

CITY OF WOODLAND, CALIFORNIA

Comprehensive Annual Financial Report
Report Year Ended June 30, 2014

Prepared By

FINANCE DEPARTMENT

CITY OF WOODLAND, CALIFORNIA
Year Ended June 30, 2014

TABLE OF CONTENTS

INTRODUCTORY SECTION	(Page)
Transmittal Letter.....	i
City Council & Administrative Staff Roster.....	vi
City Organization Chart.....	vii
City of Woodland Map	viii
 FINANCIAL SECTION	
Independent Auditor’s Report.....	1
Management’s Discussion and Analysis (Required Supplementary Information)	4
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	16
Statement of Activities.....	17
Fund Financial Statements:	
Balance Sheet – Governmental Funds	18
Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position – Governmental Activities	19
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	20
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds to the Statement of Activities – Governmental Activities	21
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund.....	22
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Home Grant Special Revenue Fund.....	24
Statement of Net Position – Proprietary Funds.....	25
Statement of Revenues, Expenses and Changes in Fund Net Position – Proprietary Funds.....	26
Statement of Cash Flows – Proprietary Funds.....	27
Statement of Fiduciary Net Assets – Fiduciary Funds.....	28
Statement of Changes in Fiduciary Net Position	29
Notes to Basic Financial Statements	30
Required Supplementary Information:	
Schedules of Funding Progress (Unaudited)	67

CITY OF WOODLAND, CALIFORNIA
Year Ended June 30, 2014

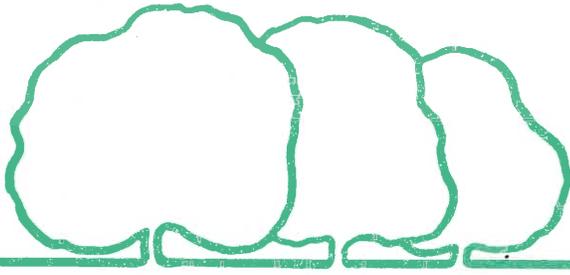
TABLE OF CONTENTS (CONTINUED)

	(Page)
Combining and Individual Fund Statements and Schedules:	
Nonmajor Governmental Funds:	
Combining Balance Sheet – Nonmajor Governmental Funds	68
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds	69
Combining Balance Sheet – Nonmajor Special Revenue Funds	70
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Special Revenue Funds	73
Schedules of Revenues, Expenditures and Changes in Fund	
Balance – Budget and Actual – Nonmajor Special Revenue Funds:	
Special Needs Assistance Grant	76
Transit.....	77
Proposition 172.....	78
Transportation	79
Literacy Grant.....	80
Special Transportation Fund	81
Gas Tax Fund	82
Asset Seizure	83
Supplemental Law Enforcement Services Grant.....	84
American Recovery and Reinvestment Act	85
State Library Programs.....	86
Cemetery Endowment	87
Spring Lake Sports Park Maintenance CFD	88
Fire Suppression District.....	89
Off-site Affordable Housing	90
Workforce Housing Grants	91
Lighting and Landscaping Districts.....	92
Community Development Block Grant.....	93
Police Grants	94
Housing Assistance	95
Housing Assistance Grants.....	96
Environmental Compliance	97
Combining Balance Sheet – Nonmajor Debt Service Funds	98
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Debt Service Funds	99
Schedules of Revenues, Expenditures and Changes in Fund	
Balance – Budget and Actual – Nonmajor Debt Service Funds:	
2002 Lease Revenue Bonds	100
2005 Capital Projects Lease Revenue Bonds	101
2005 Wastewater Treatment Plant Revenue Bonds	102
2012 Lease Refunding Bonds.....	103
2014 Lease Refunding Bonds.....	104
Combining Balance Sheet – Nonmajor Capital Projects Funds.....	105
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Capital Projects Funds.....	107

CITY OF WOODLAND, CALIFORNIA
Year Ended June 30, 2014

TABLE OF CONTENTS (CONTINUED)

	(Page)
Nonmajor Enterprise Funds:	
Combining Statement of Net Position	109
Combining Statement of Revenues, Expenses and Changes in Fund Net Position	111
Combining Statement of Cash Flows.....	113
Internal Service Funds:	
Combining Statement of Net Position	115
Combining Statement of Revenues, Expenses and Changes in Fund Net Position	116
Combining Statement of Cash Flows.....	117
Agency Funds:	
Combining Statement of Changes in Assets and Liabilities	118



City of Woodland

January 12, 2016

Honorable Mayor Davies & Members of the City Council:

We are pleased to submit the Comprehensive Annual Financial Report (CAFR) of the City of Woodland, California (the City), for the fiscal year ended June 30, 2014. The report has been developed and organized to conform to generally accepted accounting principles (GAAP) and to meet reporting standards set forth by the Government Finance Officers Association (GFOA).

Local ordinances and state law require that the City issue a report annually on its financial position and changes in financial position, and that this report be audited by an independent firm of certified public accountants. Responsibility for both the accuracy of the information and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed information is complete and reliable in all material respects and is reported in a manner designed to present fairly the financial position and changes in financial position of the City and its component units.

Management's discussion and analysis (MD&A) is required supplementary information and provides information and analysis that users need to interpret the basic financial statements. This transmittal letter is designed to complement the MD&A, which is included in the financial section of this document.

Reporting Entity

The City of Woodland was incorporated as a general law city on February 22, 1871. The City operates under a Council-Manager form of government and provides the following services: public safety (police and fire), streets, recycling, parks and recreation, library, water, sewer and storm drain, planning and zoning, building inspection, housing, engineering, general administration services and redevelopment. The financial statements of the City include the financial activities of the City as well as the following component units which are controlled by and dependent on the City:

- The Woodland Redevelopment Agency is a separate governmental entity whose purpose is to prepare and implement plans for improvement, rehabilitation, and development of certain areas within the City. The Redevelopment Agency was dissolved as of January 31, 2012 and a Successor Agency was formed. The financial information of the Successor Agency is included as a Private Purpose Trust Fund within the financial statements, but it not included in the consolidated financial data for the City.
- The Woodland Public Facilities Corporation is a separate governmental entity whose purpose is to assist with the financing or refinancing of certain public capital facilities within the City. The Corporation has the power to purchase bonds issued by any local agency at public or negotiated sales and may sell such bonds to public or private purchasers at public or negotiated sales.

- The Woodland Finance Authority is a separate governmental entity whose purpose is to assist with the financing or refinancing of certain public capital facilities within the City. The Authority has the power to purchase bonds issued by any local agency at public or negotiated sales and may sell such bonds to public or private purchasers at public or negotiated sales.

Local Economic Condition & Outlook

The City of Woodland is the county seat of Yolo County and is located approximately 85 miles northeast of San Francisco and approximately 18 miles northwest of Sacramento at the intersection of Interstate 5 and State Route 113. The City has been the seat of government for the County since 1862 and is also the industrial and agricultural center of the County. The City encompasses approximately 14.5 square miles near the center of the California's Central Valley.

The City has a diversified economic base that has its origins in agriculture. However, due to the proximity of the City to major transportation arteries (Interstate 5 and State Route 113), and major waterways, the City has also become increasingly important as a manufacturing and distribution center of products including food processing, plastics, farm machinery and manufactured homes. Due to its nearness to Sacramento, the City has historically shared the economic trends of the Sacramento Valley Region. The economic impacts related to the real estate market and financial market collapse had put a downward pressure on City property tax revenues, which are slowly recovering. Building activity has increased in the City, resulting in increasing revenues related to permit and development impact fees.

Woodland has focused efforts on stimulating residential development primarily in the Spring Lake Specific Plan area. The City has experienced some growth in commercial development, albeit at a much slower pace than in prior years, and is working to attract other commercial development where feasible. The City is viewed as a community that is favorable to business and has been successful at attracting large retail and restaurant development in the Gateway area. The success of several "big box" retail outlets opened during the last several fiscal years provided new sales tax revenues to offset other losses throughout the City, and are establishing growth within the City. Residential development activity in the City continues at reduced levels, but appears to be consistently moving forward.

Major Projects for FY 2012/2013

Many City programs have been downsized or altogether eliminated because of budget conditions, and City staffing levels have been reduced by more than 25% over the last four years. Despite these reductions, and thanks to the receipt of grant funds and low interest financing, many successful projects were implemented this fiscal year.

Davis Woodland Water Supply Project (Surface Water) – The City is participating in a joint effort along with the City of Davis and the University of California, Davis to improve water supply quality. Due to aging wells and increased nitrate levels, water quality is deteriorating while regulations surrounding wastewater discharge are becoming more stringent. A solution to both of these issues is being pursued which will involve the construction of intake structures and water treatment facilities for water from the Sacramento River. A Joint Powers Authority (the Woodland Davis Clean Water Agency) was formed in September 2009 and was the first step in this important process for providing clean, safe, high quality drinking water. This will be a multi-year project that will require extensive planning, design, construction and operational considerations. Construction of the major facilities is underway, with operations expected to begin in mid to late 2016.

Water Storage and Well Replacement – In preparation for implementation of surface water use in the City, additional water storage capacity was required. A three million gallon storage tank was constructed in the southwest area of the City, with further tanks expected to be built as the surface water project progresses. Additionally, a well was replaced in the center of downtown Woodland to accommodate the construction of a new courthouse by the State. The courthouse is expected to be open in summer 2015.

City Park Facility Rehab and Improvements – Thanks to revenues received through a half cent sales tax in the City (known as Measure E) much needed updates to two City facilities were completed. The Olympic size swimming pool and surrounding facilities of the Charles Brooks Swim Center were renovated to resurface the entire pool, reroof the outbuildings, improve pool decking and update fencing. Clark Field, a baseball field used by various organizations and schools in the City, was improved through renovation of the outfield, bleachers and parking facilities. Finally, with the assistance of grant funding from the State, irrigation systems throughout most of the major parks in the City were upgraded and updated to allow for more efficient use of water and staffing resources.

Major Initiatives for FY 2013/2014

Davis Woodland Water Supply Project (Surface Water) – As mentioned previously, this joint water project with the City of Davis and UC Davis is a multi-year project that will require extensive planning, design, construction and operational considerations. During the coming year, the Agency will focus on awarding the contract to design, build and operate the regional facility. Construction is underway with operations of the regional plant expected to begin in mid to late 2016.

General Plan Update – The City’s current General Plan goes through 2020 and has been in need of an update for some time. A consultant team has been retained and major staff and community effort is underway to complete an update of the General Plan through the year 2035. Over the next year the preferred land use plan and key General Plan policies will be determined that will guide the City toward sustained fiscal stability and enhanced quality of life. Final adoption of the 2035 General Plan is anticipated in mid 2016.

Internal Controls

City management is responsible for establishing and maintaining internal controls designed to ensure that the assets of the City are protected from loss, theft or misuse and that adequate accounting records are maintained to allow for the preparation of financial statements in conformity with GAAP. The internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the likely derived benefit, and, (2) the valuation of costs and benefits requires estimates and judgments by management. As a recipient of federal, state and local financial assistance, the City is also responsible for ensuring that adequate internal controls are in place to document compliance with applicable laws and regulations related to these programs. Management’s continuing commitment to sound and viable internal controls is emphasized through written policies and procedures and a well-trained and qualified financial staff.

Budgetary Controls

The objective of the City’s budgetary controls is to ensure compliance with legal provisions embodied in the annual budget approved by the City Council. The City Council annually reviews its Budget and Fiscal Policy to provide direction regarding appropriate reserve levels in each of the City’s operating funds. Budgetary authority is maintained at a fund level and control is maintained at the department level (i.e., Police, Fire, Public Works, etc.) for the General Fund. Budgetary control for capital improvement projects is currently maintained on a project and fund basis which is reviewed and approved annually. As

demonstrated by the financial statements included in the financial section of this report, the City continues to meet its responsibility for sound fiscal management.

Cash Management

The City Finance Officer is responsible for the cash management and investment program of the City. The government code and City policy stipulate how funds can be invested. The investment policy, which is adopted annually by City Council, is intended to provide guidelines for prudent investments and outlines policies to assist in maximizing the efficiency of the cash management while also maintaining sufficient reserves to meet daily cash flow requirements.

Risk Management

The City is a member of a joint powers authority, the Yolo County Public Agency Risk Management Insurance Authority (YCPARMIA), an insurance pool limited to public agencies in Yolo County. Provided coverage includes general liability, workers' compensation, property, and boiler and machinery.

The City, through YCPARMIA and in-house Safety Committees, participates in an active loss prevention program which includes periodic safety inspections of all facilities, specialized training in safety and handling of hazardous materials, and a wellness program provided to police employees. Recent actuarial reports indicate that YCPARMIA has sufficient resources to meet current and immediate future liabilities.

Independent Auditors

State statutes require an annual audit by independent certified public accountants. The accounting firm of Davis Farr LLP has been engaged by the City to conduct this year's audit. In addition to meeting the requirements set forth in state statutes, the audit also meets the requirements of the OMB Circular A-133. The auditors' report on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report.

Acknowledgements

The Department of Finance puts forth great effort in the preparation of this report. The professionalism, commitment and effort of each member of this Department have made this presentation possible. We also want to thank the members in other City Departments who assisted in the preparation of this report. Finally, we thank you for your interest and continuing support in planning and conducting the City's financial operations in a responsible manner, consistent with the City's mission to protect, preserve and enhance the quality of life for the citizens of this community.



Kimberly McKinney
Finance Officer

CITY OF WOODLAND
CITY COUNCIL & ADMINISTRATIVE STAFF ROSTER
FISCAL YEAR ENDING JUNE 30, 2014



MARLIN DAVIES, MAYOR

TOM STALLARD, VICE MAYOR

WILLIAM MARBLE, COUNCILMEMBER

JIM HILLIARD, COUNCILMEMBER

SEAN DENNY, COUNCILMEMBER



ADMINISTRATIVE STAFF

PAUL NAVAZIO, CITY MANAGER

KEN HIATT, COMMUNITY DEVELOPMENT DIRECTOR

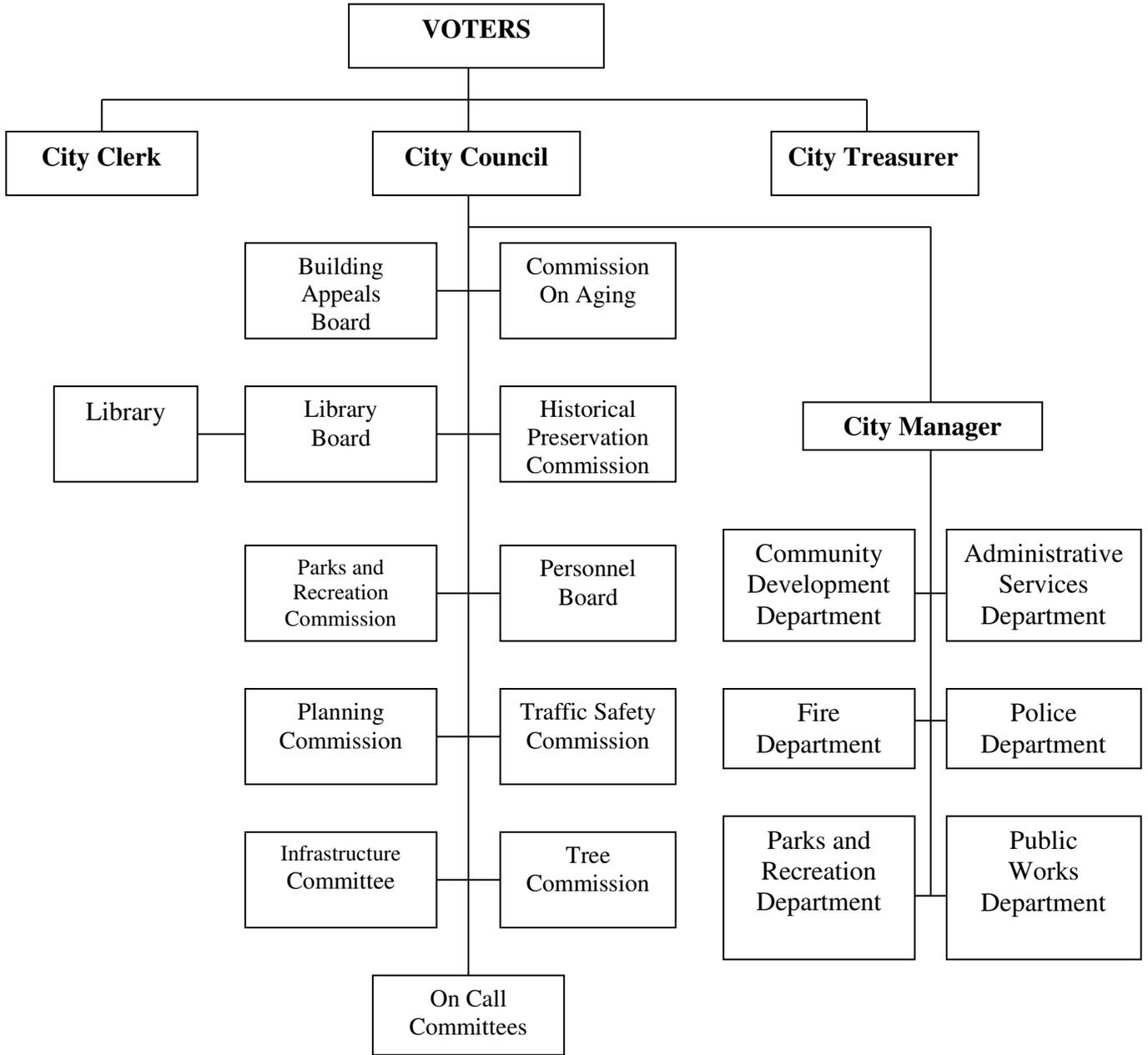
KARA UEDA, CITY ATTORNEY

GRETA GALINDO, LIBRARY SERVICES DIRECTOR

DAN BELLINI, POLICE CHIEF

GREG MEYER, PUBLIC WORKS DIRECTOR

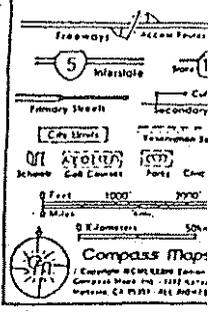
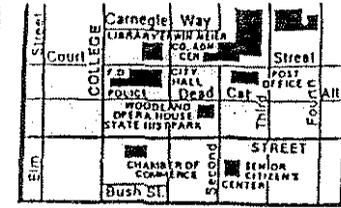
CITY OF WOODLAND GENERAL OVERVIEW ORGANIZATION CHART



MAP OF WOODLAND AND VICINITY

Downtown

Legend



- CIVIC CENTER AREA**
- 1 Index Building 1-3
 - 2 YOLO CO COURTHOUSE
 - 3 YOLO CO SHERIFF
 - 4 POST OFFICE
 - 5 LAWEN MEIER CO ADM. CENTER
 - 6 LIBRARY
 - 7 POLICE
 - 8 FIRE DEPARTMENT
 - 9 CITY HALL
 - 10 WOODLAND OPERA HOUSE STATE HISTORIC PARK

HOUSE NUMBERING SYSTEM
 North-South Street Address
 Numbers Start at Beamer Street
 East-West Street Address
 Numbers Start at West Street

Honorable Mayor and City Council
City of Woodland, California

Independent Auditor's Report

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

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.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information, and the General Fund and Special Revenue fund budget and actual statements of the City of Woodland, California, as of June 30, 2014, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matters

The financial statements for the year ended June 30, 2014 reflect certain prior period adjustments as described further in note 15 to the financial statements. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the *Management's Discussion and Analysis*, and *Schedules of Funding Progress* 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 of Woodland's basic financial statements. The *combining and individual nonmajor fund financial statements and schedules*, the *introductory section* and the *statistical section* 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 relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the *combining and individual nonmajor fund financial statements and schedules* are fairly stated, in all material respects, in relation to the basic financial statements as a whole. The *introductory section* and the *statistical section* have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 12, 2016 on our consideration of the City of Woodland'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 City of Woodland's internal control over financial reporting and compliance.

A handwritten signature in blue ink that reads "Davis Fan UP". The signature is written in a cursive, flowing style.

Irvine, California,
January 12, 2016

MANAGEMENT'S DISCUSSION and ANALYSIS

This section of the City of Woodland's (City) Comprehensive Annual Financial Report presents a narrative overview and analysis of the financial activities of the City for the year ended June 30, 2014. Please read this in conjunction with the transmittal letter, which can be found in the introductory section of this report, and with the City's financial statements, which follow this discussion.

FINANCIAL HIGHLIGHTS

- The City's net position increased over the course of the fiscal year by \$8.1 million to \$350.5 million. The net position of governmental activities increased by \$23.8 million and the net position of business-type activities decreased by \$15.8 million.
- The General Fund, using the current financial resources basis, reported expenditures and other financing sources and uses in excess of revenues of \$0.95 million. This was primarily the result of one time transfers from the General Fund to other City funds to repay loans provided in previous years..

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts – (1) management's discussion and analysis, (2) the basic financial statements, (3) required supplementary information, and (4) combining statements for nonmajor governmental funds, nonmajor enterprise funds, internal service funds and agency funds. The basic financial statements include two kinds of statements that present different views of the City.

- The government-wide financial statements provide both long-term and short-term information about the City's overall financial status.
- Fund financial statements focus on individual parts of the City government, reporting the City's operations in more detail than the government-wide statements.
 - Governmental fund statements depict how general government services such as police, fire and public works were financed in the short-term as well as what remains for future spending.
 - Proprietary fund statements offer short-term and long-term financial information about the activities the City operates like businesses, such as utility services.
 - Fiduciary fund statements provide information about the financial relationships in which the City acts solely as a trustee or agent for the benefit of others, to whom the resources belong.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The notes to the financial statements are followed by the Schedule of Funding Progress for the City's pension plans and other postemployment benefits (OPEB) plan, which is required supplementary information. In addition to these required elements, we have included combining statements that provide details about the City's nonmajor governmental funds, nonmajor enterprise funds, internal service funds and agency funds, each of which is presented in a column in the basic financial statements.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

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

The **statement of net position** presents information on all of the City's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether or not the financial position of the City is improving or deteriorating.

The **statement of activities** presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods, such as revenues pertaining to uncollected taxes and expenses pertaining to earned but unused vacation.

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, finance, community development, parks and recreation, police, fire, library, and public works. The business-type activities of the City include water, sewer, storm drain, wastewater pretreatment, recycling, construction and demolition program, fire training center, cemetery, and youth program.

The government-wide financial statements include not only the City itself (known as the primary government) but also the Woodland Public Facilities Corporation (Corporation), and the Woodland Finance Authority (Authority). Although legally separate from the City, the component units are blended with the primary government because of their governance or financial relationship to the City.

FUND FINANCIAL STATEMENTS

The fund financial statements are designed to report information about groupings of related accounts that are 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. All of the funds of the City can be divided into three categories which include **governmental, proprietary** and **fiduciary** funds.

Governmental Funds. Governmental funds, which account for most of the City's basic services, are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. Fund financial statements, however, focus on (1) how cash and other financial assets can readily be converted to available resources and (2) the balances left at year-end that are available for spending. Such information may be useful in determining what financial resources are available in the near future to finance the City's programs.

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

The City maintains several individual and governmental funds organized according to their type (special revenue, debt service and capital projects). Information is presented separately in the governmental funds balance sheet and in the governmental funds statements of revenues, expenditures and changes in fund balances for the General, Home Grant, and Housing Assistance Grants, and Spring Lake 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 the nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts annually appropriated budgets for its General Fund and major special revenue funds. Budgetary comparison statements have been provided for the General Fund and major special revenue funds to demonstrate compliance with this budget.

Proprietary Funds. Proprietary funds are generally used to account for services for which the City charges customers—either outside customers, or internal units or departments of the City. Proprietary funds provide the same type of information as shown in the government-wide financial statements, only in more detail. The City maintains the following two types of proprietary funds.

Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for the operations of its water, sewer, storm drain, wastewater pretreatment, recycling, construction and demolition program, fire training center, cemetery, and youth program activities.

Internal Service funds are used to report activities that provide supplies and services for certain City programs and activities. The City uses internal service funds to account for its fleet of vehicles and equipment, management information services, self-insurance, facility replacement and employee benefits. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements. The internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Since the resources of these funds are not available to support the City’s own programs, they are not reflected in the government-wide financial statements. The accounting used for fiduciary funds is much like that used for proprietary funds.

Notes to Financial Statements

The notes to financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this section presents certain required supplementary information concerning the City’s progress in funding its obligation to provide pension and other postemployment benefits to its employees.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The government-wide financial statements provide long-term and short-term information about the City’s overall financial condition. This analysis addresses the financial statements of the City as a whole.

City of Woodland
Summary of Net Position
As of June 30, 2014 and 2013
(in millions)

	Governmental Activities		Business-Type Activities		Total Primary Government		Total %
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	
	\$	\$	\$	\$	\$	\$	
Current & other assets	65.9	62.9	34.4	31.0	100.3	93.9	6.8%
Capital Assets	255.0	258.9	177.8	152.4	432.8	411.3	5.2%
Total assets	<u>320.9</u>	<u>321.8</u>	<u>212.2</u>	<u>183.4</u>	<u>533.1</u>	<u>505.2</u>	5.5%
Deferred outflow of resources	0.6	-	0.8	-	1.4	-	100.0%
Other liabilities	13.5	11.8	33.7	4.3	47.2	16.1	193.2%
Long-term liabilities	61.4	87.0	75.2	59.4	136.6	146.4	-6.7%
Total liabilities	<u>74.9</u>	<u>98.8</u>	<u>108.9</u>	<u>63.7</u>	<u>183.8</u>	<u>162.5</u>	13.1%
Net Position:							
Net investment in capital assets	201.9	179.3	76.2	97.6	278.1	276.9	0.4%
Restricted	38.3	14.0	-	-	38.3	14.0	173.6%
Unrestricted	<u>6.3</u>	<u>29.7</u>	<u>27.8</u>	<u>22.2</u>	<u>34.1</u>	<u>51.9</u>	-34.3%
Total net position	<u>\$ 246.5</u>	<u>\$ 223.0</u>	<u>\$ 104.0</u>	<u>\$ 119.8</u>	<u>\$ 350.5</u>	<u>\$ 342.8</u>	2.2%

ANALYSIS OF NET POSITION

Net position represents the difference between the City’s resources and its obligations. Over time, net position may serve as a useful indicator of a government’s financial position. For the City, assets exceeded liabilities and deferred outflows of resources by \$350.5 million at the close of the fiscal year 2013/14.

The largest portion of the City’s net position reflects its \$278.1 million (79.3 percent) investment in capital assets (e.g. land, buildings and equipment), less any related outstanding debt used to acquire those assets. The City uses these capital assets to provide services to citizens. Although the City’s investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be liquidated for these liabilities.

Another portion of the City’s net position, \$38.3 million (10.9 percent) represents resources that are subject to external restrictions on how they may be used. This represents an increase of \$1.6 million or 11 percent from the prior year. The remaining balance of \$34.1 million represents unrestricted net position.

Net position of business-type activities decreased \$15.8 million; the City can generally only use these net assets to finance the continuing operations of the business-type activities.

CHANGES IN NET POSITION

The City’s overall net position increased by \$8.1 million, from \$342.5 million in FY 2012/13 to \$350.5 million in FY 2013/14, which consisted of a \$23.8 million increase in governmental activities and a \$15.8 million decrease in business-type activities.

Major reasons for these changes are noted in the government and business-type activities discussion below.

City of Woodland
Changes in Net Position
For the Years Ended June 30, 2014 and 2013
(in thousands)

	Governmental Activities		Business-type Activities		Total Primary Government		Total % Change
	2014	2013	2014	2013	2014	2013	
Revenues							-
Program Revenues:							-
Charges for services	\$17,540	\$10,610	\$29,698	\$26,575	\$47,238	\$37,185	27.04%
Operating grants & contributions	5,693	7,134	22	34	\$5,715	\$7,168	-20.27%
Capital grants & contributions	1,455	2,630	210	454	\$1,665	\$3,084	-46.01%
General revenues:							
Property tax	9,085	8,879	0	-	\$9,085	\$8,879	2.32%
Sales tax	11,367	11,137	0	-	\$11,367	\$11,137	2.07%
Other taxes (including Measure E)	7,748	7,582	0	-	\$7,748	\$7,582	2.19%
Franchise fees	2,144	2,095	0	-	\$2,144	\$2,095	2.34%
Motor vehicle in-lieu	3,781	3,719	0	-	\$3,781	\$3,719	1.67%
Investment earnings	231	105	22	68	\$253	\$173	46.24%
Miscellaneous	600	56	0	-	\$600	\$56	971.43%
Total revenues	<u>59,644</u>	<u>53,947</u>	<u>29,952</u>	<u>27,131</u>	<u>89,596</u>	<u>81,078</u>	<u>10.51%</u>
Expenditures							
Governmental activities:							
General government	2,039	1,938	-	-	2,039	1,938	5.21%
Finance	889	751	-	-	889	751	18.38%
Community development	6,246	5,019	-	-	6,246	5,019	24.45%
Parks and recreation	4,532	4,714	-	-	4,532	4,714	-3.86%
Police	16,032	14,877	-	-	16,032	14,877	7.76%
Fire	9,112	8,881	-	-	9,112	8,881	2.60%
Library	1,346	1,293	-	-	1,346	1,293	4.10%
Public Works	17,820	13,330	-	-	17,820	13,330	33.68%
Interest on long term debt	2,294	2,152	-	-	2,294	2,152	6.60%
Business-type activities:							
Water	-	-	8,087	9,446	8,087	9,446	-14.39%
Sewer	-	-	10,521	9,678	10,521	9,678	8.71%
Storm drain	-	-	1,214	1,190	1,214	1,190	2.02%
Wastewater pretreatment	-	-	452	454	452	454	-0.44%
Recycling	-	-	218	384	218	384	-43.23%
Construction and demolition program	-	-	36	38	36	38	-5.26%
Fire Training	-	-	29	35	29	35	-17.14%
Cemetery	-	-	375	347	375	347	8.07%
Youth program	-	-	312	277	312	277	12.64%
Total expenses	<u>60,310</u>	<u>52,955</u>	<u>21,244</u>	<u>21,849</u>	<u>81,554</u>	<u>74,804</u>	<u>9.02%</u>
(Deficit) Excess before transfers and extraordinary items	(666)	992	8,708	5,282	8,042	6,274	28.18%
Transfers	<u>24,541</u>	<u>1,373</u>	<u>(24,541)</u>	<u>(1,373)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Changes in net position	<u>\$ 23,875</u>	<u>\$ 2,365</u>	<u>(15,833)</u>	<u>\$ 3,909</u>	<u>\$ 8,042</u>	<u>\$ 6,274</u>	<u>28.18%</u>

REVENUE

The City’s total revenue was \$89.6 million for the year ended June 30, 2014, an increase of \$8.5 million or 10.5 percent from 2013. Revenue from governmental activities totaled \$59.6 million and revenue from business-type activities totaled \$30 million.

Charges for services and operating and capital grants provided 61 percent of the total revenue received during 2014, while taxes (property, sales and other) provided 31.5 percent of total revenue.

Increase in total revenue is due primarily to a \$10 million increase in charges for services. This increases were partially offset by a \$1.5 million decrease in operating grants and contributions and a \$1.4 million decrease in capital grants and contributions. The increase in charges for services stems primarily from an improvement in collection of the City’s development impact fees. The charges for services in the business type activities increased mostly from implementation of an approved increase in the water utility user fee of 17 percent increase in January 2014 and an approved sewer utility rate increase of 9 percent in January 2014. The decrease in capital grants and contributions results from the completion of a large road construction project that was reimbursable through a grant in FY13. The decrease in operating grants and contributions results primarily from the completion of grants for the funding of firefighters and a grant related to hiring of police officers.

GOVERNMENTAL ACTIVITIES

The following table shows the cost of each of the City’s major functions and the net cost of those functions. Net cost is the total cost less fees and other direct revenue generated by the activities. The net cost reflects the financial burden that was placed on the City’s taxpayers by each of the functions.

**City of Woodland
Net Cost of Governmental Activities
As of June 30, 2014 and 2013
(in millions)**

	Total Cost of Services		Percent Change	Net Cost (Benefit) of Services		Percent Change
	<u>2014</u>	<u>2013</u>		<u>2013</u>	<u>2013</u>	
General Administration	\$2.04	\$1.94	5.2%	\$0.79	\$0.69	14.5%
Finance	0.89	0.75	18.7%	0.64	0.66	-3.0%
Community Development	6.25	5.02	24.5%	2.47	1.52	62.5%
Parks, recreation and community service	4.53	4.71	-3.8%	0.96	2.32	-58.6%
Police	16.03	14.88	7.7%	15.11	13.73	10.1%
Fire	9.11	8.88	2.6%	8.25	7.46	10.6%
Library	1.35	1.29	4.7%	1.24	1.15	7.8%
Public Works	17.82	13.33	33.7%	3.87	2.78	39.2%
Interest on long term debt	2.29	2.15	6.5%	2.29	2.15	6.5%
	<u>\$60.31</u>	<u>\$52.95</u>		<u>\$35.62</u>	<u>\$32.46</u>	

The cost for all governmental activities this year was \$60.31 million. The City’s taxpayers paid for approximately 46.7 percent of these costs; \$28.2 million (including property, sales and other taxes revenues). Fees, including developer fees, grants and contributions funded the balance of the costs of governmental activities.

Total cost of services increased by \$7.36 million from FY2013 to FY2014 due to increased personnel and benefit related costs, increases in contracts for services provided by agencies outside the City, and development activity in Spring Lake triggers costs related to the developer advances.

The net cost of services (total cost offset by related revenues) increased by \$3.2 million from FY2013 to FY2014. The net cost of the Parks and Recreation department decreased by \$1.4 million primarily from collection of additional user fees and development related revenues in FY14 to offset their costs. The net cost of Police increased by \$1.4 million due to increases in personnel costs from salary adjustments and benefit increases as well as contract services for dispatch and animal control for which Yolo County bills the City, additionally there was a decrease in grants and contributions related to reimbursements on grant officer positions. Public Works net cost increased by \$1.0 million related primarily to a decrease in operating grants. The majority of the other functions show a minimal change in net costs result from improved revenues throughout the City.

BUSINESS-TYPE ACTIVITIES

Revenue for the City's business-type activities, excluding transfers, increased by \$2.82 million, from \$27.13 million in FY2012/13 to \$30.02 million in FY 2013/14. This increase results primarily from an approved increase of 17% in water utility rates, which was effective January 1, 2014 and an approved 9% increase in sewer utility rates also effective January 1, 2014. Charges for services totaled \$29.7 million or 99 percent of total business-type activity revenues. Business-type activities expenses declined \$0.6 million between FY2012/13 and FY2013/14 due mostly to a \$2.8 million gain in the water fund from sale of property to a joint powers authority for future placement of a water treatment plant, offset by costs related to issuance of debt in the sewer fund. The costs of capital improvements are reported as capital assets in the statement of net assets, rather than as expenses in the statement of activities.

FINANCIAL ANALYSIS OF THE 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 resources that are available for spending. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. Types of governmental funds reported by the City include the General Fund, Special Revenue Funds, Debt Service Funds and Capital Projects Funds.

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$44.3 million, an increase of \$26 million from the end of the prior year.

Several of the governmental funds had significant net changes in fund balance, which include the following:

- The fund balance of the Spring Lake fund increased by \$1.5 million due primarily to increased collection of developer impact fees specific to the Spring Lake project.
- The fund balance of the 2002 Lease Revenue Bond Fund (nonmajor debt service fund) decreased by \$1.13 million due to the refunding of this debt during the fiscal year.
- The fund balance of the 2005 Capital Projects Lease Revenue Bond Fund (nonmajor debt service fund) decreased by \$1.9 million due to the refunding of this debt during the fiscal year.
- The fund balance of the Special Sales Tax District Fund (nonmajor capital fund) increased by \$1.9 million due to better than expected sales tax revenues that were not fully spent on capital projects during the fiscal year.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, the unassigned fund balance of the General Fund was \$10.3 million, while total fund balance was \$12.0 million, a decrease of \$0.9 million from the prior year. This was due primarily to \$2.5 million of one-time repayments to other funds for loans taken in previous fiscal years, offset by better than expected sale tax and property tax revenues of \$0.8 million and development related license and permit revenues in excess of budgeted estimates of \$0.98 million. In preparation of the budget for the FY2013/14 year, the City anticipated fund balance to decline \$3.7 million from the balance at FY2011/12.

As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. For FY2013/14, the unassigned fund balance of \$10.3 million represents 31 percent of total General Fund expenditures of \$35.04 million, and the total fund balance represents approximately 34 percent of that amount. For FY 2012/13, the unassigned fund balance of \$8.61 million represents 27 percent of total General Fund expenditures of \$31.8 million, and the total fund balance represents approximately 40 percent of that amount.

Proprietary Funds

At the end of FY 2013/14, the unrestricted net position for the Water and Sewer funds were \$18 million and \$8.3 million, respectively. Total net position of the Water Fund increased by \$9.97 million in FY2013/14 while the total net position of the Sewer Fund decreased by \$24.77 million over the same period. The increase in net position for the Water Fund is due almost entirely to an approved rate increase of 17%, which was effective on January 1, 2014 as well as a \$2.8 million gain resulting from payment received for the Woodland Davis Clean Water Agency for land that will be used as its future water treatment plant site. Expenditures within the Water Fund increased between FY2012/13 and FY2013/14 due mostly to increased depreciation expense resulting from placing in service large construction projects. The decrease in net position for the Sewer Fund is due primarily to the refunding of the 2002 and 2005 Wastewater Lease Revenue Bonds through issuance of the 2014 Wastewater Revenue Bonds. Other expenditures remained relatively consistent with previous year expenditures, and a nine percent rate adjustment was approved and became effective January 1, 2014.

Four proprietary funds had deficits in unrestricted net position: Storm Drain Fund had a deficit of \$256 thousand, the Construction and Demolition Program Fund had a deficit of \$28 thousand, the Cemetery Fund had a deficit of \$325 thousand, and the Youth Program Fund had a deficit of \$20 thousand. The internal service funds that are used to account for certain governmental activities had unrestricted net position of \$6.69 million.

The total decrease in net position for the enterprise funds was \$15.75 million. Factors concerning the finances of these funds have been addressed previously in the discussion of the City's business-type activities. As in the previous years, the Storm Drain Fund's decrease in net position is related to a continuing operating deficit resulting from inadequate monthly charges to users of the enterprise. The City proposed a voter approved rate increase in FY2007/08 to address this on-going deficiency, which did not pass. Operations have been reduced to the minimum legal level and the City will attempt another rate increase measure and is exploring potential other options for providing these services. The Woodland Cemetery has been undergoing a revitalization effort that will increase capacity and should allow the operations of the facility to be self-supporting, and services have been altered in an attempt to reduce the reliance on the General Fund and operate within the annual revenues received. The Construction and Demolition Program Fund relies upon fees collected as a result of new development, which is increasing in the City and this fund is expected to recover the deficit in net position. The Youth Program Fund is increasing user fees and changing the structure of programs offered in order to reduce the costs to provide such programs.

The following table shows actual revenues, expenses and results of operations (excluding capital contributions and expenses) for the current fiscal year in the City’s proprietary funds (in millions):

**City of Woodland
Proprietary Fund Operations
For the Year Ended June 30, 2014**

	Operating Revenues	Operating Expenses	Operating Income (Loss)	NonOperating Revenues(Expense)	Interfund Transfers	Change in Net Position
Water	\$ 17.29	\$ 9.61	\$ 7.68	\$ 1.59	\$ 0.70	\$ 9.97
Sewer	11.21	8.56	2.65	(1.94)	(25.47)	(24.76)
Storm Drain	0.17	1.21	(1.04)	-	0.24	(0.80)
Wastewater Pretreatment	0.42	0.45	(0.03)	-	-	(0.03)
Recycling	0.19	0.22	(0.03)	0.03	-	-
Construction and Demolition Program	0.04	0.04	-	-	-	-
Fire Training Center	-	0.03	(0.03)	-	-	(0.03)
Cemetery	0.09	0.38	(0.29)	-	0.20	(0.09)
Dubach Park	-	-	-	-	-	-
Youth	0.28	0.31	(0.03)	-	-	(0.03)
Total:	\$ 29.69	\$ 20.81	\$ 8.88	\$ (0.32)	\$ (24.33)	\$ (15.77)

General Fund Budgetary Highlights

The City’s final budgeted appropriations in the General Fund increased by \$0.09 million from the preliminary budget in FY13/14. This increase was due primarily to additional costs needed for contract inspection services to backfill a staff vacancy. These increases were possible due to better than anticipated revenues in property and sales taxes and vacancies savings in most of the departments within the General Fund.

During the year, actual revenues were \$2.4 million more than budgeted estimates. This variance primarily consisted of a positive variance of \$0.88 million for taxes, resulting from improved sales and property tax revenues; license and permit revenues showed a positive variance of \$.98 million as a result of better than expected development, both residential and commercial, and the related permit and inspection fees paid during the year. With the exception of investment earnings, all other categories of revenues exceeded budget.

General Fund expenditures came under budget by \$0.75 million, due to budgetary savings in discretionary supplies and services in most departments as well as negotiated reductions in personnel benefits for a few employee bargaining units that were settled after the budget was adopted. General Fund transfers exceeded budget by \$0.31 million due to the transfer of half cent sales tax revenues that are received into the General Fund

and then transferred to a Capital Projects fund for expenditure on projects; because the revenues were higher than anticipated, the transfer to the Capital Projects fund was also higher than anticipated.

The net effect of better than estimated revenues and budgetary expenditure savings resulted in a net positive budgetary variance of \$3.7 million at the end of the fiscal year.

In creating its budget for the year ending June 30, 2014, the City used an estimated budgetary fund balance of \$9.1 million.

CAPITAL ASSET & DEBT ADMINISTRATION

Capital Assets

As of June 30, 2014, the City had invested \$432.8 million in a broad range of capital assets, including police and fire equipment, buildings, parks and park improvements, roads and water, sewer and storm drainage transmission and distribution systems. This represents a net increase for the current fiscal year of \$21.5 million, or 5.2 percent.

**City of Woodland
Capital Assets
As of June 30, 2014 and 2013
(net of depreciation, in millions)**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Capital Assets not Depreciated						
Land	\$ 18.0	\$ 18.0	\$ 3.8	\$ 3.8	\$ 21.8	\$ 21.8
Intangible assets	1.2	1.2	-	-	1.2	1.2
Construction in progress	3.5	9.5	45.7	21.1	49.2	30.6
Depreciable Capital Assets						
Ponds	-	-	0.3	0.3	0.3	0.3
Buildings	60.0	61.5	0.1	0.1	60.1	61.6
Improvements	19.5	17.0	22.9	23.8	42.4	40.8
Machinery and equipment	6.9	4.4	2.6	2.6	9.5	7.0
Intangible assets	1.6	0.4	0.1	0.1	1.7	0.5
Sewer treatment plant	-	-	6.5	6.7	6.5	6.7
Infrastructure	144.3	146.8	95.8	94.0	240.1	240.8
Total	<u>\$ 255.0</u>	<u>\$ 258.8</u>	<u>\$ 177.8</u>	<u>\$ 152.5</u>	<u>\$ 432.8</u>	<u>\$ 411.3</u>

This year's major capital asset additions included:

- Completion of a major road in the Spring Lake Specific Plan area reclassified \$2.8 million from construction in progress to infrastructure.
- Renovation of the city's community swim center added \$1.2 million to infrastructure.
- Improvements to park irrigation systems throughout the City added \$0.5 million to improvements.
- Installation of a new well to accommodate a new courthouse construction project added \$0.26 million to construction in progress, and the entire \$3.0 million project was completed and reclassified to infrastructure.
- Contributions to the joint powers authority toward design and construction of a regional water intake and treatment facility added \$18.3 million to construction in progress.
- Construction of a three million gallon water storage tank added \$7.3 million to construction in progress.
- Installation of the third and final phase of water meters in the City added \$1.2 million to construction in progress, and the entire \$1.3 million project was completed and reclassified to infrastructure.

More detailed information about the City’s capital assets is presented in Note 6 of the Notes to the Basic Financial Statements.

Long-term Debt

At June 30, 2014 and 2013, the City had \$126.9 million and \$126.5 million, respectively, in long-term debt outstanding. The outstanding debt of governmental activities decreased approximately \$26.5 million primarily as a result of refunding of the 2002 Capital Projects Lease Revenue Bonds and the 2005 Wastewater Revenue Bonds through issuance of the 2014 Wastewater Revenue Bonds (Business Type debt). Outstanding debt of business-type activities increased approximately \$26.8 million as a result of the refunding mentioned herein.

**City of Woodland
Outstanding Debt
As of June 30, 2014 and 2013
(in millions)**

	Governmental Activities		Business Type Activities		Total	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Revenue and other bonds	\$ 18.8	\$ 46.9	\$ 66.4	\$ 39.5	\$ 85.2	\$ 86.4
Loans payable	0.4	0.6	7.3	7.4	7.7	8.0
Developer fee obligations	31.0	30.7	-	-	31.0	30.7
Capital lease obligations	2.9	1.4	-	-	2.9	1.4
	<u>\$ 53.15</u>	<u>\$ 79.60</u>	<u>\$ 73.70</u>	<u>\$ 46.90</u>	<u>\$ 126.85</u>	<u>\$ 126.50</u>

More detailed information about the City’s total long-term liabilities is presented in Note 7 of the Notes to the Financial Statements.

The City continues to maintain good credit ratings on its debt issues. The following are the ratings at June 30, 2013 as determined by Moody’s Investors Service and Standard & Poor’s.

	<u>Moody’s</u>	<u>S & P</u>
Insured Issues:		
• 2007 Tax Allocation Bonds	Aa3	
Uninsured Issues:		
• 2009 Wastewater Revenue Bonds		AA
• 2011 Water Revenue Bonds		AA-
• 2014 Wastewater Revenue Bonds		AA-

The City’s bonded debt per capita is a useful indicator to citizens and investors of the City’s debt position. As of June 30, 2014 the City had no bonded debt per capita. Bonded debt does not include special assessment debt or mortgage insured bonds for which the City is not obligated.

ECONOMIC FACTORS & NEXT YEAR’S BUDGET

Economic Factors

- The City’s Storm Drain system continues to deteriorate, and it will require repairs and replacements in older areas of the City in the near future. The Storm Drain Fund currently has a small deficit in unrestricted net position of \$0.26 million, with total net position of \$16.4 million. Development fees pay for new construction only; maintenance impacts stemming from past and future new construction will continue to burden this fund. Storm drain rate increases must be voter approved and an attempt to increase the fee failed in August 2007. Council continues to have discussion regarding a future fee

increase, but the operations have been reduced to the minimum legal level, and any operations in excess of current revenues have become a General Fund obligation.

Economic factors that may favorably affect the City in the longer term include:

- A major regional State courthouse project relocation is hoped to help revitalize the downtown area and draw additional business and visitors into the area.
- The City is in the process of updating its General Plan that will help identify areas of potential new growth for both residential and nonresidential development in the City.

Next Year's Budget

The General Fund budget for 2015 appropriates \$43.3 million, a decrease of 0.8 percent from the prior year. The appropriations include \$0.9 million in allocation of one-time money to high priority needs in the City. General Fund revenue for 2015 is projected to be \$40.9 million, which is \$1.0 million more than the revenue budget for 2013/14.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances, and to demonstrate the City's accountability for the money it receives. If you have questions about this report, need additional financial information, or would like to obtain component unit financial statements, contact the City of Woodland Department of Finance, 300 First Street, Woodland, California, 95695 or visit the City's web page at www.cityofwoodland.org.

CITY OF WOODLAND, CALIFORNIA
STATEMENT OF NET POSITION
JUNE 30, 2014

	Governmental Activities	Business-type Activities	Total
Assets:			
Cash and investments	\$ 30,462,531	28,645,829	59,108,360
Cash and investments with fiscal agents	18	2,427,869	2,427,887
Receivables, net	5,973,559	1,139,806	7,113,365
Internal balances	(2,224,028)	2,224,028	-
Other assets	147,515	-	147,515
Notes receivable, net	31,501,761	-	31,501,761
Capital assets not being depreciated	22,649,258	49,592,779	72,242,037
Capital assets being depreciated, net	232,370,734	128,188,151	360,558,885
Total assets	<u>320,881,348</u>	<u>212,218,462</u>	<u>533,099,810</u>
Deferred Outflow of Resources:			
Deferred refunding charges	<u>610,291</u>	<u>755,738</u>	<u>1,366,029</u>
Liabilities:			
Accounts payable	5,294,839	697,240	5,992,079
Interest payable	133,180	1,068,293	1,201,473
Deposits	2,166,832	-	2,166,832
Unearned revenue	22,936	-	22,936
Commercial paper	-	29,482,000	29,482,000
Noncurrent liabilities:			
Due within one year	5,964,088	2,466,300	8,430,388
Due in more than one year	61,365,112	75,232,918	136,598,030
Total liabilities	<u>74,946,987</u>	<u>108,946,751</u>	<u>183,893,738</u>
Net Position:			
Net investment in capital assets	201,865,849	76,268,294	278,134,143
Restricted for:			
Capital projects	8,837,093	-	8,837,093
Debt service	10,181	-	10,181
Community development	3,418,172	-	3,418,172
Transportation	444,631	-	444,631
Other purposes	25,596,636	-	25,596,636
Unrestricted	6,372,090	27,759,155	34,131,245
Total net position	<u>246,544,652</u>	<u>104,027,449</u>	<u>350,572,101</u>
Total liabilities and net position	<u>\$ 321,491,639</u>	<u>212,974,200</u>	<u>534,465,839</u>

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

**CITY OF WOODLAND, CALIFORNIA
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2014**

	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
FUNCTIONS/PROGRAMS:							
Governmental activities:							
General government	\$ 2,039,187	1,229,205	20,052	-	(789,930)	-	(789,930)
Finance	889,250	241,992	-	-	(647,258)	-	(647,258)
Community development	6,245,673	3,209,890	564,849	-	(2,470,934)	-	(2,470,934)
Parks and recreation	4,532,286	3,400,600	-	171,665	(960,021)	-	(960,021)
Police	16,032,379	465,017	461,453	-	(15,105,909)	-	(15,105,909)
Fire	9,111,668	864,430	-	-	(8,247,238)	-	(8,247,238)
Library	1,346,025	25,043	82,735	-	(1,238,247)	-	(1,238,247)
Public works	17,819,983	8,103,812	4,563,914	1,283,220	(3,869,037)	-	(3,869,037)
Interest on long-term debt	2,293,501	-	-	-	(2,293,501)	-	(2,293,501)
Total governmental activities	<u>60,309,952</u>	<u>17,539,989</u>	<u>5,693,003</u>	<u>1,454,885</u>	<u>(35,622,075)</u>	<u>-</u>	<u>(35,622,075)</u>
Business-type activities:							
Water	8,086,991	17,291,417	60,145	209,626	-	9,474,197	9,474,197
Sewer	10,520,458	11,211,192	-	-	-	690,734	690,734
Storm Drain	1,214,331	171,153	-	-	-	(1,043,178)	(1,043,178)
Wastewater Pretreatment	451,707	423,878	-	-	-	(27,829)	(27,829)
Recycling	218,393	190,277	32,222	-	-	4,106	4,106
Construction and Demolition Program	36,469	41,600	-	-	-	5,131	5,131
Fire Training Center	28,832	-	-	-	-	(28,832)	(28,832)
Cemetery	375,040	88,886	-	-	-	(286,154)	(286,154)
Youth Program	311,839	280,023	-	-	-	(31,816)	(31,816)
Total business-type activities	<u>21,244,060</u>	<u>29,698,426</u>	<u>92,367</u>	<u>209,626</u>	<u>-</u>	<u>8,756,359</u>	<u>8,756,359</u>
Total	<u>\$ 81,554,012</u>	<u>47,238,415</u>	<u>5,785,370</u>	<u>1,664,511</u>	<u>(35,622,075)</u>	<u>8,756,359</u>	<u>(26,865,716)</u>
General revenues and transfers:							
Taxes:							
Property taxes					\$ 9,085,112	-	9,085,112
Measure E/V special tax					6,580,336	-	6,580,336
Other taxes					1,167,823	-	1,167,823
Franchise fees					2,144,472	-	2,144,472
Intergovernmental not restricted for specific programs:							
Sales and use tax - levied by State					11,367,403	-	11,367,403
Motor vehicle in-lieu					3,780,988	-	3,780,988
Investment earnings					230,921	22,246	253,167
Miscellaneous					599,628	-	599,628
Transfers					24,540,553	(24,540,553)	-
Total general revenues and transfers					<u>59,497,236</u>	<u>(24,518,307)</u>	<u>34,978,929</u>
Change in net position					23,875,161	(15,761,948)	8,113,213
Net position - beginning of year, as restated					222,669,491	119,789,397	342,458,888
Net position- end of year					<u>\$ 246,544,652</u>	<u>104,027,449</u>	<u>350,572,101</u>

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

CITY OF WOODLAND, CALIFORNIA
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2014

	General	Special Revenue Fund - Home Grant	Capital Project Fund - Spring Lake	Other Governmental	Total Governmental
Assets:					
Cash and investments	\$ 10,148,822	176,019	2,685,253	9,946,231	22,956,325
Cash and investments with fiscal agents	-	-	-	18	18
Receivables, net	4,207,709	-	-	1,665,767	5,873,476
Due from other funds	463,016	-	-	1,239,166	1,702,182
Inventory	147,515	-	-	-	147,515
Notes receivable, net	-	14,363,091	-	17,138,670	31,501,761
Advances to other funds	1,500,000	-	1,293,088	652,336	3,445,424
Total assets	<u>16,467,062</u>	<u>14,539,110</u>	<u>3,978,341</u>	<u>30,642,188</u>	<u>65,626,701</u>
Liabilities:					
Accounts payable	2,482,869	350	2,157	2,665,485	5,150,861
Deposits	1,604,432	18,132	446,334	97,934	2,166,832
Due to other funds	-	-	-	1,809,852	1,809,852
Unearned revenue	3,036	-	-	19,900	22,936
Advances from other funds	-	-	-	5,561,782	5,561,782
Total liabilities	<u>4,090,337</u>	<u>18,482</u>	<u>448,491</u>	<u>10,154,953</u>	<u>14,712,263</u>
Deferred inflow of resources:					
Unavailable Revenue	415,180	2,822,761	-	3,360,110	6,598,051
Fund balances:					
Nonspendable	1,647,515	-	1,293,088	-	2,940,603
Restricted	-	11,697,867	-	18,456,965	30,154,832
Committed	-	-	2,236,762	6,958,583	9,195,345
Assigned	-	-	-	-	-
Unassigned	10,314,030	-	-	(8,288,423)	2,025,607
Total fund balances	<u>11,961,545</u>	<u>11,697,867</u>	<u>3,529,850</u>	<u>17,127,125</u>	<u>44,316,387</u>
Total liabilities, deferred outflow of resources and fund balance	<u>\$ 16,467,062</u>	<u>14,539,110</u>	<u>3,978,341</u>	<u>30,642,188</u>	<u>65,626,701</u>

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

**CITY OF WOODLAND, CALIFORNIA
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION - GOVERNMENTAL ACTIVITIES
JUNE 30, 2014**

Total fund balances - total governmental funds	\$ 44,316,387
Amounts reported for governmental activities in the statement of net position are different from those reported in the governmental funds because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	249,422,235
Deferred debt refunding charges used in governmental activities are not financial resources and, therefore, are not reported in the funds.	610,291
Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net position.	9,446,592
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.	6,598,051
Certain liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	
Certificates of participation	(30,984,744)
Developer fee obligations	(18,825,656)
Revenue bonds	(400,234)
Loans payable	(106,772)
Capital lease	(1,462,502)
Compensated absences	(11,953,947)
Other postemployment benefits	(115,049)
Interest payable	<u>(115,049)</u>
Net position of governmental activities	<u>\$ 246,544,652</u>

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

CITY OF WOODLAND, CALIFORNIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2014

	General	Special Revenue Fund - Home Grant	Capital Project Fund - Spring Lake	Other Governmental	Total Governmental
REVENUES:					
Taxes	\$ 27,636,952	-	-	441,332	28,078,284
Fines and penalties	270,097	-	-	-	270,097
Intergovernmental	4,206,839	85,000	-	6,619,940	10,911,779
Charges for services	5,086,904	-	-	2,404,759	7,491,663
Licenses and permits	4,490,720	-	6,268,811	3,714,620	14,474,151
Investment earnings	19,608	187,645	2,729	15,405	225,387
Miscellaneous	435,548	5,764	14,494	312,085	767,891
Total revenues	<u>42,146,668</u>	<u>278,409</u>	<u>6,286,034</u>	<u>13,508,141</u>	<u>62,219,252</u>
EXPENDITURES:					
Current:					
General government	1,957,683	-	-	59,216	2,016,899
Finance	605,830	-	11,167	225,658	842,655
Community development	2,139,203	9,950	92,385	4,864,562	7,106,100
Parks and recreation	3,107,571	-	8,131	1,327,261	4,442,963
Police	15,590,133	-	-	518,916	16,109,049
Fire	9,095,010	-	-	216,317	9,311,327
Library	1,272,029	-	-	180,618	1,452,647
Public works	1,062,803	-	264,269	7,279,131	8,606,203
Debt service:					
Principal	188,714	-	4,108,604	2,772,928	7,070,246
Interest	21,426	-	-	2,124,617	2,146,043
Bond issuance and fiscal agent fees	-	-	-	105,000	105,000
Total expenditures	<u>35,040,402</u>	<u>9,950</u>	<u>4,484,556</u>	<u>19,674,224</u>	<u>59,209,132</u>
Excess (deficiency) of revenues over (under) expenditures	<u>7,106,266</u>	<u>268,459</u>	<u>1,801,478</u>	<u>(6,166,083)</u>	<u>3,010,120</u>
OTHER FINANCING SOURCE (USES):					
Issuance of debt	-	-	-	15,484,056	15,484,056
Payment to refunded bond escrow agent	-	-	-	(42,157,043)	(42,157,043)
Transfers in	138,378	-	-	49,521,491	49,659,869
Transfers out	(8,197,948)	-	(294,402)	(17,946,353)	(26,438,703)
Total other financing sources (uses)	<u>(8,059,570)</u>	<u>-</u>	<u>(294,402)</u>	<u>4,902,151</u>	<u>(3,451,821)</u>
Net change in fund balances	(953,304)	268,459	1,507,076	(1,263,932)	(441,701)
Fund balances, beginning of year, as restated	12,914,849	11,429,408	2,022,774	18,391,057	44,758,088
Fund balances, end of year	<u>\$ 11,961,545</u>	<u>11,697,867</u>	<u>3,529,850</u>	<u>17,127,125</u>	<u>44,316,387</u>

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

CITY OF WOODLAND, CALIFORNIA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF
ACTIVITIES - GOVERNMENTAL ACTIVITIES
YEAR ENDED JUNE 30, 2014

Net change in fund balances - total governmental funds \$ (441,701)

Amounts reported for governmental activities in the statement of activities are different from those reported in the governmental funds because:

Governmental funds report capital outlay as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Expenditures for capital outlay	3,572,448	
Depreciation expense	<u>(9,908,380)</u>	(6,335,932)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	455,891
--	---------

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes current financial resources of governmental funds. Neither, transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt.

Principal retirement	47,961,266	
Proceeds from long-term loans	(15,484,056)	
Deferred losses on bond refundings	610,291	
Contribution from developer advances	(4,413,075)	

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 governmental funds.

Change in accrued interest	732,072	
Changes in compensated absences	9,145	
Changes in other postemployment benefits	(1,303,031)	

Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue of internal service funds is reported with governmental activities.	<u>2,084,291</u>	
--	------------------	--

Change in net position of governmental activities	<u><u>\$ 23,875,161</u></u>
---	-----------------------------

CITY OF WOODLAND, CALIFORNIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN
FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED JUNE 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Taxes	\$ 26,752,382	\$ 26,752,382	\$ 27,636,952	\$ 884,570
Fines and penalties	203,102	203,102	270,097	66,995
Intergovernmental	4,151,190	4,151,190	4,206,839	55,649
Charges for services	5,015,536	5,015,536	5,086,904	71,368
Licenses and permits	3,506,551	3,506,551	4,490,720	984,169
Investment earnings	36,898	36,898	19,608	(17,290)
Miscellaneous	119,968	119,968	435,548	315,580
Total revenues	<u>39,785,627</u>	<u>39,785,627</u>	<u>42,146,668</u>	<u>2,361,041</u>
EXPENDITURES:				
General Government:				
City Council				
Personnel services	102,645	102,645	118,503	(15,858)
Supplies	2,400	2,400	18,136	(15,736)
Other services and charges	69,045	69,045	57,417	11,628
Total City Council	<u>174,090</u>	<u>174,090</u>	<u>194,056</u>	<u>(19,966)</u>
City Clerk				
Personnel services	134,762	134,762	138,774	(4,012)
Supplies	7,711	7,711	10,345	(2,634)
Other services and charges	4,534	4,534	5,127	(593)
Total City Clerk	<u>147,007</u>	<u>147,007</u>	<u>154,246</u>	<u>(7,239)</u>
City Attorney				
Personnel Services	-	-	-	-
Supplies	1,128	1,128	2,900	(1,772)
Other services and charges	400,000	400,000	351,429	48,571
Total City Attorney	<u>401,128</u>	<u>401,128</u>	<u>354,329</u>	<u>(90,748)</u>
City Manager/Human Resources				
Personnel services	892,334	892,334	902,729	(10,395)
Supplies	70,345	70,345	52,874	17,471
Other services and charges	540,511	540,511	299,449	241,062
Total City Manager/Human Resources	<u>1,503,190</u>	<u>1,503,190</u>	<u>1,255,052</u>	<u>248,138</u>
Total General Government	<u>2,225,415</u>	<u>2,225,415</u>	<u>1,957,683</u>	<u>269,504</u>
Finance				
Personnel services	392,979	392,979	341,463	51,516
Supplies	31,898	31,898	16,067	15,831
Other services and charges	217,510	217,510	248,300	(30,790)
Total Finance	<u>642,387</u>	<u>642,387</u>	<u>605,830</u>	<u>36,557</u>
Community Development				
Personnel services	1,623,791	1,623,791	1,493,861	129,930
Supplies	48,500	48,500	43,506	4,994
Other services and charges	656,379	656,379	601,836	54,543
Total Community Development	<u>2,328,670</u>	<u>2,328,670</u>	<u>2,139,203</u>	<u>189,467</u>

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

CITY OF WOODLAND, CALIFORNIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN
FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND (CONTINUED)
YEAR ENDED JUNE 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Parks and Recreation				
Personnel services	\$ 1,200,726	\$ 1,200,726	\$ 1,374,847	\$ (174,121)
Supplies	174,451	174,451	172,419	2,032
Other services and charges	1,525,710	1,525,710	1,560,305	(34,595)
Total Parks and Recreation	<u>2,900,887</u>	<u>2,900,887</u>	<u>3,107,571</u>	<u>(206,684)</u>
Police				
Personnel services	11,051,672	11,051,672	11,047,186	4,486
Supplies	267,100	267,100	234,015	33,085
Other services and charges	4,320,733	4,320,733	4,308,932	11,801
Total Police	<u>15,639,505</u>	<u>15,639,505</u>	<u>15,590,133</u>	<u>49,372</u>
Fire				
Personnel services	7,475,371	7,475,371	7,078,471	396,900
Supplies	151,712	151,712	135,360	16,352
Other services and charges	1,905,716	1,905,716	1,881,179	24,537
Total Fire	<u>9,532,799</u>	<u>9,532,799</u>	<u>9,095,010</u>	<u>437,789</u>
Library				
Personnel services	726,527	726,527	747,891	(21,364)
Supplies	4,886	4,886	4,618	268
Other services and charges	509,926	509,926	519,520	(9,594)
Total Library	<u>1,241,339</u>	<u>1,241,339</u>	<u>1,272,029</u>	<u>(30,690)</u>
Public Works				
Personnel services	394,790	394,790	379,465	15,325
Supplies	124,660	124,660	86,489	38,171
Other services and charges	546,589	546,589	596,849	(50,260)
Total Public Works	<u>1,066,039</u>	<u>1,066,039</u>	<u>1,062,803</u>	<u>3,236</u>
Debt service:				
Principal	181,475	181,475	188,714	(7,239)
Interest	28,665	28,665	21,426	7,239
Total expenditures	<u>35,787,181</u>	<u>35,787,181</u>	<u>35,040,402</u>	<u>748,551</u>
Excess of revenues over expenditures	<u>3,998,446</u>	<u>3,998,446</u>	<u>7,106,266</u>	<u>3,109,592</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	138,378	138,378	138,378	-
Transfers out	(7,885,912)	(7,885,912)	(8,197,948)	(312,036)
Total other financing sources (uses)	<u>(7,747,534)</u>	<u>(7,747,534)</u>	<u>(8,059,570)</u>	<u>(312,036)</u>
Net change in fund balance	<u>\$ (3,749,088)</u>	<u>\$ (3,749,088)</u>	<u>(953,304)</u>	<u>\$ 2,797,556</u>
Fund balance, beginning of year, as restated			<u>12,914,849</u>	
Fund balance, end of year			<u>\$ 11,961,545</u>	

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

**CITY OF WOODLAND, CALIFORNIA
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
HOME GRANT SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2014**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ -	-	85,000	85,000
Investment earnings	-	-	187,645	187,645
Miscellaneous	-	-	5,764	5,764
Total revenues	<u>-</u>	<u>-</u>	<u>278,409</u>	<u>278,409</u>
Expenditures:				
Current:				
Community development	-	-	9,950	(9,950)
Total expenditures	<u>-</u>	<u>-</u>	<u>9,950</u>	<u>(9,950)</u>
Net change in fund balance	<u>\$ -</u>	<u>-</u>	<u>268,459</u>	<u>268,459</u>
Fund balance, beginning of year, as restated			<u>11,429,408</u>	
Fund balance, end of year			<u>\$ 11,697,867</u>	

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

CITY OF WOODLAND, CALIFORNIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2014

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water	Sewer	Other Enterprise Funds	Total	
Assets:					
Current assets:					
Cash and investments	\$ 16,678,686	9,543,498	2,423,645	28,645,829	7,506,205
Cash and investments with fiscal agents	1,490,407	937,462	-	2,427,869	-
Receivables, net	767,298	328,137	44,371	1,139,806	100,083
Due from other funds	473,048	-	-	473,048	-
Total current assets	<u>19,409,439</u>	<u>10,809,097</u>	<u>2,468,016</u>	<u>32,686,552</u>	<u>7,606,288</u>
Noncurrent assets:					
Advances to other funds	2,116,358	-	68,000	2,184,358	-
Land	406,851	2,944,606	447,400	3,798,857	-
Construction in progress	42,597,392	3,191,820	4,710	45,793,922	-
Depreciable capital assets, net	51,338,404	60,604,929	16,244,818	128,188,151	5,597,757
Total noncurrent assets	<u>96,459,005</u>	<u>66,741,355</u>	<u>16,764,928</u>	<u>179,965,288</u>	<u>5,597,757</u>
Total assets	<u>115,868,444</u>	<u>77,550,452</u>	<u>19,232,944</u>	<u>212,651,840</u>	<u>13,204,045</u>
Deferred Outflow of Resources:					
Deferred refunding charges	295,853	459,885	-	755,738	-
Liabilities:					
Current liabilities:					
Accounts payable	453,427	141,101	102,712	697,240	143,976
Due to other funds	-	-	365,378	365,378	-
Interest payable	420,370	647,923	-	1,068,293	18,131
Compensated absences	71,575	41,934	6,705	120,214	14,690
Commercial paper	29,482,000	-	-	29,482,000	-
Long-term debt - current portion	705,975	1,640,111	-	2,346,086	478,954
Total current liabilities	<u>31,133,347</u>	<u>2,471,069</u>	<u>474,795</u>	<u>34,079,211</u>	<u>655,751</u>
Noncurrent liabilities:					
Compensated absences	102,958	129,468	17,603	250,029	50,799
Advances from other funds	-	-	68,000	68,000	-
Revenue bonds	17,520,000	46,932,228	-	64,452,228	-
Loans payable	6,904,453	-	-	6,904,453	-
Capitalized lease obligations	-	-	-	-	2,357,783
Other postemployment benefits	1,579,347	1,487,670	559,191	3,626,208	693,120
Total noncurrent liabilities	<u>26,106,758</u>	<u>48,549,366</u>	<u>644,794</u>	<u>75,300,918</u>	<u>3,101,702</u>
Total liabilities	<u>57,240,105</u>	<u>51,020,435</u>	<u>1,119,589</u>	<u>109,380,129</u>	<u>3,757,453</u>
Net Position:					
Net investment in capital assets	40,924,773	18,646,593	16,696,928	76,268,294	2,761,020
Unrestricted	17,999,419	8,343,309	1,416,427	27,759,155	6,685,572
Total net position	<u>\$ 58,924,192</u>	<u>26,989,902</u>	<u>18,113,355</u>	<u>104,027,449</u>	<u>9,446,592</u>

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

CITY OF WOODLAND, CALIFORNIA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2014

	Business-type Activities - Enterprise Funds			Total	Governmental Activities - Internal Service Funds
	Water	Sewer	Other Enterprise Funds		
OPERATING REVENUES:					
Charges for services	\$ 17,276,480	11,066,042	1,195,817	29,538,339	-
Billings to departments	-	-	-	-	13,040,642
Other	14,937	145,150	-	160,087	43,759
Total operating revenues	<u>17,291,417</u>	<u>11,211,192</u>	<u>1,195,817</u>	<u>29,698,426</u>	<u>13,084,401</u>
OPERATING EXPENSES:					
Personnel services	3,858,511	3,516,531	1,037,752	8,412,794	1,513,767
Utilities	844,652	739,248	116,625	1,700,525	10,226
Office supplies and expenses	1,060,560	1,173,819	295,957	2,530,336	1,126,287
Small tools and supplies	2,979	3,305	738	7,022	2,573
Contractual services	1,360,425	638,002	301,207	2,299,634	-
Depreciation	2,022,325	1,844,781	633,236	4,500,342	568,202
Equipment rental and maintenance	457,912	546,833	251,096	1,255,841	812,889
Insurance premiums and claims	-	108,333	-	108,333	8,243,525
Total operating expenses	<u>9,607,364</u>	<u>8,570,852</u>	<u>2,636,611</u>	<u>20,814,827</u>	<u>12,277,469</u>
Operating income (loss)	7,684,053	2,640,340	(1,440,794)	8,883,599	806,932
NONOPERATING REVENUES (EXPENSES):					
Investment earnings	13,076	7,379	1,791	22,246	5,535
Intergovernmental	60,145	-	32,222	92,367	-
Interest expense	(1,223,510)	(1,451,532)	-	(2,675,042)	(118,798)
Bond issuance costs	(139,444)	(498,074)	-	(637,518)	-
Gain (loss) on disposal of capital assets	2,883,327	-	-	2,883,327	103,742
Total nonoperating revenues (expenses)	<u>1,593,594</u>	<u>(1,942,227)</u>	<u>34,013</u>	<u>(314,620)</u>	<u>(9,521)</u>
Income (loss) before contributions and transfers	9,277,647	698,113	(1,406,781)	8,568,979	797,411
Capital contribution	209,626	-	-	209,626	-
Transfers in	639,040	1,331,780	442,000	2,412,820	1,306,880
Transfers out	(152,720)	(26,800,653)	-	(26,953,373)	(20,000)
Change in net position	9,973,593	(24,770,760)	(964,781)	(15,761,948)	2,084,291
Net position, beginning of year	48,950,599	51,760,662	19,078,136	119,789,397	7,362,301
Net position, end of year	<u>\$ 58,924,192</u>	<u>26,989,902</u>	<u>18,113,355</u>	<u>104,027,449</u>	<u>9,446,592</u>

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

CITY OF WOODLAND, CALIFORNIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2014

	Business-type Activities - Enterprise Funds				Governmental Activities - Interna Service Funds
	Water	Sewer	Other Enterprise Funds	Total	
CASH FLOWS FROM OPERATING ACTIVITIES:					
Receipts from customers and user departments	\$ 17,291,417	11,211,192	1,195,817	29,698,426	12,991,636
Payments to suppliers	(5,217,624)	(3,376,529)	(885,426)	(9,479,579)	(1,985,427)
Payments to employees	(3,682,913)	(3,324,789)	(1,000,890)	(8,008,592)	(1,310,015)
Payments for insurance premiums and claims	-	(108,333)	-	(108,333)	(8,255,287)
Net cash provided (used) by operating activities	<u>8,390,880</u>	<u>4,401,541</u>	<u>(690,499)</u>	<u>12,101,922</u>	<u>1,440,907</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
Cash received from other funds	639,040	1,331,780	633,016	2,603,836	1,306,880
Cash paid to other funds	(589,142)	(26,800,653)	103,050	(27,286,745)	(20,000)
Operating grants received	60,145	-	32,222	92,367	-
Net cash provided (used) by noncapital financing activities	<u>110,043</u>	<u>(25,468,873)</u>	<u>768,288</u>	<u>(24,590,542)</u>	<u>1,286,880</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Acquisition of capital assets	(27,856,156)	(1,861,006)	-	(29,717,162)	(837,987)
Proceeds from the issuance of long-term debt	-	36,794,265	-	36,794,265	-
Proceeds from sale of capital assets	2,883,327	-	-	2,883,327	156,606
Proceeds from the issuance of commercial paper	19,040,556	-	-	19,040,556	-
Principal payments on long-term debt	(436,200)	(10,783,345)	-	(11,219,545)	(613,700)
Interest paid	(1,222,159)	(972,300)	-	(2,194,459)	(107,157)
Net cash provided (used) by capital and related financing activities	<u>(7,590,632)</u>	<u>23,177,614</u>	<u>-</u>	<u>15,586,982</u>	<u>(1,402,238)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:					
Interest received	13,076	7,379	1,791	22,246	5,535
Net cash provided (used) by investing activities	<u>13,076</u>	<u>7,379</u>	<u>1,791</u>	<u>22,246</u>	<u>5,535</u>
Net increase (decrease) in cash and cash equivalents	923,367	2,117,661	79,580	3,120,608	1,331,084
Cash and cash equivalents, beginning of year	17,245,726	8,363,299	2,344,065	27,953,090	6,175,121
Cash and cash equivalents, end of year	<u>\$ 18,169,093</u>	<u>10,480,960</u>	<u>2,423,645</u>	<u>31,073,698</u>	<u>7,506,205</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:					
Operating income (loss)	\$ 7,684,053	2,640,340	(1,440,794)	8,883,599	806,932
Adjustment to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation	2,022,325	1,844,781	633,236	4,500,342	568,202
Change in assets and liabilities:					
Receivables	(169,761)	(2,552)	86,621	(85,692)	(92,765)
Prepaid items and deposits	-	-	-	-	21,373
Accounts payable	(1,321,335)	(272,770)	(6,839)	(1,600,944)	51,801
Compensated absences	211	20,310	(4,119)	16,402	14,928
Other postemployment benefits	175,387	171,432	41,396	388,215	70,436
Total adjustments	<u>706,827</u>	<u>1,761,201</u>	<u>750,295</u>	<u>3,218,323</u>	<u>633,975</u>
Net cash provided (used) by operating activities	<u>\$ 8,390,880</u>	<u>4,401,541</u>	<u>(690,499)</u>	<u>12,101,922</u>	<u>1,440,907</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:					
Capital contributions	\$ 209,626	-	-	209,626	-
Amortization of deferred refunding charges	32,872	-	-	32,872	-
Capital leases	-	-	-	-	2,262,525

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

**CITY OF WOODLAND, CALIFORNIA
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2014**

	Successor Agency Private Purpose Trust Fund	Agency Funds
	<u> </u>	<u> </u>
ASSETS		
Cash and investments	\$ 4,270,133	9,327,008
Cash and investments with fiscal agents	993,232	3,398,684
Accounts receivable	-	273,511
Notes receivable	454,910	-
Total assets	<u>5,718,275</u>	<u>12,999,203</u>
 DEFERRED OUTFLOW OF RESOURCES		
Deferred refunding charges	<u>42,215</u>	<u>-</u>
 LIABILITIES		
Accounts payable	1,608	57,233
Interest payable	30,704	-
Deposits payable	-	7,582,321
Long term liabilities:		
Due within one year	407,756	-
Due in more than one year	11,818,895	-
Due to assessment district bondholders	<u>-</u>	<u>5,359,649</u>
Total liabilities	<u>12,258,963</u>	<u>12,999,203</u>
 NET POSITION		
Held in trust for other purposes (deficit)	<u>\$ (6,498,473)</u>	<u>-</u>

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

CITY OF WOODLAND, CALIFORNIA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
YEAR ENDED JUNE 30, 2014

	Successor Agency Private Purpose Trust Fund
ADDITIONS	
Incremental property tax	\$ 810,365
Investment income	10,577
Other	104,990
Total additions	925,932
DEDUCTIONS	
Community development	348,000
Interest expense	512,465
Total deductions	860,465
Net changes before transfers	65,467
Transfers in	32,506
Change in net position	97,973
Net position (deficit), beginning of year, as restated	(6,596,446)
Net position (deficit), end of year	\$ (6,498,473)

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

CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Woodland (City) was incorporated as a general law city on February 22, 1871. The City operates under the Council-Manager form of government and provides the following services: public safety (police and fire), highways and streets, recycling, recreation and culture, water and sewer, planning and zoning, general administration services, and community development.

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

A. Reporting Entity

The financial statements of the City include the financial activities of the City as well as the Successor Agency to the former Woodland Redevelopment Agency, the Woodland Public Facilities Corporation and the Woodland Finance Authority, all of which are controlled by and dependent on the City. While these are separate legal entities, City Council serves in separate session as their governing body and their financial activities are integral to those of the City. Their financial activities have been aggregated and merged (termed “blended”) with those of the City in the accompanying financial statements.

The **Woodland Public Facilities Corporation (Corporation)** is a separate governmental entity whose purpose is to assist with the financing or refinancing of certain public capital facilities within the City. The Corporation has the power to purchase bonds issued by any local agency at public or negotiated sales and may sell such bonds to public or private purchasers at public or negotiated sales. The Corporation is controlled by the City and has the same governing body. The Corporation no longer has any financial activity as the related debt has been paid off.

The **Woodland Finance Authority (Authority)** is a separate governmental entity whose purpose is to assist with the financing or refinancing of certain public capital facilities within the City. The Authority has the power to purchase bonds issued by any local agency at public or negotiated sales and may sell such bonds to public or private purchasers at public or negotiated sales. The Authority is controlled by the City and has the same governing body as the City, which also performs all accounting and administrative functions for the Authority. The financial activities of the Authority are included in the 2002 Lease Revenue Bonds, 2005 Capital Projects Lease Revenue Bonds, 2005 Wastewater Treatment Plant Revenue Bonds, 2012 Lease Refunding Bonds, 2014 Lease Refunding Bonds and the Water and the Sewer proprietary funds.

The **Successor Agency to the Redevelopment Agency of the City of Woodland** is a separate governmental entity established on February 1, 2012 for the purpose of serving as a custodian of the former Agency’s assets and winding down the former Agency’s activities subject to the direction of an Oversight Board.

CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Government-wide and Fund Financial Statements

Government-wide Statements: The statement of net position and the statement of activities report information on all of the nonfiduciary activities of the primary government (the City) and its component units. These statements distinguish between the *governmental* and *business-type activities* of the City. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties. Eliminations have been made to minimize the double counting of internal activities.

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

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

C. Major Funds

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

General Fund – The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. The major revenue sources for this fund are property taxes, sales taxes, unrestricted revenues from the State, fines, licenses and permits, forfeitures and interest income. Expenditures are made for public safety, City administration, parks and recreation activities, community development, library operations, street work and the other services not required to be accounted for in another fund.

Home Grant Special Revenue Fund – Established to account for the revenues and expenditures associated with the HOME Investment Partnership Program.

Spring Lake Capital Projects Fund – Established to account for project specific funds collected for capital improvement in the Spring Lake Specific Plan.

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

Water Fund - Accounts for the provision of water services to residents of the City and some residents of the County of Yolo (County). All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, capital improvements, maintenance and billing and collection.

CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Sewer Fund - Accounts for the provision of sewer services to residents of the City and some residents of the County. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, capital improvements, maintenance, financing and related debt service, and billing and collection.

The City also reports the following fund types:

Internal Service Funds - The funds account for equipment service and repair, employee benefits, self-insurance and information systems; all of which are provided to other departments on a cost-reimbursement basis.

Fiduciary Funds - Agency Funds are used to account for assets held by the City as an agent for individuals, private organizations, and other governments. The City's Agency Funds include activity for various special assessment districts as well as grants and donations for specific purposes. The Successor Agency Private Purpose Trust Fund is used to account for assets held by the City as successor agency to the former Redevelopment Agency. The financial activities of these funds are excluded from the government-wide financial statements, but are presented in separate fiduciary fund financial statements.

D. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide, proprietary funds and fiduciary funds financial statements are reported using the *economic resources measurement focus* and the *accrual basis* of accounting. However, because agency funds only report assets and liabilities, they do not have a measurement focus. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources* measurement focus and the *modified accrual basis* of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The City considers revenues reported in the governmental funds to be available if they are collected within 90 days after the end of the current fiscal period, except for property taxes which the City considers available if they are collected within 60 days after the end of the current fiscal period.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when the payment is due. Governmental capital asset acquisitions are reported as expenditures in the various functions of the governmental funds. Proceeds of governmental long-term debt and acquisitions under capital leases are reported as *other financing sources*.

Property taxes, sales taxes, franchise taxes, grants, entitlements, special assessments and investment earnings associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues in the current fiscal period. Fines, licenses and permits, and charges for services are considered to be measurable and available only when the City receives cash. Nonexchange transactions, in which the City gives or receives value without directly receiving or giving equal value in exchange, include taxes, grants, entitlements, and donations.

CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The City may fund programs with a combination of cost-reimbursement grants, block grants, and general revenues. Thus, both restricted and unrestricted net position may be available to finance program expenditures. The City's policy is to first apply restricted grant resources to such programs, followed by unrestricted resources.

The City allocates certain indirect costs incurred by the General Fund to those activities that directly benefit.

E. Revenue Recognition for Water, Sewer and Recycling Funds

Revenues are recognized based on cycle billings rendered to customers and the period for which service is being delivered.

F. Property Taxes

The County assesses properties, bills, collects, and distributes property taxes to the City. The County remits the entire amount levied and handles all delinquencies, retaining interest and penalties. Secured and unsecured property taxes are levied on July 1. Secured property taxes become a lien on real property on January 1 of the preceding fiscal year.

Secured property tax is due in two installments, on November 1 and March 1. Property taxes become delinquent after December 10 and April 10, respectively. Unsecured property tax is due on July 1, and becomes delinquent on August 31.

The term "unsecured" refers to taxes on personal property other than real estate, land and buildings. These taxes are secured by liens on the property being taxed.

G. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance

1. Cash and Investments

The City pools cash and investments except for investments managed by paying fiscal agents under bonded debt agreements. Interest from bank accounts and investments are allocated to the various funds based on the year end balances of the funds entitled to receive interest. The City reports investments at fair value. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, and is determined from published data provided by the exchanges, computerized pricing sources, the National Association of Securities Dealers' National Market System, securities custodians and other authoritative sources. The fair value of investments is based on published market prices and quotations from major investment brokers.

2. Cash and Investments with Fiscal Agents

Proceeds from various City debt issuances, as well as special assessment debt, which have been set aside for repayment are classified as cash and investments with fiscal agents because their use is limited by applicable bond covenants. The reserves are determined as a portion of the bond proceeds or as required by the applicable bond covenants.

CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. Cash and Cash Equivalents

Cash and cash equivalents consist of cash, investments and restricted cash and investments with fiscal agents with maturities of three months or less for purposes of the statement of cash flows.

4. Interfund Receivables and Payables

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

Loans are reported as receivables and payables as appropriate, are subject to elimination upon consolidation and are referred to as either “due to/from other funds” (i.e. temporary cash borrowings) or “advances to/from other funds” (i.e. the noncurrent portion of interfund loans) in the balance sheet of governmental funds and the statement of net position for proprietary funds. Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide statement of net position as “internal balances.” Advances to other funds are offset by nonspendable fund balance to indicate those amounts that are not in spendable form.

Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental and proprietary funds are netted as part of the reconciliation of the government-wide presentation.

5. Inventory

Inventory is valued at cost using the first-in first-out method. The City maintains perpetual inventory records. During the last week of June for each fiscal year the City takes a physical count of inventory and the City’s perpetual records are adjusted. The City uses the consumption method of accounting for inventory.

6. Capital Assets

Capital assets, which include land, construction in progress, intangible assets, ponds, buildings, improvements, machinery and equipment, sewer treatment plant, and infrastructure, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements, as well as in the proprietary fund financial statements. All capital assets are valued at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are valued at their estimated fair market value at the date of donation.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase, for assets recorded in proprietary funds, is reflected in the capitalized value of the asset constructed, net of interest earned on the invested proceeds over the same period. There was no such interest capitalized during the year ended June 30, 2014.

Depreciation on capital assets and improvements is provided using the straight line method, which means the cost of the asset is divided by its expected useful life (in years) is charged to expense each year until the asset is fully depreciated. Capital assets with a value of \$5,000 or more are capitalized.

CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Estimated useful lives are as follows:

	Useful Lives
Ponds	50 years
Buildings	25 – 50 years
Improvements	10 – 50 years
Machinery and equipment	5 – 20 years
Intangible assets	5 – 10 years
Sewer treatment plant	20 – 50 years
Infrastructure	10 – 60 years

7. Notes Receivable

The City and the Successor Agency provide financial assistance in the form of loans to qualified low-income homeowners and investors who rent to low-income tenants under the Housing Rehabilitation and First-Time Homebuyer Loan Programs. The programs offer low interest loans and grants to repair health and safety problems. The loans are typically amortized or deferred over a 30-year period.

8. Compensated Absences

Compensated absences comprise unused vacation leave and certain compensated time off, which is paid at the date of termination from City employment. All compensated pay is accrued when incurred in the government-wide and proprietary fund financial statements. For all governmental funds, termination pay-outs expected to be paid out of current financial resources are recorded as fund liabilities. Compensated absences liability is typically liquidated by the General Fund.

9. Long-term Obligations

In the government-wide, proprietary funds and successor agency private purpose trust fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method.

10. Deferred Outflows and Deferred Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City only has one item that qualifies for reporting in this category. It is the deferred charge on refunding reported in the government-wide and proprietary statements of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of financial position and balance sheets will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future periods and so will *not* be recognized as an inflow of resources (revenue) until that time. The City has only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the

CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

item, *unavailable revenue*, is reported only in the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

12. Net Position/Fund Balances

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

Net investment in capital assets describes the portion of net position which is represented by the current net book value of the City's capital assets, less the outstanding balance of any debt issued to finance the assets constructed and/or acquired.

Restricted net position represent external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation. These principally include restrictions for capital projects and debt service requirements.

Unrestricted describes the portion of net position which is not restricted to use.

In the fund financial statements, governmental funds report fund balances as nonspendable, restricted, committed, assigned or unassigned based primarily on the extent to which the City is bound to honor constraints on how specific amounts can be spent.

The City considers restricted amounts to have been spent before unrestricted fund balance when an expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed, assigned, and then unassigned amounts in that order will be spent when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Fund balance classifications are described below:

- **Nonspendable Fund Balance:** Nonspendable Fund Balance refers to amounts that cannot be spent because they are either (a) not in spendable form, or (b) legally or contractually required to be maintained intact. It includes long-term loans and notes receivable, inventories and prepaid items.
- **Restricted Fund Balance:** Amounts restricted by constraints that are either (a) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.
- **Committed Fund Balance:** Amounts to be used for specific purposes pursuant to constraints imposed by formal action of the City Council. These self-imposed constraints must be set in place prior to the end of the fiscal year.
- **Assigned Fund Balance:** Amounts constrained by the City's intent to use for specific purposes, but are neither legally restricted nor committed. An assignment of fund balance is more easily removed or modified than fund balance classified as committed and may be established after the fiscal year end.
- **Unassigned Fund Balance:** This classification represents the fund balance not assigned to other funds and not restricted, committed or assigned to specific purposes within the General Fund and is available for financing future budgets. The General Fund is the only fund that reports a positive unassigned fund balance amount.

CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2014

NOTE 2 – BUDGETS AND BUDGETARY ACCOUNTING

A. Budgeting Procedures

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

1. Prior to June 1, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public meetings are conducted during May and June to obtain taxpayer comments.
3. The budget is legally enacted through passage of a minute order.
4. The City Manager is authorized to transfer budgeted amounts among funds and departments so long as the total City budget, exclusive of capital projects, does not change. The level of budgetary control (that is the level at which expenditures, including transfers out, cannot legally exceed the appropriated amount) is at the individual fund level. Only those revisions, if any, which increase total budgeted expenditures must be approved by the City Council.
5. Budgets are adopted for the General Fund, all special revenue funds, and all debt service funds, except for the Workforce Housing Grants, and the American Recovery and Reinvestment Act special revenue funds. The City also adopts project timeframe budgets for capital projects funds. Such budgets are based on a project timeframe and therefore are not comparable on an annual basis.
6. Formal budgetary integration is employed as a management control device during the year for all budgeted funds.
7. Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP), except for capital projects funds, which are budgeted on a project length basis.

The various City functions and activities are presented in the accompanying budget versus actual statements.

NOTE 3 – CASH AND INVESTMENTS

A. Authorized Investments

The following table identifies the investment types that are authorized by the City’s investment policy and California Government Code Section 53601. The City’s investment policy is more restrictive than the California Government Code, as the City may not invest in derivatives or reverse repurchase agreements.

This table does not address investment 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 City’s investment policy.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer	Minimum Rating
Local Agency Investment Fund (LAIF)	N/A	None	None	None
State and Local Agency Obligations	5 years	None	None	None
U.S. Treasury Securities	5 years	None	None	None
U.S. Agency Securities	5 years	None	None	None
Negotiable Certificates of Deposit	5 years	30%	None	None
Medium Term Corporate Notes	5 years	30%	None	AA
Money Market Mutual Funds	N/A	20%	10%	AAA

CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2014

NOTE 3 – CASH AND INVESTMENTS (Continued)

B. 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 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, except that 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. The fair 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 City deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

C. Concentration of Credit Risk

The City diversifies its portfolio by requiring that no more than 10% of the portfolio be invested in any one issuer's name. US Treasury and Agency securities are not subject to this limitation. There are no investments in any one issuer that represented 5% or more of the total investments by reporting unit (governmental activities, business-type activities, each major fund and the aggregate remaining fund information).

D. Interest Rate and Credit 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 is to changes in market interest rates. As a means of limiting its exposure to fair value losses arising from rising interest rates, the City structures its investment portfolio such that securities mature to meet cash requirements for ongoing operations and investing operating funds primarily in shorter-term securities, money market mutual funds or similar investment pools which provides the necessary liquidity needed for operations.

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. It is the City's policy to limit investments to the safest types of securities with the minimum ratings required by the California Government Code ("A" or better), pre-qualifying the financial institutions, broker/dealers and advisers with which the City will do business and diversifying the investment portfolio so that potential losses on individual securities is minimized.

CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2014

NOTE 3 – CASH AND INVESTMENTS (Continued)

Cash and investments as of June 30, 2014 are classified in the accompanying financial statements as follows:

Statement of Net Position:	
Cash and investments	\$59,108,360
Cash and investments with fiscal agents	2,427,887
Statement of Fiduciary Net Position	
Cash and investments	13,597,141
Cash and investments with fiscal agents	<u>4,391,916</u>
 Total cash and investments	 <u><u>\$79,525,304</u></u>

As of June 30, 2014, the City’s investments and credit ratings are as follows:

	Credit Rating (S & P)	Maturity			Total
		Less than 1 Year	1-5 Years	Over 5 Years	
Cash in Bank and on Hand	N/A	<u>\$ 17,546,214</u>	<u>--</u>	<u>--</u>	<u>17,546,214</u>
City Pooled Investments:					
LAIF	Unrated	50,000,000	--	--	50,000,000
Federal Agency Securities:					
Federal Home Loan Bank	AA	--	<u>5,000,000</u>	--	<u>5,000,000</u>
Total City Pooled Investments		<u>50,000,000</u>	<u>5,000,000</u>	<u>--</u>	<u>55,000,000</u>
Cash and Investments with Fiscal Agent:					
Cash in Bank	N/A	138,205	--	--	138,205
Certificates of Deposit	N/A	21,101	--	--	21,101
Money Market Mutual Fund	AAA	<u>6,819,784</u>	--	--	<u>6,819,784</u>
Total Cash and Investments With Fiscal Agent		<u>6,979,090</u>	<u>--</u>	<u>--</u>	<u>6,979,090</u>
 Total Cash and Investments		 <u>\$ 74,525,304</u>	 <u>5,000,000</u>	 <u>--</u>	 <u>79,525,304</u>

The City is a voluntary participant in the State of California Local Agency Investment Fund (LAIF). The total amount invested by all public agencies in LAIF as of June 30, 2014 was \$21.1 billion. LAIF is part of the State of California’s Pooled Money Investment Account (PMIA), which, as of June 30, 2014 had a balance of \$64.8 billion. Of this amount, 1.86% was invested in structured notes and asset-backed securities. PMIA is not SEC registered, but is required to invest according to California State Government Code. The weighted average maturity of PMIA investments was 232 days as of June 30, 2014. The Local Investment Advisory Board (LIAB) has oversight responsibility for LAIF. The LIAB consists of five members as designated by state statute. The value of the pool shares in LAIF, which may be withdrawn, is determined on an amortized cost basis, which is different than the fair value of the City’s portion of the pool. PMIA does not invest in leveraged products or inverse floating rate securities.

**CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2014**

NOTE 4 – INTERFUND TRANSACTIONS

A. Transfers Between Funds

With Council approval, resources may be transferred from one City fund to another. The purpose of the majority of transfers is to reimburse a fund that incurred an expenditure on behalf of another fund, provide funding for capital projects and the payment of debt service.

Transfers between funds during the fiscal year ended June 30, 2014 were as follows:

<u>Fund Receiving Transfer</u>	<u>Fund Making Transfers</u>	<u>Amount</u>	
General Fund	Water Enterprise Fund	\$ 138,378	1
Water Fund	General Fund	639,040	2
Sewer Fund	General Fund	1,019,387	2
	Other Governmental Funds	<u>312,393</u>	3
		1,331,780	
Other Governmental Funds	General Fund	4,815,015	4
	Spring Lake Fund	294,402	5
	Sewer Enterprise Fund	26,786,311	6
	Other Governmental Funds	<u>17,625,763</u>	7
		49,521,491	
Other Enterprise Funds	General Fund	442,000	8
Internal Service Funds	General Fund	1,250,000	9
	Water Enterprise Fund	14,342	
	Sewer Enterprise Fund	14,342	
	Internal Service Funds	20,000	
	Other Governmental Funds	<u>8,196</u>	
		1,306,880	
Private Purpose Trust Funds	General Fund	<u>32,506</u>	
		<u>\$ 53,412,075</u>	

1. The Water Enterprise Fund transferred \$138,378 to the General Fund to cover the loan payment to the California Energy Commission.
2. The General Fund transferred \$639,040 to the Water Enterprise Fund and \$1,019,387 to the Sewer Enterprise Fund to reimburse internal borrowings made in 2008 and 2009
3. The Sewer Development Fund transferred \$312,393 to the Sewer Enterprise Fund to cover costs of debt service

CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2014

NOTE 4 – INTERFUND TRANSACTIONS, (Continued)

4. The General Fund transferred \$4,402,515 to the Special Sales Tax District fund to transfer special sales tax revenues received to be used on approved projects. Additionally, the General Fund transferred \$7,500 to the Literacy Grants Fund and \$250,000 to the Environmental Compliance Fund to cover administrative costs.
5. The Spring Lake Capital Project Fund transferred \$407,960 to the 2012 Lease Refunding Bonds Fund to cover debt service costs for the year.
6. The Sewer Enterprise fund transferred \$19,181,167 to the 2002 Lease Revenue Bonds Debt Service Fund and \$7,605,143 to the 2005 Wastewater Treatment Plant Revenue Bonds Fund to refund the 2002 Lease Revenue and the 2005 Wastewater Treatment Plant Revenue Bonds.
7. The 2014 Lease Refunding Bonds Fund transferred \$15,370,733 to the 2005 Capital Projects Lease Revenue Bonds Fund in order to refund the 2005 Capital Projects Lease Revenue Bonds. Additionally, The Special Sales Tax District Capital Projects Fund transferred \$359,155 and the Park Reserve Capital Project Fund transferred \$407,960 the 2012 Lease Refunding Bonds Fund to cover debt service payments. The Sewer Development fund transferred \$489,568 to the 2002 Lease revenue Bond Fund to cover the cost of debt service for the year. The Sewer Development Fund transferred \$189,406 to the 2005 Wastewater Treatment Plant Revenue Bonds Fund to cover debt service payments in the current year. The Park Reserve Fund transferred \$477,157 to the Special Sales Tax District Fund to repay amounts borrowed for debt service payments. Lastly the Transportation Development Fund transferred \$38,471 to the Transit Fund to reimburse for expenditures incurred in the prior year.
8. The General Fund transferred \$242,000 to the Storm Drain Enterprise Fund and \$200,000 to the Cemetery Fund to assist with funding costs of ongoing operations.
9. The General Fund transferred \$900,000 Equipment Service and Repair Fund and \$350,000 to the Facilities Replacement Fund to repay a previous loan to the General Fund and provide seed money for a facility replacement program.

B. Current Interfund Balances

Current interfund balances arise in the normal course of business and represent temporary cash borrowings that are expected to be repaid shortly after the end of the fiscal year.

Current interfund balances as of June 30, 2014 were as follows:

<u>Fund Reporting Receivable</u>	<u>Fund Reporting Payable</u>	<u>Amount</u>
General Fund	Other Governmental Funds	\$ 97,638
General Fund	Other Enterprise Funds	365,378
Water Enterprise Fund	Other Governmental Funds	473,048
Other Governmental Funds	Other Governmental Funds	1,239,166
		<u>\$ 2,175,230</u>

**CITY OF WOODLAND, CALIFORNIA
 NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 YEAR ENDED JUNE 30, 2014**

NOTE 4 – INTERFUND TRANSACTIONS, (Continued)

C. Long-Term Interfund Advances

Long-term interfund advance balances as of June 30, 2014 were as follows:

<u>Fund Reporting Receivable</u>	<u>Fund Reporting Payable</u>	<u>Amount</u>	
General Fund	Other Governmental Funds	\$ 1,500,000	a
Spring Lake Capital Projects Fund	Other Governmental Funds	1,293,088	b
Water Enterprise Fund	Other Governmental Funds	2,116,358	c
Other Governmental Funds	Other Governmental Funds	652,336	d
Other Enterprise Funds	Other Enterprise Funds	68,000	e
		<u>\$ 5,629,782</u>	

- a. The General Fund has advanced \$1,500,000 to the Capital Projects Fund for cash flow purposes and is expected to be repaid through future developer fees.
- b. The Spring Lake Capital Projects Fund has advanced \$1,293,088 to the Fire Suppression District Special Revenue Fund to cover operating costs incurred by the District on behalf of Spring Lake; the advance is expected to be repaid out of future fees generated by development in Spring Lake.
- c. The Water Enterprise Fund has advanced \$2,116,358 to the City Capital Projects Fund for the buy-out of a ten-year lease of the Municipal Services Center, and for certain site improvements. The advance bears simple interest at an annual rate of 5.5% and is expected to be repaid out of future land sale proceeds.
- d. The Special Sales Tax District Fund has advanced \$652,336 to the Gas Tax Fund to cover operating costs and is expected to be repaid from future tax proceeds.
- e. The Recycling Enterprise Fund has advanced \$68,000 to the Construction and Demolition Program Enterprise Fund to cover start-up costs related to implementation and revision of a citywide waste reduction program; the advance will be repaid out of administrative fees and recycling charges paid by development companies.

D. Internal Balances

Internal balances are presented in the government-wide financial statements only. They represent the net interfund receivables and payables remaining after the elimination of all such balances within governmental and business-type activities.

NOTE 5 – NOTES RECEIVABLE

A. Notes Receivable

The City engages in various programs designed to encourage construction or improvement in low- to moderate-income housing or other projects. Under these programs, which are described below, grants or loans are provided under favorable terms to homeowners or developers who agree to spend the funds in accordance with the City's terms. The City's loan balance of \$31,501,761 is comprised of the following types of loan programs:

Housing Rehabilitation and Affordable Housing Loans

The Housing Rehabilitation Loans are to provide second mortgages to eligible families for assistance in making repairs to their homes. The affordable housing loans are provided to promote development of low-income housing. Each of the loans is secured by a deed of trust and has various deferred payback terms with interest ranging from 0% to 4%. The balance of the loans receivable arising from this program as of June 30, 2014 was \$5,121,163.

CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2014

NOTE 5 – NOTES RECEIVABLE (Continued)

Housing Assistance Grants

In conjunction with the City's Home Buyer Assistance Program, the difference between the Developer's reduced sales price and the market sales price is considered a market subsidy, or a silent second loan, to eligible buyers. In addition, the Agency provided loans up to \$30,000 to low income first time homebuyers under the State of California BEGIN Program. Both the market subsidy and BEGIN Program loans are deferred for up to 30 years as long as the eligible buyer occupies the property as its principal residence and is not in default under the affordability covenants and resale restrictions. The market subsidy loans do not accrue interest. However, the BEGIN loans accrue simple interest at 3% per year. As of June 30, 2014, these loans totaled \$6,776,408 consisting of market subsidy loans of \$5,116,006 and BEGIN loans of \$1,762,956 (including accrued interest of \$16,192).

First Time Homebuyer Program

The Program is designed to provide second mortgages to eligible families for assistance in purchasing their first house. The maximum loan amount is \$40,000, financed as a 3% interest thirty year deferred payment loan. The balance of the loans receivable arising from this program at June 30, 2014 was \$2,205,687.

Owner Participation Agreements

As of June 30, 1996 the City and the former Redevelopment Agency had entered into Owner Participation Agreements with real property owners in the Redevelopment Area for the purpose of making property improvements to the historic Hotel Woodland. These improvements were financed with loans secured by deeds of trust on the property. The amounts and terms of these loans call for interest rates up to 4.44 % and various due dates through the year 2025. As of June 30, 2014 the outstanding loan balance totaled \$3,027,814 of which \$456,993, were issued by the former Agency.

Gibson Ranch Community Facilities District

The City entered into a number of reimbursement agreements with various parties regarding the acquisition and development of the Gibson Ranch Community Facilities District. The balance of these loans receivable at June 30, 2014 was \$50,473.

Mobile Home Park Owner Participation Agreement and Rehabilitation Loans

The former Redevelopment Agency loaned the Community Housing Opportunities Corporation (CHOC) \$300,000 to purchase two parcels of mobile home park and motel real property on the condition that CHOC operate and maintain these properties as low and moderate income housing. The loans are secured by second and third deeds of trust and have interest at rates of 4% to 6.5% during the first three years and at LAIF rates until maturity in 2020. The balance of the remaining loan receivable at June 30, 2014 was \$108,018.

During the 2001-2002 fiscal year the former Redevelopment Agency loaned \$1,000,000 to the CHOC, secured by a deed of trust, with interest accruing at 3% per annum. However, loan payments of principal and interest were deferred until December 12, 2009, when it was due in full. CHOC defaulted on the loan payment due to financial constraints resulting from greater than expected costs related to upgrades and expansion of the mobile home park facilities. Revenue generated from rental payments for the new mobile home coaches is anticipated to provide sufficient resources to repay the loan. On December 14, 2010, the Agency Board voted to extend the due date for accrued principal and interest through January 31, 2013. CHOC did not make any payments on the loan by the extended due date and is considered in default on the loan. The balance of this loan receivable as of June 30, 2014 was \$1,372,666, however the city has established an allowance for the entire balance.

CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2014

NOTE 5 – NOTES RECEIVABLE (Continued)

Greenwood Subdivision

As part of the Greenwood Subdivision Buyer Assistance Program, the difference between the Developer's reduced sales price and the market sales price is considered a silent second loan to an eligible buyer. In addition, the former Redevelopment Agency provided a loan of \$15,000 to moderate-income households and \$40,000 to low-income households. As long as the eligible buyer occupies the property as its principal place of residence and is not in default under the affordability covenants and resale restrictions, 10% of the initial loan amount shall be credited toward the outstanding principal after 10 years and at each five-year period thereafter throughout the 45-year term of the note. As of June 30, 2014, the total outstanding on loans, including interest is \$446,483 which is comprised of \$120,000 in loans funded by the former Agency, \$213,500 representing the former Agency's market adjustment, and accrued interest of \$112,983.

Heritage Oaks Apartments

The former Redevelopment Agency loaned Heritage Oaks, L.P. \$1,550,000 to pay a portion of the costs of the financing for the acquisition and rehabilitation of a 120-unit multi-family residential apartment complex, commonly referred to as the Heritage Oaks Apartments. Heritage Oaks L.P. intends to acquire and rehabilitate Heritage Oaks Apartments and rent the units to very low and low-income individuals and families. As of June 30, 2014, the total amount of the loan outstanding, including accrued interest was \$1,988,247. Payment on the loan is secured by a deed of trust and assignment of rents on the Heritage Oaks Apartments. So long as there is no default on the loan, the principal balance including accrued interest is due in installments of \$100,000 each year with the remaining balance due and payable on August 22, 2024.

Fair Plaza Senior Apartments L.P.

On April 4, 2008, the City and the former Redevelopment Agency loaned the Fair Plaza Senior Apartments L.P., a California limited partnership, a total of \$1,317,000 to fund a portion of the total development costs related to the acquisition and rehabilitation of 68-units of affordable rental housing for qualified very-low and low income senior citizens. As of June 30, 2014, the total amount of the loan outstanding, including accrued interest of \$293,909, was \$1,610,909. Payment of the note is secured by a deed of trust and assignment of rents with respect to the 68-units. So long as there is no default on the loan, the entire principal balance, including accrued interest, is due and payable 31 years from the issuance of the certificate of occupancy, which was issued in November 2008.

Terracina Spring Lake Apartments

The City loaned Spring Lake Family Apartments L.P. a total of \$4,189,000 to fund a portion of the total development costs related to the acquisition and construction of a 156-unit multi-family residential apartment complex, commonly referred to as Terracina Spring Lake. This multi-family complex rents entirely to very low and low-income individuals and families. As of June 30, 2014, the total amount of the loan outstanding, including accrued interest, was \$4,858,056.

Rochdale Grange

The City agreed to loan Rochdale Grange, LP \$4,000,000 to fund a portion of total development costs related to the acquisition and construction of a multi-family residential apartment complex. The loan proceeds are distributed as costs are incurred on the construction of the project; interest will begin accruing after distribution of the entire loan amount, which occurred during fiscal year 2011-12. As of June 30, 2014, the total outstanding loan balance was \$4,383,871.

CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2014

NOTE 5 – NOTES RECEIVABLE (Continued)

Mutual Housing California

The City agreed to loan Mutual Housing California \$350,000 as a predevelopment loan to assist with development of a 101-unit affordable multi-family apartment project. The predevelopment loan will be repaid upon funding of Mutual Housing’s construction loan by its bank. Additionally, the City has agreed to loan \$910,000, bearing 3% simple interest, with a 57 year term. The loan will not be disbursed until Mutual Housing has securing tax credit and other related financing, and repaid the predevelopment loan. As of June 30, 2014, \$924,632 of the predevelopment loan had been disbursed.

NOTE 6 – CAPITAL ASSETS

	Balance June 30, 2013	Additions	Retirements	Transfers	Balance June 30, 2014
Governmental Activities:					
Capital assets, not being depreciated:					
Land	\$ 18,042,184	-	-	-	18,042,184
Intangible assets	1,155,839	-	-	-	1,155,839
Construction in progress	9,512,524	3,189,705	-	(9,250,994)	3,451,235
Subtotal	<u>28,710,547</u>	<u>3,189,705</u>	<u>-</u>	<u>(9,250,994)</u>	<u>22,649,258</u>
Capital assets, being depreciated:					
Buildings	74,520,789	-	-	-	74,520,789
Improvements	23,487,380	32,648	(8,867)	3,031,724	26,542,885
Machinery and equipment	17,869,874	3,425,220	(1,280,642)	-	20,014,452
Intangible assets	707,377	-	-	1,279,620	1,986,997
Infrastructure	268,441,464	244,754	(100,706)	4,939,650	273,525,162
Subtotal	<u>385,026,884</u>	<u>3,702,622</u>	<u>(1,390,215)</u>	<u>9,250,994</u>	<u>396,590,285</u>
Less accumulated depreciation for:					
Buildings	(12,962,659)	(1,559,586)	-	-	(14,522,245)
Improvements	(6,541,636)	(509,404)	4,800	-	(7,046,240)
Machinery and equipment	(13,531,933)	(813,108)	1,211,499	-	(13,133,542)
Intangible assets	(272,103)	(91,965)	-	-	(364,068)
Infrastructure	(121,552,013)	(7,601,443)	-	-	(129,153,456)
Subtotal	<u>(154,860,344)</u>	<u>(10,575,506)</u>	<u>1,216,299</u>	<u>-</u>	<u>(164,219,551)</u>
Total capital assets, being depreciated, net	<u>230,166,540</u>	<u>(6,872,884)</u>	<u>(173,916)</u>	<u>9,250,994</u>	<u>232,370,734</u>
Governmental activities capital assets, net	<u>\$ 258,877,087</u>	<u>(3,683,179)</u>	<u>(173,916)</u>	<u>-</u>	<u>255,019,992</u>

CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2014

NOTE 6 – CAPITAL ASSETS (Continued)

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

Governmental Activities:

General government	\$	13,045
Finance		141,014
Community development		33,762
Parks and recreation		442,365
Police		253,265
Fire		49,369
Library		92,239
Public works		8,982,245
Capital assets held by the City's internal service funds are charged to the various functions based on their usage of the assets		568,202
Total		\$ 10,575,506

	Balance June 30, 2013	Increases	Decreases	Transfers	Balance June 30, 2014
Business-type activities:					
Capital assets, not being depreciated:					
Land	\$ 3,812,012	-	(13,155)	-	3,798,857
Construction in progress	21,086,645	29,640,507	-	(4,933,230)	45,793,922
Subtotal	24,898,657	29,640,507	(13,155)	(4,933,230)	49,592,779
Capital assets, being depreciated:					
Ponds	781,056	-	-	-	781,056
Buildings	355,830	-	-	-	355,830
Improvements	44,451,865	-	-	127,045	44,578,910
Machinery and equipment	4,997,626	299,436	-	-	5,297,062
Intangible assets	104,147	-	-	-	104,147
Sewer treatment plant	15,472,364	-	-	-	15,472,364
Infrastructure	136,539,872	-	-	4,806,185	141,346,057
Subtotal	202,702,760	299,436	-	4,933,230	207,935,426
Less accumulated depreciation for:					
Ponds	(516,816)	(23,366)	-	-	(540,182)
Buildings	(304,802)	(4,052)	-	-	(308,854)
Improvements	(20,712,751)	(947,077)	-	-	(21,659,828)
Machinery and equipment	(2,392,953)	(270,340)	-	-	(2,663,293)
Intangible assets	(39,557)	(9,210)	-	-	(48,767)
Sewer treatment plant	(8,793,469)	(237,942)	-	-	(9,031,411)
Infrastructure	(42,486,585)	(3,008,355)	-	-	(45,494,940)
Subtotal	(75,246,933)	(4,500,342)	-	-	(79,747,275)
Total capital assets, being depreciated, net	127,455,827	(4,200,906)	-	4,933,230	128,188,151
Business type activities capital assets, net	\$ 152,354,484	25,439,601	(13,155)	-	177,780,930

CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2014

NOTE 6 – CAPITAL ASSETS (Continued)

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

Business-type Activities:

Water	\$ 2,022,325
Sewer	1,844,781
Nonmajor enterprise funds	<u>633,236</u>
Total	<u>\$ 4,500,342</u>

CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2014

NOTE 7 – LONG-TERM DEBT AND FINANCIAL ARRANGEMENTS

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

A. Current Year Transactions and Balances

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

	Original Issue Amount	Balance June 30, 2013	Additions	Retirements	Balance June 30, 2014	Current Portion
Governmental Activities Debt						
Woodland Finance Authority:						
2002 Lease Revenue Bonds, 2.00%-5.00%, due 03/01/32	\$ 33,215,000	19,575,000	-	(19,575,000)	-	-
2005 Capital Projects Lease Revenue Bonds, 3.00%-5.50%, due 03/01/26	20,390,000	15,645,000	-	(15,645,000)	-	-
2005 Wastewater Revenue Bonds, 3.80%-5.00%, due 03/01/35	7,547,780	7,406,540	-	(7,406,540)	-	-
2012 Refunded Bonds 1.14%-2.28% due 9/1/2017	5,296,700	4,319,300	-	(977,700)	3,341,600	991,500
2014 Refunding Lease/Purchase 2.90% due 3/1/2026	15,484,056	-	15,484,056	-	15,484,056	1,126,133
Loans Payable						
California Energy Commission, 3.85%	2,150,000	588,948	-	(188,714)	400,234	196,242
Developer Fee Obligations	-	30,680,273	4,413,075	(4,108,604)	30,984,744	2,814,600
Other Postemployment Benefits	-	11,273,600	3,491,756	(2,118,289)	12,647,067	-
Compensated Absences	-	1,522,207	1,717,654	(1,711,870)	1,527,991	294,778
Capital Leases:						
Capital lease obligation 4.39%, due 5/30/16	1,152,000	328,714	-	(104,853)	223,861	109,532
Capital lease obligation 4.049%, 9/17/14	1,058,000	138,920	-	(110,575)	28,345	28,345
Capital lease obligation 4.77% due 1/10/18	650,000	360,719	-	(69,480)	291,239	72,854
Capital lease obligation 5.10% due 12/10/17	586,000	290,705	-	(59,072)	231,633	62,100
Capital lease obligation 5.00% due 2/20/14	460,000	68,854	-	(68,854)	-	-
Capital lease obligation 3.59% due 2/28/16	278,934	166,480	-	(59,708)	106,772	61,881
Capital lease obligation 2.62% due 4/9/23	2,262,524	-	2,262,524	(200,866)	2,061,658	206,123
Total Governmental Activities Debt	\$ 90,530,994	92,365,260	27,369,065	(52,405,125)	67,329,200	5,964,088

CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2014

NOTE 7 – LONG-TERM DEBT AND FINANCIAL ARRANGEMENTS (Continued)

	Original Issue Amount	June 30, 2013	Additions	Retirements	June 30, 2014	Current Portion
Business-type Activities Debt						
Woodland Finance Authority						
2005 Wastewater Revenue Bonds, 3.80%-5.00%, due 03/01/35	\$ 10,087,220	9,898,460	-	(9,898,460)	-	-
Woodland Finance Authority						
2009 Wastewater Revenue Bonds, 4.00%-4.50%, due 03/1/32	12,115,000	11,705,000	-	(425,000)	11,280,000	440,000
Woodland Finance Authority						
2011 Water Revenue Bonds 2.00% -6.00%, due 3/1/41	18,815,000	18,180,000	-	(325,000)	17,855,000	335,000
Woodland Finance Authority						
2014 Water Revenue Bonds 2.00% -5.00%, due 3/1/35	33,825,000	-	33,825,000	-	33,825,000	1,035,000
Unamortized premium	-	-	3,467,339	-	3,467,339	165,111
Loans Payable						
California Department of Public Health 2.507%, due 6/30/2033	7,419,500	7,419,500	-	(144,072)	7,275,428	370,975
Other Postemployment Benefits	-	3,237,993	1,080,952	(692,737)	3,626,208	-
Compensated Absences	-	353,838	362,390	(345,985)	370,243	120,214
Total Business-type Activities Debt	<u>\$ 82,261,720</u>	<u>50,794,791</u>	<u>38,735,681</u>	<u>(11,831,254)</u>	<u>77,699,218</u>	<u>2,466,300</u>

B. 2002 Lease Revenue Bonds

In December 2002 the Authority issued Lease Revenue Bonds in the principal amount of \$33,215,000. The Lease Revenue Bonds bear interest at 2.0% to 5.0%. Principal payments are due annually on March 1. Interest payments are due semi-annually on March 1 and September 1. Upon issuance and delivery of the 2002 Lease Revenue Bonds a portion of the proceeds were used to prepay and defease \$6,425,000, the aggregate outstanding principal amount of the 1992 Waste Water Improvement Certificates of Participation. The 1992 Certificates were called on March 1, 2003. The remaining portion of the proceeds were used to finance the construction and acquisition of capital projects, including a Police Station Facility, Wastewater Treatment Plan Expansion, Community/Senior Center, recreation fields and road improvements. These bonds were refunded in 2014 through issuance of the 2014 Wastewater Revenue Bonds.

C. 2005 Capital Projects Lease Revenue Bonds

In August 2005 the Authority issued 2005 Capital Projects Lease Revenue Bonds in the principal amount of \$20,390,000. The Revenue Bonds bear interest at 3.0% to 5.0%. Principal payments are due annually on March 1. Interest payments are due semi-annually on March 1 and September 1. The proceeds were used to construct and equip a community senior center and sports complex and two fire stations. These bonds were refunded through issuance of the 2014 Refunding Lease/Purchase Bonds.

CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2014

NOTE 7 – LONG-TERM DEBT AND FINANCIAL ARRANGEMENTS (Continued)

D. 2005 Wastewater Revenue Bonds

In November 2005 the Authority issued Revenue Bonds in the principal amount of \$17,635,000. The Revenue Bonds bear interest at 3.8% to 5.0%. Principal payments are due annually commencing March 1, 2013. Interest payments are due semi-annually on March 1 and September 1. The proceeds were used for acquiring, construction and equipping certain wastewater treatment facility improvements. The bonds have been allocated to the governmental activities and Sewer Enterprise Fund, 42.8% and 57.2%, respectively, based on the repayment provisions outlined in the official statement. These bonds were refunded in 2014 through issuance of the 2014 Wastewater Revenue Bonds.

E. 2012 Refunded Bonds

In April 2012, the Authority issued Revenue Bonds in the principal amount of \$5,296,700. The Revenue Bonds bear interest at 2.00% and principal payments are due semi-annually on March 1 and September 1. The proceeds were used to refund the outstanding principal balance of the 2007 Capital Projects Lease Revenue Bonds.

F. 2014 Refunded Lease/Purchase Agreement

In April 2014, the Authority entered into a Refunding Lease/Purchase Agreement in the principal amount of \$15,484,056. The net proceeds were used to pay the costs of advance refunding the 2005 Capital Projects Lease Revenue Bonds. The proceeds of the Refunding Lease/Purchase Agreement were deposited in an irrevocable trust with an escrow agent for the payment of the 2005 Capital Project Lease Revenue Bonds and subsequently all Certificates have been redeemed on March 1, 2015. As a result, these Certificates are considered defeased and the liability for the Certificates has been removed from the Statement of Net Position. The reacquisition price exceeded the net carrying amount of the old debt by \$610,291 and will be amortized over the shorter of the life of the old or new bonds. In addition the present values of the debt service payments on the new debt exceeded that of the old debt resulting in economic loss of \$113,312. The Refunding Lease/Purchase Agreement includes principal installments due annually from March 2014 to March 2026, and interest payable semi-annually from September 2014 to March 2026, at an interest rate of 2.90%.

G. 2009 Wastewater Revenue Bonds

In November 2009, the Authority issued Revenue Bonds in the principal amount of \$12,115,000. The Revenue Bonds bear interest at 4.00% to 4.50%. Principal payments are due annually commencing March 1, 2013. Interest payments are due semi-annually on March 1 and September 1. The proceeds were used for various improvements to the City's sewer system, including the asset replacements at the Wastewater Treatment Plant, rehabilitation of sewer lines, replacement of sewer trunk lines, and drying pond conversions.

Covenants within the installment purchase agreement require the City to establish annual rates sufficient to pay operating expenses and debt service payments in each fiscal year. In addition, such rates shall be charged to produce net revenues equal to at least 125 % of the debt service payments due and payable in each fiscal year. During the fiscal year ended June 30, 2014 the City was in compliance with the rate covenants.

**CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2014**

NOTE 7 – LONG-TERM DEBT AND FINANCIAL ARRANGEMENTS (Continued)

H. 2011 Water Revenue Bonds

In March 2011, the Authority issued Revenue bonds in the principal amount of \$18,815,000. The Revenue Bonds bear interest at 2.00% to 6.00%; principal payments are due annually commencing March 1, 2012. Interest payments are due semi-annually on March 1 and September 1. Upon issuance of the 2011 Water Revenue Bonds, \$8,875,000 of the proceeds was used to refund the outstanding principal balance of the 2008 Water Revenue Bonds. The remaining proceeds are being used for construction and installation of various improvements to the water system including installation of water meters, construction of a ground level water storage tank and booster station, and replacement and rehabilitation of wells and pipes throughout the City.

Covenants within the installment purchase agreement require the City to establish annual rates sufficient to pay operating expenses and debt service payments in each fiscal year. In addition, such rates shall be charged to produce net revenues equal to at least 125 % of the debt service payments due and payable in each fiscal year. During the fiscal year ended June 30, 2014 the City was in compliance with the rate covenants.

I. 2014 Refunding Wastewater Revenue Bonds

In March 2014, the Authority issued Refunding Water Revenue Bonds, Series 2014 in the principal amount of \$33,825,000. The net proceeds were used to pay the costs of advance refunding the 2002 Lease Revenue Bonds and the 2005 Wastewater Revenue Bonds. The proceeds of the Refunding Wastewater Revenue Bonds were deposited in an irrevocable trust with an escrow agent for the payment of the 2002 Lease Revenue Bonds and the 2005 Wastewater Revenue Bonds and as a result, these Bonds are considered defeased and the liability for the Bonds have been removed from the Statements of Net Position. The reacquisition price exceeded the net carrying amount of the old debt by \$610,291 and will be amortized over the shorter of the life of the old or new bonds. In addition the present values of the debt service payments on the old debt exceeded that of the new debt resulting in economic gain of \$3,272,096. The 2014 Refunding Wastewater Revenue Bonds includes principal installments annually from March 2015 to March 2035 with interest payable semi-annually from September 2014 to March 2035, at an interest rate between 3.00% and 5.00%.

Covenants within the installment purchase agreement require the City to establish annual rates sufficient to pay operating expenses and debt service payments in each fiscal year. In addition, such rates shall be charged to produce net revenues equal to at least 125 % of the debt service payments due and payable in each fiscal year. During the fiscal year ended June 30, 2014 the City was in compliance with the rate covenants.

J. Commercial Paper Notes

In May 2011, the Authority authorized the issuance of Commercial Paper Notes in an amount not to exceed \$38,000,000. Commercial Paper Notes have final maturities that cannot exceed 270 days and are therefore classified on the financial statements as current debt. The interest rate on the Commercial Paper Notes is set based upon market conditions upon issuance of the short term debt. The total amount of notes issued as of June 30, 2014 was \$29,482,000 with an interest rate of 0.32%. The proceeds for issuance of the notes are used to finance the City’s contribution to a regional water project.

	<u>Balance, June 30, 2013</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance, June 30, 2014</u>
Woodland Finance Authority				
Commercial Paper Notes	<u>\$ 10,302,000</u>	<u>19,180,000</u>	<u>-</u>	<u>29,482,000</u>

CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2014

NOTE 7 – LONG-TERM DEBT AND FINANCIAL ARRANGEMENTS (Continued)

K. Loans Payable

In March 2004, the City signed a loan agreement with the California Energy Commission in the principal amount of \$2,150,000, to finance replacement, installation and upgrades to HVAC units, coolers and well pumps, as well as installing cool roof products on properties owned by the City and located in the City of Woodland. Repayment of the loan is expected from utility expense savings realized from these improvements. As of June 30, 2014, the City had drawn down a total of \$1,578,397 of the available loan proceeds and \$400,234 in principal is still outstanding.

In July 2009, the City was awarded a loan from the California Department of Public Health (CDPH) with subsidization of fifty percent forgiveness of principal to pay for installation of water meters throughout the City. The funding agreement provides for a maximum loan amount of \$14,839,000, of which 50%, or an estimated \$7,419,500 will not need to be repaid. The principal amount of the loan is determined as 50% of each disbursement made by CDPH. The loan bears interest at 2.507% and the repayment term, which begins upon project completion, is 20 years. The project was completed during 2013, and the principal outstanding as of June 30, 2014 was \$7,275,428.

L. Developer Fee Obligations

The City received funding for the Spring Lake Project via Mello-Roos Community Facilities District (CFD) bonds and developer advances. The total funds received are allocated to each developer in the form of fee credits, which are redeemable against future fees assessed in the geographic boundaries of the Spring Lake Project. The total amount of the proceeds received from the bonds and developer advances are included as long-term debt for governmental activities.

M. Capital Lease Obligations

On May 30, 2006, the City entered into a capital lease for the acquisition of heavy equipment. Capital lease obligations are paid from the Equipment and Service Repair Internal Service Fund. Annual lease payments of \$117,576, are required through May 2016 with an interest rate of 4.39%.

On September 2, 2004, the City purchased various fire equipment. The capital lease obligations are paid from the Equipment and Service Repair Internal Service Fund. Annual lease payments of \$114,535, are required through September 2014 with an interest rate of 4.05%.

On July 10, 2008, the City entered into a capital lease for the acquisition of heavy equipment. Capital lease obligations are paid from the Equipment Service Repair Internal Service Fund. Annual lease payments of \$85,491, are required through January 2018 with an interest rate of 4.77%.

On December 18, 2008, the City entered into a capital lease for the acquisition of heavy equipment. Capital lease obligations are paid from the Equipment Service Repair Internal Service Fund. Annual lease payments of \$81,359, including interest, are required through December 2017.

On February 18, 2009, the City entered into a capital lease for the acquisition of self-contained breathing apparatuses. Capital lease obligations are paid from the Equipment and Service Repair Internal Service Fund. Annual lease payments of \$104,550, including interest, were required through February 2014.

On February 15, 2011, the City entered into a capital lease for the acquisition of a new telephone system and related hardware. Capital lease obligations are paid from the City Capital Projects non-major governmental fund. Annual lease payments of \$64,995, including interest, are required through February 2016.

CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2014

NOTE 7 – LONG-TERM DEBT AND FINANCIAL ARRANGEMENTS (Continued)

On April 9, 2013, the City entered into a capital lease for the acquisition of a Fire Equipment. Capital lease obligations are paid from the City Capital Projects non-major governmental fund. Annual lease payments of \$260,082, including interest, are required through April 2023.

N. Debt Service Reserve Funds

The City is required to maintain a Debt Service Reserve Fund to be used for the payment of principal and interest of its bonds in the event that the City has not provided the Trustee with sufficient funds by the installment payment date to make the required installment sale payments. The current required reserve amount as determined by the bond documents and the reserve balances at June 30, 2014 for each outstanding debt issue is as follows:

Description	Required	Actual	Excess (Deficiency)
2007A Tax Allocation Bonds	583,169	483,109	(100,060)
2007B Tax Allocation Bonds	161,217	110,895	(50,322)
2009 Wastewater Revenue Bonds	937,000	937,460	460
2011 Water Revenue Bonds	1,324,578	1,324,578	-

The 2014 Waste Water Revenue Bonds do not have a reserve fund requirement.

O. Debt Service Requirements

Annual debt service requirements for the lease revenue bonds, lease purchase agreement, water revenue bonds and wastewater revenue bonds in the aggregate are shown below:

For the Year Ending June 30,	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2015	\$ 2,117,633	470,991	1,790,000	3,004,417
2016	2,137,288	454,730	1,840,000	2,950,718
2017	2,190,666	401,105	1,910,000	2,877,627
2018	1,498,506	345,571	1,995,000	2,803,003
2019	1,227,133	306,732	2,070,000	2,712,407
2020-2024	6,694,744	974,583	11,935,000	12,016,623
2025-2029	2,959,672	108,061	15,115,000	8,841,411
2030-2034	-	-	17,895,000	4,685,000
2035-2039	-	-	4,955,000	1,652,400
2040-2041	-	-	2,420,000	219,900
Total	\$ 18,825,642	3,061,773	61,925,000	41,763,506

CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2014

NOTE 7 – LONG-TERM DEBT AND FINANCIAL ARRANGEMENTS (Continued)

Annual debt service requirements for the loans payable in the aggregate are shown below for all long-term debt:

For the Year Ending June 30,	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2015	\$ 196,242	13,898	370,975	102,782
2016	203,993	6,147	370,975	102,782
2017	-	-	370,975	102,782
2018	-	-	370,975	102,782
2019	-	-	370,975	102,782
2020-2024	-	-	1,854,875	513,909
2025-2029	-	-	1,854,875	513,909
2030-2033	-	-	1,483,900	411,127
Total	<u>\$ 400,235</u>	<u>20,045</u>	<u>7,048,525</u>	<u>1,952,855</u>

The future minimum capital lease obligations and the net present value of these minimum lease payments as of June 30, 2014 are as follows:

Year Ending June 30,	Governmental Activities
2015	\$ 629,369
2016	584,487
2017	418,164
2018	360,496
2019	260,082
2020-2023	1040,328
Total minimum lease payments	3,292,926
Less amount representing interest	(349,418)
Present value of minimum lease payments	<u>\$ 2,943,508</u>

Capital assets acquired through capital leases as of June 30, 2014 is as follows:

	Governmental Activities
Machinery and equipment	\$ 7,128,401
Less: Accumulated depreciation	(3,779,881)
Total	<u>\$ 3,348,520</u>

**CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2014**

NOTE 7 – LONG-TERM DEBT AND FINANCIAL ARRANGEMENTS (Continued)

P. Special District Debt With No City Commitment

Special Assessment Districts in various parts of the City have issued debt to finance infrastructure improvements and facilities within their boundaries. The City is the collecting and paying agent for the debt issued by these Districts, but has no direct or contingent liability or moral obligation for the payment of this debt. Therefore, this debt is not included in general long-term debt of the City. The outstanding balance of each of these issues as of June 30, 2014 is as follows:

East Main Street Reassessment District, Series 2001	\$ 2,312,000
Gibson Ranch Community Facilities District, Refunding Bonds, Series 2004	1,910,000
Spring Lake Community Facilities District, Refunding Bonds, Series 2013	29,805,000
Gibson Ranch Community Facilities District, Refunding Bonds, Series 2014	<u>9,360,000</u>
Total Special Assessment Debt with no City Commitment	<u>\$ 43,387,000</u>

NOTE 8 – NET POSITION AND FUND BALANCES

A. Fund Equity Deficits

The following funds had fund balance or net position deficits as of June 30, 2014:

Special Revenue Funds:

Special Needs Assistance Grant	15,583
Transportation	392,464
Literacy Grant	86,027
Special Transportation	270,348
American Recovery and Reinvestment Act	37,508
Spring Lake Sports Park Maintenance CFD	31,043
Fire Suppression District	1,289,138

Capital Project Funds:

City Capital Projects Fund	5,693,264
Water Development Fund	35,165
Storm Drain Development Fund	437,883

Enterprise Funds:

Construction and Demolition Program	27,640
Cemetery	325,356
Youth Program	19,974

The Special Needs Assistance Grant Fund deficit, Transportation Fund deficit, Transportation Fund deficit, and the American Recovery and Reinvestment Act Fund deficit are expected to be cured by future revenue claims on reimbursable federal grants; the deficit in the Literacy Grant Fund will be cured from collection of various grants from multiple local and state agencies; the Spring Lake Sports Park Maintenance CFD Fund deficit will be cured by increasing assessments to property owners within the District; the Fire Suppression District Fund deficit will be cured by future special assessment and development related fees collected from the Spring Lake Project; the deficit in the City Capital Projects, Water Development and Storm Drain Development Funds are expected to be cured by future development activity along with a review and update to the fee structure;.

CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2014

NOTE 8 – NET POSITION AND FUND BALANCES (CONTINUED)

The Construction and Demolition Program Fund and Cemetery Fund deficits are expected to be cured by fee revenue and sale of surplus property. The Cemetery has been undergoing a major renovation to allow additional space to accommodate more customers; this is expected to have a positive impact on fee revenues to address the current deficit. The Youth Program will be cured by fee adjustments and expenditure reductions among the operating programs.

B. Fund Balance Classification

Fund balances for all governmental funds as of June 30, 2014 were classified as follows:

	General Fund	Home Grant	Spring Lake	Other Governmental	Total
Nonspendable					
Inventory	\$ 147,515	-	-	-	147,515
Prepays	-	-	-	-	-
Interfund advance	1,500,000	-	1,293,088	-	2,793,088
Subtotal	<u>1,647,515</u>	<u>-</u>	<u>1,293,088</u>	<u>-</u>	<u>2,940,603</u>
Restricted for					
Capital Projects	-	-	-	1,916,923	1,916,923
Home loan program	-	11,697,867	-	-	11,697,867
Supportive Housing	-	-	-	13,807,604	13,807,604
Lighting & Landscaping Districts	-	-	-	1,226,120	1,226,120
Transportation services	-	-	-	528,838	528,838
Public safety	-	-	-	390,678	390,678
Library services	-	-	-	182,971	182,971
Cemeteries	-	-	-	145,694	145,694
Environmental Compliance	-	-	-	247,956	247,956
Debt services	-	-	-	10,181	10,181
Subtotal	<u>-</u>	<u>11,697,867</u>	<u>-</u>	<u>18,456,965</u>	<u>30,154,832</u>
Committed for					
Measure E Spending Plan	-	-	-	5,627,082	5,627,082
Spring Lake Specific Plan	-	-	2,236,762	-	2,236,762
Affordable housing	-	-	-	1,331,501	1,331,501
Subtotal	<u>-</u>	<u>-</u>	<u>2,236,762</u>	<u>6,958,583</u>	<u>9,195,345</u>
Unassigned					
General fund	10,314,030	-	-	-	10,314,030
Capital projects	-	-	-	(6,166,312)	(6,166,312)
Transportation	-	-	-	(662,812)	(662,812)
Grant programs	-	-	-	(139,118)	(139,118)
Special districts	-	-	-	(31,043)	(31,043)
Fire suppression	-	-	-	(1,289,138)	(1,289,138)
Subtotal	<u>10,314,030</u>	<u>-</u>	<u>-</u>	<u>(8,288,423)</u>	<u>2,025,607</u>
Total fund balances	<u>\$ 11,961,545</u>	<u>11,697,867</u>	<u>3,529,850</u>	<u>17,127,125</u>	<u>44,316,387</u>

**CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2014**

NOTE 9 – PENSION PLAN

Plan Description

The City’s defined benefit pension plan, the City’s Miscellaneous and Safety Plans, provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. The City’s Miscellaneous and Safety Plans are part of the Public Agency portion of the California Public Employees Retirement System (CalPERS), an agent multiple-employer plan administered by CalPERS, which acts as a common investment and administrative agent for participating public entities within the State of California. A menu of benefit provisions, as well as other requirements is established by state statutes within the Public Employees Retirement Law.

The City selects optional benefit provisions from the benefit menu by contract with CalPERS and adopts those benefits through City ordinance. CalPERS issues a separate comprehensive annual financial report; however, a separate report of the City’s Miscellaneous and Safety Plans are not available. Copies of CalPERS’ annual financial report may be obtained from their Executive Office, 400 Q Street, P.O. Box 942701, Sacramento, California 94229.

Funding Policy

Active members in the City’s Miscellaneous and Safety plans were required to contribute 8% and 13%, respectively, of their annual covered salary. The City is required to contribute at an actuarially determined rate necessary to fund the benefits for its members. The required employer contribution rates for the year ended June 30, 2014 were 23.045% for Miscellaneous and 28.656% for Safety. The contribution requirements of the plan members are established by State statute and the employer contribution rate is established and may be amended by CalPERS.

Annual Pension Cost

CalPERS uses the Entry Age Normal Actuarial Cost Method, which is a projected benefit cost method. This method takes into account those benefits that are expected to be earned in the future as well as those already accrued. Accordingly, the normal cost for an employee is the level amount which would fund the projected benefit if it were paid annually from date of employment until retirement. CalPERS uses a modification of the Entry Age Cost Method in which the employer's total normal cost is expressed as a level percentage of payroll. For the year ended June 30, 2014, the City’s annual pension cost of \$5,241,861 was equal to its required and actual contributions.

Annual pension cost for the last three years is as follows:

THREE-YEAR TREND INFORMATION FOR CALPERS

Year Ended	Annual Pension Cost (APC)		Percentage of APC Contributed	Net Pension Obligation
	Miscellaneous Plan	Safety Plan		
6/30/12	\$ 2,616,989	2,913,042	100%	--
6/30/13	2,513,538	2,805,871	100%	--
6/30/14	2,241,861	2,888,041	100%	--

CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2014

NOTE 9 – PENSION PLAN (Continued)

Actuarial Methods and Assumptions

For the year ended June 30, 2014, the required annual contributions were determined as part of the June 30, 2011 actuarial valuation, using the entry age normal actuarial cost method with the contributions determined as a percentage of pay. The actuarial methods and assumptions used are those adopted by the CalPERS Board of Administration. The actuarial assumptions included (a) 7.5% investment rate of return (net of administrative expenses), (b) projected salary increases that vary by duration of service ranging from 3.3% to 14.2% depending on age, service, and type of employment, (c) inflation of 2.75%, and (d) payroll growth of 3%. The actuarial value of the City's assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a fifteen year period depending on the size of investment gains and/or losses. The City's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at June 30, 2011, the most recent actuarial valuation, for the Miscellaneous and Safety Plans was 30 years.

Funded Status and Funding Progress

As of June 30, 2013, the most recent actuarial valuation date, the City's Safety Plan was 66.8% funded. The actuarial accrued liability for benefits was \$112,405,025, and the actuarial value of assets was \$75,048,412 resulting in an unfunded actuarial accrued liability (UAAL) of \$37,356,613. The covered payroll (annual payroll of active employees covered by the plan) was \$9,367,457 and the ratio of the UAAL to the covered payroll was 398.8%.

As of June 30, 2013, the most recent actuarial valuation date, the City's Miscellaneous Plan was 65% funded. The actuarial accrued liability for benefits was \$99,385,039, and the actuarial value of assets was \$64,560,350, resulting in an unfunded actuarial accrued liability (UAAL) of \$34,824,689. The covered payroll (annual payroll of active employees covered by the plan) was \$9,987,480 and the ratio of the UAAL to the covered payroll was 348.7%.

The schedule of funding progress, presented as required supplementary information (RSI) following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

NOTE 10 – OTHER POSTEMPLOYMENT BENEFITS

Plan Description

The City's Postemployment Healthcare Benefit Plan is a single-employer defined benefit healthcare plan administered by CalPERS. The postemployment healthcare plan provides lifetime postemployment medical coverage to its eligible employees who satisfy the requirements for retirement under CalPERS (attained age 50 with 5 years of State or public agency service or approved disability retirement). Coverage is also extended to spouses and surviving spouses of retirees. The City contributes the full cost of retiree coverage up to specific limits set in collective bargaining agreements. Benefit provisions of the plan are established and may be amended by the City Council through collective bargaining.

**CITY OF WOODLAND, CALIFORNIA
 NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 YEAR ENDED JUNE 30, 2014**

NOTE 10 – OTHER POSTEMPLOYMENT BENEFITS (Continued)

The City contributes toward the cost of retiree’s medical coverage differently depending upon the retiree’s hire date. Contributions are as follows:

- For retirees hired prior to July 1, 2006, the City pays the full cost of the retiree coverage up to specific limits set in collective bargaining agreements. For 2014, the limits are
 - \$668 for retiree only coverage
 - \$1,337 for retiree plus one dependent
 - \$1,738 for retiree plus two or more dependents
- For retirees hired after June 30, 2006, the City contributes the Minimum (required) Employer Contribution (MEC). The 2014 MEC is \$118 per month. If a covered spouse survives the retiree, the City will continue the applicable contribution toward the spouse’s coverage until his or her death.

In addition to retiree medical coverage, the City’s life insurance benefit is automatically continued for retirees; dependents are not permitted to be covered after retirement. The amount of life insurance is the death benefit provided on the last day of active employment and varies by collective bargaining unit. The original death benefit is reduced at later ages:

- 65% of the original death benefit from ages 65-69
- 45% of the original death benefit from ages 70-74
- 30% of the original death benefit from ages 75-79
- 20% of the original death benefit for ages 80 and above

Funding Policy

The contribution requirements of the City are established and may be amended by the City Council. Currently, the City’s policy is to contribute to the plan on a pay-as-you-go basis. For the year ended June 30, 2014, the City contributed \$3,061,026, representing premium payments on behalf of its retired employees.

Annual OPEB Cost

The City’s annual OPEB cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. Currently, the City has not prefunded any of its OPEB obligation and is contributing on a pay-as-you-go basis. The following table shows the City’s annual OPEB cost, for the years ended June 30, 2012, June 30, 2013, and June 30, 2014 the amount actually contributed to the plan, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation:

<u>Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Actual Contributions</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
6/30/2012	\$ 5,092,292	2,091,999	41%	11,696,802
6/30/2013	4,954,351	2,139,560	43%	14,511,593
6/30/2014	4,572,708	3,061,026	67%	16,023,275

CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2014

NOTE 10 – OTHER POSTEMPLOYMENT BENEFITS (Continued)

The following table shows the components of the City’s annual OPEB cost, the amount actually contributed to the plan, and changes in the City’s net OPEB obligation for the year ended June 30, 2014:

Annual Required Contribution (ARC)	\$	4,743,573
Interest on net OPEB obligation		642,864
Adjustment to ARC		(813,729)
Annual OPEB cost (expense)		4,572,708
Contributions made		(2,811,026)
Increase in net OPEB obligation		1,761,682
Net OPEB obligation beginning of year		14,511,593
Net OPEB obligation end of year	\$	16,273,275

Funded Status and Funding Progress

The latest funded status of the plan, which was determined from the June 30, 2012 actuarial valuation, was as follows:

Actuarial accrued liability (AAL)	\$	51,578,218
Actuarial value of plan assets		-
Unfunded actuarial accrued liability (UAAL)	\$	51,578,218
Funded ratio (actuarial value of plan assets/AAL)		0.0%
Covered payroll (active plan members)	\$	19,101,000
UAAL as a percentage of covered payroll		270.0%

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

CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2014

NOTE 10 – OTHER POSTEMPLOYMENT BENEFITS (Continued)

Actuarial Methods and Assumptions

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

In the June 30, 2012 actuarial valuation, the entry age normal cost method, level percent of pay was used. The actuarial assumptions included a 4 percent investment rate of return, increasing to 5.5 percent (as prefunding phases in), and an annual blended healthcare cost trend rate of 8.5 percent initially, reduced by decrements to an ultimate rate of 5.0 percent after seven years. Salary was assumed to increase by 3.25% annually. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis over a period of 30 years. Under the Entry Age Normal Cost method the projected benefits for each employee is levelly spread over the individual's projected earnings or service from entry age to assumed exit age.

NOTE 11 – RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damages to, and destruction of assets; errors and omissions; injuries to and illnesses of employees; and natural disasters, for which the City manages its risk by participating in the public entity risk pool described below and by retaining certain risks.

Public entity risk pools are formally organized and separate entities established under the Joint Exercise of Powers Act of the State of California. As separate legal entities, those entities exercise full powers and authorities within the scope of the related Joint Powers Agreements including the preparation of annual budgets, accountability for all funds, the power to make and execute contracts and the right to sue and be sued. The joint powers authority is governed by a board consisting of representatives from member municipalities. The board controls the operations of the joint powers authority, including selection of management and approval of operating budgets, independent of any influence by member municipalities beyond their representation on that board. Obligations and liabilities of this joint powers authority are not the City's responsibility.

A. Coverage

The City is one of ten member agencies which constitute the Yolo County Public Agency Risk Management Insurance Authority (YCPARMIA). YCPARMIA was formed in 1979 to develop an effective risk management program to reduce the amount and frequency of losses by pooling the agencies' self-insurance losses and jointly purchasing excess insurance. A Risk Manager was hired to administer the YCPARMIA program. YCPARMIA provides workers' compensation insurance coverage up to statutory limits, above the City's self-insurance limit of \$1,000 per occurrence, and general and auto liability coverage of \$40,000,000, above the City's self-insurance limit of \$5,000 per occurrence, boiler and machinery insurance up to \$100,000,000, above the City's deductible of \$1,000 per claim, and property damage insurance up to \$602,500,000, above the City's deductible of \$20,000 for vehicles, and \$1,000 per other occurrence.

YCPARMIA is governed by a board consisting of representatives from member public agencies. The Board controls the operations of YCPARMIA, including selection of management and approval of operating budgets, independent of any influence by member municipalities beyond their representation on the Board.

CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2014

NOTE 11 – RISK MANAGEMENT, (Continued)

During the fiscal year ended June 30, 2014 the City contributed \$998,383 for current year coverage. Audited financial statements are available from YCPARMIA their website www.ycparmia.org.

B. Liability for Uninsured Claims

The City provides for the uninsured portion of claims and judgments in the Self-Insurance Internal Service Fund. Claims and judgments, including a provision for claims incurred but not reported, are recorded when a loss is deemed probable of assertion and the amount of the loss is reasonably determinable. As discussed, above, the City has coverage for such claims, but it has retained the risk for the deductible, or uninsured portion of these claims. As of June 30, 2014, the City has not recorded a liability for any outstanding uninsured claims.

NOTE 12 – CONTINGENT LIABILITIES

The City participates in Federal and State grant programs. These programs are subject to financial and compliance audits by grantors or their representatives. Some audits of these programs for or including the year ended June 30, 2014 have not been concluded. Accordingly, the City's compliance with the applicable grant requirements is yet to be established. The amount, if any, of expenditures which may be disallowed by the grantor agencies cannot be determined at this time, although the City's management does not expect such amounts, if any, to be material.

NOTE 13 – SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER CITY REDEVELOPMENT AGENCY

On December 29, 2011, the California Supreme Court upheld Assembly Bill XI 26 ("the Bill") that provides for the dissolution of all redevelopment agencies in the State of California. This action impacted the reporting entity of the City that previously had reported a redevelopment agency within the reporting entity of the City as a blended component unit.

The Bill provides that upon dissolution of a redevelopment agency, either the county or another unit of local government will agree to serve as the "successor agency" to hold the assets until they are distributed to other units of state and local government. On January 10, 2012, the City Council elected to become the Successor Agency for the former redevelopment agency in accordance with the Bill as part of City resolution number 6043. On June 27, 2012, Assembly Bill 1484 (AB 1484) was signed by the Governor into law effective immediately. AB 1484 amended provisions contained in the Bill, one of which clarified that the Successor Agency was a legal separate entity.

After enactment of the law, which occurred on June 28, 2011, redevelopment agencies in the State of California cannot enter into new projects, obligations or commitments. Subject to the control of a newly established oversight board, remaining assets can only be used to pay enforceable obligations in existence at the date of dissolution (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments).

In future fiscal years, successor agencies will only be allocated revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the former redevelopment agency until all enforceable obligations of the prior redevelopment agency have been paid in full and all assets have been liquidated.

CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2014

NOTE 13 – SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER CITY REDEVELOPMENT AGENCY

The Bill directs the State Controller of the State of California to review the propriety of any transfers of assets between redevelopment agencies and other public bodies that occurred after January 1, 2011. If the public body that received such transfers is not contractually committed to a third party for the expenditure or encumbrance of those assets, the State Controller is required to order the available assets to be transferred to the public body designated as the successor agency by the Bill.

After February 1, 2012, the assets and activities of the dissolved redevelopment agency are reported in a fiduciary fund (private-purpose trust fund) in the financial statements of the City, pending the liquidation and distribution of the assets and liabilities of the former redevelopment agency to other taxing entities in accordance with state law.

On March 25, 2013 the State Controller’s Office (SCO) issued its report regarding the review of the Housing Asset Transfer (HAT) form which included asset transfers made by the Successor Agency after January 1, 2011 to other public entities including the City. The report indicated that the transfers made by City of Woodland Redevelopment Agency’s after January 1, 2011 were allowable.

On January 1, 2014 the California Department of Finance (DOF) approved the City’s Long Range Property Management Plan which reported zero properties.

Long-Term Debt

	Original Issue Amount	Balance June 30, 2013	Additions	Retirements	Balance June 30, 2014	Current Portion
Successor Agency Trust Debt						
2007 Tax Allocation Bonds,						
3.75%-6.00%, due 12/01/34	\$ 8,975,000	7,900,000	--	(205,000)	7,695,000	215,000
Original Issue Discount	(144,873)	(101,409)	--	7,244	(94,165)	(7,244)
Loans Payable						
California Housing Finance Agency Loan 3.00%, due 9/18/13	1,000,000	1,072,303	30,415	(50,000)	1,052,718	100,000
California Housing Finance Agency Loan 3.00%, due 8/23/14	1,550,000	1,922,372	46,500	--	1,968,872	--
California Housing Finance Agency Loan 3.50%, due 5/7/17	1,250,000	1,460,476	43,750	--	1,504,226	--
Housing and Urban Development Loan 2.1%-2.6%, due 08/1/14	1,000,000	200,000	--	(100,000)	100,000	100,000
Total Business-type Activities Debt	\$ 13,630,127	12,453,742	120,665	(347,756)	12,226,651	407,756

CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2014

NOTE 13 – SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER CITY REDEVELOPMENT AGENCY (Continued)

Annual debt service requirements for the tax allocation bonds and loans payable in the aggregate are shown below:

For the Year Ending June 30,	Tax Allocation Bonds		Loans Payable	
	Principal	Interest	Principal	Interest
2015	\$ 215,000	362,003	300,000	2,595
2016	230,000	348,653	200,000	--
2017	245,000	336,459	200,000	--
2018	255,000	325,587	1,704,226	--
2019	265,000	314,212	200,000	--
2020-2024	1,530,000	1,373,783	1,052,718	--
2025-2029	1,935,000	971,738	968,872	--
2030-2034	2,455,000	448,344	--	--
2035-2038	565,000	13,772	--	--
Total	\$ 7,695,000	4,494,551	4,624,816	2,595

NOTE 14 – EXCESS OF EXPENDITURES OVER APPROPRIATIONS

For the year ended June 30, 2014, total expenditures exceeded appropriations for the following funds:

	<u>Amounts in Excess of Appropriations</u>
Major Governmental Funds:	
Home Grant	\$ 9,950
Nonmajor Governmental Funds:	
Proposition 172	28,121
Transportation	4,086
Asset Seizure	1,087
Supplemental Law Enforcement Services Grant	7,452
American Recovery and Reinvestment Act	7,611
Fire Suppression District	3,024
Off-site Affordable Housing	6,666
Lighting & Landscaping Districts	43,282
Police Grants	19,030
Housing Assistance	1,370,442
Housing Assistance Grants	7,911
Nonmajor Debt Service Funds:	
2005 Capital Projects Lease Revenue Bonds	7,859
2012 Lease refunding Bonds	3,191
2014 Lease Refunding Bonds	105,000

CITY OF WOODLAND, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2014

NOTE 15 – PRIOR PERIOD ADJUSTMENTS

The accompanying financial statements reflect certain other prior period adjustments as set forth below:

	Governmental		Home Grant	Spring	Other	
	Activities	General Fund		Late Fund	Governmental Funds	Private Purpose Trust Fund
As previously Reported	\$ 222,982,629	12,814,849	157,738	2,196,059	3,161,850	(6,742,208)
1. Notes receivable	-	-	-	-	-	454,910
2. Deposits payable	(173,285)	-	-	(173,285)	-	-
3. Cost of debt issuance	(139,853)	-	-	-	-	(309,148)
4. Compensated absences	-	100,000	-	-	-	-
5. Unavailable Revenue	-	-	11,271,670	-	15,229,207	-
As restated	<u>\$ 222,669,491</u>	<u>12,914,849</u>	<u>11,429,408</u>	<u>2,022,774</u>	<u>18,391,057</u>	<u>(6,596,446)</u>

1. During the year ended June 30, 2014, the City identified certain notes receivable which had been offset by unavailable revenue. The Private Purpose Trust Fund is accounted for on the full accrual basis of accounting, under which revenues are not subject to the availability period. The City recorded an entry to adjust unavailable revenue and net position.
2. During the year ended June 30, 2014, the City identified certain deposits payable which had either been appropriately spent on the underlying project or returned to the developers in prior years. An entry was recorded to adjust beginning deposits payable and fund balance.
3. During the year ended June 30, 2014 the City identified certain debt issuance costs which were being deferred and amortized over the life of the debt. In accordance with GASB Statement No. 63, the City appropriately removed the deferred issuances costs with an adjustment to net position.
4. Compensated absences do not represent liabilities due and payable in the current period and, therefore, are not reported in the fund financial statements.
5. The City previously recorded unavailable revenue in the governmental fund financial statements to offset all long term notes receivables. However, only receivables that will ultimately result in the recognition of revenue should be offset with unavailable revenue. As such, the Unavailable Revenue was removed through an entry to Fund Balance.

NOTE 16 – SUBSEQUENT EVENTS

In October 2014 the City entered into a State Revolving Fund Loan with the California State Water Resources Control Board for construction at the Wastewater Treatment Plant. The loan is for \$21,397,336, bears an interest rate of 1.9% and has a 30 year term.

REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF WOODLAND, CALIFORNIA
SCHEDULE OF FUNDING PROGRESS (REQUIRED SUPPLEMENTARY INFORMATION)
FOR THE YEAR ENDED JUNE 30, 2014**

Safety Pension Plan

Valuation Date	Entry Age Accrued Actuarial Liability	Value of Assets	Unfunded Accrued Actuarial Liability	Funded Ratio	Annual Covered Payroll	Unfunded Liability as % of Payroll
6/30/2011	\$ 100,029,464	77,832,229	22,197,235	77.8%	9,211,150	241.0%
6/30/2012	106,922,015	81,275,755	25,646,260	76.0%	9,546,831	268.6%
6/30/2013	112,405,025	75,048,412	37,356,613	66.8%	9,367,457	398.8%

Miscellaneous Pension Plan

Valuation Date	Entry Age Accrued Actuarial Liability	Value of Assets	Unfunded Accrued Actuarial Liability	Funded Ratio	Annual Covered Payroll	Unfunded Liability as % of Payroll
6/30/2011	\$ 91,365,313	68,295,256	23,070,057	74.7%	11,280,782	204.5%
6/30/2012	95,331,351	70,610,686	24,720,665	74.1%	10,952,917	225.7%
6/30/2013	99,385,039	64,560,350	34,824,689	65.0%	9,987,480	348.7%

Other Postemployment Benefit Plan

Valuation Date	Actuarial Accrued Liability	Value of Assets	Unfunded Accrued Actuarial Liability	Funded Ratio	Annual Covered Payroll	Unfunded Liability as % of Payroll
1/1/2009	\$ 55,792,898	--	55,792,898	0.0%	21,527,732	259.2%
1/1/2011	61,228,307	--	61,288,307	0.0%	18,434,250	332.5%
6/30/2012	51,578,218	--	51,578,218	0.0%	19,101,000	270.03%

CITY OF WOODLAND, CALIFORNIA
COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2014

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
Assets:				
Cash and investments	\$ 3,766,916	35,163	6,144,152	9,946,231
Cash and investments with fiscal agents	-	18	-	18
Receivables	1,064,213	-	601,554	1,665,767
Due from other funds	470,679	-	768,487	1,239,166
Long-term notes receivable	17,088,197	-	50,473	17,138,670
Advances to other funds	-	-	652,336	652,336
Total assets	<u>22,390,005</u>	<u>35,181</u>	<u>8,217,002</u>	<u>30,642,188</u>
Liabilities:				
Accounts payable	241,211	25,000	2,399,274	2,665,485
Deposits payable	97,934	-	-	97,934
Due to other funds	1,336,804	-	473,048	1,809,852
Unearned revenue	19,900	-	-	19,900
Advances from other funds	1,945,424	-	3,616,358	5,561,782
Total liabilities	<u>3,641,273</u>	<u>25,000</u>	<u>6,488,680</u>	<u>10,154,953</u>
Deferred inflow of resources:				
Unavailable Revenue	<u>3,009,481</u>	<u>-</u>	<u>350,629</u>	<u>3,360,110</u>
Fund balances:				
Restricted	16,529,861	10,181	1,916,923	18,456,965
Committed	1,331,501	-	5,627,082	6,958,583
Unassigned	(2,122,111)	-	(6,166,312)	(8,288,423)
Total fund balances	<u>15,739,251</u>	<u>10,181</u>	<u>1,377,693</u>	<u>17,127,125</u>
Total liabilities, deferred inflow of resources and fund balances	<u>\$ 22,390,005</u>	<u>35,181</u>	<u>8,217,002</u>	<u>30,642,188</u>

**CITY OF WOODLAND, CALIFORNIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2014**

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
REVENUES:				
Taxes	\$ 441,332	-	-	441,332
Intergovernmental	6,428,223	-	191,717	6,619,940
Charges for services	2,404,759	-	-	2,404,759
Licenses and permits	-	-	3,714,620	3,714,620
Investment earnings	5,027	54	10,324	15,405
Miscellaneous	166,282	-	145,803	312,085
Total revenues	<u>9,445,623</u>	<u>54</u>	<u>4,062,464</u>	<u>13,508,141</u>
EXPENDITURES:				
Current:				
General government	-	-	59,216	59,216
Finance	35,823	-	189,835	225,658
Community development	3,714,669	-	1,149,893	4,864,562
Parks and recreation	1,308,501	-	18,760	1,327,261
Police	421,577	-	97,339	518,916
Fire	216,317	-	-	216,317
Library	110,209	-	70,409	180,618
Public works	4,246,524	-	3,032,607	7,279,131
Debt service:				
Principal	-	2,713,220	59,708	2,772,928
Interest	-	2,119,331	5,286	2,124,617
Bond issuance costs and fiscal agent fees	-	105,000	-	105,000
Total expenditures	<u>10,053,620</u>	<u>4,937,551</u>	<u>4,683,053</u>	<u>19,674,224</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(607,997)</u>	<u>(4,937,497)</u>	<u>(620,589)</u>	<u>(6,166,083)</u>
OTHER FINANCING SOURCES (USES):				
Bonds issued for refunding debt	-	15,484,056	-	15,484,056
Payment to refunded bond escrow agent	-	(42,157,043)	-	(42,157,043)
Transfers in	295,971	43,897,534	5,327,986	49,521,491
Transfers out	(46,667)	(15,664,047)	(2,235,639)	(17,946,353)
Total other financing sources (uses)	<u>249,304</u>	<u>1,560,500</u>	<u>3,092,347</u>	<u>4,902,151</u>
Net change in fund balances	(358,693)	(3,376,997)	2,471,758	(1,263,932)
Fund balances (deficits), beginning of year as restated	<u>16,097,944</u>	<u>3,387,178</u>	<u>(1,094,065)</u>	<u>18,391,057</u>
Fund balances, end of year	<u>\$ 15,739,251</u>	<u>10,181</u>	<u>1,377,693</u>	<u>17,127,125</u>

**CITY OF WOODLAND, CALIFORNIA
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2014**

	Special Needs Assistance Grant	Transit	Proposition 172	Transportation	Literacy Grant	Special Transportation
Assets:						
Cash and investments	\$ -	444,631	175,736	-	25	-
Receivables	16,171	123,618	69,480	190,586	-	519,716
Due from other funds	-	-	-	-	-	-
Long-term notes receivable	-	-	-	-	-	-
Total assets	<u>16,171</u>	<u>568,249</u>	<u>245,216</u>	<u>190,586</u>	<u>25</u>	<u>519,716</u>
Liabilities:						
Accounts payable	-	-	-	8,051	6,547	21,577
Due to other funds	31,754	-	-	391,174	79,505	768,487
Deposits payable	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-
Advances from other funds	-	-	-	-	-	-
Total liabilities	<u>31,754</u>	<u>-</u>	<u>-</u>	<u>399,225</u>	<u>86,052</u>	<u>790,064</u>
Deferred inflow of resources:						
Unavailable revenue	<u>-</u>	<u>123,618</u>	<u>-</u>	<u>183,825</u>	<u>-</u>	<u>-</u>
Fund balances (deficits):						
Restricted	-	444,631	245,216	-	-	-
Committed	-	-	-	-	-	-
Unassigned	(15,583)	-	-	(392,464)	(86,027)	(270,348)
Total fund balance (deficit)	<u>(15,583)</u>	<u>444,631</u>	<u>245,216</u>	<u>(392,464)</u>	<u>(86,027)</u>	<u>(270,348)</u>
Total liabilities, deferred inflow of resources, and fund balances (deficits)	<u>\$ 16,171</u>	<u>568,249</u>	<u>245,216</u>	<u>190,586</u>	<u>25</u>	<u>519,716</u>

Gas Tax	Asset Seizure	Supplemental Law Enforcement Services Grant	American Recovery & Reinvestment Act	State Library Programs	Cemetery Endowment	Spring Lake Sports Park Maintenance CFD	Fire Suppression District	Off-Site Affordable Housing	Workforce Housing Grants
349,830	85,361	40,271	-	112,613	145,694	-	-	423,171	96,590
23,628	-	8,127	-	-	-	14,287	3,950	-	-
391,174	-	-	-	79,505	-	-	-	-	-
-	-	-	-	-	-	-	-	924,632	35,381
<u>764,632</u>	<u>85,361</u>	<u>48,398</u>	<u>-</u>	<u>192,118</u>	<u>145,694</u>	<u>14,287</u>	<u>3,950</u>	<u>1,347,803</u>	<u>131,971</u>
28,089	14,257	-	-	9,147	-	16,954	-	1,667	-
-	-	-	37,508	-	-	28,376	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
652,336	-	-	-	-	-	-	1,293,088	-	-
<u>680,425</u>	<u>14,257</u>	<u>-</u>	<u>37,508</u>	<u>9,147</u>	<u>-</u>	<u>45,330</u>	<u>1,293,088</u>	<u>1,667</u>	<u>-</u>
-	-	-	-	-	-	-	-	14,635	4,381
84,207	71,104	48,398	-	182,971	145,694	-	-	-	127,590
-	-	-	-	-	-	-	-	1,331,501	-
-	-	-	(37,508)	-	-	(31,043)	(1,289,138)	-	-
<u>84,207</u>	<u>71,104</u>	<u>48,398</u>	<u>(37,508)</u>	<u>182,971</u>	<u>145,694</u>	<u>(31,043)</u>	<u>(1,289,138)</u>	<u>1,331,501</u>	<u>127,590</u>
<u>764,632</u>	<u>85,361</u>	<u>48,398</u>	<u>-</u>	<u>192,118</u>	<u>145,694</u>	<u>14,287</u>	<u>3,950</u>	<u>1,347,803</u>	<u>131,971</u>

(Continued)

**CITY OF WOODLAND, CALIFORNIA
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
JUNE 30, 2014**

	Lighting & Landscaping Districts	Community Development Block Grant	Police Grants	Staffing for Adequate Fire and Emergency Response Grant	Housing Assistance	Housing Assistance Grants	Environmental Compliance	Total Nonmajor Special Revenue Funds
Assets:								
Cash and investments	1,198,665	250,636	696	20,571	63,018	108,197	251,211	3,766,916
Receivables	71,908	-	4,693	-	-	-	18,049	1,064,213
Due from other funds	-	-	-	-	-	-	-	470,679
Long-term notes receivable	-	4,591,408	-	-	3,240,837	8,295,939	-	17,088,197
Total assets	<u>1,270,573</u>	<u>4,842,044</u>	<u>5,389</u>	<u>20,571</u>	<u>3,303,855</u>	<u>8,404,136</u>	<u>269,260</u>	<u>22,390,005</u>
Liabilities:								
Accounts payable	44,453	69,165	-	-	-	-	21,304	241,211
Due to other funds	-	-	-	-	-	-	-	1,336,804
Deposits payable	-	-	-	-	-	97,934	-	97,934
Unearned revenue	-	19,900	-	-	-	-	-	19,900
Advances from other funds	-	-	-	-	-	-	-	1,945,424
Total liabilities	<u>44,453</u>	<u>89,065</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>97,934</u>	<u>21,304</u>	<u>3,641,273</u>
Deferred inflow of resources:								
Unavailable revenue	-	1,334,807	-	-	1,062,469	285,746	-	3,009,481
Fund balances (deficits):								
Restricted	1,226,120	3,418,172	5,389	20,571	2,241,386	8,020,456	247,956	16,529,861
Committed	-	-	-	-	-	-	-	1,331,501
Unassigned	-	-	-	-	-	-	-	(2,122,111)
Total fund balances (deficits)	<u>1,226,120</u>	<u>3,418,172</u>	<u>5,389</u>	<u>20,571</u>	<u>2,241,386</u>	<u>8,020,456</u>	<u>247,956</u>	<u>15,739,251</u>
Total liabilities, deferred inflow of resources, and fund balances (deficits)	<u>1,270,573</u>	<u>4,842,044</u>	<u>5,389</u>	<u>20,571</u>	<u>3,303,855</u>	<u>8,404,136</u>	<u>269,260</u>	<u>22,390,005</u>

**CITY OF WOODLAND, CALIFORNIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2014**

	Special Needs Assistance Grant	Transit	Proposition 172	Transportation	Literacy Grant	Special Transportation
REVENUES:						
Taxes	\$ -	-	441,332	-	-	-
Intergovernmental	81,234	1,474,441	-	1,350,237	79,115	1,089,756
Charges for services	-	-	-	-	-	-
Investment earnings	94	311	130	-	-	-
Miscellaneous	-	-	-	8,761	500	46,338
Total revenues	<u>81,328</u>	<u>1,474,752</u>	<u>441,462</u>	<u>1,358,998</u>	<u>79,615</u>	<u>1,136,094</u>
EXPENDITURES:						
Current:						
Finance	-	-	-	-	-	-
Community development	111,243	1,281,405	-	95,666	-	427,410
Parks and recreation	-	-	-	-	-	-
Police	-	-	263,184	-	-	-
Fire	-	-	216,317	-	-	-
Library	-	-	-	-	83,835	-
Public works	-	-	-	1,429,179	-	798,119
Total expenditures	<u>111,243</u>	<u>1,281,405</u>	<u>479,501</u>	<u>1,524,845</u>	<u>83,835</u>	<u>1,225,529</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(29,915)</u>	<u>193,347</u>	<u>(38,039)</u>	<u>(165,847)</u>	<u>(4,220)</u>	<u>(89,435)</u>
OTHER FINANCING SOURCES (USES):						
Transfers in	-	-	-	38,471	7,500	-
Transfers out	-	(38,471)	-	(4,098)	-	-
Total other financing sources (uses)	<u>-</u>	<u>(38,471)</u>	<u>-</u>	<u>34,373</u>	<u>7,500</u>	<u>-</u>
Net change in fund balances	(29,915)	154,876	(38,039)	(131,474)	3,280	(89,435)
Fund balances (deficits), beginning of year, (as restated)	14,332	289,755	283,255	(260,990)	(89,307)	(180,913)
Fund balances (deficits), end of year	<u>\$ (15,583)</u>	<u>444,631</u>	<u>245,216</u>	<u>(392,464)</u>	<u>(86,027)</u>	<u>(270,348)</u>

Gas Tax	Asset Seizure	Supplemental Law Enforcement Services Grant	American Recovery & Reinvestment Act	State Library Programs	Cemetery Endowment	Spring Lake Sports Park Maintenance CFD	Fire Suppression District	Off-Site Affordable Housing	Workforce Housing Grants
-	-	-	-	-	-	-	-	-	-
1,739,235	-	111,812	-	-	-	-	-	-	-
-	17,264	-	-	-	12,296	309,991	228,426	173,644	-
-	63	30	-	142	107	-	-	312	71
15,813	-	-	-	4,356	-	-	-	-	-
<u>1,755,048</u>	<u>17,327</u>	<u>111,842</u>	<u>-</u>	<u>4,498</u>	<u>12,403</u>	<u>309,991</u>	<u>228,426</u>	<u>173,956</u>	<u>71</u>
-	-	-	-	-	-	4,642	6,524	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	307,169	-	6,666	-
-	10,418	128,945	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	26,374	-	-	-	-	-
1,260,411	-	-	7,611	-	-	131	-	-	-
<u>1,260,411</u>	<u>10,418</u>	<u>128,945</u>	<u>7,611</u>	<u>26,374</u>	<u>-</u>	<u>311,942</u>	<u>6,524</u>	<u>6,666</u>	<u>-</u>
494,637	6,909	(17,103)	(7,611)	(21,876)	12,403	(1,951)	221,902	167,290	71
-	-	-	-	-	-	-	-	-	-
(4,098)	-	-	-	-	-	-	-	-	-
<u>(4,098)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
490,539	6,909	(17,103)	(7,611)	(21,876)	12,403	(1,951)	221,902	167,290	71
(406,332)	64,195	65,501	(29,897)	204,847	133,291	(29,092)	(1,511,040)	1,164,211	127,519
<u>84,207</u>	<u>71,104</u>	<u>48,398</u>	<u>(37,508)</u>	<u>182,971</u>	<u>145,694</u>	<u>(31,043)</u>	<u>(1,289,138)</u>	<u>1,331,501</u>	<u>127,590</u>

(Continued)

**CITY OF WOODLAND, CALIFORNIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
YEAR ENDED JUNE 30, 2014**

	Lighting & Landscaping Districts	Community Development Block Grant	Police Grants	Staffing for Adequate Fire and Emergency Response Grant	Housing Assistance	Housing Assistance Grants	Environmental Compliance	Total Nonmajor Special Revenue Funds
REVENUES:								
Taxes	-	-	-	-	-	-	-	441,332
Intergovernmental	-	483,614	18,779	-	-	-	-	6,428,223
Charges for services	1,462,505	-	-	-	-	-	200,633	2,404,759
Investment earnings	885	2,756	-	-	46	80	-	5,027
Miscellaneous	-	62,094	-	-	28,420	-	-	166,282
Total revenues	<u>1,463,390</u>	<u>548,464</u>	<u>18,779</u>	<u>-</u>	<u>28,466</u>	<u>80</u>	<u>200,633</u>	<u>9,445,623</u>
EXPENDITURES:								
Current:								
Finance	24,657	-	-	-	-	-	-	35,823
Community development	-	412,892	-	-	1,378,142	7,911	-	3,714,669
Parks and recreation	994,666	-	-	-	-	-	-	1,308,501
Police	-	-	19,030	-	-	-	-	421,577
Fire	-	-	-	-	-	-	-	216,317
Library	-	-	-	-	-	-	-	110,209
Public works	548,396	-	-	-	-	-	202,677	4,246,524
Total expenditures	<u>1,567,719</u>	<u>412,892</u>	<u>19,030</u>	<u>-</u>	<u>1,378,142</u>	<u>7,911</u>	<u>202,677</u>	<u>10,053,620</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(104,329)</u>	<u>135,572</u>	<u>(251)</u>	<u>-</u>	<u>(1,349,676)</u>	<u>(7,831)</u>	<u>(2,044)</u>	<u>(607,997)</u>
OTHER FINANCING SOURCES (USES):								
Transfers in	-	-	-	-	-	-	250,000	295,971
Transfers out	-	-	-	-	-	-	-	(46,667)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>250,000</u>	<u>249,304</u>
Net change in fund balances	<u>(104,329)</u>	<u>135,572</u>	<u>(251)</u>	<u>-</u>	<u>(1,349,676)</u>	<u>(7,831)</u>	<u>247,956</u>	<u>(358,693)</u>
Fund balances (deficits), beginning of year, (as restated)	<u>1,330,449</u>	<u>3,282,600</u>	<u>5,640</u>	<u>20,571</u>	<u>3,591,062</u>	<u>8,028,287</u>	<u>-</u>	<u>16,097,944</u>
Fund balances (deficits), end of year	<u><u>1,226,120</u></u>	<u><u>3,418,172</u></u>	<u><u>5,389</u></u>	<u><u>20,571</u></u>	<u><u>2,241,386</u></u>	<u><u>8,020,456</u></u>	<u><u>247,956</u></u>	<u><u>15,739,251</u></u>

**CITY OF WOODLAND, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SPECIAL NEEDS ASSISTANCE GRANT SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2014**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Intergovernmental	\$ 173,228	173,228	81,234	(91,994)
Investment earnings	-	-	94	94
Total revenues	<u>173,228</u>	<u>173,228</u>	<u>81,328</u>	<u>(91,900)</u>
EXPENDITURES:				
Current:				
Community development	<u>250,871</u>	<u>250,871</u>	<u>111,243</u>	<u>139,628</u>
Total expenditures	<u>250,871</u>	<u>250,871</u>	<u>111,243</u>	<u>139,628</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(77,643)</u>	<u>(77,643)</u>	<u>(29,915)</u>	<u>47,728</u>
Net change in fund balances	<u><u>\$ (77,643)</u></u>	<u><u>(77,643)</u></u>	<u>(29,915)</u>	<u><u>47,728</u></u>
Fund balances, beginning of year			<u>14,332</u>	
Fund balances (deficits), end of year			<u><u>\$ (15,583)</u></u>	

**CITY OF WOODLAND, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
TRANSIT SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2014**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Intergovernmental	\$ 1,459,426	1,459,426	1,474,441	15,015
Investment earnings	-	-	311	311
Total revenues	<u>1,459,426</u>	<u>1,459,426</u>	<u>1,474,752</u>	<u>15,326</u>
EXPENDITURES:				
Current:				
Community development	<u>1,436,451</u>	<u>1,436,451</u>	<u>1,281,405</u>	<u>155,046</u>
Total expenditures	<u>1,436,451</u>	<u>1,436,451</u>	<u>1,281,405</u>	<u>155,046</u>
Excess (deficiency) of revenues over (under) expenditures	<u>22,975</u>	<u>22,975</u>	<u>193,347</u>	<u>170,372</u>
Net change in fund balances	<u>\$ 22,975</u>	<u>22,975</u>	154,876	<u>131,901</u>
Fund balances, beginning of year			<u>289,755</u>	
Fund balances, end of year			<u>\$ 444,631</u>	

**CITY OF WOODLAND, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
PROPOSITION 172 SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2014**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Taxes	\$ 400,000	400,000	441,332	41,332
Investment earnings	500	500	130	(370)
Total revenues	<u>400,500</u>	<u>400,500</u>	<u>441,462</u>	<u>40,962</u>
EXPENDITURES:				
Current:				
Police	230,276	230,276	263,184	(32,908)
Fire	221,104	221,104	216,317	4,787
Total expenditures	<u>451,380</u>	<u>451,380</u>	<u>479,501</u>	<u>(28,121)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(50,880)</u>	<u>(50,880)</u>	<u>(38,039)</u>	<u>12,841</u>
Net change in fund balances	<u>\$ (50,880)</u>	<u>(50,880)</u>	<u>(38,039)</u>	<u>12,841</u>
Fund balances, beginning of year			<u>283,255</u>	
Fund balances, end of year			<u>\$ 245,216</u>	

**CITY OF WOODLAND, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
TRANSPORTATION SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2014**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	1,534,063	1,534,063	1,350,237	(183,826)
Miscellaneous	2,500	2,500	8,761	6,261
Total revenues	<u>1,536,563</u>	<u>1,536,563</u>	<u>1,358,998</u>	<u>(177,565)</u>
EXPENDITURES:				
Current:				
Community development	103,930	103,930	95,666	8,264
Public works	1,416,829	1,416,829	1,429,179	(12,350)
Total expenditures	<u>1,520,759</u>	<u>1,520,759</u>	<u>1,524,845</u>	<u>(4,086)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>15,804</u>	<u>15,804</u>	<u>(165,847)</u>	<u>(181,651)</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	400,000	400,000	38,471	(361,529)
Transfers out	(4,098)	(4,098)	(4,098)	-
Total other financing sources (uses)	<u>395,902</u>	<u>395,902</u>	<u>34,373</u>	<u>(361,529)</u>
Net change in fund balances	<u>\$ 411,706</u>	<u>411,706</u>	(131,474)	<u>(543,180)</u>
Fund balances (deficits), beginning of year			<u>(260,990)</u>	
Fund balances (deficits), end of year			<u>\$ (392,464)</u>	

**CITY OF WOODLAND, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
LITERACY GRANT SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2014**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Intergovernmental	\$ 71,500	71,500	79,115	7,615
Miscellaneous	10,000	10,000	500	(9,500)
Total revenues	<u>81,500</u>	<u>81,500</u>	<u>79,615</u>	<u>(1,885)</u>
EXPENDITURES:				
Current:				
Library	<u>180,522</u>	<u>180,522</u>	<u>83,835</u>	<u>96,687</u>
Total expenditures	<u>180,522</u>	<u>180,522</u>	<u>83,835</u>	<u>96,687</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(99,022)</u>	<u>(99,022)</u>	<u>(4,220)</u>	<u>94,802</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	17,500	17,500	7,500	(10,000)
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>17,500</u>	<u>17,500</u>	<u>7,500</u>	<u>(10,000)</u>
Net change in fund balances	<u>\$ (81,522)</u>	<u>(81,522)</u>	3,280	<u>84,802</u>
Fund balances (deficits), beginning of year			<u>(89,307)</u>	
Fund balances (deficits), end of year			<u>\$ (86,027)</u>	

**CITY OF WOODLAND, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SPECIAL TRANSPORTATION SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2014**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Intergovernmental	\$ 2,550,000	2,550,000	1,089,756	(1,460,244)
Miscellaneous	-	-	46,338	46,338
Total revenues	<u>2,550,000</u>	<u>2,550,000</u>	<u>1,136,094</u>	<u>(1,413,906)</u>
EXPENDITURES:				
Current:				
Community development	2,250,000	2,250,000	427,410	1,822,590
Public works	2,000,000	2,000,000	798,119	1,201,881
Total expenditures	<u>4,250,000</u>	<u>4,250,000</u>	<u>1,225,529</u>	<u>3,024,471</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,700,000)</u>	<u>(1,700,000)</u>	<u>(89,435)</u>	<u>1,610,565</u>
Net change in fund balances	<u>\$ (1,700,000)</u>	<u>(1,700,000)</u>	<u>(89,435)</u>	<u>1,610,565</u>
Fund balances (deficits), beginning of year			<u>(180,913)</u>	
Fund balances (deficits), end of year			<u>\$ (270,348)</u>	

**CITY OF WOODLAND, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GAS TAX SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2014**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Intergovernmental	\$ 1,504,465	1,504,465	1,739,235	234,770
Miscellaneous	14,500	14,500	15,813	1,313
Total revenues	<u>1,518,965</u>	<u>1,518,965</u>	<u>1,755,048</u>	<u>236,083</u>
EXPENDITURES:				
Current:				
Public works	<u>1,313,748</u>	<u>1,313,748</u>	<u>1,260,411</u>	<u>53,337</u>
Total expenditures	<u>1,313,748</u>	<u>1,313,748</u>	<u>1,260,411</u>	<u>53,337</u>
Excess (deficiency) of revenues over (under) expenditures	<u>205,217</u>	<u>205,217</u>	<u>494,637</u>	<u>289,420</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	<u>(4,098)</u>	<u>(4,098)</u>	<u>(4,098)</u>	<u>-</u>
Total other financing sources (uses)	<u>(4,098)</u>	<u>(4,098)</u>	<u>(4,098)</u>	<u>-</u>
Net change in fund balances	<u>\$ 201,119</u>	<u>201,119</u>	490,539	<u>289,420</u>
Fund balances (deficits), beginning of year			<u>(406,332)</u>	
Fund balances, end of year			<u>\$ 84,207</u>	

**CITY OF WOODLAND, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ASSET SEIZURE SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2014**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Charges for services	\$ 5,000	5,000	17,264	12,264
Investment earnings	100	100	63	(37)
Total revenues	<u>5,100</u>	<u>5,100</u>	<u>17,327</u>	<u>12,227</u>
EXPENDITURES:				
Current:				
Police	<u>9,331</u>	<u>9,331</u>	<u>10,418</u>	<u>(1,087)</u>
Total expenditures	<u>9,331</u>	<u>9,331</u>	<u>10,418</u>	<u>(1,087)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,231)</u>	<u>(4,231)</u>	<u>6,909</u>	<u>11,140</u>
Net change in fund balances	<u><u>\$ (4,231)</u></u>	<u><u>(4,231)</u></u>	<u>6,909</u>	<u><u>11,140</u></u>
Fund balances, beginning of year			<u>64,195</u>	
Fund balances, end of year			<u><u>\$ 71,104</u></u>	

**CITY OF WOODLAND, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SUPPLEMENTAL LAW ENFORCEMENT SERVICES GRANT SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2014**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Intergovernmental	\$ 117,642	117,642	111,812	(5,830)
Investment earnings	-	-	30	30
Total revenues	<u>117,642</u>	<u>117,642</u>	<u>111,842</u>	<u>(5,800)</u>
EXPENDITURES:				
Current:				
Police	<u>121,493</u>	<u>121,493</u>	<u>128,945</u>	<u>(7,452)</u>
Total expenditures	<u>121,493</u>	<u>121,493</u>	<u>128,945</u>	<u>(7,452)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,851)</u>	<u>(3,851)</u>	<u>(17,103)</u>	<u>(13,252)</u>
Net change in fund balances	<u><u>\$ (3,851)</u></u>	<u><u>(3,851)</u></u>	<u>(17,103)</u>	<u><u>(13,252)</u></u>
Fund balances, beginning of year			<u>65,501</u>	
Fund balances, end of year			<u><u>\$ 48,398</u></u>	

**CITY OF WOODLAND, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
AMERICAN RECOVERY AND REINVESTMENT ACT SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2014**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
EXPENDITURES:				
Current:				
Public works	\$ -	-	7,611	(7,611)
Total expenditures	<u>-</u>	<u>-</u>	<u>7,611</u>	<u>(7,611)</u>
Net change in fund balances	<u>\$ -</u>	<u>-</u>	(7,611)	<u>(7,611)</u>
Fund balances (deficits), beginning of year			<u>(29,897)</u>	
Fund balances (deficits), end of year			<u>\$ (37,508)</u>	

**CITY OF WOODLAND, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
STATE LIBRARY PROGRAMS SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2014**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Investment earnings	\$ 199	199	142	(57)
Miscellaneous	1,839	1,839	4,356	2,517
Total revenues	<u>2,038</u>	<u>2,038</u>	<u>4,498</u>	<u>2,460</u>
EXPENDITURES:				
Current:				
Library	<u>38,857</u>	<u>38,857</u>	<u>26,374</u>	<u>12,483</u>
Total expenditures	<u>38,857</u>	<u>38,857</u>	<u>26,374</u>	<u>12,483</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(36,819)</u>	<u>(36,819)</u>	<u>(21,876)</u>	<u>14,943</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	<u>10,000</u>	<u>10,000</u>	-	<u>(10,000)</u>
Total other financing sources (uses)	<u>10,000</u>	<u>10,000</u>	<u>-</u>	<u>(10,000)</u>
Net change in fund balances	<u>\$ (26,819)</u>	<u>(26,819)</u>	<u>(21,876)</u>	<u>4,943</u>
Fund balances, beginning of year			<u>204,847</u>	
Fund balances, end of year			<u>\$ 182,971</u>	

**CITY OF WOODLAND, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CEMETERY ENDOWMENT SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2014**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Charges for services	\$ 13,249	13,249	12,296	(953)
Investment earnings	1,000	1,000	107	(893)
Total revenues	<u>14,249</u>	<u>14,249</u>	<u>12,403</u>	<u>(1,846)</u>
Net change in fund balances	<u>\$ 14,249</u>	<u>14,249</u>	12,403	<u>(1,846)</u>
Fund balances, beginning of year			<u>133,291</u>	
Fund balances, end of year			<u>\$ 145,694</u>	

**CITY OF WOODLAND, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SPRING LAKE SPORTS PARK MAINTENANCE CFD SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2014**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Charges for services	\$ 176,800	176,800	309,991	133,191
Total revenues	<u>176,800</u>	<u>176,800</u>	<u>309,991</u>	<u>133,191</u>
EXPENDITURES:				
Current:				
Finance	12,000	12,000	4,642	7,358
Parks and recreation	307,718	307,718	307,169	549
Public works	-	-	131	(131)
Total expenditures	<u>319,718</u>	<u>319,718</u>	<u>311,942</u>	<u>7,776</u>
Net change in fund balances	<u>\$ (142,918)</u>	<u>(142,918)</u>	(1,951)	<u>140,967</u>
Fund balances (deficits), beginning of year			<u>(29,092)</u>	
Fund balances (deficits), end of year			<u>\$ (31,043)</u>	

**CITY OF WOODLAND, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FIRE SUPPRESSION DISTRICT SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2014**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Charges for services	\$ 66,000	66,000	228,426	162,426
Total revenues	<u>66,000</u>	<u>66,000</u>	<u>228,426</u>	<u>162,426</u>
EXPENDITURES:				
Current:				
Finance	3,500	3,500	6,524	(3,024)
Total expenditures	<u>3,500</u>	<u>3,500</u>	<u>6,524</u>	<u>(3,024)</u>
Net change in fund balances	<u>\$ 62,500</u>	<u>62,500</u>	221,902	<u>159,402</u>
Fund balances (deficits), beginning of year			<u>(1,511,040)</u>	
Fund balances (deficits), end of year			<u>\$ (1,289,138)</u>	

**CITY OF WOODLAND, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
OFF-SITE AFFORDABLE HOUSING SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2014**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Charges for services	\$ -	-	173,644	173,644
Investment earnings	2,499	2,499	312	(2,187)
Total revenues	<u>2,499</u>	<u>2,499</u>	<u>173,956</u>	<u>171,457</u>
EXPENDITURES:				
Current:				
Community development	-	-	-	-
Parks and recreation	-	-	6,666	(6,666)
Total expenditures	<u>-</u>	<u>-</u>	<u>6,666</u>	<u>(6,666)</u>
Net change in fund balances	<u>\$ 2,499</u>	<u>2,499</u>	167,290	<u>164,791</u>
Fund balances, beginning of year			<u>1,164,211</u>	
Fund balances, end of year			<u>\$ 1,331,501</u>	

**CITY OF WOODLAND, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
WORKFORCE HOUSING GRANTS SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2014**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Investment earnings	\$ -	-	71	71
Total revenues	<u>-</u>	<u>-</u>	<u>71</u>	<u>71</u>
 Net change in fund balances	 <u>\$ -</u>	 <u>-</u>	 71	 <u>71</u>
 Fund balances, beginning of year			 <u>127,519</u>	
 Fund balances, end of year			 <u>\$ 127,590</u>	

**CITY OF WOODLAND, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
LIGHTING & LANDSCAPING DISTRICTS SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2014**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Charges for services	\$ 1,447,093	1,447,093	1,462,505	15,412
Investment earnings	3,478	3,478	885	(2,593)
Total revenues	<u>1,450,571</u>	<u>1,450,571</u>	<u>1,463,390</u>	<u>12,819</u>
EXPENDITURES:				
Current:				
Finance	33,053	33,053	24,657	8,396
Parks and recreation	993,212	993,212	994,666	(1,454)
Public works	498,172	498,172	548,396	(50,224)
Total expenditures	<u>1,524,437</u>	<u>1,524,437</u>	<u>1,567,719</u>	<u>(43,282)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(73,866)</u>	<u>(73,866)</u>	<u>(104,329)</u>	<u>(30,463)</u>
Net change in fund balances	<u>\$ (73,866)</u>	<u>(73,866)</u>	<u>(104,329)</u>	<u>(30,463)</u>
Fund balances, beginning of year			<u>1,330,449</u>	
Fund balances, end of year			<u>\$ 1,226,120</u>	

CITY OF WOODLAND, CALIFORNIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL -
COMMUNITY DEVELOPMENT BLOCK GRANT SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Intergovernmental	\$ 407,571	407,571	483,614	76,043
Investment earnings	2,535	2,535	2,756	221
Miscellaneous	57,605	57,605	62,094	4,489
Total revenues	<u>467,711</u>	<u>467,711</u>	<u>548,464</u>	<u>80,753</u>
EXPENDITURES:				
Current:				
Community development	732,127	732,127	412,892	319,235
Total expenditures	<u>732,127</u>	<u>732,127</u>	<u>412,892</u>	<u>319,235</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(264,416)</u>	<u>(264,416)</u>	<u>135,572</u>	<u>399,988</u>
Net change in fund balances	<u>\$ (264,416)</u>	<u>(264,416)</u>	<u>135,572</u>	<u>399,988</u>
Fund balances, beginning of year			<u>3,282,600</u>	
Fund balances, end of year			<u>\$ 3,418,172</u>	

**CITY OF WOODLAND, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
POLICE GRANTS SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2014**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Intergovernmental	\$ -	-	18,779	18,779
Total revenues	<u>-</u>	<u>-</u>	<u>18,779</u>	<u>18,779</u>
EXPENDITURES:				
Current:				
Police	-	-	19,030	(19,030)
Total expenditures	<u>-</u>	<u>-</u>	<u>19,030</u>	<u>(19,030)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>(251)</u>	<u>(251)</u>
Net change in fund balances	<u>\$ -</u>	<u>-</u>	<u>(251)</u>	<u>(251)</u>
Fund balances, beginning of year			<u>5,640</u>	
Fund balances, end of year			<u>\$ 5,389</u>	

**CITY OF WOODLAND, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
HOUSING ASSISTANCE SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2014**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Investment earnings	\$ -	-	46	46
Miscellaneous	-	-	28,420	28,420
Total revenues	<u>-</u>	<u>-</u>	<u>28,466</u>	<u>28,466</u>
EXPENDITURES:				
Current:				
Community development	<u>7,700</u>	<u>7,700</u>	<u>1,378,142</u>	<u>(1,370,442)</u>
Total expenditures	<u>7,700</u>	<u>7,700</u>	<u>1,378,142</u>	<u>(1,370,442)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(7,700)</u>	<u>(7,700)</u>	<u>(1,349,676)</u>	<u>(1,341,976)</u>
Net change in fund balances	<u>\$ (7,700)</u>	<u>(7,700)</u>	<u>(1,349,676)</u>	<u>(1,341,976)</u>
Fund balances, beginning of year			<u>3,591,062</u>	
Fund balances, end of year			<u>\$ 2,241,386</u>	

**CITY OF WOODLAND, CALIFORNIA
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
HOUSING ASSISTANCE GRANTS SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2014**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 14,057	14,057	-	(14,057)
Investment earnings	-	-	80	80
Miscellaneous	3,198	3,198	-	(3,198)
Total revenues	<u>17,255</u>	<u>17,255</u>	<u>80</u>	<u>(17,175)</u>
Expenditures:				
Current:				
Community development	-	-	7,911	(7,911)
Total expenditures	<u>-</u>	<u>-</u>	<u>7,911</u>	<u>(7,911)</u>
Deficiency of revenues under expenditures	17,255	17,255	(7,831)	(25,086)
Net change in fund balance	<u>\$ 17,255</u>	<u>17,255</u>	(7,831)	<u>(25,086)</u>
Fund balance, beginning of year			<u>8,028,287</u>	
Fund balance, end of year			<u>\$8,020,456</u>	

**CITY OF WOODLAND, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ENVIRONMENTAL COMPLIANCE SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2014**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Charges for services	\$ -	-	200,633	200,633
Total revenues	<u>-</u>	<u>-</u>	<u>200,633</u>	<u>200,633</u>
EXPENDITURES:				
Current:				
Public works	424,855	424,855	202,677	222,178
Total expenditures	<u>424,855</u>	<u>424,855</u>	<u>202,677</u>	<u>222,178</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(424,855)</u>	<u>(424,855)</u>	<u>(2,044)</u>	<u>422,811</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	250,000	250,000	250,000	-
Total other financing sources (uses)	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>	<u>-</u>
Net change in fund balances	<u>\$ (174,855)</u>	<u>(174,855)</u>	247,956	<u>422,811</u>
Fund balances, beginning of year			<u>-</u>	
Fund balances, end of year			<u>\$ 247,956</u>	

**CITY OF WOODLAND, CALIFORNIA
 COMBINING BALANCE SHEET
 NONMAJOR DEBT SERVICE FUNDS
 JUNE 30, 2014**

	2002 Lease Revenue Bonds	2005 Capital Projects Lease Revenue Bonds	2005 Wastewater Treatment Plant Revenue Bonds	2012 Lease Refunding Bonds	2014 Lease Refunding Bonds	Total Nonmajor Debt Service Funds
ASSETS						
Cash and investments	\$ -	-	-	1,815	33,348	35,163
Cash and investments with fiscal agents	-	-	-	-	18	18
Total assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,815</u>	<u>33,366</u>	<u>35,181</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	-	-	-	-	25,000	25,000
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,000</u>	<u>25,000</u>
Fund balances:						
Restricted	-	-	-	1,815	8,366	10,181
Total fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,815</u>	<u>8,366</u>	<u>10,181</u>
Total liabilities and fund balances	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>1,815</u>	<u>33,366</u>	<u>35,181</u>

**CITY OF WOODLAND, CALIFORNIA
 COMBINING STATEMENT OF REVENUES,
 EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR DEBT SERVICE FUNDS
 YEAR ENDED JUNE 30, 2014**

	2002 Lease Revenue Bonds	2005 Capital Projects Lease Revenue Bonds	2005 Wastewater Treatment Plant Revenue Bonds	2012 Lease Refunding Bonds	2014 Lease Refunding Bonds	Total Nonmajor Debt Service Funds
REVENUES:						
Investment earnings	\$ 4	6	-	1	43	54
Total Revenues	<u>4</u>	<u>6</u>	<u>-</u>	<u>1</u>	<u>43</u>	<u>54</u>
EXPENDITURES:						
Debt service:						
Principal	660,000	930,000	145,520	977,700	-	2,713,220
Interest	961,076	714,040	362,212	82,003	-	2,119,331
Bond issuance costs and fiscal agent fees	-	-	-	-	105,000	105,000
Total expenditures	<u>1,621,076</u>	<u>1,644,040</u>	<u>507,732</u>	<u>1,059,703</u>	<u>105,000</u>	<u>4,937,551</u>
Deficiency of revenues under expenditures	<u>(1,621,072)</u>	<u>(1,644,034)</u>	<u>(507,732)</u>	<u>(1,059,702)</u>	<u>(104,957)</u>	<u>(4,937,497)</u>
OTHER FINANCING SOURCES:						
Bonds issued for refunding debt	-	-	-	-	15,484,056	15,484,056
Payment to refunded bond escrow agent	(19,181,167)	(15,370,733)	(7,605,143)	-	-	(42,157,043)
Transfers in	19,670,735	15,370,733	7,794,549	1,061,517	-	43,897,534
Transfers out	-	(293,314)	-	-	(15,370,733)	(15,664,047)
Total other financing sources (uses)	<u>489,568</u>	<u>(293,314)</u>	<u>189,406</u>	<u>1,061,517</u>	<u>113,323</u>	<u>1,560,500</u>
Net change in fund balance	(1,131,504)	(1,937,348)	(318,326)	1,815	8,366	(3,376,997)
Fund balance, beginning of year	<u>1,131,504</u>	<u>1,937,348</u>	<u>318,326</u>	<u>-</u>	<u>-</u>	<u>3,387,178</u>
Fund balance, end of year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>1,815</u>	<u>8,366</u>	<u>10,181</u>

**CITY OF WOODLAND, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
2002 LEASE REVENUE BONDS DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2014**

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Investment earnings	\$ 9,999	9,999	4	(9,995)
Total revenues	<u>9,999</u>	<u>9,999</u>	<u>4</u>	<u>(9,995)</u>
EXPENDITURES:				
Debt service:				
Principal	660,000	660,000	660,000	-
Interest	963,285	963,285	961,076	2,209
Total expenditures	<u>1,623,285</u>	<u>1,623,285</u>	<u>1,621,076</u>	<u>2,209</u>
Deficiency of revenues under expenditures	<u>(1,613,286)</u>	<u>(1,613,286)</u>	<u>(1,621,072)</u>	<u>(7,786)</u>
OTHER FINANCING SOURCES:				
Payment to refunded bond escrow agent	-	-	(19,181,167)	(19,181,167)
Transfers in	1,614,495	1,614,495	19,670,735	18,056,240
Total other financing sources (uses)	<u>1,614,495</u>	<u>1,614,495</u>	<u>489,568</u>	<u>(1,124,927)</u>
Net change in fund balance	<u>\$ 1,209</u>	<u>1,209</u>	<u>(1,131,504)</u>	<u>(1,132,713)</u>
Fund balance, beginning of year			<u>1,131,504</u>	
Fund balance, end of year			<u>\$ -</u>	

**CITY OF WOODLAND, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
2005 CAPITAL PROJECTS LEASE REVENUE BONDS DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2014**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Investment earnings	\$ 6,000	6,000	6	(5,994)
Total revenues	<u>6,000</u>	<u>6,000</u>	<u>6</u>	<u>(5,994)</u>
EXPENDITURES:				
Debt service:				
Principal	930,000	930,000	930,000	-
Interest	712,161	712,161	714,040	(1,879)
Total expenditures	<u>1,642,161</u>	<u>1,642,161</u>	<u>1,644,040</u>	<u>(1,879)</u>
Deficiency of revenues under expenditures	<u>(1,636,161)</u>	<u>(1,636,161)</u>	<u>(1,644,034)</u>	<u>(7,873)</u>
OTHER FINANCING SOURCES:				
Payment to refunded bond escrow agent	-	-	(15,370,733)	(15,370,733)
Transfers in	1,632,019	1,632,019	15,370,733	13,738,714
Transfers out	-	-	(293,314)	(293,314)
Total other financing sources (uses)	<u>1,632,019</u>	<u>1,632,019</u>	<u>(293,314)</u>	<u>(1,925,333)</u>
Net change in fund balance	<u>\$ (4,142)</u>	<u>(4,142)</u>	<u>(1,937,348)</u>	<u>(1,933,206)</u>
Fund balance, beginning of year			<u>1,937,348</u>	
Fund balance, end of year			<u>\$ -</u>	

**CITY OF WOODLAND, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
2005 WASTEWATER TREATMENT PLANT REVENUE BONDS DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2014**

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Investment earnings	\$ 1,000	1,000	-	(1,000)
Total revenues	<u>1,000</u>	<u>1,000</u>	<u>-</u>	<u>(1,000)</u>
EXPENDITURES:				
Debt service:				
Principal	930,000	930,000	145,520	784,480
Interest	714,024	714,024	362,212	351,812
Total expenditures	<u>1,644,024</u>	<u>1,644,024</u>	<u>507,732</u>	<u>1,136,292</u>
Deficiency of revenues under expenditures	<u>(1,643,024)</u>	<u>(1,643,024)</u>	<u>(507,732)</u>	<u>1,135,292</u>
OTHER FINANCING SOURCES:				
Payment to refunded bond escrow agent	-	-	(7,605,143)	(7,605,143)
Transfers in	1,663,025	1,663,025	7,794,549	6,131,524
Total other financing sources (uses)	<u>1,663,025</u>	<u>1,663,025</u>	<u>189,406</u>	<u>(1,473,619)</u>
Net change in fund balance	<u>\$ 20,001</u>	<u>20,001</u>	<u>(318,326)</u>	<u>(338,327)</u>
Fund balance, beginning of year			<u>318,326</u>	
Fund balance, end of year			<u>\$ -</u>	

**CITY OF WOODLAND, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
2012 LEASE REFUNDING BONDS DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2014**

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Investment earnings	\$ -	-	1	1
Total revenues	<u>-</u>	<u>-</u>	<u>1</u>	<u>1</u>
EXPENDITURES:				
Debt service:				
Principal	977,700	977,700	977,700	-
Interest	78,812	78,812	82,003	(3,191)
Total expenditures	<u>1,056,512</u>	<u>1,056,512</u>	<u>1,059,703</u>	<u>(3,191)</u>
Deficiency of revenues under expenditures	<u>(1,056,512)</u>	<u>(1,056,512)</u>	<u>(1,059,702)</u>	<u>(3,190)</u>
OTHER FINANCING SOURCES:				
Transfers in	-	-	1,061,517	1,061,517
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>1,061,517</u>	<u>1,061,517</u>
Net change in fund balance	<u>\$ (1,056,512)</u>	<u>(1,056,512)</u>	1,815	<u>1,058,327</u>
Fund balance, beginning of year			<u>-</u>	
Fund balance, end of year			<u>\$ 1,815</u>	

**CITY OF WOODLAND, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
2014 LEASE REFUNDING BONDS DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2014**

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Investment earnings	\$ -	-	43	43
Total revenues	<u>-</u>	<u>-</u>	<u>43</u>	<u>43</u>
EXPENDITURES:				
Debt service:				
Bond issuance costs and fiscal agent fees	-	-	105,000	(105,000)
Total expenditures	<u>-</u>	<u>-</u>	<u>105,000</u>	<u>(105,000)</u>
Deficiency of revenues under expenditures	<u>-</u>	<u>-</u>	<u>(104,957)</u>	<u>(104,957)</u>
OTHER FINANCING SOURCES:				
Bonds issued for refunding debt	-	-	15,484,056	15,484,056
Transfers out	<u>-</u>	<u>-</u>	<u>(15,370,733)</u>	<u>(15,370,733)</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>113,323</u>	<u>113,323</u>
Net change in fund balance	<u>\$ -</u>	<u>-</u>	<u>8,366</u>	<u>8,366</u>
Fund balance, beginning of year			<u>-</u>	
Fund balance, end of year			<u>\$ 8,366</u>	

**CITY OF WOODLAND, CALIFORNIA
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECT FUNDS
JUNE 30, 2014**

	City Capital Projects	Park Reserve	Park in Lieu Fees	Gibson Ranch Capital Projects	Water Development
Assets:					
Cash and investments	\$ 46,625	-	880,417	104,020	-
Receivables	601,554	-	-	-	-
Due from other funds	-	-	-	-	-
Long-term notes receivable	-	-	-	50,473	-
Advances to other funds, net	-	-	-	-	-
Total assets	<u>\$ 648,179</u>	<u>-</u>	<u>880,417</u>	<u>154,493</u>	<u>-</u>
Liabilities:					
Accounts payable	\$ 2,374,456	-	-	-	-
Due to other funds	-	-	-	-	35,165
Advances from other funds	3,616,358	-	-	-	-
Total liabilities	<u>5,990,814</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>35,165</u>
Deferred inflow of resources:					
Unavailable revenue	350,629	-	-	-	-
Fund balances (deficits):					
Restricted	-	-	880,417	154,493	-
Committed	-	-	-	-	-
Unassigned	(5,693,264)	-	-	-	(35,165)
Total fund balances (deficits)	<u>(5,693,264)</u>	<u>-</u>	<u>880,417</u>	<u>154,493</u>	<u>(35,165)</u>
Total liabilities, deferred inflow of resources and fund balances (deficits)	<u>\$ 648,179</u>	<u>-</u>	<u>880,417</u>	<u>154,493</u>	<u>-</u>

Storm Drain Development	Surface Water Development	Special Sales Tax District	Sewer Development	Total Nonmajor Capital Projects Funds
-	648,618	4,231,077	233,395	6,144,152
-	-	-	-	601,554
-	-	768,487	-	768,487
-	-	-	-	50,473
-	-	652,336	-	652,336
-	648,618	5,651,900	233,395	8,217,002
-	-	24,818	-	2,399,274
437,883	-	-	-	473,048
-	-	-	-	3,616,358
437,883	-	24,818	-	6,488,680
-	-	-	-	350,629
-	648,618	-	233,395	1,916,923
-	-	5,627,082	-	5,627,082
(437,883)	-	-	-	(6,166,312)
(437,883)	648,618	5,627,082	233,395	1,377,693
-	648,618	5,651,900	233,395	8,217,002

(Continued)

**CITY OF WOODLAND, CALIFORNIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2014**

	City Capital Projects	Park Reserve	Park in Lieu Fees	Gibson Ranch Capital Projects	Water Development
REVENUES:					
Intergovernmental	\$ 191,717	-	-	-	-
Licenses and permits	1,206,724	647,045	-	-	69,759
Investment earnings	3,802	-	649	76	124
Miscellaneous	83,309	-	-	-	50,000
Total revenues	<u>1,485,552</u>	<u>647,045</u>	<u>649</u>	<u>76</u>	<u>119,883</u>
EXPENDITURES:					
Current:					
General government	59,216	-	-	-	-
Finance	189,835	-	-	-	-
Community development	655,432	-	-	-	-
Parks and recreation	18,760	-	-	-	-
Police	97,339	-	-	-	-
Library	70,409	-	-	-	-
Public works	522,341	55,242	-	-	69,799
Debt service:					
Principal	59,708	-	-	-	-
Interest	5,286	-	-	-	-
Total expenditures	<u>1,678,326</u>	<u>55,242</u>	<u>-</u>	<u>-</u>	<u>69,799</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(192,774)</u>	<u>591,803</u>	<u>649</u>	<u>76</u>	<u>50,084</u>
OTHER FINANCING USES:					
Transfers in	155,000	293,314	-	-	-
Transfers out	-	(885,117)	-	-	-
Total other financing sources (uses)	<u>155,000</u>	<u>(591,803)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(37,774)	-	649	76	50,084
Fund balances (deficits), beginning of year, as restated	(5,655,490)	-	879,768	154,417	(85,249)
Fund balances (deficits), end of year	<u>\$ (5,693,264)</u>	<u>-</u>	<u>880,417</u>	<u>154,493</u>	<u>(35,165)</u>

Storm Drain Development	Surface Water Development	Special Sales Tax District	Sewer Development	Total Nonmajor Capital Projects Funds
-	-	-	-	191,717
60,164	444,401	-	1,286,527	3,714,620
904	478	3,832	459	10,324
12,494	-	-	-	145,803
<u>73,562</u>	<u>444,879</u>	<u>3,832</u>	<u>1,286,986</u>	<u>4,062,464</u>
-	-	-	-	59,216
-	-	-	-	189,835
-	-	494,461	-	1,149,893
-	-	-	-	18,760
-	-	-	-	97,339
-	-	-	-	70,409
201,145	-	2,116,639	67,441	3,032,607
-	-	-	-	59,708
-	-	-	-	5,286
<u>201,145</u>	<u>-</u>	<u>2,611,100</u>	<u>67,441</u>	<u>4,683,053</u>
<u>(127,583)</u>	<u>444,879</u>	<u>(2,607,268)</u>	<u>1,219,545</u>	<u>(620,589)</u>
-	-	4,879,672	-	5,327,986
-	-	(359,155)	(991,367)	(2,235,639)
-	-	<u>4,520,517</u>	<u>(991,367)</u>	<u>3,092,347</u>
(127,583)	444,879	1,913,249	228,178	2,471,758
(310,300)	203,739	3,713,833	5,217	(1,094,065)
<u>(437,883)</u>	<u>648,618</u>	<u>5,627,082</u>	<u>233,395</u>	<u>1,377,693</u>

(Continued)

CITY OF WOODLAND, CALIFORNIA
NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2014

	Storm Drain	Wastewater Pretreatment	Recycling	Construction and Demolition Program
ASSETS				
Current assets:				
Cash and investments	\$ -	573,465	1,665,923	101,780
Receivables	-	10,022	31,427	-
Total current assets	<u>-</u>	<u>583,487</u>	<u>1,697,350</u>	<u>101,780</u>
Noncurrent assets:				
Advances to other funds	-	-	68,000	-
Land	447,400	-	-	-
Construction in progress	-	-	4,710	-
Capital assets, net	<u>16,243,639</u>	<u>-</u>	<u>1,179</u>	<u>-</u>
Total noncurrent assets	<u>16,691,039</u>	<u>-</u>	<u>73,889</u>	<u>-</u>
Total assets	<u>16,691,039</u>	<u>583,487</u>	<u>1,771,239</u>	<u>101,780</u>
LIABILITIES				
Current liabilities:				
Accounts payable	29,085	2,647	2,841	38,089
Due to other funds	106,886	-	-	-
Compensated absences	-	2,195	3,745	559
Total current liabilities	<u>135,971</u>	<u>4,842</u>	<u>6,586</u>	<u>38,648</u>
Noncurrent liabilities:				
Compensated absences	3,818	10,493	2,496	574
Advances from other funds	-	-	-	68,000
Other postemployment benefits	<u>116,044</u>	<u>177,088</u>	<u>117,024</u>	<u>22,198</u>
Total noncurrent liabilities	<u>119,862</u>	<u>187,581</u>	<u>119,520</u>	<u>90,772</u>
Total liabilities	<u>255,833</u>	<u>192,423</u>	<u>126,106</u>	<u>129,420</u>
NET POSITION				
Investment in capital assets	16,691,039	-	5,889	-
Unrestricted	<u>(255,833)</u>	<u>391,064</u>	<u>1,639,244</u>	<u>(27,640)</u>
Total net position	<u>\$ 16,435,206</u>	<u>391,064</u>	<u>1,645,133</u>	<u>(27,640)</u>

<u>Fire Training Center</u>	<u>Cemetery</u>	<u>Youth Program</u>	<u>Total Nonmajor Enterprise Funds</u>
74,272	-	8,205	2,423,645
2,922	-	-	44,371
<u>77,194</u>	<u>-</u>	<u>8,205</u>	<u>2,468,016</u>
-	-	-	68,000
-	-	-	447,400
-	-	-	4,710
-	-	-	16,244,818
-	-	-	16,764,928
<u>77,194</u>	<u>-</u>	<u>8,205</u>	<u>19,232,944</u>
-	1,871	28,179	102,712
-	258,492	-	365,378
-	206	-	6,705
-	<u>260,569</u>	<u>28,179</u>	<u>474,795</u>
-	222	-	17,603
-	-	-	68,000
62,272	64,565	-	559,191
<u>62,272</u>	<u>64,787</u>	<u>-</u>	<u>644,794</u>
<u>62,272</u>	<u>325,356</u>	<u>28,179</u>	<u>1,119,589</u>
-	-	-	16,696,928
14,922	(325,356)	(19,974)	1,416,427
<u>14,922</u>	<u>(325,356)</u>	<u>(19,974)</u>	<u>18,113,355</u>

CITY OF WOODLAND, CALIFORNIA
NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
YEAR ENDED JUNE 30, 2014

	Storm Drain	Wastewater Pretreatment	Recycling	Construction and Demolition Program
OPERATING REVENUES:				
Charges for services	\$ 171,153	423,878	190,277	41,600
Total operating revenues	<u>171,153</u>	<u>423,878</u>	<u>190,277</u>	<u>41,600</u>
OPERATING EXPENSES:				
Personnel services	252,866	323,034	136,699	31,403
Utilities	39,509	2,772	1,504	973
Office supplies and expenses	72,596	39,183	59,874	2,781
Small tools and supplies	-	224	-	-
Contractual services	92,765	53,855	3,669	-
Depreciation	631,266	791	1,179	-
Equipment rental and maintenance	125,329	31,848	15,468	1,312
Total operating expenses	<u>1,214,331</u>	<u>451,707</u>	<u>218,393</u>	<u>36,469</u>
Operating income (loss)	<u>(1,043,178)</u>	<u>(27,829)</u>	<u>(28,116)</u>	<u>5,131</u>
NONOPERATING REVENUES:				
Investment earnings	-	426	1,229	78
Intergovernmental	-	-	32,222	-
Total nonoperating revenues	<u>-</u>	<u>426</u>	<u>33,451</u>	<u>78</u>
Income (loss) before transfers	(1,043,178)	(27,403)	5,335	5,209
Transfers in	242,000	-	-	-
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in net position	(801,178)	(27,403)	5,335	5,209
Net position, beginning of year	17,236,384	418,467	1,639,798	(32,849)
Net position, end of year	<u>\$ 16,435,206</u>	<u>391,064</u>	<u>1,645,133</u>	<u>(27,640)</u>

Fire Training Center	Cemetery	Youth Program	Total Nonmajor Enterprise Funds
-	88,886	280,023	1,195,817
-	88,886	280,023	1,195,817
-	158,589	135,161	1,037,752
-	71,867	-	116,625
28,832	52,066	40,625	295,957
-	514	-	738
-	14,865	136,053	301,207
-	-	-	633,236
-	77,139	-	251,096
28,832	375,040	311,839	2,636,611
(28,832)	(286,154)	(31,816)	(1,440,794)
54	-	4	1,791
-	-	-	32,222
54	-	4	34,013
(28,778)	(286,154)	(31,812)	(1,406,781)
-	200,000	-	442,000
-	-	-	-
(28,778)	(86,154)	(31,812)	(964,781)
43,700	(239,202)	11,838	19,078,136
14,922	(325,356)	(19,974)	18,113,355

**CITY OF WOODLAND, CALIFORNIA
NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2014**

	<u>Storm Drain</u>	<u>Wastewater Pretreatment</u>	<u>Recycling</u>
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers and users	\$ 171,153	423,878	190,277
Payments to suppliers	(279,466)	(137,603)	(75,023)
Payments to employees	(240,587)	(304,554)	(136,961)
Net cash provided (used) by operating activities	<u>(348,900)</u>	<u>(18,279)</u>	<u>(21,707)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Cash received from other funds	348,886	-	-
Cash paid to other funds	-	-	-
Operating grants received	-	-	32,222
Net cash provided (used) by noncapital financing activities	<u>348,886</u>	<u>-</u>	<u>32,222</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest received	-	426	1,229
Net increase (decrease) in cash and cash equivalents	(14)	(17,853)	11,744
Cash and cash equivalents, beginning of year	14	591,318	1,654,179
Cash and cash equivalents, end of year	<u>\$ -</u>	<u>573,465</u>	<u>1,665,923</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	<u>\$ (1,043,178)</u>	<u>(27,829)</u>	<u>(28,116)</u>
Adjustment to reconcile operating income (loss) to net cash flows provided (used) by operating activities:			
Depreciation	631,266	791	1,179
Change in assets and liabilities:			
Receivables	70,048	1,335	15,238
Accounts payable	(19,315)	(11,056)	(10,161)
Compensated absences	738	1,629	(6,783)
Other postemployment benefits	11,541	16,851	6,936
Total adjustments	<u>694,278</u>	<u>9,550</u>	<u>6,409</u>
Net cash provided (used) by operating activities	<u>\$ (348,900)</u>	<u>(18,279)</u>	<u>(21,707)</u>

<u>Construction and Demolition Program</u>	<u>Fire Training Center</u>	<u>Cemetery</u>	<u>Youth Program</u>	<u>Total Nonmajor Enterprise Funds</u>
41,600	-	88,886	280,023	1,195,817
12,980	(28,832)	(219,268)	(158,214)	(885,426)
<u>(29,570)</u>	<u>-</u>	<u>(154,057)</u>	<u>(135,161)</u>	<u>(1,000,890)</u>
<u>25,010</u>	<u>(28,832)</u>	<u>(284,439)</u>	<u>(13,352)</u>	<u>(690,499)</u>
-	-	284,130	-	633,016
-	103,050	-	-	103,050
-	-	-	-	32,222
<u>-</u>	<u>103,050</u>	<u>284,130</u>	<u>-</u>	<u>768,288</u>
<u>78</u>	<u>54</u>	<u>-</u>	<u>4</u>	<u>1,791</u>
25,088	74,272	(309)	(13,348)	79,580
<u>76,692</u>	<u>-</u>	<u>309</u>	<u>21,553</u>	<u>2,344,065</u>
<u>101,780</u>	<u>74,272</u>	<u>-</u>	<u>8,205</u>	<u>2,423,645</u>
<u>5,131</u>	<u>(28,832)</u>	<u>(286,154)</u>	<u>(31,816)</u>	<u>(1,440,794)</u>
-	-	-	-	633,236
-	-	-	-	86,621
18,046	-	(2,817)	18,464	(6,839)
208	-	89	-	(4,119)
1,625	-	4,443	-	41,396
<u>19,879</u>	<u>-</u>	<u>1,715</u>	<u>18,464</u>	<u>750,295</u>
<u>25,010</u>	<u>(28,832)</u>	<u>(284,439)</u>	<u>(13,352)</u>	<u>(690,499)</u>

CITY OF WOODLAND, CALIFORNIA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2014

	Equipment Service and Repair	Benefits	Self- Insurance	Information Systems	Facilities Replacement	Total
ASSETS						
Current assets:						
Cash and investments	\$ 4,152,445	777,358	1,482,963	813,484	279,955	7,506,205
Receivables	92,590	293	7,200	-	-	100,083
Total current assets	<u>4,245,035</u>	<u>777,651</u>	<u>1,490,163</u>	<u>813,484</u>	<u>279,955</u>	<u>7,606,288</u>
Noncurrent assets:						
Capital assets, net	5,205,960	-	-	391,797	-	5,597,757
Total assets	<u>9,450,995</u>	<u>777,651</u>	<u>1,490,163</u>	<u>1,205,281</u>	<u>279,955</u>	<u>13,204,045</u>
LIABILITIES						
Current liabilities:						
Accounts payable	25,635	14,332	12,723	89,046	2,240	143,976
Interest payable	18,131	-	-	-	-	18,131
Compensated absences	11,642	-	2,540	508	-	14,690
Capital lease obligations	478,954	-	-	-	-	478,954
Total current liabilities	<u>534,362</u>	<u>14,332</u>	<u>15,263</u>	<u>89,554</u>	<u>2,240</u>	<u>655,751</u>
Noncurrent liabilities:						
Compensated absences	22,105	-	1,107	27,587	-	50,799
Capital lease obligations	2,357,783	-	-	-	-	2,357,783
Other postemployment benefits	381,075	-	14,819	297,226	-	693,120
Total noncurrent liabilities	<u>2,760,963</u>	<u>-</u>	<u>15,926</u>	<u>324,813</u>	<u>-</u>	<u>3,101,702</u>
Total liabilities	<u>3,295,325</u>	<u>14,332</u>	<u>31,189</u>	<u>414,367</u>	<u>2,240</u>	<u>3,757,453</u>
NET POSITION						
Net investment in capital assets	2,369,223	-	-	391,797	-	2,761,020
Unrestricted	3,786,447	763,319	1,458,974	399,117	277,715	6,685,572
Total net position	<u>\$ 6,155,670</u>	<u>763,319</u>	<u>1,458,974</u>	<u>790,914</u>	<u>277,715</u>	<u>9,446,592</u>

CITY OF WOODLAND, CALIFORNIA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
YEAR ENDED JUNE 30, 2014

	Equipment Service and Repair	Benefits	Self- Insurance	Information Systems	Facilities Replacement	Total
OPERATING REVENUES:						
Billings to departments	\$ 3,290,303	6,666,345	1,733,731	1,350,263	-	13,040,642
Other	250	-	43,509	-	-	43,759
Total operating revenues	<u>3,290,553</u>	<u>6,666,345</u>	<u>1,777,240</u>	<u>1,350,263</u>	<u>-</u>	<u>13,084,401</u>
OPERATING EXPENSES:						
Personnel services	729,867	-	50,583	726,993	6,324	1,513,767
Utilities	3,262	-	-	6,964	-	10,226
Office supplies and expenses	877,295	-	-	248,992	-	1,126,287
Small tools and supplies	2,573	-	-	-	-	2,573
Depreciation	498,589	-	-	69,613	-	568,202
Equipment rental and maintenance	281,755	-	-	428,087	103,047	812,889
Insurance premiums and claims	-	6,484,144	1,759,381	-	-	8,243,525
Total operating expenses	<u>2,393,341</u>	<u>6,484,144</u>	<u>1,809,964</u>	<u>1,480,649</u>	<u>109,371</u>	<u>12,277,469</u>
Operating income (loss)	<u>897,212</u>	<u>182,201</u>	<u>(32,724)</u>	<u>(130,386)</u>	<u>(109,371)</u>	<u>806,932</u>
NONOPERATING REVENUES (EXPENSES):						
Investment earnings	3,061	574	1,094	600	206	5,535
Interest expense	(118,798)	-	-	-	-	(118,798)
Gain (loss) on disposal of capital assets	103,742	-	-	-	-	103,742
Total nonoperating revenues (expenses)	<u>(11,995)</u>	<u>574</u>	<u>1,094</u>	<u>600</u>	<u>206</u>	<u>(9,521)</u>
Income (loss) before transfers	885,217	182,775	(31,630)	(129,786)	(109,165)	797,411
Transfers in	920,000	-	-	-	386,880	1,306,880
Transfers out	-	-	(20,000)	-	-	(20,000)
Change in net position	1,805,217	182,775	(51,630)	(129,786)	277,715	2,084,291
Net position, beginning of year	4,350,453	580,544	1,510,604	920,700	-	7,362,301
Net position, end of year	<u>\$ 6,155,670</u>	<u>763,319</u>	<u>1,458,974</u>	<u>790,914</u>	<u>277,715</u>	<u>9,446,592</u>

CITY OF WOODLAND, CALIFORNIA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2014

	Equipment Service and Repair	Benefits	Self- Insurance	Information Systems	Facilities Replacement	Total
CASH FLOWS FROM OPERATING ACTIVITIES:						
Receipts from customers	\$ 3,197,963	6,666,052	1,777,358	1,350,263	-	12,991,636
Payments to suppliers	(1,147,874)	-	(47,638)	(689,108)	(100,807)	(1,985,427)
Payments to employees	(685,333)	-	-	(618,358)	(6,324)	(1,310,015)
Insurance premiums and claims paid	-	(6,482,291)	(1,772,996)	-	-	(8,255,287)
Net cash provided (used) by operating activities	<u>1,364,756</u>	<u>183,761</u>	<u>(43,276)</u>	<u>42,797</u>	<u>(107,131)</u>	<u>1,440,907</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:						
Transfers in	920,000	-	-	-	386,880	1,306,880
Transfers out	-	-	(20,000)	-	-	(20,000)
Net cash provided (used) by noncapital financing activities	<u>920,000</u>	<u>-</u>	<u>(20,000)</u>	<u>-</u>	<u>386,880</u>	<u>1,286,880</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:						
Acquisition of capital assets	(681,843)	-	-	(156,144)	-	(837,987)
Proceeds from the issuance of long-term debt	-	-	-	-	-	-
Proceeds from sale of capital assets	156,606	-	-	-	-	156,606
Principal payments on long-term debt	(613,700)	-	-	-	-	(613,700)
Interest paid	(107,157)	-	-	-	-	(107,157)
Net cash used by capital and related financing activities	<u>(1,246,094)</u>	<u>-</u>	<u>-</u>	<u>(156,144)</u>	<u>-</u>	<u>(1,402,238)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:						
Interest received	3,061	574	1,094	600	206	5,535
Net cash provided by investing activities	<u>3,061</u>	<u>574</u>	<u>1,094</u>	<u>600</u>	<u>206</u>	<u>5,535</u>
Net increase (decrease) in cash and cash equivalents	1,041,723	184,335	(62,182)	(112,747)	279,955	1,331,084
Cash and cash equivalents, beginning of year	3,110,722	593,023	1,545,145	926,231	-	6,175,121
Cash and cash equivalents, end of year	<u>\$ 4,152,445</u>	<u>777,358</u>	<u>1,482,963</u>	<u>813,484</u>	<u>279,955</u>	<u>7,506,205</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:						
Operating income (loss)	\$ 897,212	182,201	(32,724)	(130,386)	(109,371)	806,932
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation	498,589	-	-	69,613	-	568,202
Changes in assets and liabilities:						
Receivables	(92,590)	(293)	118	-	-	(92,765)
Prepaid items and deposits	21,373	-	-	-	-	21,373
Accounts payable	(4,362)	1,853	(13,615)	65,685	2,240	51,801
Compensated absences	3,898	-	778	10,252	-	14,928
Other postemployment benefits	40,636	-	2,167	27,633	-	70,436
Total adjustments	<u>467,544</u>	<u>1,560</u>	<u>(10,552)</u>	<u>173,183</u>	<u>2,240</u>	<u>633,975</u>
Net cash provided (used) by operating activities	<u>\$ 1,364,756</u>	<u>183,761</u>	<u>(43,276)</u>	<u>42,797</u>	<u>(107,131)</u>	<u>1,440,907</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES						
Capital Leases	\$ 2,322,233	-	-	-	-	2,322,233

CITY OF WOODLAND, CALIFORNIA
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
YEAR ENDED JUNE 30, 2014

	East Main Reassessment District			Balance, June 30, 2014
	Balance, July 1, 2013	Additions	Deletions	
ASSETS:				
Cash and investments	\$ 1,249,413	1,266,900	(1,249,413)	1,266,900
Cash and investments with fiscal agents	992,083	1,262,149	(1,261,825)	992,407
Accounts receivable	64,118	61,276	(64,118)	61,276
Total assets	<u>\$ 2,305,614</u>	<u>2,590,325</u>	<u>(2,575,356)</u>	<u>2,320,583</u>
LIABILITIES:				
Due to assessment district bondholders	<u>\$ 2,305,614</u>	<u>2,590,325</u>	<u>(2,575,356)</u>	<u>2,320,583</u>

	Beamer-Kentucky Assessment District			Balance, June 30, 2014
	Balance, July 1, 2013	Additions	Deletions	
ASSETS:				
Cash and investments	\$ 219,979	2,972	(199,239)	23,712
Accounts receivable	2,881	-	(2,881)	-
Total assets	<u>\$ 222,860</u>	<u>2,972</u>	<u>(202,120)</u>	<u>23,712</u>
LIABILITIES:				
Due to assessment district bondholders	<u>\$ 222,860</u>	<u>2,972</u>	<u>(202,120)</u>	<u>23,712</u>

	Gibson Ranch Community Facilities District			Balance, June 30, 2014
	Balance, July 1, 2013	Additions	Deletions	
ASSETS:				
Cash and investments	\$ 2,132,262	2,717,431	(2,132,262)	2,717,431
Cash and investments with fiscal agents	1,354,661	1,284,923	(2,412,788)	226,796
Accounts receivable	69,895	71,127	(69,895)	71,127
Total assets	<u>\$ 3,556,818</u>	<u>4,073,481</u>	<u>(4,614,945)</u>	<u>3,015,354</u>
LIABILITIES:				
Due to assessment district bondholders	<u>\$ 3,556,818</u>	<u>4,073,481</u>	<u>(4,614,945)</u>	<u>3,015,354</u>

CITY OF WOODLAND, CALIFORNIA
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
YEAR ENDED JUNE 30, 2014

	Spring Lake Community Facilities District			
	Balance, July 1, 2013	Additions	Deletions	Balance, June 30, 2014
ASSETS:				
Cash and investments	\$ 2,047,438	5,275,025	(2,047,438)	5,275,025
Cash and investments with fiscal agents	2,378,908	2,794,511	(2,993,938)	2,179,481
Accounts receivable	115,819	127,815	(115,819)	127,815
Total assets	<u>\$ 4,542,165</u>	<u>8,197,351</u>	<u>(5,157,195)</u>	<u>7,582,321</u>
LIABILITIES:				
Deposits payable	<u>\$ 4,542,165</u>	<u>8,197,351</u>	<u>(5,157,195)</u>	<u>7,582,321</u>

	Recreation Contract			
	Balance, July 1, 2013	Additions	Deletions	Balance, June 30, 2014
ASSETS:				
Cash and investments	\$ 43,908	32	-	43,940
Accounts receivable	13,293	-	-	13,293
Total assets	<u>\$ 57,201</u>	<u>32</u>	<u>-</u>	<u>57,233</u>
LIABILITIES:				
Accounts payable	<u>\$ 57,201</u>	<u>32</u>	<u>-</u>	<u>57,233</u>

	Totals			
	Balance, July 1, 2013	Additions	Deletions	Balance, June 30, 2014
ASSETS:				
Cash and investments	\$ 5,693,000	9,262,360	(5,628,352)	9,327,008
Cash and investments with fiscal agents	4,725,652	5,341,583	(6,668,551)	3,398,684
Accounts receivable	266,006	260,218	(252,713)	273,511
Total assets	<u>\$ 10,684,658</u>	<u>14,864,161</u>	<u>(12,549,616)</u>	<u>12,999,203</u>
LIABILITIES:				
Accounts payable	\$ 57,201	32	-	57,233
Deposits payable	4,542,165	8,197,351	(5,157,195)	7,582,321
Due to assessment district bondholders	6,085,292	6,666,778	(7,392,421)	5,359,649
Total liabilities	<u>\$ 10,684,658</u>	<u>14,864,161</u>	<u>(12,549,616)</u>	<u>12,999,203</u>