</b>  |                     |                     |                     |   |
| Current:   |                     |                     |                     |   |
| General government   | 734,629             | 898,379             | 969,645             | (71,266)  |
| Public safety  | 2,429,793           | 3,018,299           | 2,900,155           | 118,144   |
| Public works   | 88,066              | 88,066              | 64,315              | 23,751  |
| Community development  | 156,450             | 202,450             | 211,591             | (9,141)   |
| <b>Total expenditures</b>                                    | <b>3,408,938</b>    | <b>4,207,194</b>    | <b>4,145,706</b>    | <b>61,488</b>   |
| Excess (deficiency) of revenues<br>over (under) expenditures | (164,938)           | (666,194)           | (306,722)           | 359,472   |
| <b>OTHER FINANCING SOURCES</b>                               |                     |                     |                     |   |
| Transfers in   | -                   | -                   | 6,390               | 6,390   |
| <b>Total other financing sources</b>                         | <b>-</b>            | <b>-</b>            | <b>6,390</b>        | <b>6,390</b>  |
| Net change in fund balance                                   | (164,938)           | (666,194)           | (300,332)           | 365,862   |
| Fund balance, beginning of year                              | 2,632,913           | 2,632,913           | 2,632,913           | -   |
| Fund balance, end of year                                    | <u>\$ 2,467,975</u> | <u>\$ 1,966,719</u> | <u>\$ 2,332,581</u> | <u>\$ 365,862</u>                                       |

**City of Canyon Lake  
Required Supplementary Information  
Budgetary Comparison Schedule  
Gas Tax Special Revenue Fund  
For the Year Ended June 30, 2015**

|                                 | Budgeted Amounts         |                          | Actual<br>Amounts        | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---------------------------------|--------------------------|--------------------------|--------------------------|---|
|                                 | Original                 | Final                    |                          |   |
| <b>REVENUES</b>                 |                          |                          |                          |   |
| Intergovernmental               | \$ 287,300               | \$ 287,300               | \$ 287,499               | \$ 199  |
| Use of money and property       | 750                      | 750                      | 1,785                    | 1,035   |
| Total revenues                  | <u>288,050</u>           | <u>288,050</u>           | <u>289,284</u>           | <u>1,234</u>  |
| <b>EXPENDITURES</b>             |                          |                          |                          |   |
| Current:                        |                          |                          |                          |   |
| Public works                    | <u>147,600</u>           | <u>147,600</u>           | <u>77,415</u>            | <u>70,185</u>   |
| Total expenditures              | <u>147,600</u>           | <u>147,600</u>           | <u>77,415</u>            | <u>70,185</u>   |
| Net change in fund balance      | 140,450                  | 140,450                  | 211,869                  | 71,419  |
| Fund balance, beginning of year | <u>530,390</u>           | <u>530,390</u>           | <u>530,390</u>           | <u>-</u>  |
| Fund balance, end of year       | <u><u>\$ 670,840</u></u> | <u><u>\$ 670,840</u></u> | <u><u>\$ 742,259</u></u> | <u><u>\$ 71,419</u></u>                                 |

**City of Canyon Lake  
Required Supplementary Information  
Schedule of the Local Government's Proportionate Share of the  
Plan's Net Pension Liability and Related Ratios as of the Measurement Date  
Last 10 Years\*  
For the Year Ended June 30, 2015**

|  | <u>2015</u>          |
|--|----------------------|
|  | <u>Miscellaneous</u> |
| Plan's Proportion of the Net Pension Liability (1)   | 0.00375%             |
| Plan's Proportionate Share of the Net Pension Liability  | \$ 233,356           |
| Plan's Covered-Employee Payroll(2)   | \$ 93,277            |
| Plan's Proportionate Share of the Net Pension Liability as a percentage of its Covered-Employee Payroll        | 250.18%              |
| Plan's Proportion of the Fiduciary Net Position(3)   | 0.01006%             |
| Plan's Share of Risk Pool Fiduciary Net Position(3)  | \$ 1,070,820         |
| Plan's Additional Payments to Side Fund During Measurement Period  | \$ 17,880.00         |
| Plan's Proportionate Share of the Fiduciary Net Position (sum of the two preceding lines)                      | \$ 1,088,700         |
| Plan's Proportionate Share of the Fiduciary Net Position as a percentage of the Plan's Total Pension Liability | 82.1%                |
| Plan's Proportionate Share of Aggregate Employer Contributions(4)  | \$ 46,353            |

(1) Proportion of the net pension liability represents the plan's proportion of PERF C, which includes both the Miscellaneous and Safety Risk Pools excluding the 1959 Survivors Risk Pool.

(2) Covered-Employee Payroll represented above is based on the total payroll of employees that are provided pensions through the pension plan in accordance with GASB 68.

(3) The term Fiduciary Net Position (FNP) as used in this line denotes the aggregate risk pool's FNP at June 30, 2014 less the sum of all employers' additional side fund contributions made during the measurement period.

(4) The plan's proportionate share of aggregate contributions may not match the actual contributions made by the employer during the Measurement Period. The plan's proportionate share of aggregate contributions is based on the plan's proportion of Fiduciary Net Position shown on line 5 of the table above as well as any additional side fund (or unfunded liability) contributions made by the employer during the measurement period.

\* Measurement period 2013-14 (fiscal year 2015) was the 1st year of implementation, therefore, only one year is shown.

**City of Canyon Lake  
 Required Supplementary Information  
 Schedule of Plan Contributions  
 Last 10 Years\*  
 For the Year Ended June 30, 2015**

|  | 2015          |
|--|---------------|
|  | Miscellaneous |
| Actuarially Determined Contribution                                  | \$ 15,177     |
| Contributions in Relation to the Actuarially Determined Contribution | (15,177)      |
| Contribution Deficiency (Excess)                                     | \$ -          |
| <br>   |               |
| Covered-Employee Payroll(1)  | \$ 137,572    |
| <br>   |               |
| Contributions as a Percentage of Covered-Employee Payroll            | 11.032%       |

(1) Covered-Employee Payroll represented above is based on the total payroll of employees that are provided pensions through the pension plan in accordance with GASB 68.

\* Measurement period 2013-14 (fiscal year 2015) was the 1st year of implementation, therefore, only one year is shown.

Notes to Schedule:

Change in Benefit Terms: None

Change in Assumptions: None

## NONMAJOR GOVERNMENTAL FUNDS

### **Special Revenue Funds**

Measure A – This fund is used to account for the construction, reconstruction, alteration, and maintenance of the streets of the City.

AQMD – This fund is used to account for the receipt of AB 2766 funds to implement programs that reduce air pollution from motor vehicles. Local Governments receive forty percent of the motor vehicle registration fee surcharge of \$4 per vehicle collected by the Department of Motor Vehicles.

Law Enforcement Grants – This fund is used to account for the *Supplemental Law Enforcement Grant* funds used for front line law enforcement services, and for the *California Law Enforcement Equipment Program* for the purchase of equipment to assist law enforcement to prevent and reduce crime.

Miscellaneous Grants – This fund is used to account for specific revenue resources that are restricted or committed to expenditure for specific purposes other than capital projects.

### **Debt Service Fund**

Debt Service – This fund accounts for all financial resources that are restricted, committed, or assigned to meet the debt service requirements of the Certificates of Participation.

### **Capital Projects Fund**

Capital Projects – This fund accounts for City-wide capital improvement projects.

**City of Canyon Lake  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2015**

|  | Special Revenue Funds |                  |                              |                         |
|--|-----------------------|------------------|------------------------------|-------------------------|
|  | Measure A             | AQMD             | Law<br>Enforcement<br>Grants | Miscellaneous<br>Grants |
| <b>ASSETS</b>                            |                       |                  |                              |                         |
| Cash and investments                     | \$ 240,809            | \$ 82,256        | \$ 8,827                     | \$ 21,673               |
| Receivables:                             |                       |                  |                              |                         |
| Intergovernmental                        | 21,135                | 3,524            | 16,667                       | -                       |
| Total assets                             | <u>\$ 261,944</u>     | <u>\$ 85,780</u> | <u>\$ 25,494</u>             | <u>\$ 21,673</u>        |
| <b>LIABILITIES AND FUND<br/>BALANCES</b> |                       |                  |                              |                         |
| Liabilities:                             |                       |                  |                              |                         |
| Accounts payable                         | \$ -                  | \$ -             | \$ -                         | \$ -                    |
| Total liabilities                        | -                     | -                | -                            | -                       |
| Fund Balances:                           |                       |                  |                              |                         |
| Restricted for:                          |                       |                  |                              |                         |
| Public works                             | 261,944               | 85,780           | -                            | -                       |
| Public safety                            | -                     | -                | 25,494                       | -                       |
| Equipment                                | -                     | -                | -                            | 21,673                  |
| Total fund balances                      | <u>261,944</u>        | <u>85,780</u>    | <u>25,494</u>                | <u>21,673</u>           |
| Total liabilities and fund<br>balances   | <u>\$ 261,944</u>     | <u>\$ 85,780</u> | <u>\$ 25,494</u>             | <u>\$ 21,673</u>        |

| Debt Service<br>Fund | Capital Projects<br>Fund | Total<br>Non-major<br>Governmental<br>Funds |
|----------------------|--------------------------|---|
| Debt<br>Service      | Capital<br>Projects      |   |
| \$ -                 | \$ 396,937               | \$ 750,502                                  |
| -                    | -                        | 41,326                                      |
| <u>\$ -</u>          | <u>\$ 396,937</u>        | <u>\$ 791,828</u>                           |
| \$ -                 | \$ -                     | \$ -  |
| -                    | -                        | -   |
| -                    | 396,937                  | 744,661                                     |
| -                    | -                        | 25,494                                      |
| -                    | -                        | 21,673                                      |
| -                    | 396,937                  | 791,828                                     |
| <u>\$ -</u>          | <u>\$ 396,937</u>        | <u>\$ 791,828</u>                           |

**City of Canyon Lake**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Year Ended June 30, 2015**

|  | Special Revenue Funds |                  |                              |                         |
|--|-----------------------|------------------|------------------------------|-------------------------|
|  | Measure A             | AQMD             | Law<br>Enforcement<br>Grants | Miscellaneous<br>Grants |
| <b>REVENUES</b>  |                       |                  |                              |                         |
| Intergovernmental  | \$ 160,831            | \$ 13,432        | \$ 106,229                   | \$ -                    |
| Use of money and property                                    | 522                   | 208              | 27                           | -                       |
| Other revenue  | 51,116                | -                | -                            | -                       |
| Total revenues   | <u>212,469</u>        | <u>13,640</u>    | <u>106,256</u>               | <u>-</u>                |
| <b>EXPENDITURES</b>  |                       |                  |                              |                         |
| Current:   |                       |                  |                              |                         |
| Public safety  | -                     | -                | 100,000                      | -                       |
| Capital Outlay   | -                     | -                | -                            | 247                     |
| Debt service:  |                       |                  |                              |                         |
| Principal  | 128,432               | -                | -                            | -                       |
| Interest and fiscal charges                                  | 3,568                 | -                | -                            | -                       |
| Total expenditures   | <u>132,000</u>        | <u>-</u>         | <u>100,000</u>               | <u>247</u>              |
| Excess (deficiency) of revenues<br>over (under) expenditures | <u>80,469</u>         | <u>13,640</u>    | <u>6,256</u>                 | <u>(247)</u>            |
| <b>OTHER FINANCING<br/>SOURCES (USES)</b>                    |                       |                  |                              |                         |
| Transfers out  | -                     | -                | -                            | -                       |
| Total other financing<br>sources (uses)                      | <u>-</u>              | <u>-</u>         | <u>-</u>                     | <u>-</u>                |
| Net change in fund balances                                  | 80,469                | 13,640           | 6,256                        | (247)                   |
| Fund balances, beginning of year                             | <u>181,475</u>        | <u>72,140</u>    | <u>19,238</u>                | <u>21,920</u>           |
| Fund balances, end of year                                   | <u>\$ 261,944</u>     | <u>\$ 85,780</u> | <u>\$ 25,494</u>             | <u>\$ 21,673</u>        |

| Debt Service<br>Fund | Capital Projects<br>Fund | Total<br>Non-major<br>Governmental<br>Funds |
|----------------------|--------------------------|---|
| \$ -                 | \$ -                     | \$ 280,492                                  |
| -                    | -                        | 757   |
| -                    | -                        | 51,116                                      |
| -                    | -                        | 332,365                                     |
| -                    | -                        | 100,000                                     |
| -                    | -                        | 247   |
| -                    | -                        | 128,432                                     |
| -                    | -                        | 3,568                                       |
| -                    | -                        | 232,247                                     |
| -                    | -                        | 100,118                                     |
| (6,390)              | -                        | (6,390)                                     |
| (6,390)              | -                        | (6,390)                                     |
| (6,390)              | -                        | 93,728                                      |
| 6,390                | 396,937                  | 698,100                                     |
| <u>\$ -</u>          | <u>\$ 396,937</u>        | <u>\$ 791,828</u>                           |

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## AGENCY FUND

Agency Fund - To account for collections from citizens for solid waste services by the City on behalf of CR&R and payments made by the City to CR&R. To account for TUMF and MSHCP fees received from developers and builders and paid to WRCOG. To account for developer deposits received for various planning projects.

**City of Canyon Lake**  
**Statement of Changes in Fiduciary Assets and Liabilities**  
**For the Year Ended June 30, 2015**

| <b>Agency Fund</b>         | <u>Balance<br/>June 30, 2014</u> | <u>Additions</u>        | <u>Deletions</u>        | <u>Balance<br/>June 30, 2015</u> |
|----------------------------|----------------------------------|-------------------------|-------------------------|----------------------------------|
| <b>ASSETS</b>              |                                  |                         |                         |                                  |
| Cash and investments       | \$ 15,984                        | \$ 1,191,402            | \$ 1,188,262            | \$ 19,124                        |
| Due from other governments | 39,384                           | 41,400                  | 39,384                  | 41,400                           |
| <br>Total assets           | <br><u>\$ 55,368</u>             | <br><u>\$ 1,232,802</u> | <br><u>\$ 1,227,646</u> | <br><u>\$ 60,524</u>             |
| <b>LIABILITIES</b>         |                                  |                         |                         |                                  |
| Deposits                   | \$ 55,368                        | \$ 1,232,802            | \$ 1,227,646            | \$ 60,524                        |
| <br>Total liabilities      | <br><u>\$ 55,368</u>             | <br><u>\$ 1,232,802</u> | <br><u>\$ 1,227,646</u> | <br><u>\$ 60,524</u>             |