



Mayor Antonio Lopez
Mayor Pro Tem Sylvia Ballin
Councilmember Jesse H. Avila
Councilmember Joel Fajardo
Councilmember Robert C. Gonzales
Interim City Administrator
Don Penman

SAN FERNANDO CITY COUNCIL

AGENDA

FEBRUARY 4, 2013 – 6:00 PM

COUNCIL CHAMBERS
117 MACNEIL STREET
SAN FERNANDO, CA 91340

CALL TO ORDER/ROLL CALL

PLEDGE OF ALLEGIANCE

Mayor Antonio Lopez

APPROVAL OF AGENDA

PRESENTATION

- A) INTRODUCTION OF NEW EMPLOYEE (INTERIM FINANCE DIRECTOR) RAFAELA KING
- B) RECOGNITION OF MARIACHI MASTERS APPRENTICE PROGRAM (MMAP)

PUBLIC STATEMENTS – WRITTEN/ORAL

There will be a three (3) minute limitation per each member of the audience who wishes to make comments in order to provide a full opportunity to every person who desires to address the City Council.

CONSENT CALENDAR

Items on the Consent Calendar are considered routine and may be disposed of by a single motion to adopt staff recommendation. If the City Council wishes to discuss any item, it should first be removed from the Consent Calendar.

SAN FERNANDO CITY COUNCIL
AGENDA – FEBRUARY 4, 2013
PAGE 2

1) APPROVAL OF MINUTES OF:

- a) DECEMBER 5, 2012 – SPECIAL MEETING
- b) DECEMBER 17, 2012 – SPECIAL MEETING
- c) DECEMBER 17, 2012 – REGULAR MEETING
- d) JANUARY 22, 2013 – SPECIAL MEETING

2) APPROVAL OF WARRANT REGISTER NO. 13-021

3) ADOPTION OF A RESOLUTION FOR PURCHASE AND INSTALLATION OF 4G WIRELESS MODEMS FOR POLICE VEHICLES

Recommend that the City Council adopt a Resolution for the purchase and installation of four 4G wireless modems and related equipment for four police vehicles in an amount not to exceed \$6,000.

NEW BUSINESS

4) FISCAL YEAR 2011-2012 CITY ANNUAL FINANCIAL REPORTS

Recommend that the City Council receive and file the following annual reports for Fiscal Year 2011-2012:

- a. 2012 Comprehensive Annual Financial Report covering the financial activities of both the City and Successor Agency of the Former Redevelopment Agency; and
- b. 2012 Cities Financial Transactions Report for the City of San Fernando.

5) POOL PUMP – REQUEST FOR QUIMBY FUNDS

Recommend that the City Council adopt a Resolution approving an allocation of Quimby Funds for a pool pump upgrade at the San Fernando Regional Pool Facility in the amount of \$17,121.73.

6) AWARD OF CONTRACT – ON-SITE SODIUM HYPOCHLORITE GENERATION SYSTEM

Recommend that the City Council:

- a. Award a Contract to Severn Trent Water Purification, Inc. for the purchase and installation of an On-Site Sodium Hypochlorite Generation (OSG) System;
- b. Authorize the City Administrator to execute a Professional Services Contract with Severn Trent Water Purification, Inc. for an amount not to exceed \$164,400; and
- c. Authorize the City Administrator to approve a contingency not to exceed 10% of contract amount.



SAN FERNANDO CITY COUNCIL
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CITY COUNCIL ITEMS

7) FOURTH OF JULY FIREWORKS CELEBRATION AND DECEMBER HOLIDAY PARADE

This item is placed on the agenda by Councilmember Joel Fajardo.

8) DISCUSSION TO CONSIDER DECLARING FICUS TREES A PUBLIC NUISANCE

This item is placed on the agenda by Mayor Antonio Lopez.

STANDING COMMITTEE UPDATES

- No. 1 Budget, Personnel and Finance (BPF)
Chair Jesse H. Avila
- No. 2 Housing, Community & Economic Development and Parking (HCEP)
Chair Antonio Lopez
- No. 3 Natural Resources, Infrastructure, Water, Energy and Waste Management (NRIW)
Chair Joel Fajardo
- No. 4 Public Safety, Veteran Affairs, Technology and Transportation (PVTT)
Chair Jesse H. Avila
- No. 5 Education, Parks, Arts, Health and Aging (EPAH)
Chair Robert C. Gonzales

GENERAL COUNCIL COMMENTS

STAFF COMMUNICATION

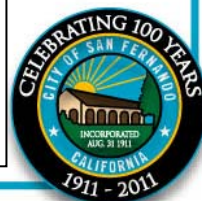
ADJOURNMENT

I hereby certify under penalty of perjury under the laws of the State of California that the foregoing agenda was posted on the City Hall bulletin board not less than 72 hours prior to the meeting.

Elena G. Chávez, City Clerk

Signed and Posted: January 31, 2013 (4:00 p.m.)

Agendas and complete Agenda Packets (including staff reports and exhibits related to each item) are posted on the City's Internet Web site (www.sfcity.org). These are also available for public reviewing prior to a meeting in the City Clerk's Office. Any public writings distributed by the City Council to at least a majority of the Councilmembers regarding any item on this regular meeting agenda will also be made available at the City Clerk's Office at City Hall located at 117 Macneil Street, San Fernando, CA, 91340 during normal business hours. In addition, the City may also post such documents on the City's Web Site at www.sfcity.org. In accordance with the Americans with Disabilities Act of 1990, if you require a disability-related modification/accommodation to attend or participate in this meeting, including auxiliary aids or services please call the City Clerk's Office at (818) 898-1204 at least 48 hours prior to the meeting.



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San Fernando City Council

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**SAN FERNANDO CITY COUNCIL
MINUTES**

**DECEMBER 5, 2012 – 6:00 P.M.
SPECIAL MEETING**

City Hall Council Chambers
117 Macneil Street
San Fernando, CA 91340

CALL TO ORDER/ROLL CALL

Mayor Antonio Lopez called the meeting to order at 6:01 p.m.

Present:

Council: Mayor Antonio Lopez, Mayor Pro Tem Sylvia Ballin, and Councilmembers Jesse H. Avila, Joel Fajardo, and Robert C. Gonzales

Staff: City Administrator Al Hernández, City Attorney Maribel Medina, and City Clerk Elena G. Chávez

PLEDGE OF ALLEGIANCE

Mayor Lopez

APPROVAL OF AGENDA

Motion by Mayor Pro Tem Ballin, seconded by Councilmember Avila, to approve the agenda. By consensus, the motion carried.

PUBLIC STATEMENTS – WRITTEN/ORAL

Brenda Esqueda said she represents the voice of San Fernando to expose everything and believes that the owner of the property should be responsible for the fees and not the business owner or tax payers.

Eric Rodriguez and Alfred Blanco, Valley Wing Pit owners, said they had no idea the fees existed until they pulled the permit and they are asking for leniency and a payment plan.

Sam Beltran said the City is in a bind and asked why people weren't told about this meeting.

**SAN FERNANDO CITY COUNCIL
SPECIAL MEETING MINUTES – December 5, 2012**

Page 2

Linda Campenella-Jauron said the previous speaker was confused when he talked about whether or not a Councilmember served in the military and said she too is watching the City Council and speaks on behalf of City workers.

Julian Ruelas said it doesn't matter whose property it is, we need to market our City and work with the new tenants and, in this case, a graduated repayment schedule is highly beneficial.

Renato Lira said the City does need to be more business friendly and said there should be a policy in place to welcome new businesses.

NEW BUSINESS

1) REQUEST FOR INSTALLMENT PAYMENT PLAN FOR SEWER CONNECTION FEES – VALLEY WING PIT SPORTS BAR AND GRILL

City Administrator Al Hernandez presented the staff report and replied to questions from Councilmembers.

Motion by Councilmember Fajardo, seconded by Mayor Pro Tem Ballin, to:

- a) Approve a proposal from Valley Wing Pit Sports Bar and Grill to pay the sewer connection charge of \$24,240 in monthly installments of \$5,000 each;
- b) Direct the City Attorney to draft an installment payment plan for the sewer connection fees;
- c) Authorize the City Administrator to execute an installment payment plan for sewer connection fees with Valley Wing Pit Bar and Grill; and
- d) Require that the two co-owners sign as personal guarantors in the effect that this is not paid for.

The motion carried with the following vote:

AYES:	Ballin, Lopez, Avila, Gonzales, Fajardo – 5
NOES:	None
ABSENT:	None

RECESS TO CLOSED SESSION (6:43 P.M.)

By consensus, Councilmembers recessed to the following Closed Session, thereafter to adjourn.

**SAN FERNANDO CITY COUNCIL
SPECIAL MEETING MINUTES – December 5, 2012**

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**A) CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
G.C. 54956.9(b)**

(4 cases)

No reportable action.

**B) CONFERENCE WITH LABOR NEGOTIATOR
G.C. 54957.6**

City Negotiator:	City Administrator Al Hernandez
Employee Organizations:	San Fernando Management Group (SEIU, Local 721)
	San Fernando Public Employees' Association (SEIU, Local 721)
	San Fernando Police Officers Association
	San Fernando Police Officers Association Police Management Unit
	San Fernando Police Civilian Association (SEIU, Local 721)
	San Fernando Part-time Employees' Bargaining Unit (SEIU, Local 721)

No reportable action.

**C) PUBLIC EMPLOYEE PERFORMANCE EVALUATION
G.C. 54957**

Title: City Administrator

No reportable action.

**D) PUBLIC EMPLOYEE DISCIPLINE/DISMISSAL/RELEASE
G.C. 54957**

No reportable action.

I do hereby certify that the foregoing is a true and correct copy of the minutes of December 5, 2012 meeting as approved by the San Fernando City Council.

*Elena G. Chávez
City Clerk*

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**SAN FERNANDO CITY COUNCIL
MINUTES**

**DECEMBER 17, 2012 – 4:00 P.M.
SPECIAL MEETING**

City Hall Council Chambers
117 Macneil Street
San Fernando, CA 91340

CALL TO ORDER/ROLL CALL

Mayor Antonio Lopez called the meeting to order at 4:01 p.m.

Present:

Council: Mayor Antonio Lopez, Mayor Pro Tem Sylvia Ballin, and Councilmembers Jesse H. Avila, Joel Fajardo (arrived at 4:16 p.m.), and Robert C. Gonzales

Staff: Interim City Administrator Fred Ramirez, City Attorney Maribel Medina, and City Clerk Elena G. Chávez

PLEDGE OF ALLEGIANCE

Mayor Lopez

APPROVAL OF AGENDA

Motion by Mayor Pro Tem Ballin, seconded by Councilmember Avila, to approve the agenda. By consensus, the motion carried.

PUBLIC STATEMENTS – WRITTEN/ORAL

None

RECESS TO CLOSED SESSION (4:03 P.M.)

By consensus, Councilmembers recessed to the following Closed Session, thereafter to adjourn:

**SAN FERNANDO CITY COUNCIL
SPECIAL MEETING MINUTES – December 17, 2012**

Page 2

A) CONFERENCE WITH LABOR NEGOTIATOR

G.C. 54957.6

City Negotiator: Interim City Administrator Don Penman
Employee Organizations: San Fernando Management Group (SEIU, Local 721)
San Fernando Public Employees' Association (SEIU, Local 721)
San Fernando Police Officers Association
San Fernando Police Officers Association Police Management Unit
San Fernando Police Civilian Association (SEIU, Local 721)
San Fernando Part-time Employees' Bargaining Unit (SEIU, Local 721)

B) PUBLIC EMPLOYMENT

G.C. 54957

Title: City Administrator

C) PUBLIC EMPLOYMENT

G.C. 54957

Title: Finance Director

D) PUBLIC EMPLOYEE DISCIPLINE/DISMISSAL/RELEASE

G.C. 54957

REPORT OUT FROM CLOSED SESSION (MADE DURING THE REGULAR CITY COUNCIL MEETING AT 6:00 P.M.)

City Attorney Medina announced that there was one reportable action. For Item D, the City Council approved (5-0 vote) a separation agreement with City Administer Al Hernández (the agreement provides that he will retire effective February 7, 2013 remaining on the City's payroll until then to assist with the transition of a new City Administrator).

No additional reportable items.

I do hereby certify that the foregoing is a true and correct copy of the minutes of December 17, 2012, meeting as approved by the San Fernando City Council.

*Elena G. Chávez
City Clerk*

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**SAN FERNANDO CITY COUNCIL
MINUTES**

**DECEMBER 17, 2012 – 6:00 P.M.
REGULAR MEETING**

City Hall Council Chambers
117 Macneil Street
San Fernando, CA 91340

CALL TO ORDER/ROLL CALL

Mayor Antonio Lopez called the meeting to order at 6:03 p.m.

Present:

Council: Mayor Antonio Lopez, Mayor Pro Tem Sylvia Ballin, and Councilmembers Jesse H. Avila, Joel Fajardo, and Robert C. Gonzales

Staff: Interim City Administrator/City Planner Fred Ramirez, City Attorney Maribel S. Medina, and City Clerk Elena G. Chávez

PLEDGE OF ALLEGIANCE

Mayor Lopez

PRESENTATION

Mayor Lopez reported that the following presentation will be mailed out (no one was present to accept):

- A) PROCLAMATION – VOLUNTEER INCOME TAX ASSISTANCE PROGRAM/ EARNED INCOME TAX CREDIT

APPROVAL OF AGENDA

Motion by Mayor Pro Tem Ballin, seconded by Councilmember Avila, to approve the agenda. By consensus, the motion carried.

PUBLIC STATEMENTS – WRITTEN/ORAL

The following individuals spoke against approval of Item No. 9 (Request for Financial Assistance for the Harding Street Affordable Housing Project).

SAN FERNANDO CITY COUNCIL**MINUTES – December 17, 2012****Page 2**

Brenda Esqueda
Sam Beltran
Margie Carranza

Robert Ortega wished everyone a Merry Christmas and Happy New Year, and said this is the new City Council's first meeting and to give them a chance.

Irwin Rosenberg, San Fernando Police Officers' Association President, spoke in favor of canceling the March 5, 2013, General Municipal Election and appointing the two Councilmembers (which voters, overwhelmingly, supported).

(Male Speaker – did not state name) congratulated Councilmembers, said it is going to be a long road, and he believes the people of San Fernando should elect their own mayor.

Renato Lira said it was good that the former City Administrator is no longer with the City and he talked about his concerns regarding the safety of school children and staff.

Tom Ross, Downtown Mall Association, invited everyone to the Food Truck Event on Thursday evening.

Vicky Mojica congratulated the new City Councilmembers and, in regards to an earlier speaker, said she has never come across a veteran so rude and disrespectful.

CONSENT CALENDAR

Motion by Mayor Pro Tem Ballin, seconded by Councilmember Avila, to approve the Consent Calendar Items:

- 1) APPROVAL OF WARRANT REGISTER NO. 12-122
- 2) BUSINESS LICENSE PERMIT RENEWALS FOR CALENDAR YEAR 2013
- 3) ADOPTION OF A RESOLUTION TO FIX THE CITY'S CONTRIBUTION TOWARD CalPERS HEALTH BENEFITS

By consensus, the motion carried.

NEW BUSINESS

- 4) AMENDMENT TO CONTRACT NO. 1465 AND REFUSE CONTRACT TIMELINE IMPLEMENTATION

SAN FERNANDO CITY COUNCIL**MINUTES – December 17, 2012****Page 3**

Public Works Director Ron Ruiz presented the staff report and replied to questions from Councilmembers.

Motion by Councilmember Fajardo, seconded by Councilmember Avila, to:

- a) Approve an amendment to the existing agreement (Contract No. 1465) with Crown Disposal extending City refuse services through February 2013 under the existing terms and conditions; and
- b) Direct staff to initiate the proposed project timeline and proceed with the selection process in order to retain consultant services to assist the City in the procurement of a refuse services contract.

By consensus, the motion carried.

CITY COUNCIL ITEMS

By consensus, Item No.s 12, 13, 14 and 15 were moved up on the agenda.

12) APPOINTMENT TO CITY COMMISSION

Motion by Mayor Pro Tem Ballin, seconded by Councilmember Gonzales, to appoint Yvonne Mejia to the Planning and Preservation Commission as Mayor Lopez' representative. By consensus, the motion carried.

13) APPOINTMENTS TO CITY COMMISSIONS

Motion by Councilmember Avila, seconded by Mayor Pro Tem Ballin, to appoint Theale "Stormy" E. Haupt to the Planning and Preservation Commission; Dolores "Dee" Akemon to the Transportation and Safety Commission; and Joe Ponce to the Parks, Wellness, and Recreation Commission as Councilmember Avila's representatives. By consensus, the motion carried.

14) APPOINTMENTS TO CITY COMMISSIONS

Motion by Councilmember Fajardo, seconded by Mayor Pro Tem Ballin, to appoint Kevin Beaulieu to the Planning and Preservation Commission and Patty Lopez to the Education Commission as Councilmember Fajardo's representatives. By consensus, the motion carried.

15) APPOINTMENTS TO CITY COMMISSIONS

Motion by Councilmember Gonzales, seconded by Councilmember Avila, to appoint Rudy Trujillo to the Transportation and Safety Commission; Rodolfo Salinas Jr. to the Planning and Preservation Commission; Louis A. Lopez to the Education Commission; and Saydith Navarro

SAN FERNANDO CITY COUNCIL**MINUTES – December 17, 2012****Page 4**

to the Parks, Wellness, and Recreation Commission as Councilmember Gonzales' representatives. By consensus, the motion carried.

NEW BUSINESS (CONTINUED)

5) **AWARD OF CONSTRUCTION CONTRACT FOR LOPEZ ADOBE REHABILITATION PROJECT PHASE II: FLOORING AND ROOF REPAIRS (PROJECT CCHE GRANT NO. 07-B4-27)**

Interim City Administrator/City Planner Ramirez presented the staff report and replied to questions from Councilmembers.

Motion by Councilmember Avila, seconded by Mayor Pro Tem Ballin, to:

- a) Accept the lowest responsive bid in the amount of \$48,000 from Access Pacific Inc. for rehabilitation work on the Lopez Adobe building and site; and
- b) Authorize the Interim City Administrator to execute a Construction Contract with Access Pacific Inc., which includes the low bid of \$46,000 for rehabilitation work on the Lopez Adobe building to remove asbestos containing floor, installation of linoleum flooring, repair and restoration of the clay tile roof and \$2,000 for an additive bid item that includes new roof underlayment, all pursuant to the Secretary of Interiors Standards for the Treatment of Historic Properties and National Park Services Preservation Briefs No. 30.

By consensus, the motion carried.

6) **AWARD OF ARCHITECTURAL CONTRACT FOR THE LOPEZ ADOBE ANCILLARY BUILDING PROJECT**

Interim City Administrator/City Planner Ramirez presented the staff report and replied to questions from Councilmembers.

Motion by Mayor Pro Tem Ballin, seconded by Councilmember Gonzales, to:

- a) Accept the lowest responsive bid in the amount not to exceed \$15,555 from ONYX Architects to prepare construction documents and provide construction observation services for the Lopez Adobe Ancillary Building Project, per the approved scope of work; and
- b) Authorize the Interim City Administrator to execute a contract for professional services with ONYX Architects per the approved scope of work, in an amount not to exceed \$15,555 with an additional 10% contingency for unforeseen, additional work.

SAN FERNANDO CITY COUNCIL**MINUTES – December 17, 2012****Page 5**

By consensus, the motion carried.

7) **APPOINTMENT OF INTERIM CITY ADMINISTRATOR AS DEPUTY FINANCE DIRECTOR FOR CHECK SIGNATURE PURPOSES**

Interim City Administrator/City Planner Ramirez presented the staff report and replied to questions from Councilmembers.

Motion by Councilmember Fajardo, seconded by Mayor Pro Tem Ballin, to designate the Interim City Administrator as the Deputy Finance Director for signature of warrants issued to vendors and employees, effective December 17, 2012. By consensus, the motion carried.

8) **ADOPTION OF A RESOLUTION CANCELING THE MARCH 5, 2013, GENERAL MUNICIPAL ELECTION AND PROVIDING FOR APPOINTMENTS TO THE OFFICES OF THE CITY THAT WERE TO BE ELECTED ON MARCH 5, 2013**

City Clerk Chávez presented the staff report.

Motion by Mayor Lopez, seconded by Mayor Pro Tem Ballin, to adopt a Resolution canceling the March 5, 2013, General Municipal Election and providing for the appointment to the offices of the City that were to be elected on March 5, 2013.

In response to Councilmember Fajardo's request to abstain, City Atty. Medina stated that pursuant to City Council's current rules and procedures, he does not have a legal disqualifying conflict and is required to vote.

The motion carried with the following vote:

AYES:	Lopez, Ballin, Avila, Gonzales, Fajardo – 5
NOES:	None
ABTAIN:	None

9) **REQUEST FOR FINANCIAL ASSISTANCE FOR THE HARDING STREET AFFORDABLE HOUSING PROJECT**

Interim City Administrator/City Planner Ramirez presented the staff report and he and Adriana Gomez (Aszkenazy Development representative) replied to questions from Councilmembers.

Motion by Councilmember Fajardo, seconded by Councilmember Avila, to:

- a) Adopt a Resolution authorizing the City's financial commitment of \$250,000 in local support;
- b) Authorize the Interim City Administrator to prepare the associated Letter of Support for the Project;

SAN FERNANDO CITY COUNCIL**MINUTES – December 17, 2012****Page 6**

- c) Add the word “loans” (following the word “grants”) in Section 2;
- d) Add another stipulation that should the funding not go through, funds be returned and any obligation dissolved.

City Attorney Medina also added language that read “...and authorize the Interim City Administrator *and the City Attorney*”. Also, after “...to prepare the associated letter of support for the project.” insert, “*...and any other necessary documents to facilitate the application for the L.A. County home funds...*”

The amendments were accepted by Councilmember Fajardo, and the motion carried with the following vote:

AYES:	Fajardo, Avila, Lopez, Ballin, Gonzales – 5
NOES:	None
ABSENT:	None

The motion carried unanimously.

CITY COUNCIL ITEMS**10) STANDING COMMITTEES - REORGANIZATION**

Refer to motion below.

11) CITY COUNCIL LIAISON ASSIGNMENTS

Motion by Councilmember Avila, seconded by Mayor Pro Tem Ballin, to accept Mayor Lopez’ recommended appointments to the Standing Committees and City Council Liaison Assignments. By consensus, the motion carried.

16) CONSIDERATION OF THE FORMATION OF A HEALTHCARE ADVISORY BOARD

Councilmember Fajardo gave background information on this item. Councilmembers briefly discussed the item and it was suggested to table this (discussion may begin at the Standing Committee level for vetting then bring back to the City Council).

No action was taken.

GENERAL COUNCIL COMMENTS

Councilmember Avila thanked audience members for sticking around and also thanked staff and his colleagues for their input.

SAN FERNANDO CITY COUNCIL**MINUTES – December 17, 2012****Page 7**

Councilmember Gonzales thanked staff for the thorough agenda reports.

Mayor Pro Tem Ballin said she receive a suggestion from a resident to place green and white ribbons (Sandy Cook Elementary School colors) perhaps on Brand Blvd. and she asked if helpline links could be placed on the City website to assist people that may be in a desperate situation.

Mayor Lopez said the City is moving forward and he thanked residents and staff.

STAFF COMMUNICATION

Interim City Administrator/City Planner Ramirez on behalf of staff and himself, thanked City Council for their support and he encouraged them to ask questions (the earlier is better). He said that staff appreciates the input (it's beneficial when preparing for the meetings) and is optimistic we are moving forward.

Public Works Director Ruiz and Interim City Administrator/City Planner Ruiz requested to add items to the PVTT and BPF Standing Committees regarding award of contract for the bus shelters and a one-year extension with Crown Disposal. By consensus, Council agreed.

REPORT OUT FROM CLOSED SESSION (SPECIAL CITY COUNCIL MEETING HELD AT 4:00 P.M.)

City Attorney Medina announced that there was one reportable action. For Item D, the City Council approved (5-0 vote) a separation agreement with City Administer Al Hernández (the agreement provides that he will retire effective February 7, 2013 remaining on the City's payroll until then to assist with the transition of a new City Administrator).

No additional reportable items.

ADJOURNMENT (8:22 P.M.)

Motion by Councilmember Avila, seconded by Mayor Pro Tem Ballin to adjourn. By consensus, the motion carried.

I do hereby certify that the foregoing is a true and correct copy of the minutes of December 17, 2012 meeting as approved by the San Fernando City Council.

Elena G. Chávez
City Clerk

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**SAN FERNANDO CITY COUNCIL
MINUTES**

**JANUARY 22, 2013 – 4:00 P.M.
SPECIAL MEETING**

City Hall Council Chambers
117 Macneil Street
San Fernando, CA 91340

CALL TO ORDER/ROLL CALL

Mayor Pro Tem Ballin called the meeting to order at 4:01 p.m.

Present:

Council: Mayor Pro Tem Sylvia Ballin and Councilmembers Jesse H. Avila, Joel Fajardo, and Robert C. Gonzales

Staff: Interim City Administrator Don Penman, City Attorney Maribel Medina, and City Clerk Elena G. Chávez

Absent: Mayor Antonio Lopez

PLEDGE OF ALLEGIANCE

Councilmember Gonzales

APPROVAL OF AGENDA

Motion by Councilmember Avila, seconded by Councilmember Fajardo, to approve the agenda.
By consensus, the motion carried.

PUBLIC STATEMENTS – WRITTEN/ORAL

None

RECESS TO CLOSED SESSION (4:03 P.M.)

By consensus, Councilmembers recessed to the following Closed Session:

**SAN FERNANDO CITY COUNCIL
SPECIAL MEETING MINUTES – January 22, 2013**

Page 2

**A) CONFERENCE WITH LABOR NEGOTIATOR
G.C. 54957.6**

City Negotiator: Interim City Administrator Don Penman
Employee Organizations: San Fernando Management Group (SEIU, Local 721)
San Fernando Public Employees' Association (SEIU, Local 721)
San Fernando Police Officers Association
San Fernando Police Officers Association Police Management Unit
San Fernando Police Civilian Association (SEIU, Local 721)
San Fernando Part-time Employees' Bargaining Unit (SEIU, Local 721)

**B) PUBLIC EMPLOYMENT
G.C. 54957**

Title: Interim Finance Director

**C) CONFERENCE WITH REAL PROPERTY NEGOTIATOR
G.C. 54956.8**

Property: 700 and 753 San Fernando Road
City Negotiator: Interim City Administrator Don Penman
Negotiating Parties: Greg Brown
Under Negotiation: Price and Terms

REPORT OUT FROM CLOSED SESSION

No reportable action.

ADJOURNMENT (4:45 P.M.)

By consensus, the meeting was adjourned.

I do hereby certify that the foregoing is a true and correct copy of the minutes of January 22, 2013 meeting as approved by the San Fernando City Council.

*Elena G. Chávez
City Clerk*

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FINANCE DEPARTMENT**MEMORANDUM**

TO: Mayor Antonio Lopez and Councilmembers

FROM: Don Penman, Interim City Administrator/Deputy Finance Director

DATE: February 4, 2013

SUBJECT: Warrant Register

RECOMMENDATION:

It is recommended that the City Council adopt a Resolution (Attachment “A”) approving the Warrant Register.

BACKGROUND:

For each City Council meeting the Finance Department prepares a Warrant Register for Council approval. The Register includes all recommended payments for the City. Checks, other than handwritten checks, generally are not released until after the Council approves the Register. The exceptions are for early releases to avoid penalties and interest, excessive delays and in all other circumstances favorable to the City to do so. Handwritten checks are those payments required to be issued between Council meetings such as insurance premiums and tax deposits. Staff reviews requests for expenditures for budgetary approval and then prepares a Warrant Register for Council approval and or ratification. Items such as payroll withholding tax deposits do not require budget approval.

The Deputy Finance Director hereby certifies that all requests for expenditures have been signed by the department head, or designee, receiving the merchandise or services thereby stating that the items or services have been received and that the resulting expenditure is appropriate. The Deputy Finance Director hereby certifies that each warrant has been reviewed for completeness and that sufficient funds are available for payment of the warrant register.

ATTACHMENT:

A. Warrant Register Resolution

ATTACHMENT "A"**RESOLUTION NO. 13-021****RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
SAN FERNANDO ALLOWING AND APPROVING FOR
PAYMENT DEMANDS PRESENTED ON DEMAND/
WARRANT REGISTER NO. 13-021****THE CITY COUNCIL OF THE CITY OF SAN FERNANDO DOES HEREBY
RESOLVE, FIND, DETERMINE AND ORDER AS FOLLOWS:**

1. That the demands (EXHIBIT "A") as presented, having been duly audited, for completeness, are hereby allowed and approved for payment in the amounts as shown to designated payees and charged to the appropriate funds as indicated.

2. That the City Clerk shall certify to the adoption of this Resolution and deliver it to the City Treasurer.

PASSED, APPROVED, AND ADOPTED this 4th day of February, 2013.

Antonio Lopez, Mayor

ATTEST:

Elena G. Chávez, City Clerk

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss
CITY OF SAN FERNANDO)

I HEREBY CERTIFY that the foregoing Resolution was approved and adopted at a regular meeting of the City Council held on the 4th day of February 2013, by the following vote to wit:

AYES:

NOES:

ABSENT:

Elena G. Chávez, City Clerk

EXHIBIT "A"

vchlist

01/31/2013 3:42:35PM

Voucher List

CITY OF SAN FERNANDO

Page:

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Bank code :bank

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
100647	2/4/2013	100015 A.V. TROPHY & UNIFORM	092112		BBALL TROPHIES 17-420-1328-4300	81.56
					Total :	81.56
100648	2/4/2013	100070 ADVANCED ELECTRONICS INC.	0122605-IN		TWO WAY RADIO , SP EQUIPMENT ANI 01-222-0000-4260	518.75
					Total :	518.75
100649	2/4/2013	100074 AEGIS COMPUTERS INC.	207887		COMPUTER SERVICES - OCT 2012 01-190-0241-4260 01-190-0420-4260 01-222-0000-4260	4,000.00 2,000.00 4,000.00
			207888		WEB DESIGN/SUPPORT & WEBSITE SE 01-190-0241-4260	930.00
					Total :	10,930.00
100650	2/4/2013	100101 VERIZON WIRELESS-LA	970459610		VARIOUS CELL PHONES 01-310-0000-4220 72-360-0000-4220 01-101-0109-4220	44.34 22.98 32.86
					Total :	100.18
100651	2/4/2013	100222 ARROYO BUILDING MATERIALS, INC	102474		MAT'Ls USED FOR BIRD NET INSTALLA 01-390-0460-4430	14.72
					Total :	14.72
100652	2/4/2013	100676 R. E. CHARLES PLUMBING, INC.	16796		CLEAR STOPPAGES IN SINK IN MOP R 01-390-0410-4330	224.00
					Total :	224.00
100653	2/4/2013	100747 COASTLINE EQUIPMENT	111777		STREET PADS & TRANS SWITCHES - P 70-383-0000-4400	459.55
			112795		HYDRAULIC HOSE - WA5213 70-383-0000-4400	92.27
					Total :	551.82

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100654	2/4/2013	100805 COOPER HARDWARE INC.	87348		COMPRESSOR HOSE REPAIR		
					70-383-0000-4320		17.42
			87446		LIFT TRUCK SHELF & BIN REPAIR		
					27-344-0301-4300		72.22
					Total :		89.64
100655	2/4/2013	100886 LOS ANGELES DAILY NEWS	0010283453		PUBLICATION OF PARK AVE ST IMPRO		
					08-311-0000-4600		1,244.40
					Total :		1,244.40
100656	2/4/2013	100886 LOS ANGELES DAILY NEWS	0010281700		LEGAL NOTICE - CITY CLERK CERT		
					01-116-0935-4230		367.20
					Total :		367.20
100657	2/4/2013	100894 DAPPER TIRE COMPANY INC.	900742926		TIRES FOR FLEET		
					01-1215		1,767.76
					Total :		1,767.76
100658	2/4/2013	101028 TYLER TECHNOLOGIES, INC.	045-79916		FY12/13 - EDEN SYSTEM SUPPORT		
				10959	70-382-0000-4320		9,410.09
				10959	01-130-0000-4320		20,179.55
				10959	01-106-0000-4320		3,751.03
				10959	01-130-0000-4320		3,867.05
					Total :		37,207.72
100659	2/4/2013	101089 ESCOBAR, MARCO	011813 - 1		L P SENIOR PETTY CASH REIMB.		
					04-2380		78.22
			011813 - 2		L P SENIOR PETTY CASH REIMB.		
					04-2380		63.74
			011813 - 3		L P SENIOR PETTY CASH REIMB.		
					04-2380		141.62
		012113		L P SENIOR PETTY CASH REIMB.			
					04-2380		81.79
					Total :		365.37
100660	2/4/2013	101147 FEDEX	2-141-59176		COURIER SERVICES		
					01-190-0000-4280		50.45

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100660	2/4/2013	101147 101147 FEDEX	(Continued)		Total :	50.45
100661	2/4/2013	101152 FERNANDEZ, JULIE	REIMB.		REIMB FOR FRAMES PURCHASED 01-101-0000-4300	58.79
					Total :	58.79
100662	2/4/2013	101302 VERIZON	8181811075		CITY HALL PAGING 01-190-0000-4220	40.06
			8181811111		MUSIC CHANNEL 01-190-0000-4220	45.21
			8181811126		RADIO REPEATER 01-222-0000-4220	44.67
			8181811136		RADIO REPEATER 01-222-0000-4220	44.67
			8181990351		PAC 50 TO SHERIFFS 01-222-0000-4220	504.40
			8183610901		SEWER FLOW MONITOR 72-360-0000-4220	43.47
			8183612385		MTA PHONE LINE 07-440-0441-4220	84.83
					01-190-0000-4220	42.42
			8183613958		CNG STATION 01-320-3661-4220	37.81
			8183617825		HERITAGE PARK IRRIG SYSTEM 01-420-0000-4220	42.42
			8188315002		PD SPECIAL PROBLEMS 01-222-0000-4220	38.61
			8188377174		PD SPECIAL PROBLEMS 01-222-0000-4220	27.36
			8188381841		ENGINEERING FAX MODEM 01-310-0000-4220	27.97
			8188981293		CITY YARD MAJOR PHONE LINES 70-384-0000-4220	699.94
			8188987373		PD EMERGENCY 01-222-0000-4220	109.71
			8188987385		LP FAX LINE 01-420-0000-4220	30.91

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100662	2/4/2013	101302 101302 VERIZON	(Continued)		Total :	1,864.46
100663	2/4/2013	101376 GRAINGER, INC.	9037879054		SAFETY LADDER/PLATFORM 01-390-0410-4310	896.37
					Total :	896.37
100664	2/4/2013	101528 THE HOME DEPOT CRC, ACCT#603532202490	1085478		MAINT SUPPLIES FOR REC PARK 01-390-0410-4300	78.35
			2244621		AIR HOSES 70-383-0000-4340	293.10
			4096566		PAINTING IN FINGER PRINT ROOM & M 01-390-0222-4300	117.10
			7014893		MAT'LS USED TO REPLACE TRASH CAI 01-390-0460-4300	20.04
			7090021		REPAIR WATER HEATER LEAK @ CITY 01-390-0310-4300	69.48
			95250		MAT'LS USED FOR RAT CONTROL & TII 01-390-0460-4300	65.90
					Total :	643.97
100665	2/4/2013	101599 IMAGE 2000 CORPORATION	VN296315		TOSHIBA 720 CONTRACT BASE CHARC 01-190-0000-4320	307.68
			VN296316		TOSHIBA 3510 USAGE - 01/03/13-02/02/ 01-190-0000-4320	1,200.80
					Total :	1,508.48
100666	2/4/2013	101666 DE LAGE LANDEN FINANCIAL SERVS	16511742		COPY MACHINE USAGE - JAN 2013 01-222-0000-4260	604.95
					Total :	604.95
100667	2/4/2013	101957 CITY OF LOS ANGELES	38SF130000004		FIRE/AMBULANCE SERVICES FOR SEF 01-500-0000-4260	263,279.92
					Total :	263,279.92
100668	2/4/2013	101971 L.A. MUNICIPAL SERVICES	011413		ELECTRIC - 13655 FOOTHILL 70-384-0000-4210	85.36
			011513		ELECTRIC - 14060 SAYRE 70-384-0000-4210	14,141.37

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100680	2/4/2013	102782	102782 RAMIREZ, JOSE A.	(Continued)		Total : 950.00
100681	2/4/2013	102929	ROYAL PAPER CORPORATION	4348452	JANITORIAL SUPPLIES	
					01-390-0470-4300	46.32
					01-390-7500-4300	328.89
					01-390-0460-4300	158.59
					01-390-0410-4300	377.28
					01-390-0310-4300	112.71
					01-390-0222-4300	149.77
					Total :	1,173.56
100682	2/4/2013	102930	ROYAL WHOLESALE ELECTRIC	8901-676366	PHOTOCELL REPLACEMENT	
				8901-676569	27-344-0301-4300	194.89
				8901-676572	LAMP REPLACEMENTS	
				8901-676602	27-344-0301-4300	392.40
					HEX SET REPLACEMENT	
					27-344-0301-4300	13.08
					TELEPHONE CONNECTION GROUND F	
					70-384-0857-4600	19.62
					Total :	619.99
100683	2/4/2013	103010	SAM'S CLUB DIRECT, #0402465855179	3545	KITCHEN SUPPLIES - PD	
				985	01-222-0000-4300	236.97
					TABLE CLOTHES	
					04-2360	272.28
					Total :	509.25
100684	2/4/2013	103029	SAN FERNANDO, CITY OF	12241-121348	REIMBURSEMENT TO WORKERS COM	
				VD CKS 12241-12242	06-190-0000-4810	56,890.23
					VOIDED CHECKS 12241 & 12242	
					06-190-0000-4810	-8,316.75
					Total :	48,573.48
100685	2/4/2013	103184	SMART & FINAL	154043	SUPPLIES FOR NUTRITION PROGRAM	
				154451	10-422-3750-4300	152.61
					SNACKS & BEVERAGES FOR TRAINING	
					01-222-0000-4300	173.43

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100685	2/4/2013	103184	103184 SMART & FINAL	(Continued)		
					Total :	326.10
100686	2/4/2013	103202	SOUTHERN CALIFORNIA EDISON CO.	010813	ELECTRIC - VARIOUS LOCATIONS	
				011013	01-420-0000-4210 ELECTRIC - 505 S HUNTINGTON	1,764.63
				011113	01-420-0000-4210 ELECTRIC - 208 PARK (AQUATIC CENT)	1,292.13
				011513	01-430-0000-4210 ELECTRIC - 120 MACNEIL	4,583.37
					70-381-0000-4210	209.01
					72-360-0000-4210	209.01
					01-390-0450-4210	425.76
					70-384-0000-4210	1,025.77
					Total :	9,509.68
100687	2/4/2013	103205	THE GAS COMPANY	010813	GAS - 828 HARDING	
				010913	01-420-0000-4210 GAS - 910 1ST	11.53
					01-222-0000-4210	534.74
				011113	01-430-0000-4210 GAS - 505 S HUNTINGTON	1,577.59
					01-420-0000-4210	364.17
					Total :	2,488.03
100688	2/4/2013	103206	SOUTHERN CALIFORNIA GAS CO.	176-827-9753	NATURAL GAS FOR CNG STATION	
					01-320-3661-4402	8,230.84
					Total :	8,230.84
100689	2/4/2013	103218	SOLIS, MARGARITA	13-25	PETTY CASH REIMB	
					01-105-0000-4370	30.00
					01-152-0000-4300	10.17
					01-222-0000-4300	38.02
					01-225-0000-4350	7.53
					01-310-0000-4390	21.50
					01-390-0410-4320	13.05
					04-2391	25.00
					10-420-1371-4300	38.55

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100689	2/4/2013	103218 SOLIS, MARGARITA	(Continued)		70-381-0000-4370 70-381-0000-4390 70-384-0000-4370	50.00 16.00 15.50 Total : 265.36
100690	2/4/2013	103251 STANLEY PEST CONTROL	465492		PEST CONTROL @ PD 01-390-0222-4260	64.00 Total : 64.00
100691	2/4/2013	103305 TAB PRODUCTS CO.	2142567 2143428		DR'S FOLDERS FOR 2013 01-222-0000-4300 PURGE STICKERS 01-222-0000-4300	2,606.00 336.35 Total : 2,942.35
100692	2/4/2013	103439 UPS	831954013		COURIER SERVICE 01-190-0000-4280	162.55 Total : 162.55
100693	2/4/2013	103661 WEST-LITE SUPPLY CO., INC.	20586C		LAMPS REPLACED 01-430-0000-4300 01-390-0460-4300 01-390-0410-4300	449.52 165.03 171.25 Total : 785.80
100694	2/4/2013	103688 WIL-POWER BATTERY DIST.	169940		BATTERIES FOR UPS SYSTEM @ 120 A 01-390-0450-4300	86.78 Total : 86.78
100695	2/4/2013	103716 WORKBOOT WAREHOUSE	40916		SAFETY WORK BOOTS 70-384-0000-4310	129.71 Total : 129.71
100696	2/4/2013	103738 YOSEF AMZALAG SUPPLY	12050320		SUPPLIES FOR MAINT 01-390-7500-4300	53.41 Total : 53.41

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100697	2/4/2013	103752 ZUMAR INDUSTRIES, INC.	0142881		"WARREN STREET" SIGN REPLACEMENT 13-370-0301-4300	96.85
			0142904		"RESERVED PARKING" FOR LOT 6N (SI 13-370-0301-4300	39.80
			0142907		"HARDING AVE" SIGN REPLACEMENT 13-370-0301-4300	97.20
					Total :	233.85
100698	2/4/2013	103903 TIME WARNER CABLE	8448200540010369		CABLE 01/18/13 - 02/17/13 01-222-0000-4260	15.79
			8448200540028882		CABLE/INTERNET SERVICE - 01-420-0000-4260	117.40
			8448300070189011		INTERNET SERVICES 01/12/13-02/11/13 01-190-0000-4220	1,100.00
					Total :	1,233.19
100699	2/4/2013	887249 GALLS, LLC	000312129		REFLECTIVE VESTS 01-222-0000-4300	122.65
					Total :	122.65
100700	2/4/2013	887346 INTERMOUNTAIN LOCK &	723282		PADLOCKS FOR WELL SITES 70-384-0000-4310	288.80
					Total :	288.80
100701	2/4/2013	887377 AKEMON, DOLORES	011613		COMMISSIONER'S REIMBURSEMENT 01-310-0000-4111	50.00
					Total :	50.00
100702	2/4/2013	887422 NORTHERN SAFETY CO., INC.	900266608		FLOOR MATS FOR ENTRANCE 01-430-0000-4300	248.27
					01-390-0460-4300	165.52
					Total :	413.79
100703	2/4/2013	887603 R. F. ERECTION COMPANY	13-116		WHEELCHAIR LIFT SERVICE @ LP PAR 01-390-0460-4260	400.00
					Total :	400.00
100704	2/4/2013	887715 VACATIONS FOR LESS INC.	23839		HAWAII TRIP DEPOSIT	

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100704	2/4/2013	887715 VACATIONS FOR LESS INC.	(Continued)		04-2383	500.00	
					Total :	500.00	
100705	2/4/2013	887952 J. Z. LAWNMOWER SHOP	3638		CHOP SAW CONCRETE CUTTER REPA	18.00	
			3639		70-383-0000-4320		
					RAKES	39.02	
					01-390-0470-4300		
					Total :	57.02	
100706	2/4/2013	888042 ALTEC INDUSTRIES INC.	9161377		SHIPPING CREDIT		
			9998883		01-320-0346-4400	-56.34	
					PROXIMITY SWITCH - PW4609		
					01-320-0346-4400	162.44	
					Total :	106.10	
100707	2/4/2013	888241 UNITED SITE SERVICES OF CA INC	114-1052222		PORTABLE TOILET RENTAL @ 501 FIR	467.89	
			114-1058359		70-381-0450-4260		
					PORTABLE TOILET RENTAL @ LAYNE F	322.27	
					01-390-0410-4260		
					Total :	790.16	
100708	2/4/2013	888242 MCI COMM SERVICE	7DI59672		POOL FACILITY - PHONE LINES		
			7DK48553		01-430-0000-4220	38.40	
					POOL FACILITY - FAX MACHINE		
					01-430-0000-4220	32.01	
					Total :	70.41	
100709	2/4/2013	888356 ADVANCED AUTO REPAIR BODY &	1023		INSTALL MIRROR - PD6204	45.00	
			1025		01-320-0228-4400		
			1026		INSTALL MANIFOLD/COOLANT/PLUGS/	304.55	
					01-320-0225-4400		
					REPLACE HEATER ACTUATOR DOOR -	238.28	
					01-320-0225-4400		
					Total :	587.83	
100710	2/4/2013	888468 MAJOR METROPOLITAN SECURITY	1056442		ALARM MONITORING - FEB 2013		
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100710	2/4/2013	888468 MAJOR METROPOLITAN SECURITY	(Continued)		70-381-0450-4260	15.00	
			1056443		ALARM MONITORING - FEB 2013		
			1056444		70-381-0450-4260	15.00	
			1056445		ALARM MONITORING - FEB 2013		
			1056446		01-390-0410-4260	15.00	
			1056447		ALARM MONITORING - FEB 2013		
			1056448		01-390-0222-4260	15.00	
			1056449		ALARM MONITORING - FEB 2013		
			1056450		01-390-0460-4260	15.00	
			1056451		ALARM MONITORING - FEB 2013		
			1056452		70-381-0450-4260	15.00	
			1056453		ALARM MONITORING - FEB 2013		
			1056454		01-390-0460-4260	15.00	
					ALARM MONITORING - FEB 2013		
					01-390-0310-4260	15.00	
					ALARM MONITORING - FEB 2013		
					01-430-0000-4260	15.00	
					ALARM MONITORING - FEB 2013		
					01-390-0410-4260	15.00	
					Total :	195.00	
100711	2/4/2013	888615 WOOD AUTO SUPPLY INC	788250		AIR FILTER - PW4609		
			788315		01-320-0346-4400	17.85	
			788526		FILTERS FOR FLEET		
			789102		01-1215	75.95	
			789321		AIR FILTER HOSE - PW4609		
					01-320-0346-4400	18.12	
					BOLTS FOR EXERCISE EQUIP @ REC I		
					01-390-0410-4300	15.25	
					HYDRAULIC OIL - WA5213		

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100711	2/4/2013	888615 WOOD AUTO SUPPLY INC	(Continued)		70-383-0000-4400	100.50
			789485		RADIATOR CAP - PW1258	
			789512		72-360-0000-4400	5.09
			789891		RADIATOR HOSE - PW2073	
			789895		01-320-0371-4400	22.78
			790032		OXYGEN SENSOR'S - PD4985	96.79
					01-320-0225-4400	23.61
					OIL FILTER & HYDRAULIC FILTER - PW	
					01-320-0371-4400	102.06
					BELTS & MOUNT - PD7833	
					01-320-0225-4400	
					Total :	478.00
100712	2/4/2013	888646 HD SUPPLY WATER WORKS, LTD	6000825		OFFSET PIPE	
			6025287		70-383-0301-4300	91.56
					GATE VALVES	
					70-383-0701-4600	1,621.48
					Total :	1,713.04
100713	2/4/2013	888762 COMMAND CONCRETE CUTTING	11614		SAW CUTTING - 131 PARK AVE	
					70-383-0000-4260	375.00
					Total :	375.00
100714	2/4/2013	888800 BUSINESS CARD	JAN 2013		LEAGUE OF CA CITIES CONFERENCE	
			JAN 2013		01-101-0101-4370	469.56
			JAN 2013		LEAGUE OF CA CITIES CONFERENCE	
			JAN 2013		01-101-0103-4370	301.54
			JAN 2013		LEAGUE OF CA CITIES CONFERENCE	
			JAN 2013		01-101-0109-4370	234.78
			JAN 2013		LEAGUE OF CA CITIES CONFERENCE	
			JAN 2013		01-101-0111-4370	301.54
			JAN 2013		LEAGUE OF CA CITIES CONFERENCE	
			JAN 2013		01-101-0113-4370	298.08
			JAN 2013		LEAGUE OF CA CITIES CONFERENCE	
					01-101-0101-4370	27.00
					01-101-0103-4370	27.00

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100714	2/4/2013	888800 BUSINESS CARD	(Continued)		01-101-0109-4370	28.00
					01-101-0111-4370	28.00
			JAN 2013		LEAGUE OF CA CITIES CONFERENCE	
			JAN 2013		01-101-0101-4370	550.00
			JAN 2013		LEAGUE OF CA CITIES CONFERENCE	
			JAN 2013		01-101-0103-4370	550.00
			JAN 2013		LEAGUE OF CA CITIES CONFERENCE	
			JAN 2013		01-101-0109-4370	550.00
			JAN 2013		LEAGUE OF CA CITIES CONFERENCE	
			JAN 2013		01-101-0111-4370	550.00
			JAN 2013		LEAGUE OF CA CITIES CONFERENCE	
			JAN 2013		01-101-0113-4370	550.00
			JAN 2013		LEAGUE OF CA CITIES CONFERENCE	
			JAN 2013		01-101-0101-4370	242.80
			JAN 2013		LEAGUE OF CA CITIES CONFERENCE	
			JAN 2013		01-101-0103-4370	242.80
			JAN 2013		LEAGUE OF CA CITIES CONFERENCE	
			JAN 2013		01-101-0109-4370	242.80
			JAN 2013		LEAGUE OF CA CITIES CONFERENCE	
			JAN 2013		01-101-0111-4370	263.80
			JAN 2013		CERTIFICATE FOLDERS FOR PROCLA	
					01-101-0000-4300	168.97
					Total :	5,626.67
100715	2/4/2013	888868 MONTESDEOCA, CESARIO	#01A		MMAP GALA CATERING SERVICE	
					01-424-0000-4430	1,658.39
					Total :	1,658.39
100716	2/4/2013	888869 MUNITEMPS STAFFING	123613		TEMP STAFFING - ADMIN ANALYST - W	
					01-310-0000-4112	230.68
					01-311-0000-4112	57.67
					27-344-0000-4112	144.18
					70-382-0000-4112	1,009.23
					70-383-0000-4112	288.35
					70-384-0000-4112	288.35
					72-360-0000-4112	288.34

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Bank code :		bank				
Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
100716	2/4/2013	888869 MUNITEMPS STAFFING	(Continued)		70-381-0000-4112	576.70
					Total :	2,883.50
100717	2/4/2013	888873 ROYAL FLUSH	1922		PORTABLE TOILET RENTAL @ 12900 D	133.00
					70-384-0000-4260	133.00
					Total :	133.00
100718	2/4/2013	888887 D & R GLASS	240277		REPLACED BROKEN MIRROR IN WEIC	250.00
					01-390-0222-4330	250.00
					Total :	250.00
100719	2/4/2013	889081 LASZLO ENTERPRISES, INC	121112		TRANSPORTATION TO VALLEY VIEW C	900.00
					04-2380	900.00
					Total :	900.00
100720	2/4/2013	889118 LDI COLOR TOOLBOX	179680		COPIER CONTRACT 12/18/12-01/15/13	99.89
					01-222-0000-4260	99.89
					Total :	99.89
100721	2/4/2013	889121 EDGESOFT, INC.	2716		ANNUAL MAINTENANCE CONTRACT F	3,000.00
				10960	01-140-0000-4320	3,000.00
				10960	01-150-0000-4320	3,000.00
				10960	01-152-0000-4320	3,000.00
				10960	72-360-0000-4320	3,000.00
					Total :	12,000.00
100722	2/4/2013	889144 BIRD-B-GONE	115156		LP PARK BIRD PROBLEM CONTROL	952.21
					01-390-0460-4430	952.21
					Total :	952.21
100723	2/4/2013	889149 STAPLES BUSINESS ADVANTAGE	8024211998		FILE FOLDERS, POST ITS, MAGAZINE	63.84
					01-105-0000-4300	63.84
					Total :	63.84
100724	2/4/2013	889328 FIRST TRANSIT, INC.	10761723		MCT - DEC 2012	38,061.94
					07-440-0442-4260	38,061.94
						Page: 15

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Bank code :		bank				
Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
100724	2/4/2013	889328 889328 FIRST TRANSIT, INC.	(Continued)			38,061.94
					Total :	38,061.94
100725	2/4/2013	889532 GILMORE, REVA A.	01/12/13 - 01/25/13		FOOD SERVICE MANAGER	546.00
					10-422-3750-4270	78.00
					10-422-3752-4270	624.00
					Total :	624.00
100726	2/4/2013	889533 MARTINEZ, ANITA	01/12/13 - 01/25/13		FOOD SERVICE INTAKE CLERK	159.30
					10-422-3750-4270	159.30
					Total :	159.30
100727	2/4/2013	889534 RAMIREZ, FRANCISCO	01/12/13 - 01/25/13		HDM DRIVER	141.60
					10-422-3752-4270	41.60
					10-422-3752-4390	183.20
					Total :	183.20
100728	2/4/2013	889535 GOMEZ, GILBERT	01/12/13 - 01/25/13		HDM DRIVER	159.30
					10-422-3752-4270	51.48
					10-422-3752-4390	210.78
					Total :	210.78
100729	2/4/2013	889545 PEREZ, MARIBEL	REIMB		REIMB FOR REPAIR OF BILLARDS TAB	75.00
					04-2346	75.00
					Total :	75.00
100730	2/4/2013	889602 RESPOND SYSTEMS	293666		FIRST AID STATION REFILLS	102.98
			92564		70-381-0450-4300	319.60
					HAND SANITIZER & DISPENSERS	422.58
					01-222-0000-4300	422.58
					Total :	422.58
100731	2/4/2013	889644 VERIZON BUSINESS	62285691		CITY HALL LONG DISTANCE	56.23
			62285692		01-190-0000-4220	79.67
			62285693		CITY YARD LONG DISTANCE	265.43
			62285694		70-384-0000-4220	265.43
					CITY HALL LONG DISTANCE & INTRAL	265.43
					01-190-0000-4220	265.43
					POLICE LONG DISTANCE	265.43
						Page: 16

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Bank code :		bank				
Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
100731	2/4/2013	889644 VERIZON BUSINESS	(Continued)		01-222-0000-4220	213.31
			62285695		CITY YARD LONG DISTANCE	
			62285696		70-384-0000-4220	4.86
			62286266		PARK LONG DISTANCE	
			62286266		01-420-0000-4220	110.91
			62286275		ENGINEERING LONG DISTANCE	
			62286275		01-310-0000-4220	3.28
			62286279		CITY YARD LONG DIST (AIMS NETWORK	
			62286279		70-384-0000-4220	4.86
			62286280		CREDIT CARD LINE	
			62286280		01-190-0000-4220	2.43
			62286281		POLICE LONG DISTANCE	
			62286281		01-222-0000-4220	2.43
			62286289		PARK LONG DISTANCE	
			62286289		01-420-0000-4220	5.04
					CITY HALL LONG DIST	
					01-190-0000-4220	1.40
					Total :	749.85
100732	2/4/2013	889681 VILLALPANDO, MARIA	01/12/13 - 01/25/13		FOOD SERVICE WORKER	
					10-422-3750-4270	199.13
					10-422-3752-4270	39.83
					Total :	238.96
100733	2/4/2013	889913 BALLIN, SYLVIA	REIMB.		CELL PHONE USAGE REIMBURSEMENT	
					01-101-0101-4220	66.00
					Total :	66.00
100734	2/4/2013	890010 TOTAL PRINTING SUPPLIES	10999		TONER	
			11005		01-105-0000-4300	592.69
					TONER FOR PRINTERS	
					01-222-0000-4300	119.90
					Total :	712.59
100735	2/4/2013	890030 ELITE EQUIPMENT INC	16756		MULTIQUIP RAMMER REPAIR	
					70-383-0000-4310	343.46

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Bank code :		bank				
Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
100735	2/4/2013	890030 ELITE EQUIPMENT INC	(Continued)		SMOKELESS 2 STROKE OIL	
			16760		70-383-0000-4320	140.81
					Total :	484.27
100736	2/4/2013	890109 SUPERMEDIA LLC	490003218406		DOMAIN REGISTRATION & E-MAIL HOS	
					01-190-0000-4220	50.95
					Total :	50.95
100737	2/4/2013	890355 PALACIOS, GUADALUPE	979807		CANCELLATION OF MT RUSHMORE TR	
					04-2384	75.00
					Total :	75.00
100738	2/4/2013	890358 BALLIN, PHILLIP ARTHUR	011613		COMMISSIONER'S REIMBURSEMENT	
					01-310-0000-4111	50.00
					Total :	50.00
100739	2/4/2013	890359 MENDOZA, DAVID	011613		COMMISSIONER'S REIMBURSEMENT	
					01-310-0000-4111	50.00
					Total :	50.00
100740	2/4/2013	890377 F & F SIGNS	011713		(2) BANNERS FOR MMAP	
					10-424-3614-4300	179.65
					Total :	179.65
100741	2/4/2013	890411 ARC	6728037		PLANS & SPECS COPIES PARK AVE	
					01-2215	218.97
					Total :	218.97
100742	2/4/2013	890491 PTI PRINTING TECHNOLOGY INC	0458119-IN		HP PRINTER CARTRIDGE	
					01-102-0000-4300	40.31
					Total :	40.31
100743	2/4/2013	890584 POWERLINE BATTERY SPECIALIST	3411		BATTERIES FOR FLEET	
			3427		01-1215	157.10
			35181		HANDHELD RADIO BATTERY REPLACE	
					13-371-0301-4300	154.63
					BATTERY FOR HANDHELD RADIO	

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Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
100743	2/4/2013	890584 POWERLINE BATTERY SPECIALIST	(Continued)		01-310-0000-4310	52.68
					Total :	364.41
100744	2/4/2013	890589 ALCOCER, ARACELY E.	01/01/13 - 01/22/13		ZUMBA INSTRUCTOR 17-420-1337-4260	455.00
					Total :	455.00
100745	2/4/2013	890685 PASI, JAMISON	01/01/13 - 01/22/13		YOGA/PILATIES INSTRUCTOR 17-420-1337-4260	110.00
					Total :	110.00
100746	2/4/2013	890740 MORAN, STEPHANIE	JAN 2013 - 1		WATER EXERCISE INSTRUCTOR 17-420-1338-4260	440.00
					Total :	440.00
100747	2/4/2013	890780 MISSION AMBULANCE, INC.	27735		LIFEGUARD SERVICES 01-430-0000-4260	6,649.67
					Total :	6,649.67
100748	2/4/2013	890782 AMERICAN RANGE	12981	10940	CONVECTION ELECTRIC OVEN 01-225-0000-4350 01-225-0000-4350	2,300.00 201.25
					Total :	2,501.25
100749	2/4/2013	890810 SENFTLEBEN, DARIO	01/01/13 - 01/21/13		OUTDOOR FITNESS INSTRUCTOR 17-420-1337-4260	165.00
			100		REIMB FOR DJ ENTERTAINMENT - 100 17-420-1337-4260	260.00
					Total :	425.00
100750	2/4/2013	890879 EUROFINS EATON ANALYTICAL, INC	L0107296		WATER ANALYSIS 70-384-0000-4260	24.00
			L0107302		WATER ANALYSIS 70-384-0000-4260	139.60
			L0107305		WATER ANALYSIS 70-384-0000-4260	139.60
			L0107307		WATER ANALYSIS	

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Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
100750	2/4/2013	890879 EUROFINS EATON ANALYTICAL, INC	(Continued)		70-384-0000-4260	164.00
			L0107603		WATER ANALYSIS	
					70-384-0000-4260	139.60
			L0108119		WATER ANALYSIS	
					70-384-0000-4260	139.60
			L0108124		WATER ANALYSIS	
					70-384-0000-4260	139.60
			L0108125		WATER ANALYSIS	
					70-384-0000-4260	164.00
			L0108126		WATER ANALYSIS	
					70-384-0000-4260	139.60
			L0108771		WATER ANALYSIS	
					70-384-0000-4260	139.60
			L0108958		WATER ANALYSIS	
					70-384-0000-4260	139.60
			L0109151		WATER ANALYSIS	
					70-384-0000-4260	139.60
			L0109156		WATER ANALYSIS	
					70-384-0000-4260	139.60
			L0109158		WATER ANALYSIS	
					70-384-0000-4260	164.00
			L0109543		WATER ANALYSIS	
					70-384-0000-4260	164.00
					Total :	2,076.00
100751	2/4/2013	890898 TETRA MECHANICAL SERVICE INC	1003-2		POWER SURGE DAMAGED CONTROLS	
					01-390-0222-4330	310.00
			1003-3		BOILER BLOWER MOTOR REPLACED @	
					01-390-0222-4330	751.10
			1003-4		THERMOSTAT IN LOCKER ROOM REPL	
					01-390-0222-4330	308.34
			1003-5		REPLACED BOILER FUSES @ PD	
					01-390-0222-4330	248.60
			1003-6		REPLACED FUSES & NEW STARTER O	
					01-390-0222-4330	229.95
			1003-7		BOILER DRAFT MOTOR REPLACED & N	

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Bank code :bank

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
100751	2/4/2013	890898 TETRA MECHANICAL SERVICE INC	(Continued)		01-390-0222-4330	913.69
					Total :	2,761.68
100752	2/4/2013	890906 MEYERS NAVE	2012110337		RETAINER - NOV 2012 (LEGAL SERVI	
					73-110-0000-4270	22.50
					70-110-0000-4270	45.00
					01-110-5629-4270	112.50
					72-360-0000-4270	90.00
					01-110-0000-4270	6,480.00
			2012110338		LEGAL SERVICES	
					01-110-0000-4270	5,269.35
					70-110-0000-4270	270.00
					72-110-0000-4270	585.00
					01-110-0000-4270	90.00
			2012110340		LEGAL SERVICES	
					01-110-0000-4270	97.50
			2012110341		LEGAL SERVICES	
					01-110-3376-4270	970.00
			2012110342		LEGAL SERVICES	
					01-110-3375-4270	260.00
			2012110343		LEGAL SERVICES	
					01-110-5625-4270	65.00
			2012110344		LEGAL SERVICES	
					01-110-1065-4270	32.50
			2012110345		LEGAL SERVICES	
					01-110-0935-4270	1,275.09
			2012110346		LEGAL SERVICES	
					01-110-0098-4270	1,125.00
			2012110708		LEGAL SERVICES	
					01-110-0000-4270	520.00
					Total :	17,309.44
100753	2/4/2013	890916 MENDOZA, JIM	JAN 2013		SPIN CLASS INSTRUCTOR	
					17-420-1337-4260	135.00
					Total :	135.00

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01/31/2013 3:42:35PM		CITY OF SAN FERNANDO					
Bank code :		bank					
Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount	
100754	2/4/2013	890998 TRUJILLO, RODOLFO	011613		COMMISSIONER'S REIMBURSEMENT 01-310-0000-4111	50.00	
					Total :	50.00	
100755	2/4/2013	890999 BERRIOZABAL, GILBERT	011613		COMMISSIONER'S REIMBURSEMENT 01-310-0000-4111	50.00	
					Total :	50.00	
100756	2/4/2013	891000 BROADVIEW TECHNOLOGIES, INC	52195		MOVING OF EXTENSIONS @ REC PARI 01-190-0000-4320	1,086.50	
					Total :	1,086.50	
100757	2/4/2013	891001 MORENO, MIRIAM	2000800148		FACILITY RENTAL REFUND 01-3777-0000	120.00	
					Total :	120.00	
100758	2/4/2013	891002 LOZANO, ESPERANZA	979806		REFUND - CANCELLATION OF MT-RUS 04-2384	75.00	
					Total :	75.00	
100759	2/4/2013	891003 ACAMPORA, NICK	010713		CO-ED WINTER WATER POLO INSTRU 17-420-1338-4260	1,202.50	
					Total :	1,202.50	
100760	2/4/2013	891004 TALAMANTEZ, RICHARD	2000164.004		YOUTH B-BALL REFUND 17-3770-1328	75.00	
					Total :	75.00	
100761	2/4/2013	891005 MENDEZ, BLANCA	027963 & 027965		CANCELLATION OF MT RUSHMORE TR 04-2384	150.00	
					Total :	150.00	
100762	2/4/2013	891006 CASTRO, RAQUEL	979805		CANCELLATION OF MT RUSHMORE TR 04-2384	75.00	
					Total :	75.00	
100763	2/4/2013	891007 DINNIS, ADRIAN	010713		CO-ED WINTER WATER POLO INSTRU 17-420-1338-4260	1,202.50	

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Bank code : bank

<u>Voucher</u>	<u>Date</u>	<u>Vendor</u>	<u>Invoice</u>	<u>PO #</u>	<u>Description/Account</u>	<u>Amount</u>
100763	2/4/2013	891007 891007 DINNIS, ADRIAN	(Continued)			Total : 1,202.50
100764	2/4/2013	891008 JONES, KENNETH	REIMB.		MILEAGE REIMB - AQMDTRAINING 01-310-0000-4390	61.02
					Total :	61.02
118	Vouchers for bank code :	bank			Bank total :	534,597.37
118	Vouchers in this report				Total vouchers :	534,597.37

Voucher Registers are not final until approved by Council.

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POLICE DEPARTMENT

MEMORANDUM

TO: Mayor Antonio Lopez and Councilmembers

FROM: Donald Penman, Interim City Administrator
By: Robert Parks, Interim Chief of Police

DATE: February 4, 2013

SUBJECT: Adoption of a Resolution for Purchase and Installation of 4G Wireless Modems for Police Vehicles

RECOMMENDATION:

It is recommended that the City Council adopt a Resolution (Attachment "A") for the purchase and installation of four 4G wireless modems and related equipment for four police vehicles in an amount not to exceed \$6,000.

BACKGROUND:

1. In 1997 San Fernando Police Department (Department) received a technology grant in the amount of \$175,000 for the purchase and implementation of a Mobile Data Terminal (MDT) computer system for the Department's police and parking enforcement vehicles. This project was implemented by utilizing the City of Inglewood's existing system and communicating through a UHF data radio (RF) which was the only known affordable technology at that time.

Since then, technology has evolved and in October 2006, the Department purchased the most advanced technology which was 2G wireless modems (17 total for each police and parking enforcement vehicle in our fleet).

Technology continues to advance as do the needs of the Department. In March 3, 2009, the Department (City) was awarded a technology grant in the amount of \$1,050,000. With this grant, Motorola/Advanced Electronics was given the task to equip and implement the "Virtual Patrol" concept.

Virtual Patrol is video surveillance currently utilized in the parks, police vehicles and the Communication Center (mobile workstations and handheld computer devices). Virtual Patrol is interconnected by the Motorola MESH Network and the City's existing network system. Because of the increased demands placed on technology, the MDT computer system

Adoption of a Resolution for Purchase and Installation of 4G Wireless Modems for Police Vehicles

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(using the 2G wireless modems) are extremely slow and incompatible with current technology.

2. On January 22, 2013, the City Council approved this item and recommended that staff re-agendize to include a Budget Resolution to be adopted by City Council.

ANALYSIS:

Upon closer examination of our current 2G wireless modems, it has been determined that they are extremely slow for current technology; the purchase of new 4G wireless modems will increase speed and capability. The Department will use funds from the State Asset Forfeiture Account which is solely used by the Department either to purchase equipment and/or fund a police personnel position.

The Department received three bids for the 4G wireless modems and Industrial Networking Solutions (I.N.S.) is the lowest bid (\$3,877.81). The installation will be done by Motorola/Advanced Electronics for no more than \$500 per vehicle. The total cost for the purchase and installation of the equipment for four police vehicles will not to exceed \$6,000.

CONCLUSION:

The San Fernando Police Department has established the need to implement the first phase of the replacement of wireless modems for the police and parking enforcement vehicles. To start this process, the Department will utilize funds from the State Asset Forfeiture Fund.

BUDGET IMPACT:

Funds are available in Fund 20 – Asset Seizure – State, but were not allocated for this purchase and installation during Fiscal Year 2012-13. Staff is recommending that the City Council approve the purchase of four 4G wireless modems and related equipment from I.N.S. installation by Motorola/Advanced Electronics in an amount not to exceed \$6,000 by utilizing the Asset Seizure – State Fund (20-3875-0000).

ATTACHMENT:

A. Resolution

ATTACHMENT "A"**RESOLUTION NO. _____****A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
SAN FERNANDO, CALIFORNIA, AMENDING THE BUDGET
FOR THE FISCAL YEAR 2012-13 ADOPTED ON JULY 2, 2012**

WHEREAS, the City of Council has received and considered the proposed adjustment to the budget for Fiscal Year 2012-13, commencing July 1, 2012, and ending June 30, 2013; and

WHEREAS, the City Council has determined that it is necessary to amend the revenues and expenditures of the current City budget; and

WHEREAS, an annual budget for the City of San Fernando for the Fiscal Year beginning July 1, 2012 and ending June 30, 2013, a copy of which is on file in the City Clerk's Office, has been adopted on July 2, 2012.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF SAN FERNANDO, DOES HEREBY RESOLVE, FIND, DETERMINE AND ORDER AS FOLLOWS:

Section 1. The following adjustments are made to the City Budget:

Fund 20 – Asset Seizure – State (20-3875-0000):

Decrease in Revenues: \$ 6,000

Increase in Expenditures: \$ 6,000

(Purchase and Installation of 4G Wireless Modems for Police Vehicles)

PASSED, APPROVED, AND ADOPTED this 4th day of February, 2013.

Antonio Lopez, Mayor

ATTEST:

Elena G. Chávez, City Clerk

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss
CITY OF SAN FERNANDO)

I HEREBY CERTIFY that the foregoing Resolution was approved and adopted at a special meeting of the City Council held on the 4th day of February, 2013, by the following vote to wit:

AYES:

NOES:

ABSENT:

Elena G. Chávez, City Clerk

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FINANCE DEPARTMENT

MEMORANDUM

TO: Mayor Antonio Lopez and Councilmembers

FROM: Don Penman, Interim City Administrator

DATE: February 4, 2013

SUBJECT: Fiscal Year 2011-2012 City Annual Financial Reports

RECOMMENDATION:

It is recommended that the City Council receive and file the following annual reports for Fiscal Year (FY) 2011-2012:

- a. 2012 Comprehensive Annual Financial Report (Attachment “A”) covering the financial activities of both the City and Successor Agency of the Former Redevelopment Agency; and
- b. 2012 Cities Financial Transactions Report for the City of San Fernando (Attachment “B”).

BACKGROUND:

1. The City Code requires an annual audit to be conducted by independent certified public accountants shortly after the end of each fiscal year. The audit is conducted in accordance with generally accepted accounting principles as promulgated by the Governmental Accounting Standards Board (GASB).
2. On October 18, 2012, the “Cities Financial Transactions Report” was filed with the State Controller’s Office.
3. On January 24, 2013, the 2012 Comprehensive Annual Financial Report (2012 CAFR) was completed for fiscal year ended June 30, 2012. The 2012 CAFR was transmitted to the Government Finance Officers Association (GFOA) for consideration of the Certificate of Achievement for Excellence in Financial Reporting Award. The award is presented to government agencies whose comprehensive annual financial reports achieve the highest standards in government accounting and financial reporting.

Fiscal Year 2011-2012 City Annual Financial Reports

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ANALYSIS:

The 2012 CAFR provides a government-wide analysis of all of the city's governmental activities, business-type activities, and of each the City's major funds as of the year ended June 30, 2012 (i.e., FY 2011-2012). As part of the analysis, it was determined that the General Fund and the Grants Special Revenue Fund, which are major City funds, have deficit fund balances of \$1,236,782 and \$2,007,798, respectively (see Attachment "A", Page 19). Collectively, the deficits of the General Fund and the Grants Special Revenue Fund are a City financial liability totaling \$3,244,580.

The negative fund balance in the General fund is (\$1,236,782) and is partially due to increased liabilities from unpaid invoices for fire-ambulance services and the Self-insurance fund (combined with the General Fund), which accounts for expenditures related to insurance reimbursement or lawsuits. The Self-insurance fund is experiencing a deficit relating to settlements for personal and property damage claims, workers compensation claims that occurred over the current and prior fiscal years, insurance premiums and legal fees for liability claims.

The deficit in the fund balance of the Grants Special Revenue Fund of \$2,007,798 accounts for a decrease in the fund deficit in the amount of \$755,485 from the prior year. The City continues to collect reimbursement of grant funds and part of the balance is due to timing. A large portion of the repayment being made by the city to the grant fund is due to the Las Palmas Park capital improvement project (the Las Palmas Improvement Project), which had a total construction cost of \$1,500,000 and began in Fiscal Year 2000-2011. On May 7, 2001, the City Council approved Resolution No. 6772 (Attachment "C") to fund the Las Palmas Improvement Project by borrowing \$750,000 from the Retirement Fund (Fund 18) and \$750,000 from the Sewer Enterprise Fund (Fund 72). The borrowed funds, including principal and interest, are to be paid back to the appropriate funds in 20 years or by 2021. The outstanding balance as of June 30, 2012 is \$966,166. An additional, \$396,870 of the grant fund deficit is also attributed to the Las Palmas Improvement Project that exceeded the original \$1.5 million loan amount. The remaining deficit amount in the Grants Special Revenue Fund is attributed to other city grant fund reimbursement requests that were denied by the grantor. In light of the current deficit in the grants fund, the General Fund has assumed the liability and is ultimately responsible for the grant fund deficit. In addition, if sufficient funds are not available in the General Fund, the City has historically transferred from other funds in order to relieve this deficit.

The end of year (FY 2011-2012) deficits in these funds continues to be an ongoing financial concern for the City that must be addressed during the current fiscal year FY 2012-2013. Management's plans to address the ongoing budget deficit in these funds are discussed in Note 11: Commitments and Contingencies and Note 13: Uncertainties of the 2012 CAFR (see Attachment "A", Pages 51 and 53).

Fiscal Year 2011-2012 City Annual Financial Reports

Page 3

CONCLUSION:

As previously noted, the 2012 CAFR provides end of year analysis of the fiscal health of the City's major funds that include the General Fund and Grants Special Revenue Fund for FY 2011-2012. These results will be used by City staff as part of the mid-year financial analysis of the current FY 2012-2013 Budget. The mid-year review of the FY 2012-2013 Budget will be presented to the City Council at upcoming meetings in February and March of 2013.

BUDGET IMPACT:

The cost associated with audit firm and City staff's preparation of the 2012 CAFR was a budgeted expense for Fiscal Year 2012-2013.

ATTACHMENTS:

- A. 2012 Comprehensive Annual Financial Report
- B. 2012 Cities Financial Transactions Report
- C. Resolution No. 6772

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COMPREHENSIVE ANNUAL FINANCIAL REPORT

2012

SAN FERNANDO, CALIFORNIA

For the fiscal year ended June 30, 2012



THE CITY OF
SAN FERNANDO

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CITY OF SAN FERNANDO, CALIFORNIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
WITH REPORT ON AUDIT
BY INDEPENDENT
CERTIFIED PUBLIC ACCOUNTANTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

Prepared By:
Finance Department

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**City of San Fernando
Comprehensive Annual Financial Report
Year Ended June 30, 2012**

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I. Introductory Section

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January 24, 2013

**Honorable Mayor and City Council Members
Residents of San Fernando**

The Comprehensive Annual Financial Report (CAFR) of the City of San Fernando, California for the fiscal year ended June 30, 2012, is hereby submitted. The report is presented as required by Governmental Accounting Standards Board (GASB) Statement No. 34, Basic Financial Statements and Management's Discussion and Analysis-for State and Local Governments (GASB 34). Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the City of San Fernando. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

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

The City of San Fernando City Code requires an annual audit by an independent certified public accountant. The City's financial statements have been audited by Teaman, Ramirez & Smith, Inc.; a public accounting firm fully licensed and qualified to perform audits of the State and local governments within the State of California. The purpose of the independent audit was to provide reasonable assurance that the financial statements of the City of San Fernando for the fiscal year ended June 30, 2012, are free of material misstatements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City of San Fernando's financial statements for the fiscal year ended June 30, 2012, are fairly presented in conformity with GAAP. The report of independent auditors is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City was part of a broader, federally mandated "Single Audit" designed to meet the special needs of Federal grantor agencies. The City was required to undergo the annual single audit in conformity with provisions of the Single Audit Act Amendments of 1996 and U.S. Office of Management and Budget (OMB) Circular A-133, "Audits of States, Local Governments and Non-Profit Organizations." The Single Audit Report, which is issued separately, includes the schedule of federal expenditures, findings and recommendations, the auditors' reports on the internal control structure and compliance with applicable laws and regulations.



Honorable Mayor and City Council Members
Residents of San Fernando
January 24, 2013

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

Reporting Entity

The City Council exercises control over the Successor Agencies of the former San Fernando Redevelopment Agency and the San Fernando Public Financing Authority and thus these Agencies have been included in this report. The Los Angeles Unified School District and other public bodies have not met the established criteria for inclusion in the reporting entity since independent boards not under City Council control govern them. The City Council does not have any voting power over them; accordingly they are excluded from this report.

The City provides a full range of municipal services. These services include police and fire protection; construction and maintenance of streets, infrastructure; community development activities; recreational and cultural activities; and general administrative and support services. Fire and ambulance services are provided by contract with the City of Los Angeles Fire Department. In addition, the City provides water, sanitary sewer and refuse services under an Enterprise Fund system with customer fees covering the cost of providing the services.

The City of San Fernando adopts a comprehensive budget detailed by department prior to the start of the fiscal year which commences on July 1. The budget is further broken down by character of expenditure, defined as Contractual Services, Personnel Services, Maintenance and Operations, and Capital Outlay. The ledger of the City and its component units are maintained by the line item detail or object of expenditure. However, all budgetary controls are exercised at the fund level. Revenues are estimated annually and measured against actual revenues earned.

Adoption of GASB Statement No. 54

In February 2009, the Governmental Accounting Standards Board (GASB) issued Statement No 54 Fund Balance Reporting and Governmental Fund Type Definitions. This new standard does not change the total amount of a given fund balance but it substantially alters the categories and terminology used to describe the components that make up a fund balance. The new categories and terminology reflect an approach that focuses not on financial resources available for appropriation within a fund but on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the fund can be spent.

The City adopted GASB Statement No. 54 on June 20, 2011. Some highlights of GASB 54 include:

- ❖ **This accounting standard does not change our fund balances or how we would utilize the fund resources but it is a new way of classifying and identifying fund balance based on these new components: Non Spendable, Restricted, Committed, Assigned and Unassigned fund balance**

❖

Past Practice – Eliminated Classifications	New GASB 54 Classifications
Reserved	Non-Spendable
	Restricted
Unreserved and Designated	Committed
	Assigned
Unreserved and Undesignated	Unassigned

Honorable Mayor and City Council Members
Residents of San Fernando
January 24, 2013

Economic Condition and Outlook

The City of San Fernando continues to face significant economic challenges attributed to governmental actions at the state and federal level as well as economic uncertainty attributed to the global financial markets. In light of these facts, the City has taken a number of actions to augment revenues and reduce expenditures during 2012 and in future years in order to attain a balanced City budget and work toward the creation of a General Fund reserve. However, as reflected in this audit, the General Fund ended the year in a negative position relative to revenues versus expenditures.

Long Term Finance Plan

The effort to achieve the City financial goal of having a balanced budget will require a multifaceted approach including working with the city's various union groups, reevaluation of current professional services contracts for possible savings, and creating greater public and private partnerships to identify business retention and recruitment opportunities that help keep and expand the services of existing businesses while creating new opportunities to attract new businesses to the city and expand our economic base. Business opportunities exist for the City of San Fernando, which has retained its historical function as a regional center of retail trade, services and employment, and it has in the recent past continued to capture a significantly higher ratio of sales taxes per capita as compared to other cities in the region. The business climate in San Fernando is favorably impacted by the following factors: excellent regional access and sizable regional labor force; general infrastructure/public sector investment; comparatively low crime rate; comparatively low business taxes; and a responsive government and staff.

Because of the recent downturn in the economy, commercial vacancies have continued to impact the city and resulted in a decline in sales tax revenues. The continuing business climate in the auto industry has adversely affected the City's sales tax revenue from local auto dealerships sites that remained closed during 2012. However, the recent resurgence in automobile sales has improved the economic outlook for the auto industry. To this end, the City is currently working with prospective dealership owners that have had a renewed interest in considering the city as the potential site for a new franchise automotive dealership in 2013. City staff has also been working with new businesses to streamline the building permit process that resulted in short turnaround times for building permit processing and construction, which allowed the opening of a new Vallarta Supermarket and relocation of the Enterprise Rent A Car Office to its new facility in the city's auto commercial sub-district.

Additionally, as the housing market in Southern California show signs of improvement resulting in increased home purchases and property values, the City will further work at removing government constraints to foster faster processing of building permits for the existing residential construction while promoting infill development projects within the city's mixed-use corridors and high density residential zones.

The City will also continue to work with property owners and prospective developers in an effort to promote adaptive reuse of vacant and underutilized public and private property for new commercial, industrial and housing opportunities. In addition, in June of 2012 the City completed infrastructure improvements that included street improvement projects, energy efficient lighting upgrades to public facilities, implementation of the city's nitrate removal system project, review and approval of discretionary permits for new affordable housing projects on city and privately owned properties, and new street improvements along Park Avenue adjacent to the City's Regional Aquatic Facility at San Fernando Recreation Park. Also, the City's passage of new sewer and water rate increases has facilitated continued water and sewer improvement projects into the new fiscal year in order to address the city's aging water and sewer infrastructure.

Despite these efforts, flat or declining revenues including lower estimated property tax and sales tax has impacted our ability to achieve a balanced budget, consequently, the City has taken a fiscally conservative approach in budgeting expenditures and it will continue to do so as necessary in the future. However, the City's recovery from the effects of the recession, and the dissolution of redevelopment will likely be slow.

Honorable Mayor and City Council Members
Residents of San Fernando
January 24, 2013

Financial Information

The City has developed and maintained its accounting system with due consideration given to the adequacy of internal accounting controls. These controls are designed to provide reasonable, but not absolute assurance that assets are adequately safeguarded from waste, fraud and inefficient use. The financial records maintained allow for the preparation of financial statements in conformity with generally accepted accounting principles. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgements by management.

Relevant Financial Policies

The City's current policy is to not only maintain a balanced budget, but to also create a general fund reserve balance over the coming years. The City Council has approved the concept of a reserve of about 10% of the operating expenditures for the General Fund. To this extent the City is working to limit expenditures and identify new revenue sources to continue to provide core public services and maintain the level of services expected by the community. In light of the recent water and sewer fee increases approved by the City Council, the City's Enterprise Fund's policy is to have a balanced budget while building a fund reserve in order to invest in needed infrastructure improvements. Any excess revenues over expenses that are generated will be retained and designated for future capital improvements or to cover future unexpected expenditures or revenue shortfalls.

Other Information

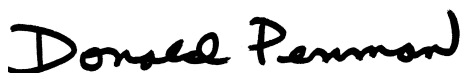
City Staffing - The City is fortunate to have a very qualified staff of employees that make every effort to continue to maintain service levels despite diminished resources resulting in fewer staff.

Awards - The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of San Fernando for its comprehensive annual financial report for the fiscal year ended June 30, 2011. This was the 27th consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and all applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we will submit it to the GFOA to determine its eligibility for the 2012 certification.

Acknowledgments - The preparation of the Comprehensive Annual Financial Report on a timely basis was made possible by the dedicated service of the entire City staff, especially Sonia Garcia (Junior Accountant) and Fred Ramirez (City Planner). This report would not have been accomplished without their support and without the dedication of the audit firm Teaman, Ramirez & Smith, Inc. Each contributing member of the City staff has my sincere appreciation for the contributions made in the preparation of this report. As a new member of this staff team, I am extremely impressed with their commitment. I would also like to thank the members of the current City Council for their interest and commitment to conducting the financial operations of the City in a responsible and fiscally prudent manner and setting a course for the City that is both progressive and positive.

Respectfully submitted,



Donald Penman
Interim City Administrator



Directory of Officials

CITY COUNCIL

Fiscal Year 2011-12

MAYOR

Brenda Esqueda

MAYOR PRO TEM

Antonio Lopez

COUNCILMEMBERS

Marbel De La Torre

Sylvia Ballin

Mario Hernandez

Effective 12/3/12

MAYOR

Antonio Lopez

MAYOR PRO TEM

Sylvia Ballin

COUNCILMEMBERS

Jesse H. Avila

Joel Fajardo

Robert C. Gonzales

CITY TREASURER

Margarita Solis

ADMINISTRATION AND DEPARTMENT HEADS

City Administrator

Community Development (City Planner)

Finance Manager

Personnel Manager

Police Chief (Acting)

Public Works Director

Recreation & Community Services Manager

Al Hernandez

Fred Ramirez

Vacant

Michael Okafor

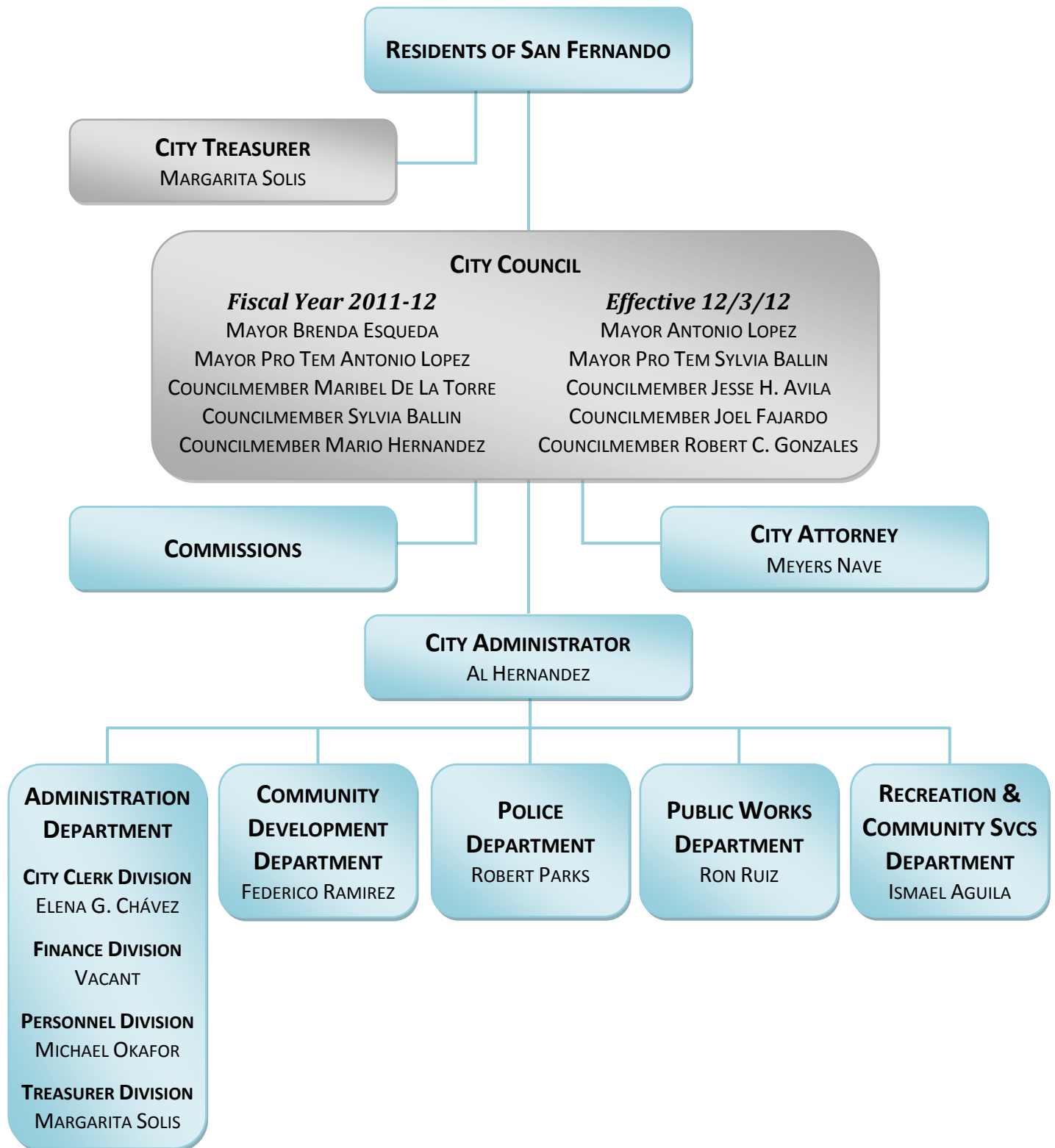
Robert Parks

Ron Ruiz

Ismael Aguila



Organizational Chart



Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of San Fernando
California

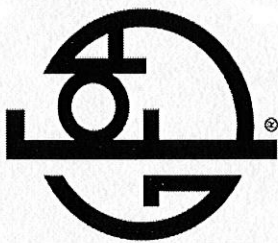
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2011

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Christopher P. Moynell
President

Jeffrey R. Enen
Executive Director



**The Government Finance Officers Association
of the United States and Canada**

presents this

AWARD OF FINANCIAL REPORTING ACHIEVEMENT

to

Finance Department
City of San Fernando, California



The award of Financial Reporting Achievement is presented by the Government Finance Officers Association to the individual(s) designated as instrumental in their government unit achieving a Certificate of Achievement for Excellence in Financial Reporting. A Certificate of Achievement is presented to those government units whose annual financial reports are judged to adhere to program standards and represents the highest award in government financial reporting.

Executive Director

Date September 19, 2012

II. Financial Section

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Independent Auditors' Report

City Council Members
City of San Fernando, California

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of San Fernando, as of and for the year ended June 30, 2012, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of San Fernando's management. 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of San Fernando, as of June 30, 2012, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The basic financial statements have been prepared assuming that the General Fund and the Grants Special Revenue Fund, which are both considered to be major funds of the City, will continue as going concerns. As discussed in Notes 11 and 13 to the financial statements, as of June 30, 2012, the General Fund and Grants Special Revenue Fund have deficit fund balances. The lack of liquidity in the General Fund and Grants Special Revenue Fund raise substantial doubt about the ability of the General Fund and the Grants Special Revenue Fund to continue as going concerns. Management's plans regarding those matters are also described in Notes 11 and 13. The financial statements do not include any adjustments that might result from the outcome of these uncertainties. Our opinion is not modified with respect to that matter.

As described in Note 14, the San Fernando Redevelopment Agency, previously reported as a blended component unit, was dissolved as of February 1, 2012, in accordance with State law and the related California Supreme Court decision.

In accordance with *Government Auditing Standards*, we have also issued our report dated January 24, 2013 on our consideration of the City of Fernando'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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of funding progress and budgetary comparison schedules, identified as required supplementary information in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of

financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of San Fernando's financial statements as a whole. The introductory section, the statements and schedules listed as supplementary information in the table of contents, and statistical section, are presented for purposes of additional analysis and are not a required part of the financial statements. The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Teaman Ramirez & Smith, Inc.

January 24, 2013

**CITY OF SAN FERNANDO
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2012**

This section of the City's Comprehensive Annual Financial Report provides a narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2012. We encourage readers to consider the information presented here in conjunction with additional information we have furnished in our letter of transmittal, which can be found beginning on page i and the City's financial statements beginning on page 13.

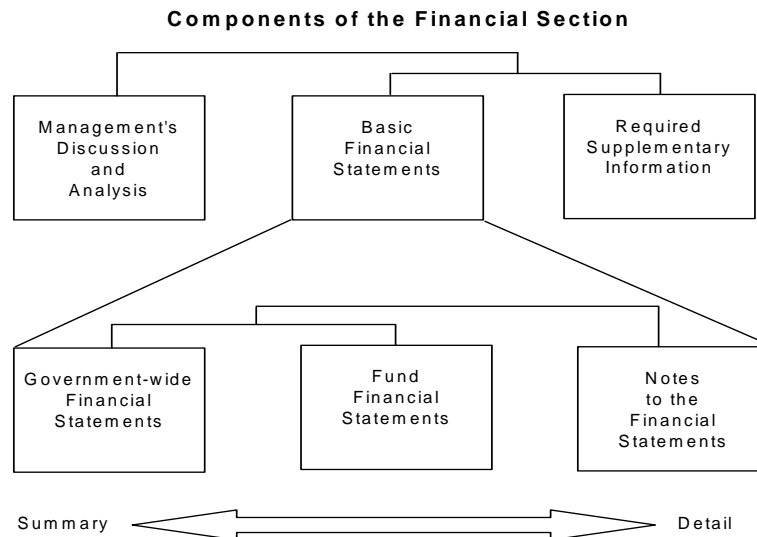
FINANCIAL HIGHLIGHTS

The City adopted Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments* (GASB 34) for the year ending June 30, 2003. GASB 34 established new financial reporting standards for state and local governments in an effort to make governmental reporting more understandable and useful to the readers. During the June 30, 2007 fiscal year, the City completed the implementation of GASB 34 by adjusting the financial statements to include the value of infrastructure that was previously not required to be reported. The following are some key financial highlights for the fiscal year ending June 30, 2012:

- ❖ The City's assets exceeded its liabilities at the close of the most recent fiscal year by \$62,168,809 (net assets). Unrestricted net assets were (\$6,170,037) at June 30, 2012.
- ❖ As of June 30, 2012, the City's governmental funds reported combined fund balances of (\$1,053,380).

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts – management's discussion and analysis (this portion), the basic financial statements, required supplementary information, and *optional* combining statements for non-major governmental funds. This discussion and analysis are intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: 1) government-wide financial statements 2) fund financial statements and 3) notes to the financial statements. This report also contains supplementary information in addition to the basic financial statements.



**CITY OF SAN FERNANDO
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2012**

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

The *statement of activities* presents information showing how the City's net assets changed during the most recent fiscal year. All changes in net assets 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 affect cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

The government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*). The *governmental activities* of the City include general government, public safety, public works, community development, recreation, non-departmental, and interest on long-term debt.

The government-wide financial statements include not only the City itself (known as the primary government), but also two legally separate entities, the Successor Agency of the former San Fernando Redevelopment Agency and the San Fernando Public Financing Authority. The City is financially accountable for these entities and financial information for these blended component units is reported within the financial information presented for the primary government itself.

The government-wide financial statements can be found beginning on page 13 of this report.

Fund Financial Statements

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

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

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

The City maintains 26 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, Special Revenue Grants Fund, Special Revenue State Gas Tax Fund, Special Revenue Retirement Tax Fund, Redevelopment Merged Project Areas # 1, 2, 3, and 4-Debt Service Fund, and the Low-Income Housing

**CITY OF SAN FERNANDO
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2012**

Fund Financial Statements (continued)

Fund-Capital Projects Fund, each of which are considered to be major funds. Data from the other 20 governmental funds are combined into a single, aggregated presentation-the "Other Governmental Funds". Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* in the *non-major governmental funds supplementary information* section of this report.

The City adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate its compliance with this budget.

The governmental fund financial statements can be found beginning on page 16 of this report.

Proprietary Funds. The City maintains several 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 Water Enterprise Fund, Sewer Enterprise Fund, and the Waste Disposal Enterprise Fund. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among a City's various self-supporting functions. The City uses internal service funds to account for purchases of vehicles and other major emergencies.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the maintenance and operation of the City's water, sewer and waste disposal services. The Water Fund accounts for all activities necessary to provide water services to all residents of the City and some County areas. Some of these activities include, but are not limited to, operations, maintenance and major construction. The Sewer Fund accounts for the provision of sewer services to all residents of the City. Processing of sewage is done by the City of Los Angeles under contract. The Waste Disposal Fund accounts for the collection of solid waste from all residential utility accounts within the City. Solid waste collection and disposal is operated under a contract with a private disposal company. These are considered to be business-type activities in the government-wide financial statements. The water services fund, sewer services and waste disposal services funds are presented as major funds in the financial statements.

The basic proprietary fund financial statements can be found beginning on page 22 of this report.

Notes to Basic Financial Statements

The notes to basic financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found beginning on page 28 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* beginning on page 60 of this report. This section includes a comparison of budgeted to actual results for the general and major special revenue funds.

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following *the required supplementary information*. Combining and individual fund statements and schedules can be found beginning on page 60 of this report.

**CITY OF SAN FERNANDO
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2012**

Government-wide Financial Analysis

Statement of Net Assets

The following table is a summary of the statement of net assets at June 30, 2012.

Summary of Net Assets

	Governmental Activities		Business-type Activities		Total	
	2012	2011	2012	2011	2012	2011
Assets:						
Current and other assets	\$ 2,439,230	\$ 12,308,681	\$ 8,717,912	\$ 8,327,487	\$ 11,157,142	\$ 20,636,168
Capital assets	52,505,498	54,873,836	14,811,543	15,324,618	67,317,041	70,198,454
Total assets	54,944,728	67,182,517	23,529,455	23,652,105	78,474,183	90,834,622
Liabilities:						
Current and other liabilities	4,062,715	3,408,391	830,335	594,248	4,893,050	4,002,639
Long-term liabilities	11,412,324	26,500,648	-	-	11,412,324	26,500,648
Total liabilities	15,475,039	29,909,039	830,335	594,248	16,305,374	30,503,287
Net assets:						
Invested in capital assets, net of related debt	50,993,498	43,598,683	14,811,543	15,324,618	65,805,041	58,923,301
Restricted	2,533,805	13,040,082	-	-	2,533,805	13,040,082
Unrestricted	(14,057,614)	(19,365,287)	7,887,577	7,733,239	(6,170,037)	(11,632,048)
Total net assets	\$ 39,469,689	\$ 37,273,478	\$ 22,699,120	\$ 23,057,857	\$ 62,168,809	\$ 60,331,335

As noted earlier, net assets may serve over time as a useful indicator of the City's financial position. In this case, City assets exceeded liabilities by \$62,168,809 at June 30, 2012. Total assets and total liabilities decreased significantly in 2012 due to the dissolution of the City's former Redevelopment Agency.

The largest portion of the City's net assets, \$65,805,041, reflects its investment in capital assets (e.g., land, buildings, infrastructure, machinery and equipment, etc.) less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

A portion of the City's net assets, \$2,533,805, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets, if any, may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City is able to report a positive balance in two categories of net assets (Invested in capital assets, net of related debt and Restricted); the City's governmental activities unrestricted net assets had a deficit of \$14,057,614.

CITY OF SAN FERNANDO
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2012

Government-wide Financial Analysis (continued)

Statement of Activities

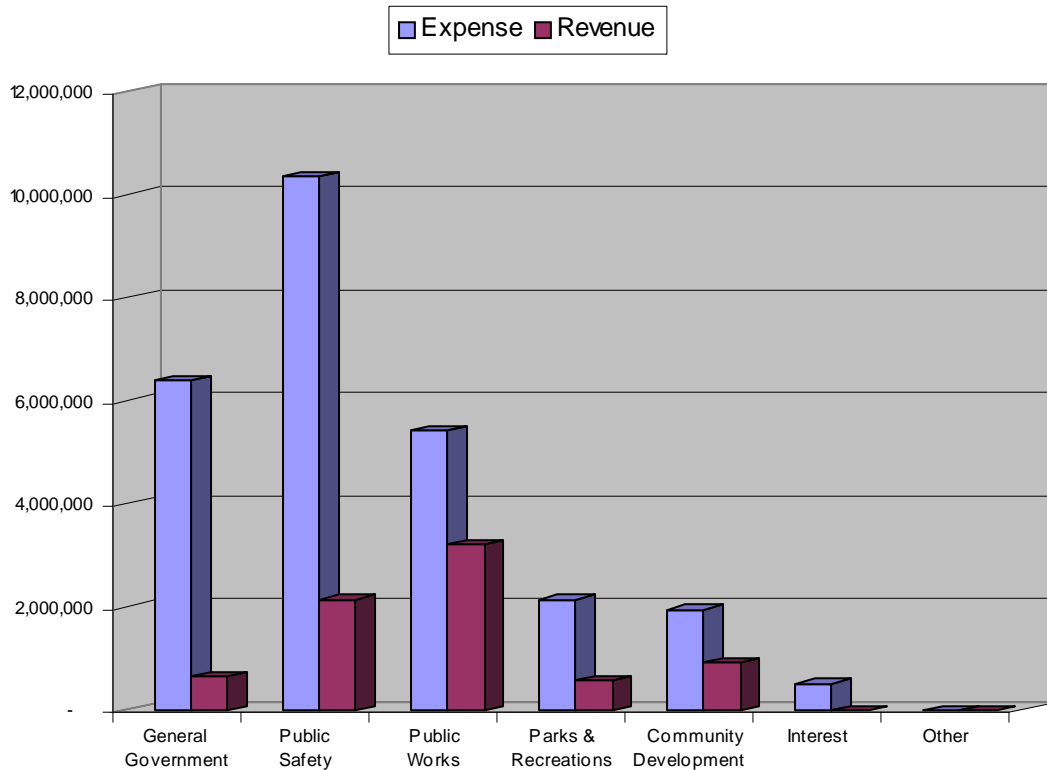
Governmental and Business-type activities increased the City's net assets by \$1,837,474. Key elements of this increase are as follows:

- ❖ Governmental activities increased the City's net assets by \$2,196,211 due to the Extraordinary Gain resulting from the dissolution of the former Redevelopment Agency and subsequent transfer of net assets to the Successor Agency Trust Fund.
- ❖ Business-type activities decreased the City's net assets by \$358,737 due to decreases in revenue.

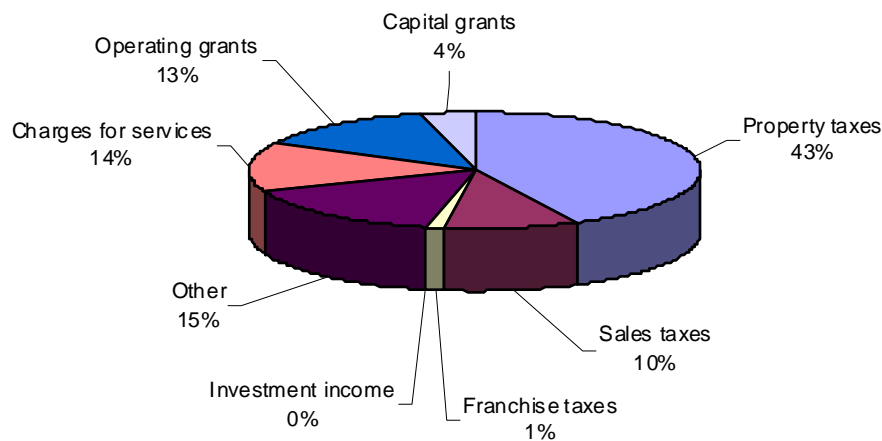
Change in Net Assets						
	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Revenues						
Program revenues						
Charges for services	\$ 3,380,246	\$ 6,098,324	\$ 6,472,744	\$ 6,572,824	\$ 9,852,990	\$ 12,671,148
Operating grants and contributions	3,197,798	4,432,649	-	-	3,197,798	4,432,649
Capital grants and contributions	930,527	1,896,595	-	-	930,527	1,896,595
General revenues						
Taxes	15,575,564	15,850,253	-	-	15,575,564	15,850,253
Investment earnings and others	947,765	2,125,907	11,152	23,897	958,917	2,149,804
Total revenue	<u>24,031,900</u>	<u>30,403,728</u>	<u>6,483,896</u>	<u>6,596,721</u>	<u>30,515,796</u>	<u>37,000,449</u>
Expenses						
General government	6,397,275	9,051,209	-	-	6,397,275	9,051,209
Public safety	10,346,561	10,137,119	-	-	10,346,561	10,137,119
Public works	5,423,605	4,960,530	-	-	5,423,605	4,960,530
Parks and recreation	2,145,767	2,375,034	-	-	2,145,767	2,375,034
Community development	1,944,293	3,658,552	-	-	1,944,293	3,658,552
Interest and fiscal charges	509,971	1,092,731	-	-	509,971	1,092,731
Enterprise operations	-	-	6,721,633	6,172,528	6,721,633	6,172,528
Total expenses	<u>26,767,472</u>	<u>31,275,175</u>	<u>6,721,633</u>	<u>6,172,528</u>	<u>33,489,105</u>	<u>37,447,703</u>
Increase (decrease) in net assets before transfers and extraordinary gain	(2,735,572)	(871,447)	(237,737)	424,193	(2,973,309)	(447,254)
Transfers (out)	121,000	121,000	(121,000)	(121,000)	-	-
Extraordinary gain	<u>4,810,783</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,810,783</u>	<u>-</u>
Increase (decrease) in net assets	2,196,211	(750,447)	(358,737)	303,193	1,837,474	(447,254)
Net assets – beginning						
Restated	<u>37,273,478</u>	<u>38,023,925</u>	<u>23,057,857</u>	<u>22,754,664</u>	<u>60,331,335</u>	<u>60,778,589</u>
Net assets – ending	<u>\$ 39,469,689</u>	<u>\$ 37,273,478</u>	<u>\$ 22,699,120</u>	<u>\$ 23,057,857</u>	<u>\$ 62,168,809</u>	<u>\$ 60,331,335</u>

**CITY OF SAN FERNANDO
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2012**

Expenses and Program Revenues - Governmental Activities



Revenues by Source - Governmental Activities



**CITY OF SAN FERNANDO
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2012**

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

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of (\$1,053,380). The City's governmental funds report a deficit of (\$4,081,155) in its *unassigned fund balance*. The remainder of the fund balance is either nonspendable or restricted to indicate that it is not available for new spending because it has already been reserved for 1) \$44,646 for inventories, 2) \$694,923 for advances to other funds, 3) \$88,592 for prepaid items and 4) \$2,199,614 restricted for transportation, air pollution, parks and recreation, and public safety.

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 (\$1,572,548).

The negative balance in the General fund is (\$1,236,782) and is partially due to increased liabilities from unpaid invoices for fire-ambulance services (Note 12) and the self-insurance fund (combined with the General Fund), which accounts for expenditures related to insurance reimbursement or lawsuits. The self-insurance fund is experiencing a deficit relating to settlements for personal and property damage claims that occurred over the current and prior fiscal years.

The deficit in the fund balance of the Grants Special Revenue Fund amounted to \$2,007,798 at the end of the fiscal year, which accounts for a decrease in the fund deficit in the amount of \$755,485 from the prior year. The City continues to collect reimbursement of grant funds and part of the balance is due to timing. The City is currently repaying the grant fund for a grant that was not reimbursed in the past. In addition, if sufficient grant monies are not collected or recovered, the City will transfer from other funds that benefited from the various projects in order to relieve this deficit. The two major funds related to the City's Redevelopment Agency (Debt Service Fund and Capital Projects Fund) are reporting no assets and liabilities as of June 30, 2012, in accordance with State law. The revenues and expenditures reported in the Statement of Revenues, Expenditures, and Changes in Fund Balances, for those funds, represent activity from July 1, 2011 through the date of dissolution (February 1, 2012).

In addition, two funds previously reported as nonmajor funds, the Gas Tax Fund and the Retirement Tax Fund, currently qualify as major funds for the 2011-12 fiscal year.

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

Enterprise Funds. Total net assets of the enterprise funds amounted to \$22,699,120 and total decrease in net assets for these funds was \$358,737 for the year ended June 30, 2012.

Internal Service Funds. The City's internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for purchases of vehicles throughout the City. As of June 30, 2012, unrestricted net assets of the internal service funds were \$135,259, which is the same as reported during the prior fiscal year. The services provided by the internal service funds have been allocated to governmental functions, based on user percentages, in the government-wide financial statements.

**CITY OF SAN FERNANDO
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2012**

General Fund Budgetary Highlights

In the General Fund, the actual expenditures \$15,788,936, compared to the final budget \$14,855,971, increased by \$932,965 primarily due to legal fees, pension cost, public safety and the aquatic facility. During the year, actual revenues were more than final budgetary estimates by \$56,241. This slight increase is mainly due to taxes, and licenses and permits. There were no significant variances noted between original and final budget amounts in the General Fund.

Capital Asset and Debt Administration

Capital Assets. The City's investment in capital assets for its governmental activities amounts to \$52,505,498 (net of accumulated depreciation of \$43,403,399) as of June 30, 2012. This investment in capital assets includes land, buildings, improvements other than buildings, infrastructure (roads, sidewalks, streetlights, etc.), and machinery and equipment. The total increase in the City's investment in capital assets for the current fiscal year was \$478,555 before depreciation.

**Capital Assets
(Net of Accumulated Depreciation)**

	Governmental Activities	Business-type Activities	Total
Capital assets not being depreciated	\$ 5,564,862	\$ 904,433	\$ 6,469,295
Capital assets being depreciated	90,344,035	34,591,384	124,935,419
Less accumulated depreciation	(43,403,399)	(20,684,274)	(64,087,673)
Net	<u>\$ 52,505,498</u>	<u>\$ 14,811,543</u>	<u>\$ 67,317,041</u>

Additional information on the City's capital assets can be found in note 4 to the basic financial statements on pages 40-41 of this report.

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

Governmental activities:

- ❖ Capital asset additions in governmental activities include: Lopez Adobe Rehabilitation, Traffic Signal Improvements, Energy Efficient Lighting Upgrades, Fitness Station Park Project, and Virtual Patrol Project.

Business-type activities:

- ❖ Upgrades relating to the water and sewer systems including construction of the Nitrate Removal System Project.

Debt Administration. At the end of the current fiscal year, total long-term debts amounted to \$12,762,919. Total long-term debt in governmental activities consist of the following:

Long-Term Liabilities (Note 6)

CHFA Loan	912,692
Section 108 loan	\$ 1,512,000
Compensated absences	1,475,197
Claims payable	2,860,556
Other post-employment Benefit obligation	6,002,474
Total	<u>\$ 12,762,919</u>

**CITY OF SAN FERNANDO
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2012**

Capital Asset and Debt Administration - Continued

Debt Administration - Continued

State statutes limit the amount of general obligation debt a governmental entity may issue up to 15 percent of its total assessed valuation. The current debt limitation for the City is \$55,149,148, which is significantly in excess of the City's outstanding general obligation debt. Additional information on the City's long-term debt can be found in Note 6 to the basic financial statements on pages 42-45 of this report.

Economic Factors and Next Year's Budget

In the fiscal year ending June 30, 2012, the City of San Fernando maintained a conservative budget in light of reduced revenues due to the ongoing sluggish economy, which was affected by a myriad of local, state, federal, and global factors including: increased commercial vacancies; foreclosures; decreased property values; reduced consumer spending; high unemployment; state budget crisis; the looming federal fiscal cliff; the economic slow down in China, India and Asia; and the economic crisis in Europe. The City has taken significant steps to address the fiscal challenges that it faces while maintaining the delivery of excellent municipal services to the community. Measures were implemented to ensure that costs for service delivery were being recovered, and to augment potential revenue sources and improve organizational efficiency in the deliver of city services. Such measures included controlling and reducing operating costs by renegotiating each memorandum of understanding with each union group that resulted in savings (e.g., modified benefits, frozen positions, staff reductions), renegotiation of contracts and professional service agreements with current vendors and public service providers, a comprehensive updating of the City's schedule of fees for services in general, stepped up business retention and recruitment programs, adoption of sewer and water rate increases to make enterprise funds self sufficient and reduce the need for General Fund monies, upgrade of energy efficient lighting infrastructure, applying for grant funds to offset planning and police personnel costs, applying for alternative fuel credits from the Federal government related to the sale of CNG (City's CNG station) while expanding capacity to sell more CNG, and deferring capital purchases where deemed appropriate.

The City has also been able to implement major projects as a result of the aggressive approach it has taken towards seeking new funding sources. City staff is constantly looking for new ways of finding new revenues and uses the talents from within to approach new projects rather than paying additional fees to receive services. In this regard, significant accomplishments in the fiscal year ending June 30, 2012 included:

- Completion of the Park Avenue street improvements. This project added extensive aesthetic improvements to the area and coincided with the construction of a sixty-two unit multifamily housing project that includes 41 affordable rental units and 21 market rate rental units. The housing project has a total valuation of \$14,500,000 in construction costs. The street project cost \$320,000 and was funded through special revenue funds such as Pavement Management, Measure R funds and Prop. C transit development funds.
- Adoption of Water and Sewer Rate Increases, also known as the Prop. 218 process was completed in 2012. This is necessary in order to maintain the necessary capital reserves to complete essential capital improvements and maintenance projects on the City's aging sewer and water infrastructure while ensuring that the enterprise funds are self sustaining for the long term.
- City facilitated public-private investment resulting in the construction of a 20-unit affordable housing project on a city-owned parcel at 1422 San Fernando Road with a total valuation of \$4,100,000 in construction costs.
- Approval of entitlements and permit processing to allow relocation of Enterprise Office to a free standing facility in the city's automotive zoning district.
- Approval of entitlements for the adaptive reuse of two former automotive dealership sites to be reopened with retail sales and service commercial uses; total construction valuation of \$2,500,000.

**CITY OF SAN FERNANDO
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2012**

- Approval of entitlements for Harding Street Affordable Housing Project, which included a financial commitment of \$250,000 from the City to facilitate the development of 113 affordable rental units to extremely low to moderate income households; total construction valuation of \$30,000,000.
- Continued negotiations with prospective car dealership seeking to establish a new and used car automotive dealership in the City with anticipated start up in the last quarter of FY 2012-2013.
- Streamlined entitlement and building permit approval process to allow tenant improvements for a new Vallarta Supermarket to be completed within an unprecedented four months.
- Recreation and community services have continued to be expanded at the City's parks and regional aquatic facility resulting in new program income that has continued to reduce operational expenditures partially funded by the General Fund.
- Implementation of business retention and outreach program that includes online list of potential business opportunity sites on the City's website in order to match up potential businesses seeking to enter the City with vacant properties that are seized and zoned accordingly to facilitate the potential land use.
- Implementation of an inspection prior to resale of single family homes with an associated fee to ensure homes are not being sold with unpermitted improvements; any resulting upgrades required by the City are then reported to the County tax assessor resulting in increased property tax assessments.
- Installation of an Energy Efficient Induction Lighting system with a total construction cost of \$131,000 and was funded with Measure R funds. This energy efficient lighting system is intended to improve the lighting efficiency and will reduce lighting costs to the City.

In the upcoming fiscal year 2012-2013, the City plans to maintain a conservative budget in light of current economic conditions. Revenues to the General Fund are expected to fall slightly. Expenditures are expected to fall with anticipated savings from the continued practice of not filling positions as they become vacant. Also, the City will be entering into negotiations with all of the bargaining units in order to achieve additional savings. In spite of the economic conditions, the City plans on continuing with the Water Nitrate Project, increased fuel sales due to expansion of the CNG Fueling Station storage capacity, the Trolley and Bus Shelter Project, Energy Efficient Induction Lighting Project, and several street paving and repair projects. These projects will be funded through grants and/or special revenue funds except for the Water Project. In order to sustain the continued delivery of excellent municipal services to the community, the City will continue to closely review all revenues, department budgets and projects in light of budget constraints. Where necessary, the City will prioritize the use of resources so as to meet the community's demand for critical municipal services. The City has implemented a rolling twelve month cash flow analysis and a monthly departmental review of financials (revenues and expenditures).

Request for Information

This financial report is designed to provide a general overview of the City's finances for readers of the financial statements. Questions concerning any of the information in this report or requests for additional financial information should be addressed to the City Administrator's Office in the City of San Fernando, California.

Basic Financial Statements

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City of San Fernando
Statement of Net Assets
June 30, 2012

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
ASSETS			
Cash and Investments	\$ 2,749,060	\$ 4,105,671	\$ 6,854,731
Restricted Cash and Investments	-	-	-
Receivables:			
Taxes	1,044,657	-	1,044,657
Accounts	435,599	988,277	1,423,876
Interest	1,898	-	1,898
Grants	575,911	-	575,911
Loans Receivable	424,200	-	424,200
Due From Fiduciary Fund	211,840	463,000	674,840
Internal Balances	(3,137,173)	3,137,173	-
Prepaid Items	88,592	-	88,592
Land Held for Resale	-	-	-
Inventories	44,646	23,791	68,437
Capital Assets, Not Depreciated	5,564,862	904,433	6,469,295
Capital Assets, Depreciated, Net	46,940,636	13,907,110	60,847,746
	<u>54,944,728</u>	<u>23,529,455</u>	<u>78,474,183</u>
Total Assets			
LIABILITIES			
Accounts Payable	1,683,933	563,257	2,247,190
Accrued Liabilities	446,597	86,238	532,835
Deposits Payable	157,390	180,840	338,230
Interest Payable	-	-	-
Unearned Revenue	424,200	-	424,200
Long-Term Liabilities			
Due Within One Year	1,350,595	-	1,350,595
Due in More Than One Year	11,412,324	-	11,412,324
	<u>15,475,039</u>	<u>830,335</u>	<u>16,305,374</u>
Total Liabilities			
NET ASSETS			
Invested in Capital Assets, Net of Related Debt	50,993,498	14,811,543	65,805,041
Restricted for:			
Transportation	2,155,752	-	2,155,752
Parks & Recreation	375,098	-	375,098
Public Safety	2,955	-	2,955
Unrestricted	(14,057,614)	7,887,577	(6,170,037)
	<u>\$ 39,469,689</u>	<u>\$ 22,699,120</u>	<u>\$ 62,168,809</u>
Total Net Assets			

The accompanying notes are an integral part of this statement.

City of San Fernando
Statement of Activities
Year Ended June 30, 2012

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
General Government	\$ 6,397,275	\$ 584,356	\$ 77,680	\$ -
Public Safety	10,346,561	1,359,010	778,239	-
Community Development	1,944,293	413,067	505,662	-
Public Works	5,423,605	565,723	1,711,560	930,527
Parks and Recreation	2,145,767	458,090	124,657	-
Interest Expense	509,971	-	-	-
Total Governmental Activities	26,767,472	3,380,246	3,197,798	930,527
Business-type Activities:				
Water	3,248,148	2,769,412	-	-
Sewer	2,445,675	2,580,623	-	-
Waste Disposal	1,027,810	1,122,709	-	-
Total Business-type Activities	6,721,633	6,472,744	-	-
Total Primary Government	\$ 33,489,105	\$ 9,852,990	\$ 3,197,798	\$ 930,527

General Revenues:

Taxes:

Property
Sales and Use
Property Taxes in lieu of Sales and Use Taxes
Business License Taxes
Franchise
Other Taxes

Intergovernmental, Unrestricted

Investment Income

Gain on Sale of Property

Other

Transfers

Total General Revenues and Transfers

Extraordinary Gain (See Note 14)

Change in Net Assets

Net Assets - Beginning of Year, As Restated

Net Assets - End of Year

The accompanying notes are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Assets

<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
\$ (5,735,239)	\$ -	\$ (5,735,239)
(8,209,312)	-	(8,209,312)
(1,025,564)	-	(1,025,564)
(2,215,795)	-	(2,215,795)
(1,563,020)	-	(1,563,020)
<u>(509,971)</u>	<u>-</u>	<u>(509,971)</u>
 (19,258,901)	 -	 (19,258,901)
 -	(478,736)	(478,736)
-	134,948	134,948
<u>-</u>	<u>94,899</u>	<u>94,899</u>
 -	(248,889)	(248,889)
 (19,258,901)	 (248,889)	 (19,507,790)
 10,198,997	-	10,198,997
2,380,675	-	2,380,675
603,373	-	603,373
1,082,584	-	1,082,584
307,119	-	307,119
1,002,816	-	1,002,816
264,443	-	264,443
918	11,152	12,070
120,000	-	120,000
562,404	-	562,404
<u>121,000</u>	<u>(121,000)</u>	<u>-</u>
 16,644,329	 (109,848)	 16,534,481
 4,810,783	 -	 4,810,783
 2,196,211	(358,737)	1,837,474
<u>37,273,478</u>	<u>23,057,857</u>	<u>60,331,335</u>
 <u>\$ 39,469,689</u>	 <u>\$ 22,699,120</u>	 <u>\$ 62,168,809</u>

The accompanying notes are an integral part of this statement.

City of San Fernando
Balance Sheet
Governmental Funds
June 30, 2012

		Special Revenue Funds		
	General Fund	Grants	State Gas Tax	Retirement Tax
ASSETS				
Cash and Investments	\$ -	\$ -	\$ 887,984	\$ -
Restricted Cash and Investments	-	-	-	-
Receivables:				
Taxes	654,445	-	74,158	267,888
Accounts	376,355	-	-	-
Interest	1,898	-	-	-
Grants	-	563,673	-	-
Inventories	44,646	-	-	-
Due From Other Funds	-	-	-	-
Loans Receivable	-	-	-	-
Advances to Other Funds	211,840	-	-	483,083
Prepaid Items	79,280	-	-	-
Land Held for Resale	-	-	-	-
Total Assets	\$ 1,368,464	\$ 563,673	\$ 962,142	\$ 750,971
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 1,425,801	\$ 39,276	\$ 25,409	\$ -
Accrued Liabilities	382,625	29,629	-	-
Deposits	156,323	-	-	-
Retentions Payable	-	-	-	-
Deferred Revenue	196,850	74,567	373,814	-
Due to Other Funds	443,647	1,461,833	-	718,162
Advances From Other Funds	-	966,166	-	-
Total Liabilities	2,605,246	2,571,471	399,223	718,162
Fund Balances (Deficits):				
Nonspendable:				
Inventories	44,646	-	-	-
Long-term Receivables	-	-	-	-
Advances to Other Funds	211,840	-	-	483,083
Prepaid Items	79,280	-	-	-
Restricted For:				
Transportation	-	-	562,919	-
Air Pollution	-	-	-	-
Parks and Recreation	-	-	-	-
Public Safety	-	-	-	-
Debt Service	-	-	-	-
Unassigned	(1,572,548)	(2,007,798)	-	(450,274)
Total Fund Balances (Deficits)	(1,236,782)	(2,007,798)	562,919	32,809
Total Liabilities and Fund Balances	\$ 1,368,464	\$ 563,673	\$ 962,142	\$ 750,971

The accompanying notes are an integral part of this statement.

Debt Service Fund	Capital Projects Fund	Other Governmental Funds	Total
Redevelopment Merged Project Areas #1, 2, 3, 4	Low Income Housing		
\$ -	\$ -	\$ 1,725,817	\$ 2,613,801
-	-	-	-
-	-	48,166	1,044,657
-	-	59,244	435,599
-	-	-	1,898
-	-	12,238	575,911
-	-	-	44,646
-	-	-	-
-	-	424,200	424,200
-	-	-	694,923
-	-	9,312	88,592
-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,278,977</u>	<u>\$ 5,924,227</u>
\$ -	\$ -	\$ 193,447	\$ 1,683,933
-	-	34,343	446,597
-	-	1,067	157,390
-	-	-	-
-	-	424,200	1,069,431
-	-	30,448	2,654,090
-	-	-	966,166
-	-	683,505	6,977,607
-	-	-	44,646
-	-	-	-
-	-	-	694,923
-	-	9,312	88,592
-	-	1,150,536	1,713,455
-	-	71,885	71,885
-	-	411,319	411,319
-	-	2,955	2,955
-	-	-	-
-	-	(50,535)	(4,081,155)
-	-	1,595,472	(1,053,380)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,278,977</u>	<u>\$ 5,924,227</u>

The accompanying notes are an integral part of this statement.

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City of San Fernando
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Assets
June 30, 2012

Fund Balances for Governmental Funds	\$	(1,053,380)
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Amounts reported for Governmental Activities in the Statement of Net Assets are different because:

Capital assets net of depreciation have not been included as financial resources in the governmental fund activity.

Capital Assets		95,908,897
Accumulated Depreciation		(43,403,399)

Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. Also, bond issuance costs are not recorded as assets under modified accrual basis of accounting. All liabilities, both current and long-term, are reported in the Statement of Net Assets. Balances at June 30, 2012 are:

Loans Payable		(2,424,692)
Claims Payable		(2,860,556)
Compensated Absences		(1,475,197)
Net Other Post-employment Benefit Obligation		(6,002,474)

Accrued interest payable from the current portion of interest due on bonds payable has not been reported in the governmental funds.

-

Long-term receivables that are not available for current use. Amounts are recorded as deferred revenue under the modified accrual basis of accounting.

645,231

The internal service fund is used by management to charge the costs of equipment purchases to individual funds. The assets and liabilities of the internal service fund are included in the Statement of Net Assets.

135,259

Net Assets of Governmental Activities

\$ 39,469,689

City of San Fernando
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2012

		Special Revenue Funds		
	General Fund	Grants	State Gas Tax	Retirement Tax
REVENUES				
Taxes	\$ 6,828,654	\$ -	\$ -	\$ 4,235,916
Licenses and Permits	279,825	-	-	-
Charges for Services	1,087,694	-	-	-
Fines and Forfeitures	831,983	-	-	-
Investment Earnings	220,005	112	28	2,029
Intergovernmental	2,152,736	1,957,678	707,716	42,053
Other	743,509	17,533	-	-
Total Revenues	12,144,406	1,975,323	707,744	4,279,998
EXPENDITURES				
Current:				
General Government	3,429,608	-	-	1,107,017
Public Safety	9,225,642	736,118	-	-
Community Development	660,339	2,983	-	-
Public Works	1,076,661	119,913	736,632	-
Parks and Recreation	1,396,686	460,824	-	-
Pass-throughs	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				-
Principal	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Total Expenditures	15,788,936	1,319,838	736,632	1,107,017
Excess of Revenues Over (Under) Expenditures	(3,644,530)	655,485	(28,888)	3,172,981
OTHER FINANCING SOURCES (USES)				
Transfers In	3,010,099	100,000	-	-
Transfers Out	(103,034)	-	-	(2,528,421)
Sale of Property	120,000	-	-	-
Total Other Financing Sources (Uses)	3,027,065	100,000	-	(2,528,421)
EXTRAORDINARY GAIN (LOSS)	-	-	-	-
Net Change in Fund Balances	(617,465)	755,485	(28,888)	644,560
Fund Balances (Deficits), Beginning of Year	(619,317)	(2,763,283)	591,807	(611,751)
Fund Balances (Deficits), End of Year	\$ (1,236,782)	\$ (2,007,798)	\$ 562,919	\$ 32,809

The accompanying notes are an integral part of this statement.

Debt Service Fund	Capital Projects Fund	Other Governmental Funds	Total
Redevelopment Merged Project Areas #1, 2, 3, 4	Low Income Housing		
\$ 2,457,901	\$ -	\$ 1,418,778	\$ 14,941,249
-	-	-	279,825
-	-	421,089	1,508,783
-	-	56,153	888,136
7,521	36,990	13,683	280,368
-	-	373,866	5,234,049
23,948	-	228,951	1,013,941
<u>2,489,370</u>	<u>36,990</u>	<u>2,512,520</u>	<u>24,146,351</u>
80,014	-	6,632	4,623,271
-	-	-	9,961,760
-	393,998	164,862	1,222,182
-	-	1,815,125	3,748,331
-	-	198,205	2,055,715
971,247	-	95,799	1,067,046
-	-	-	-
1,230,000	-	252,000	1,482,000
250,437	-	128,131	378,568
<u>2,531,698</u>	<u>393,998</u>	<u>2,660,754</u>	<u>24,538,873</u>
<u>(42,328)</u>	<u>(357,008)</u>	<u>(148,234)</u>	<u>(392,522)</u>
-	-	123,312	3,233,411
-	-	(480,956)	(3,112,411)
125,000	-	-	245,000
<u>125,000</u>	<u>-</u>	<u>(357,644)</u>	<u>366,000</u>
<u>(1,097,278)</u>	<u>(1,784,573)</u>	<u>1,158,746</u>	<u>(1,723,105)</u>
(1,014,606)	(2,141,581)	652,868	(1,749,627)
<u>1,014,606</u>	<u>2,141,581</u>	<u>942,604</u>	<u>696,247</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,595,472</u>	<u>\$ (1,053,380)</u>

The accompanying notes are an integral part of this statement.

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City of San Fernando
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
Year Ended June 30, 2012

Net Change in Fund Balances - Total Governmental Funds \$ (1,749,627)

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

Governmental funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over the estimated useful lives as depreciation expense. This the amount by which capital expense exceeded depreciation in the current period:

Capital Expenditures	478,555
Depreciation Expense	(2,846,892)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumed the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. These amounts are the net effect of these differences in the treatment of long-term debt and related items:

Principal Payments	2,237,209
Accrued Interest added to the County Deferral Loans	(201,262)

Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds:

Interest Expense	175,348
Amortization of Bond Discount	(49,842)
Amortization of Issuance Costs	(256,909)
Compensated Absences	(259,283)
Other Post-employment Benefits	(1,658,523)

Claims payable 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. This amount represents the net increase/decrease in claims liabilities for the current year.

153,000

Certain loans are recorded as expenditures in the governmental funds when issued. Repayments on these long-term loans are recorded as revenues in the governmental funds when collected. However, neither of these transactions have an effect on net assets:

Loans Collected	(175,572)
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Some revenues reported in the Statement of Activities are not considered to be available to finance current expenditures and therefore are not reported as revenues in the governmental funds.

(183,879)

Governmental funds do not report certain long-term assets and long-term liabilities that are reflected in the Statement of Net Assets. This amount represents the difference in the extraordinary loss in the governmental funds and the extraordinary gain in the Statement of Activities, due to the dissolution of the Redevelopment Agency.

Loans Receivable deferred in the fund financial statements	(6,982,542)
Long-term debt reported in the government-wide financial statements	13,516,430

The change in net assets of the internal service fund is reported with governmental activities

-

Change in Net Assets of Governmental Activities

\$ 2,196,211

City of San Fernando
Statement of Net Assets
Proprietary Funds
June 30, 2012

	Business-type Activities Enterprise Funds				Governmental Activities - Internal Service Fund
	Water	Sewer	Waste Disposal	Totals	
ASSETS					
Current Assets:					
Cash and Investments	\$ 1,821,836	\$ 2,283,835	\$ -	\$ 4,105,671	\$ 135,259
Customer Accounts Receivable, Net	429,774	377,033	181,470	988,277	-
Inventory	23,791	-	-	23,791	-
Due From Other Funds	443,647	2,344,074	-	2,787,721	-
Total Current Assets	2,719,048	5,004,942	181,470	7,905,460	135,259
Noncurrent Assets:					
Advances to Other Funds	-	2,376,813	-	2,376,813	-
Capital Assets:					
Land	26,345	-	-	26,345	-
Water Rights	624,659	-	-	624,659	-
Construction in Progress	253,429	-	-	253,429	-
Buildings and Plant	5,597,395	118,501	-	5,715,896	-
Infrastructure	15,507,151	5,803,785	-	21,310,936	-
Land Improvement	29,200	-	-	29,200	-
Equipment	6,708,942	772,753	53,657	7,535,352	-
Less: Accumulated Depreciation	(16,872,849)	(3,792,743)	(18,682)	(20,684,274)	-
Total Noncurrent Assets	11,874,272	5,279,109	34,975	17,188,356	-
Total Assets	14,593,320	10,284,051	216,445	25,093,816	135,259
LIABILITIES					
Current Liabilities:					
Accounts Payable	207,104	286,812	69,341	563,257	-
Accrued Liabilities	66,540	19,698	-	86,238	-
Due to Other Funds	-	-	133,631	133,631	-
Customer Deposits	180,840	-	-	180,840	-
Total Current Liabilities	454,484	306,510	202,972	963,966	-
Noncurrent Liabilities:					
Advances From other Funds	1,430,730	-	-	1,430,730	-
Total Noncurrent Liabilities	1,430,730	-	-	1,430,730	-
Total Liabilities	1,885,214	306,510	202,972	2,394,696	-
NET ASSETS					
Invested in Capital Assets	11,874,272	2,902,296	34,975	14,811,543	-
Unrestricted	833,834	7,075,245	(21,502)	7,887,577	135,259
Total Net Assets	\$ 12,708,106	\$ 9,977,541	\$ 13,473	\$ 22,699,120	\$ 135,259

The accompanying notes are an integral part of this statement.

City of San Fernando
Statement of Revenues, Expenses, and Changes in Net Assets
Proprietary Funds
Year Ended June 30, 2012

	Business-type Activities Enterprise Funds				Governmental Activities - Internal Service Fund
	Water	Sewer	Waste Disposal	Totals	
OPERATING REVENUES					
Charges for Services	\$ 2,754,872	\$ 2,580,623	\$ 1,122,709	\$ 6,458,204	\$ -
Other	14,540	-	-	14,540	-
Total Operating Revenues	2,769,412	2,580,623	1,122,709	6,472,744	-
OPERATING EXPENSES					
Contractual Services	120,920	804,742	807,163	1,732,825	-
Maintenance and Operations	2,544,842	1,506,355	216,614	4,267,811	-
Depreciation	576,656	134,578	4,033	715,267	-
Total Operating Expenses	3,242,418	2,445,675	1,027,810	6,715,903	-
Operating Income (Loss)	(473,006)	134,948	94,899	(243,159)	-
NONOPERATING REVENUES (EXPENSES)					
Interest Income	1,177	9,975	-	11,152	-
Interest Expense	(5,730)	-	-	(5,730)	-
Total Nonoperating Revenues (Expenses)	(4,553)	9,975	-	5,422	-
Income (Loss) Before Transfers	(477,559)	144,923	94,899	(237,737)	-
Transfers Out	(61,000)	(60,000)	-	(121,000)	-
Change in Net Assets	(538,559)	84,923	94,899	(358,737)	-
Total Net Assets, Beginning of Year	13,246,665	9,892,618	(81,426)	23,057,857	135,259
Total Net Assets, End of Year	\$ 12,708,106	\$ 9,977,541	\$ 13,473	\$ 22,699,120	\$ 135,259

The accompanying notes are an integral part of this statement.

City of San Fernando
Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2012

	Business-type Activities Enterprise Funds				Governmental Activities - Internal Service Funds
	Water	Sewer	Waste Disposal	Totals	
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from Customers and Users	\$ 2,722,754	\$ 2,539,621	\$ 1,111,590	\$ 6,373,965	\$ -
Payments to Suppliers and Contractors	(1,039,628)	(1,489,912)	(961,981)	(3,491,521)	-
Payments to Employees	(1,552,643)	(589,454)	(78,977)	(2,221,074)	-
Net Cash Provided (Used) by Operating Activities	130,483	460,255	70,632	661,370	-
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Loans from (to) Other Funds	1,248,138	(211,366)	(70,632)	966,140	-
Interest Expense Paid on Advances	(5,730)	-	-	(5,730)	-
Transfers to Other Funds	(61,000)	(60,000)	-	(121,000)	-
Net Cash Provided (Used) by Noncapital Financing Activities	1,181,408	(271,366)	(70,632)	839,410	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition of Capital Assets	(269,868)	-	-	(269,868)	-
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest Received	1,177	9,975	-	11,152	-
Net Increase (Decrease) in Cash and Cash Equivalents	1,043,200	198,864	-	1,242,064	-
Cash and Cash Equivalents - Beginning of Year	778,636	2,084,971	-	2,863,607	135,259
Cash and Cash Equivalents - End of Year	<u>\$ 1,821,836</u>	<u>\$ 2,283,835</u>	<u>\$ -</u>	<u>\$ 4,105,671</u>	<u>\$ 135,259</u>

The accompanying notes are an integral part of this statement.

City of San Fernando
Statement of Cash Flows
Proprietary Funds - Continued
Year Ended June 30, 2012

	Business-type Activities Enterprise Funds				Governmental Activities - Internal Service Funds
	Water	Sewer	Waste Disposal	Totals	
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:					
Operating Income (Loss)	\$ (473,006)	\$ 134,948	\$ 94,899	\$ (243,159)	\$ -
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities					
Depreciation	576,656	134,578	4,033	715,267	-
Disposal of Capital Asset	67,673	3	-	67,676	-
Changes in Assets and Liabilities:					
(Increase) Decrease in Accounts Receivable	(68,426)	(41,003)	(11,119)	(120,548)	-
(Increase) Decrease in Inventory	6,047	-	-	6,047	-
Increase (Decrease) in Accounts Payable	1,224	234,197	(13,095)	222,326	-
Increase (Decrease) in Accrued Liabilities	(1,453)	(2,468)	(4,086)	(8,007)	-
Increase (Decrease) in Customer Deposits	21,768	-	-	21,768	-
TOTAL CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ 130,483</u>	<u>\$ 460,255</u>	<u>\$ 70,632</u>	<u>\$ 661,370</u>	<u>\$ -</u>

The accompanying notes are an integral part of this statement.

City of San Fernando
Statement of Fiduciary Net Assets and Liabilities
Fiduciary Funds
June 30, 2012

	Agency Funds	Successor Agency Private-Purpose Trust Fund
ASSETS		
Cash and Investments	\$ 122,588	\$ 1,320,926
Receivables		
MOU - Swap Meet Property Loan	-	4,569,335
Other Loans	-	2,413,207
Prepaid Expenses	4,650	-
Land Held for Resale	-	468,733
Restricted Assets:		
Cash and Investments with Fiscal Agents	-	1,871,628
	<u>\$ 127,238</u>	<u>10,643,829</u>
Total Assets		
LIABILITIES		
Accounts Payable	\$ 4,466	541,630
Accrued Liabilities	-	18,079
Deposits	122,772	-
Interest Payable	-	119,338
Advances from other Funds	-	674,840
County Deferral	-	3,076,430
Bonds Payable	-	10,440,000
	<u>\$ 127,238</u>	<u>14,870,317</u>
Total Liabilities		
NET ASSETS		
Net Assets (Deficit) Held in Trust for Successor Agency		<u>\$ (4,226,488)</u>

The accompanying notes are an integral part of this statement.

City of San Fernando
Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
Year Ended June 30, 2012

	Successor Agency Private-Purpose Trust Fund
ADDITIONS	
Taxes	\$ 2,308,600
Interest Income	10,786
	<hr/>
Total Additions	2,319,386
	<hr/>
DEDUCTIONS	
Administrative and Passthrough Costs	1,404,418
Interest on Bonds	330,673
	<hr/>
Total Deductions	1,735,091
	<hr/>
Change in Net Assets before Extraordinary Items	584,295
Extraordinary Loss	(4,810,783)
	<hr/>
Change in Net Assets	(4,226,488)
Net Assets - Beginning of Year	<hr/> -
Net Assets - End of Year	<hr/> \$ (4,226,488) <hr/>

The accompanying notes are an integral part of this statement.

City of San Fernando
Notes to Financial Statements
Year Ended June 30, 2012

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A) Description of Reporting Entity

The City of San Fernando, California was incorporated on August 31, 1911 under the general laws of the State of California and enjoys all the rights and privileges pertaining to "General Law" cities. The financial reporting entity includes the accounts of the City of San Fernando (the City), the primary government and its component units, the San Fernando Redevelopment Agency (the Agency or the RDA) and the City of San Fernando Public Financing Authority (the Authority).

The financial statements of the City of San Fernando include the financial activities of the City and its component units for which the City is considered to be financially accountable. Financial accountability is determined on the basis of budget adoptions, taxing authority, funding and composition or appointments of the governing board. Blended component units, although legally separate entities, are part of the City's operations and data from these units are therefore combined with data of the City.

Blended Component Units

Since the San Fernando City Council acts as the Board of Directors and is able to impose its will on the San Fernando Redevelopment Agency and the San Fernando Public Financing Authority, the City is considered to be the primary government and the other two entities are component units. Additionally, since the governing boards of the City and the component units are the same, the component units are blended.

The San Fernando Redevelopment Agency was established in 1965 pursuant to provisions of the California Health and Safety Code. The primary purpose of the Agency is to eliminate blighted areas by encouraging development of residential, commercial, industrial, recreational and public facilities. The Agency is accounted for in the City's financial statements in accordance with principles defining the governmental reporting entity adopted by the Governmental Accounting Standards Board. The City Council members, in separate session, serve as the governing board of the Agency. The Agency is reported in the Debt Service and Capital Projects Funds. The Agency was dissolved as of February 1, 2012 as a result of State legislation. The activities and balances subsequent to that date are reported in a private-purpose trust fund.

The City of San Fernando Public Financing Authority is a Joint Exercise of Powers Authority organized and existing under and by virtue of the Joint Exercise of Power Act of the Government Code of the State. The City and the Agency formed the Authority by the execution of a Joint Exercise of Powers Agreement. The primary purpose of the Authority is to issue bonds and make loans to the Agency. The Authority is accounted for in the City's financial statements in accordance with principles defining the governmental reporting entity adopted by the Governmental Accounting Standards Board (GASB). The City Council members, in separate session, serve as the governing board of the Authority. The Authority is reported in the Debt Service and Capital Projects Funds. There are no separate financial statements prepared for the Authority.

B) Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Assets and the Statement of Activities) report information about the reporting government as a whole, except for its fiduciary activities. Governmental activities,

City of San Fernando
Notes to Financial Statements
Year Ended June 30, 2012

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

B) Government-Wide and Fund Financial Statements - Continued

which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government (including its blended component units) is reported separately from discretely presented component units for which the primary government is financially accountable. The City has no discretely presented component units.

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

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

Separate financial statements for the government's governmental and proprietary funds are presented after the Government-wide Financial Statements. These statements display information about major funds individually and other governmental funds in the aggregate for governmental and enterprise funds.

C) Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. Under the economic resources measurement focus, all assets and liabilities (whether current or noncurrent) associated with their activity are included on their balance sheets. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. Nonexchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all the eligibility requirements have been satisfied.

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

City of San Fernando
Notes to Financial Statements
Year Ended June 30, 2012

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

C) Measurement Focus, Basis of Accounting, and Financial Statement Presentation - Continued

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Under the current financial resources measurement focus, only current assets and current liabilities are generally included on their balance sheets. The reported fund balance (net current assets) is considered to be a measure of "available spendable resources". Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period. Noncurrent portions of long-term receivables due to governmental funds are reported on their balance sheets in spite of their spending measurement focus. However, special reporting treatments are used to indicate that they should not be considered "available spendable resources" since they do not represent net current assets. Recognition of governmental fund type revenue represented by noncurrent receivables is deferred until they become current receivables. Noncurrent portions of other long-term receivables are offset by nonspendable fund balance accounts.

Under the modified accrual basis of accounting, 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. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, except for principal and interest on general long-term liabilities, claims and judgments, and compensated absences that are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term liabilities are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual, and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

Fund Classifications

The funds designated as major funds are determined by a mathematical calculation consistent with GASB Statement No. 34. The City reports the following major governmental funds:

The **General Fund** is the City's primary operating fund and accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The **Grants Special Revenue Fund** is used to account for miscellaneous grants provided by federal, state and county agencies and expended for various street, park, recreation, historic preservation, human services and police purposes.

The **State Gas Tax Fund** accounts for the City's share of motor fuel tax revenue restricted for street maintenance and repairs.

The **Retirement Tax Fund** accounts for receipts from a voter-approved special tax levy that is used to pay for a portion of the cost of the City's participation in the Public Employees Retirement System.

City of San Fernando
Notes to Financial Statements
Year Ended June 30, 2012

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

C) Measurement Focus, Basis of Accounting, and Financial Statement Presentation - Continued

The Redevelopment Merged Project Areas #1, 2, 3, 3A, and 4 Debt Service Fund is used to account for the accumulation of resources for, and the payment of, long-term debt principal and interest on general obligations of the Agency's Project Areas #1, 2, 3, 3A, and 4.

The Low-Income Housing Capital Projects Fund is used to account for monies set aside in accordance with Redevelopment Law for the provision of affordable housing for low and moderate-income persons and families.

The City reports the following major enterprise funds:

The Water Enterprise Fund is used to account for the provision of water services to all residents of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, operations, maintenance and major construction.

The Sewer Enterprise Fund is used to account for the provision of sewer services to all residents of the City. Processing of sewage is done by the City of Los Angeles under contract.

The Waste Disposal Enterprise Fund is used to account for the collection of solid waste from all residential utility accounts within the City. Solid waste collection and disposal is operated under a contract with a private disposal company.

The City also reports the following fund types:

The Internal Service Fund is used to account for the financing of goods and services provided by one City department to other departments on a cost-reimbursement basis. The City's internal service fund is used to account for equipment replacements.

The Successor Agency Private-purpose Trust Fund accounts for the revenues and expenditures of the former Redevelopment Agency

The Agency Fund is used to account for funds received by the City as an agent for the other entities.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the *option* of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The City has elected not to follow subsequent private-sector guidance.

D) Cash and Cash Equivalents

In order to maximize investment return, the City pools its available cash for investment purposes. The cash management pool is used essentially as a demand deposit account by the participating funds. The City has defined cash and cash equivalents, for purposes of the preparation of its statement of cash flows, all deposits and investments purchased with a maturity date of 90 days or less.

City of San Fernando
Notes to Financial Statements
Year Ended June 30, 2012

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

E) Investments

Investments are stated at fair value (the value at which an investment could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale).

F) Inventories

Inventories of the enterprise funds, consisting primarily of materials and supplies, are stated at cost determined by the first-in, first-out method. Inventories of the governmental funds are recorded as expenditures when purchased.

G) Land Held for Resale

Land held for resale is recorded at the lower of acquisition cost or net realizable value.

H) Capital Assets

Capital assets, which include land, structures and improvements, machinery and equipment and infrastructure assets, are reported in the applicable governmental or business-type activity columns in the government-wide financial statements. Capital assets are defined as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation. Capital outlay is recorded as expenditures in the governmental funds and as assets in the government-wide financial statements to the extent the City's capitalization threshold is met.

Capital assets include additions to public domain (infrastructure) which includes certain improvements such as pavement, curb and gutter, sidewalks, traffic control devices, and right-of-way corridors within the City.

The provision for depreciation is computed by use of the straight-line method over the estimated useful lives of assets, which are as follows:

Buildings	50 years
Infrastructure	Up to 50 years
Improvements Other than Buildings	20 years
Furniture and Equipment	Up to 30 years
Vehicles and Related Equipment	Up to 8 years

Water rights are recorded in the Water Enterprise Fund in the amount of \$624,659, which is the net acquisition cost. The asset represents amounts paid to the Metropolitan Water District of Southern California for the right to purchase water. Because the rights have an indefinite life and normally appreciate in value over time, the City has elected not to amortize the cost of water rights. This treatment is in accordance with accounting principles generally accepted in the United States of America.

City of San Fernando
Notes to Financial Statements
Year Ended June 30, 2012

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

I) Deferred Revenues

Deferred revenues in fund financial statements arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred revenues also arise when the City receives resources before it has a legal claim to them (e.g., when grant monies are received prior to the incurrence of qualifying expenditures).

J) Restricted Assets

Certain proceeds of debt issues, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants.

K) Compensated Absences

Employees can accrue vacation, sick leave or annual leave depending on the employee's status (management or non-management). In addition, non-management personnel may earn compensation time in lieu of overtime pay. Vacation, annual leave, and compensation leave are paid out 100% upon employee termination. Sick leave is paid out up to 50% upon retirement only.

Both vacation and annual leave are accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the fund financial statements only if they have matured, for example, as a result of employee resignations and retirements. Compensated absences are expected to be paid primarily by the General Fund.

L) Claims and Judgments

When it is probable that a claim liability has been incurred at year-end, and the amount of the loss can be reasonably estimated, the City records the estimated loss, net of any insurance coverage under its self-insurance program. For governmental funds, if claims will not be liquidated from currently available resources, they are recorded only in the government-wide financial statements.

M) Interfund Transactions

Interfund transactions are reflected 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., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances".

Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are 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.

City of San Fernando
Notes to Financial Statements
Year Ended June 30, 2012

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

N) Property Taxes

Property taxes include assessments on both secured and unsecured property. Secured property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on July 1 and are payable in two installments which are delinquent if not paid by December 10 and April 10. The County of Los Angeles bills and collects the property taxes and remits them to the City in installments during the year. The City records property taxes as revenue when received from the County, except for property taxes received within 60 days after fiscal year-end, which are accrued at June 30th.

The County is permitted by State Law (Article XIII A of the California Constitution) to levy taxes at one percent (1%) of full market value (at time of purchases) and can increase the property's value at no more than two percent (2%) per year. The City receives a share of this basic levy.

O) Use of Estimates

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

P) Implementation of Governmental Accounting Standards Board (GASB) Pronouncements

Governmental Accounting Standards Board Statement No. 63

In June of 2011, GASB issued Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. The objective of this Statement is to provide guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related disclosures. The provisions of this Statement are effective for financial statements for periods beginning after December 15, 2011. The City has elected not to early implement GASB No. 63 and has not determined its effect on the City's financial statements.

Governmental Accounting Standards Board Statement No. 65

In March of 2012, GASB issued Statement No. 65, *Items Previously Reported as Assets and Liabilities*. Statement No. 65 establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. This statement also provides other financial reporting guidance related to the impact of the financial statement elements deferred outflows of resources and deferred inflows of resources, such as changes in the determination of the major fund calculations and limiting the use of the term *deferred* in the financial statements. Statement No. 65 is effective for periods beginning after December 15, 2012. The City has elected not to early implement GASB No. 65 and has not determined its effect on the City's financial statements.

City of San Fernando
Notes to Financial Statements
Year Ended June 30, 2012

I) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

P) Implementation of Governmental Accounting Standards Board (GASB) Pronouncements - Continued

Governmental Accounting Standards Board Statement No. 68

In June of 2012, GASB issued Statement No. 68, *Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement No. 27*. This statement was issued to improve the financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions with regard to providing decision-useful information, supporting assessments of accountability and inter-period equity, and creating additional transparency. This statement replaces the requirements of Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, as well as the requirements of Statement No. 50, *Pension Disclosures*, as they relate to pensions that are provided through pension plans administered as trust or equivalent arrangements that meet certain criteria. The requirements of Statements 27 and 50 remain applicable for pensions that are not covered by the scope of this statement. Statement No. 68 is effective for periods beginning after June 15, 2014. The City has elected not to early implement GASB No. 68 and has not determined its effect on the City's financial statements.

2) CASH AND INVESTMENTS

The following is a summary of cash and investments at June 30, 2012:

	Government-wide Statement of Net Assets	Fiduciary Fund Statement of Assets and Liabilities	Total
Cash and Investments	\$ 6,854,731	\$ 1,443,514	\$ 8,298,245
Restricted Cash and Investments	-	1,871,628	1,871,628
Total Cash and Investments	<u>\$ 6,854,731</u>	<u>\$ 3,315,142</u>	<u>\$ 10,169,873</u>

Cash and investments at June 30, 2012 consisted of the following:

Demand Deposits	\$ 6,071,391
Petty Cash	1,200
Investments	<u>4,097,282</u>
Total Cash and Investments	<u>\$ 10,169,873</u>

The City pools its cash and investments for all fund entities except for cash and investments held by outside fiscal agents under the provisions of bond indentures. Interest income earned on pooled cash and investments is allocated quarterly to the various funds based on the weighted average cash balances. Interest income from cash and investments with fiscal agents is credited directly to the related fund.

City of San Fernando
Notes to Financial Statements
Year Ended June 30, 2012

2) CASH AND INVESTMENTS - Continued

Investment Policies

The City's investment policy outlines the guidelines required to be used in effectively managing the City's available cash in accordance with the California Government Code. Summarized below are the investment vehicles that are authorized and certain provisions of the policy that address interest rate risk and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Maximum Allowable Investment Percentage	Maximum Percentage Per Issuer
U.S. Treasury Obligations	5 years	None	N/A
U.S. Government Sponsored Agency Securities	5 years	45%	None
Certificates of Deposits or Time Deposits (collateralized)	5 years	None	Lesser of \$1,000,000 or 1%
Banker's Acceptances	180 days	40%	Lesser of \$1,000,000 or 30%
Commercial Paper	15 days	15%	\$ 500,000
Local Agency Investment Fund (LAIF)	N/A	Unlimited	\$ 15,000,000

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. Most of the City's investments are held in trust by a fiscal agent as required by the bond indenture. A table summarizing distribution of the City's investment by maturity as of June 30, 2012 is as follows:

Investment Type	Remaining Maturity (in Months) 12 Months Or Less
Local Agency Investment Fund Held by Bond Trustees:	\$ 2,245,173
Money Market Mutual Funds	1,852,109
Total	<u>\$ 4,097,282</u>

City of San Fernando
Notes to Financial Statements
Year Ended June 30, 2012

2) CASH AND INVESTMENTS - Continued

Disclosures Relating to Credit Risk

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

Investment Type	Total Investment	Minimum Legal Rating	Rating as of Year End		
			AAA	Not Required to be Rated	Unrated
Local Agency Investment Fund	\$ 2,245,173	N/A	\$ -	\$ -	\$ 2,245,173
Held by Bond Trustees:					
Money Market Mutual Funds	<u>1,852,109</u>	A	<u>1,852,109</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 4,097,282</u>		<u>\$ 1,852,109</u>	<u>\$ -</u>	<u>\$ 2,245,173</u>

Concentration of Credit Risk

At June 30, 2012, the City had no investments in any one issuer that represent 5% or more of total City investments.

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The 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, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

At June 30, 2012, the carrying amount of the City's deposits was \$6,071,413 and balances per bank were \$6,081,862. The differences of \$10,449 represents outstanding checks, deposits in transit and other reconciling items. The City did not have any deposits with financial institutions in excess of Federal depository insurance limits and held in uncollateralized accounts.

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as LAIF).

City of San Fernando
Notes to Financial Statements
Year Ended June 30, 2012

2) CASH AND INVESTMENTS - Continued

Investment in State Investment Pool

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The fair value of the City's investment in this pool is reported in the accompanying financial statements at amounts based upon the City's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

3) INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Due To and Due From Other Funds

Amounts due to/due from other funds at June 30, 2012 are as follows:

Receivable	Payable	Amount
Water Enterprise Fund	General Fund	\$ 443,647
Sewer Enterprise Fund	Grants Special Revenue Fund	1,461,833
	Retirement Tax Fund	718,162
	Waste Disposal Fund	133,631
	Other Governmental Funds	30,448
		<u>\$ 2,787,721</u>

The outstanding balances between funds result mainly from interfund borrowings to cover operating deficits.

Long-term Advances

At June 30, 2012, the City had the following interfund long-term advances:

Receivable	Payable	Amount
General Fund	Successor Agency Private-purpose Trust Fund (1)	\$ 211,840
Retirement Trust Fund	Grants Special Revenue Fund (2)	483,083
Sewer Enterprise Fund	Grants Special Revenue Fund (2)	483,083
	Successor Agency Private-purpose Trust Fund (4)	463,000
	Water Enterprise Funds (3)	1,430,730
		<u>\$ 3,071,736</u>

City of San Fernando
Notes to Financial Statements
Year Ended June 30, 2012

3) INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS - Continued

Long-term Advances - Continued

- (1) On June 2, 2003, the City entered into an agreement with the Redevelopment Agency whereby the City conveyed a property to the Agency for the initial down payment of \$825,000, as well as a 15-year note with a 5% interest rate and annual payments of \$209,544. On January 15, 2010, the loan was restructured to include additional accelerated payments of \$220,000 in 2011 and 2012. As of June 30, 2012, the outstanding balance on the note is \$189,604. In addition, the General Fund has advanced the Successor Agency Trust Fund \$22,236. It is unclear when these amounts will be repaid due to the dissolution of the Redevelopment Agency.
- (2) On May 7, 2001, the Retirement Tax Special Revenue Fund and the Sewer Enterprise Fund advanced \$750,000 each to the Grants Special Revenue Fund. The interest is payable on the unpaid principal of the loan, compounded annually on a 360 day/year, at a rate calculated as the average rate earned on the funds deposited by the City into the Local Agency Investment Fund. The principal is due within 20 years, or sooner if funds are available. As of June 30, 2012, the outstanding balance due to the Retirement Tax Special Revenue Fund and the Sewer Enterprise Fund are \$483,083 and \$483,083, respectively.
- (3) On October 18, 1999, the Sewer Enterprise Fund advanced \$1,500,000 to the Water Enterprise Fund. The interest is payable on the unpaid principal of the loan, compounded annually on a 360 day/year, at a rate calculated as the average rate earned on the funds deposited by the City into the Local Agency Investment Fund. As of June 30, 2012, the outstanding balance of the advance is \$1,430,730.
- (4) On February 16, 2010, the Sewer Enterprise Fund advanced \$463,000 to the Redevelopment Merged Project Areas #1, 2, 3 and 4 Debt Service Fund to aid in the financing of redevelopment activities of the Agency. The interest is payable on the unpaid principal of the loan, compounded annually on a 360 day/year, at a rate calculated as the average rate earned on the funds deposited by the City into the Local Agency Investment Fund. The principal is due May 15, 2014. As of June 30, 2012 the outstanding balance is \$463,000. Due to the dissolution of the Redevelopment Agency it is unclear when this advance will be repaid.

Transfers In and Transfers Out

Transfers in and out for the year ended June 30, 2012 are as follows:

Transfers In	Transfers Out	Amount
General Fund	Retirement Tax Fund	\$ 2,518,191
	Other Governmental Funds	370,908
	Water Enterprise Fund	61,000
	Sewer Enterprise Fund	60,000
Grants Special Revenue Fund	General Fund	100,000
Other Governmental Funds	General Fund	3,034
	Retirement Tax Fund	10,230
	Other Governmental Funds	110,048
		\$ 3,233,411

City of San Fernando
Notes to Financial Statements
Year Ended June 30, 2012

3) INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS - Continued

Transfers In and Transfers Out - Continued

The Retirement Tax Special Revenue Fund transferred \$2,518,191 to the General Fund for reimbursement of retirement costs.

The Other Governmental Funds, Water, and Sewer Enterprise Funds transferred monies to the General Fund for operating maintenance costs.

The General Fund transferred \$100,000 to the Grants Special Revenue Fund for repayment of a long-term advance to the Retirement Tax Special Revenue and the Sewer Enterprise Funds.

The Other Governmental Funds transferred \$110,048 to Other Governmental Funds for related capital projects costs incurred.

4) CAPITAL ASSETS

A summary of changes in the Governmental Activities capital assets at June 30, 2012 is as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land	\$ 4,397,105	\$ -	\$ -	\$ 4,397,105
Construction in Progress	2,072,602	-	(904,845)	1,167,757
Total Capital Assets, Not Being Depreciated	6,469,707	-	(904,845)	5,564,862
Capital Assets Being Depreciated:				
Buildings	27,051,347	58,952	-	27,110,299
Improvements Other than Buildings	4,774,994	7,957	-	4,782,951
Machinery and Equipment	7,745,870	732,005	-	8,477,875
Infrastructure	49,388,425	584,485	-	49,972,910
Total Capital Assets Being Depreciated	88,960,636	1,383,399	-	90,344,035
Less Accumulated Depreciation:				
Buildings	(5,996,308)	(718,751)	-	6,715,059
Improvements Other than Buildings	(2,270,579)	(198,324)	-	2,468,903
Machinery and Equipment	(5,273,676)	(571,486)	-	5,845,162
Infrastructure	(27,015,944)	(1,358,331)	-	28,374,275
Total Accumulated Depreciation	(40,556,507)	(2,846,892)	-	(43,403,399)
Total Capital Assets Being Depreciated, Net	48,404,129	(1,463,493)	-	46,940,636
Governmental Activities Capital Assets, Net	\$ 54,873,836	\$ (1,463,493)	\$ (904,845)	\$ 52,505,498

City of San Fernando
Notes to Financial Statements
Year Ended June 30, 2012

4) CAPITAL ASSETS - Continued

Depreciation expense was charged to functions/programs of the governmental activities as follows:

General Government	\$ 9,198
Public Safety	384,801
Public Works	2,153,829
Parks and Recreation	90,052
Community Development	<u>209,012</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 2,846,892</u>

A summary of changes in the Business-type Activities capital assets at June 30, 2012 is as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Business-type Activities:				
Capital Assets, Not Being Depreciated				
Land	\$ 26,345	\$ -	\$ -	\$ 26,345
Water Rights	624,659	-	-	624,659
Construction in Progress	<u>32,310</u>	<u>221,119</u>	<u>-</u>	<u>253,429</u>
Total Capital Assets, Not Being Depreciated	<u>683,314</u>	<u>221,119</u>	<u>-</u>	<u>904,433</u>
Capital Assets Being Depreciated:				
Buildings	5,715,896	-	-	5,715,896
Improvements Other than Buildings	29,200	-	-	29,200
Infrastructure	21,378,610	-	(67,674)	21,310,936
Machinery and Equipment	<u>7,486,608</u>	<u>48,744</u>	<u>-</u>	<u>7,535,352</u>
Total Capital Assets Being Depreciated	<u>34,610,314</u>	<u>48,744</u>	<u>(67,674)</u>	<u>34,591,384</u>
Less Accumulated Depreciation:				
Buildings	(2,680,101)	(112,657)	-	(2,792,758)
Improvements Other than Buildings	(29,200)	-	-	(29,200)
Infrastructure	(11,895,454)	(416,031)	-	(12,311,485)
Machinery and Equipment	<u>(5,364,253)</u>	<u>(186,578)</u>	<u>-</u>	<u>(5,550,831)</u>
Total Accumulated Depreciation	<u>(19,969,008)</u>	<u>(715,266)</u>	<u>-</u>	<u>(20,684,274)</u>
Total Capital Assets Being Depreciated, Net	<u>14,641,306</u>	<u>(666,522)</u>	<u>(67,674)</u>	<u>13,907,110</u>
Business-type Activities				
Capital Assets, Net	<u>\$ 15,324,620</u>	<u>\$ (445,403)</u>	<u>\$ (67,674)</u>	<u>\$ 14,811,543</u>

Depreciation expense was charged to functions/programs of the business-type activities as follows:

Water	\$ 576,656
Sewer	134,578
Waste Disposal	<u>4,032</u>
Total Depreciation Expense - Business-Type Activities	<u>\$ 715,266</u>

City of San Fernando
Notes to Financial Statements
Year Ended June 30, 2012

5) LOAN RECEIVABLE AND UNEARNED REVENUES

The City uses Community Development Block Grant (CDBG) funds to provide housing rehabilitation loans to eligible applicants. Such loans are made to low and moderate-income persons to improve, rehabilitate, or replace residences. The CDBG fund's primary asset consists of notes receivable from participants that originated from HUD funds. The CDBG loans totaling \$424,200, when collected, are due back to the granting agency.

Account balances related to these programs at June 30, 2012, consisted of the following:

First-time homebuyer program in the Community Development Block Grant Fund:		
Loans Receivable	\$	424,200
Deferred Revenue		424,200

6) LONG-TERM LIABILITIES

The following is a summary of long-term liability transactions for the year ended June 30, 2012.

	Beginning Balance	Additions	Reductions	Transfers	Ending Balance	Due Within One Year
Bonded Indebtedness	\$ 11,670,000	\$ -	\$ (1,230,000)	\$ (10,440,000)	\$ -	\$ -
Less Deferred Amounts:						
Issuance Discount	(49,842)	-	49,842	-	-	-
Subtotal	11,620,158	-	(1,180,158)	(10,440,000)	-	-
CHFA Loan	912,692	-	-	-	912,692	300,000
Section 108 Loan	1,764,000	-	(252,000)	-	1,512,000	268,000
County Deferral	3,630,377	201,262	(755,209)	(3,076,430)	-	-
Claims Payable (Note 8)	3,013,556	904,499	(1,057,499)	-	2,860,556	487,556
Compensated Absences	1,215,914	869,304	(610,021)	-	1,475,197	295,039
Other Post-Employment Benefit Obligation (Note 9)	4,343,951	2,627,170	(968,647)	-	6,002,474	-
Total	\$ 26,500,648	\$ 4,602,235	\$ (4,823,534)	\$ (13,516,430)	\$ 12,762,919	\$ 1,350,595

CHFA Loan

On August 5, 2002, the City and California Housing Finance Agency (CHFA) entered into a Housing Enabled by Local Partnerships (HELP) loan agreement whereby the City borrowed \$1,000,000 from CHFA for the purpose of financing the development of affordable senior citizen rental projects in the City. The loan bears simple interest of 3% per annum. Interest is deferred and added to principal annually. The outstanding balance as of June 30, 2012 was \$912,692. The City is to make partial payments as follows: \$100,000 by August 5, 2012, \$200,000 by June 30, 2013, and \$350,000 by June 30, 2014. The remaining unpaid balance on the loan is to be repaid by December 31, 2014.

City of San Fernando
Notes to Financial Statements
Year Ended June 30, 2012

6) LONG-TERM LIABILITIES - Continued

Section 108 Loan

The City and the County of Los Angeles entered into a loan agreement for a Section 108 loan in the amount of \$3,000,000 for the City's regional swimming pool facility. The loan bears interest at the rate per annum equal to 3 month-LIBOR plus 20 basis points (or such higher rate as may be imposed by HUD). The outstanding balance on the loan as of June 30, 2012 was \$1,512,000.

Year Ending June 30,	Principal	Interest	Total
2013	\$ 268,000	\$ 79,314	\$ 347,314
2014	284,000	64,075	348,075
2015	301,000	47,588	348,588
2016	320,000	29,648	349,648
2017	339,000	10,136	349,136
Total	<u>\$ 1,512,000</u>	<u>\$ 230,761</u>	<u>\$ 1,742,761</u>

Compensated Absences

The City's policies relating to compensated absences are described in Note 1. This liability amounting to \$1,475,197 is expected to be repaid from future resources, typically liquidated from the General Fund.

Fiduciary Fund Long-term Liabilities

Long-term liabilities of the former San Fernando Redevelopment Agency were transferred to the Successor Agency Private-purpose Trust Fund during 2011-12 as a result of the State's action to dissolve redevelopment agencies. The following is a schedule of changes in long-term debt of the Successor Agency for the fiscal year ended June 30, 2012:

	Beginning Balance	Additions	Deletions	Transfers	Ending Balance	Due Within One Year
Bonds Payable:						
Tax Allocation Bonds, 1998 \$	-	\$ -	\$ -	\$ 1,890,000	\$ 1,890,000	\$ 600,000
Tax Allocation Bonds, 2006	-	-	-	8,550,000	8,550,000	680,000
County Deferral	-	-	-	3,076,430	3,076,430	-
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,516,430</u>	<u>13,516,430</u>	<u>\$ 1,280,000</u>

1998 Project Areas #1 and #3 Tax Allocation Bonds

In June 1998, the Agency defeased its 1987 and 1991 (Project Areas #1 and #3) Tax Allocation Bonds by placing a portion of the proceeds of the new 1998 Tax Allocation Bonds in an irrevocable trust to provide for all future debt service payments related to the Agency's 1987 and 1991 issuances. Accordingly, the trust assets and liability for the defeased debt are not included in these financial statements. In fiscal year 2002-2003, all defeased bonds were paid, and none remains outstanding.

City of San Fernando
Notes to Financial Statements
Year Ended June 30, 2012

6) LONG-TERM LIABILITIES - Continued

Fiduciary Fund Long-term Liabilities – Continued

1998 Project Areas #1 and #3 Tax Allocation Bonds - Continued

The San Fernando Redevelopment Agency sold two series of bonds in the amounts of \$1,320,000 and \$6,360,000 for Project Areas #1 and #3, respectively, to provide funds to advance refund the 1987 Project Area #1 Bonds, the 1987 Project Area #3 Bonds and a portion of the 1991 Project Area #2 Bonds. A portion of the bond proceeds were used to finance additional redevelopment projects.

Annual interest rates on the tax allocation bonds for the Project Area #1 range from 4.0% to 5.25% with interest payable semiannually. The bonds mature in amounts ranging from \$80,000 to \$115,000 through the year 2014. Bonds maturing on or after September 15, 2006 are subject to call or redemption prior to their stated maturity at a premium ranging from 2.0% in 2006 to 0.5% in 2008 and 2009, and at par thereafter.

Annual interest rates on the tax allocation bonds for Project Area #3 range from 4.0% to 5.25% with interest payable semiannually. The bonds mature in amounts ranging from \$385,000 to \$545,000 through the year 2014. Bonds maturing after March 15, 2006 are subject to call or redemption prior to their stated maturity at a premium ranging from 2.0% in 2006 to 0.5% in 2008 and 2009, and at par thereafter. As of June 30, 2012 \$1,890,000 of the 1998 Tax Allocation Bonds were outstanding.

2006 Project Area #3 Tax Allocation Bonds

In December 2006, the Agency, Civic Center Redevelopment Project Area #3, issued \$11,490,000 of Series 2006 Tax Allocation Bonds for the completion of the aquatic center and the acquisition, construction and relocation to a new City yard and various street improvements. The bonds were issued on parity with the 1998 Tax Allocation Bonds. The bonds mature in annual installments ranging from \$420,000 to \$1,425,000 with coupon rates ranging from 3.25% to 4.125%. Interest payments are due each March 15 and September 15, commencing March 15, 2007. Final maturity of the bonds is September 15, 2020. As of June 30, 2012, \$8,550,000 of the bonds were outstanding.

Future debt service requirements, for the Tax Allocation Bonds to maturity are as follows:

Year Ending June 30,	Principal	Interest	Total
2013	\$ 1,280,000	\$ 395,445	\$ 1,675,445
2014	1,335,000	339,786	1,674,786
2015	1,390,000	281,616	1,671,616
2016	1,330,000	228,606	1,558,606
2017	1,375,000	181,269	1,556,269
2018 - 2021	3,730,000	256,847	3,986,847
Total	<u>\$ 10,440,000</u>	<u>\$ 1,683,569</u>	<u>\$ 12,123,569</u>

City of San Fernando
Notes to Financial Statements
Year Ended June 30, 2012

6) LONG-TERM LIABILITIES - Continued

County Deferral

The Redevelopment Agency and County of Los Angeles (the County) entered into an agreement whereby the County will defer tax increment (County Deferral) generated within the project area to meet the Agency's debt service obligations. The County Deferral, accrued at an interest rate of 7% was to be repaid whenever the Agency received property tax in excess of its bonded debt payment requirements. Due to the dissolution of the Agency as of February 1, 2012, this debt is reported in the Fiduciary Funds of the City (Successor Agency). At June 30, 2012, the balance of the County Deferral, including interest, was \$3,076,430.

7) CITY EMPLOYEES RETIREMENT SYSTEM (DEFINED BENEFIT PENSION PLAN)

Plan Description

The City of San Fernando participates in the Miscellaneous 3% at 60 and 2% at 55 (Tier I and Tier II) Risk Pools and the Safety 3% at 50 and 2% at 55 (Tier I and Tier II) Risk Pools of the California Public Employee's Retirement System (PERS), cost-sharing, multiple-employer defined benefit pension plans administered by PERS. PERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions and all other requirements are established by State statute and District ordinance. Copies of the PERS' annual financial report may be obtained from the PERS Executive Office - 400 P Street, Sacramento, California 95814.

Funding Policy

The contribution requirements of the plan members are established by State statute and the employer contribution rate is established and may be amended by PERS. Active City employees are required to contribute 7% (Tier II), 8% (Tier I), or 9% (safety employees) of their annual covered salary to PERS. The City makes 50% of the contributions required of City general employees, and for management and safety employees. The City is required to contribute the actuarially determined remaining amounts necessary to fund the benefits for its members. The current rates for the Miscellaneous Tier I and Tier II Plans are 23.711% and 11.208% of covered payroll, respectively. The current rates for the Safety Tier I and Tier II Plans are 38.174% and 24.178% of covered payroll, respectively. The City's total contributions to CalPERS for the years ended June 30, 2012, 2011 and 2010 were \$2,490,945, \$2,344,640, and \$2,498,872, respectively and were equal to the required contribution for each year.

8) SELF-INSURANCE PROGRAM

Workers' Compensation

The City maintains a program of self-insurance for any liability to City employees pursuant to the Workers' Compensation Laws of the State of California. A service agent administers this program. The City is self-insured for the first \$500,000 on each claim. A private insurance company, up to the statutory limit, provides insurance coverage in excess of the self-insured amount. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported. At June 30, 2012, the amount of these liabilities was \$2,431,305. This liability is the City's best estimate based on available information.

City of San Fernando
Notes to Financial Statements
Year Ended June 30, 2012

8) SELF-INSURANCE PROGRAM - Continued

General Liability

Additionally, the City is a member of the Independent Cities Risk Management Authority (the Authority), which provides member cities with general liability insurance. Specific coverage includes comprehensive and general automotive liability, personal injury, contractual liability, errors and omissions and certain other coverage. Annual premium payments are paid by member cities and are adjusted retrospectively to cover costs. Each member city, including San Fernando, self-insures from the first dollar to a limit of \$250,000. Participating cities then share above the retention level of \$250,000 to \$30,000,000 per loss occurrence.

Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported. At June 30, 2012, the amount of these liabilities was \$429,251. This liability is the City's best estimate based on available information. During the current fiscal year, there were no significant reductions in insurance coverage. Annual settlements during each of the last three fiscal years have not exceeded insurance coverage in any year.

The Authority is comprised of Southern California member cities and is organized under a Joint Powers Agreement pursuant to the California Government Code. The purpose of the Authority is to arrange and administer programs of insurance for the pooling of self-insured losses and to purchase excess insurance coverage. Each member city has a representative on the Board of Directors. The Board members elect officers of the Authority annually.

Changes in Self-Insurance Liability

Changes in the reported liabilities resulted from the following:

	2011 - 2012	2010 - 2011
Beginning of Fiscal Year	\$ 3,013,556	\$ 2,688,557
Claims and Changes in Claim Estimates	904,499	1,675,480
Claim Payments	(1,057,499)	(1,350,481)
	<u>\$ 2,860,556</u>	<u>\$ 3,013,556</u>

9) OTHER POST-EMPLOYMENT BENEFITS

Plan Description

The City contributes to a single-employer defined benefit plan to provide post-employment health care benefits. Specifically, the City provides health insurance for its retired employees and their dependent spouses (if married and covered on the City's plan at time of retirement), or survivors in accordance with Board resolutions. Medical coverage is provided for retired employees who are age 50 or over and who have a minimum of 5 years service with the City as long as such individuals retire within 120 days of separation from employment and receive a monthly retirement allowance. The City pays 100% of all premiums charged for the retiree and dependents under the health benefit plan administered by

City of San Fernando
Notes to Financial Statements
Year Ended June 30, 2012

9) OTHER POST-EMPLOYMENT BENEFITS - Continued

Plan Description - Continued

CalPERS in which the individual is able to select, on an annual basis, an insurance carrier from a number of insurance carriers. Medical coverage is provided for the surviving spouse of retired employees and the surviving spouse of active employees who upon death had attained age 50 and who had a minimum of 5 years of service with the City in addition to satisfying the requirement to retire within 120 days of separation. The City will pay 100% of the premiums charged until the surviving spouse remarries, becomes enrolled under another group health plan, or cancels coverage. The plan does not provide a publicly available financial report.

Funding Policy

The contribution requirements of plan members and the City are established and may be amended by the City, City's Board of Directors, and/or the employee associations. Currently, contributions are not required from plan members. The City is currently funding this OPEB obligation on a pay-as-you-go basis. This obligation is typically liquidated from the General Fund.

Annual OPEB Cost and Net OPEB Obligation

The City's annual OPEB cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded liabilities of the plan over a period not to exceed thirty years.

The following table shows the component of the City's annual OPEB costs for the year, the amount actually contributed to the plan, and changes in the City's net OPEB asset:

Annual Required Contribution (ARC)	\$ 2,636,951
Interest on Net OPEB Obligation	173,770
Adjustment to ARC	(183,551)
Annual OPEB Cost	<u>2,627,170</u>
Contribution Made	(968,647)
Increase in Net OPEB Obligation	<u>1,658,523</u>
Net OPEB Obligation at June 30, 2011	<u>4,343,951</u>
Net OPEB Obligation at June 30, 2012	<u>\$ 6,002,474</u>

City of San Fernando
Notes to Financial Statements
Year Ended June 30, 2012

9) OTHER POST-EMPLOYMENT BENEFITS - Continued

Annual OPEB Cost and Net OPEB Obligation - Continued

Annual OPEB cost, percentage of Annual OPEB Cost contributed, and Net OPEB Obligation (only available for the two years), are presented below:

THREE-YEAR TREND INFORMATION				
Fiscal Year Ended	Annual OPEB Cost	Annual Contribution (Net of Adjustments)	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation (Asset)
6/30/10	\$ 2,220,854	\$ 773,108	34.81%	\$ 2,757,485
6/30/11	\$ 2,485,403	\$ 898,937	36.17%	\$ 4,343,951
6/30/12	\$ 2,627,170	\$ 968,647	36.87%	\$ 6,002,474

Funded Status and Funding Progress

As of April 1, 2011, the most recent actuarial valuation date, the plan was zero percent funded. The actuarial accrued liability for benefits was \$33,727,414, and the actuarial value of assets was zero, resulting in an unfunded accrued liability (UAL) of \$33,727,414. The covered payroll (annual payroll of active employees covered by the plan) was \$7,991,271 and the ratio of the UAL to the covered payroll was 422.05%.

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 City are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

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 at that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets consistent with the long-term perspective of the calculations.

In the April 1, 2011, actuarial valuation, the entry age normal cost level percent of pay method was used. The actuarial assumptions included a 4% investment rate of return (net of administrative expenses), inflation rate of 3.25%, and an annual healthcare cost trend rate of 9% initially, reduced by .5% per year to an ultimate rate of 4%. The City's unfunded actuarial accrued liability will be amortized as a level of percentage pay over a closed period of 28 years. It is assumed the City's payroll will increase 3.25% per year.

City of San Fernando
Notes to Financial Statements
Year Ended June 30, 2012

10) FUND BALANCES

The City implemented Governmental Accounting Standards Board Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions", as of June 30, 2011. The fund balances reported in the fund statements consist of the following categories:

Nonspendable - This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted - This classification includes amounts that can be spent only for specific purposes stipulated by constitution, external resource providers or through enabling legislation.

Committed - This classification includes amounts that may be specified by the City Council by ordinance or resolution to formally commit part of the City's fund balances or future revenues for a specific purpose(s) or program. To change or repeal any such commitment will require an additional formal City Council action utilizing the same type of action that was originally used.

Assigned - This classification includes amounts that are constrained by the City Council's intent to use specified financial resources for specific purposes, but are neither restricted nor committed. The City's fund balance policy establishes the authority to assign amounts to be used for specific purposes to the City Council. In governmental funds, other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed.

Unassigned - This classification includes the residual balance for the government's general fund and includes all spendable amounts not contained in other classifications. In other funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed or assigned.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available, the City's policy is to apply restricted fund balance first.

When an expenditure is incurred for purposes for which committed, assigned or unassigned fund balances are available, the City's policy is to apply committed fund balance first, then assigned fund balance, and finally unassigned fund balance.

11) DEFICIT NET ASSETS/FUND BALANCES AND EXCESS EXPENDITURES

The following funds reported deficits in net assets/fund balances at June 30, 2012:

	<u>Deficit</u>
Major Fund:	
General Fund	\$ 1,236,782
Grants Special Revenue Fund	2,007,798
Other Governmental Funds:	
Recreation Special Revenue Fund	36,221
Street Lighting Special Revenue Fund	3,402
Community Development Block Grant Special Revenue Fund	1,600

City of San Fernando
Notes to Financial Statements
Year Ended June 30, 2012

11) DEFICIT NET ASSETS/FUND BALANCES AND EXCESS EXPENDITURES - Continued

The deficits will be eliminated as follows:

The General Fund deficit will be eliminated by continuing to freeze as many staff positions as possible as they become vacant. During the period of January 1, 2012 and December 31, 2012 there have been twelve (12) full-time positions that were vacated due to retirement (3), layoffs (4), voluntary resignations, (4) and termination (1). These reductions in staff size are in addition to the four (4) positions that were vacated in the prior fiscal year. It is anticipated that a majority of these positions will not be filled. However, the City will be recruiting in early 2013 to fill four full-time management positions (e.g., directors, senior accountant and management analyst) that had previously become vacant and that have direct responsibility for maintaining the financial oversight of the City's General Fund. In 2012, the Police Officer's Association has agreed to contribute 50% of their employee portion of retirement costs, modification to health benefits and special assignment pays, and establishing a new tier/benefit package for new police hires. All City compensation formulas for PERS contributions have been amended consistent with AB 340 (the Public Employees' Pension Reform Act); resulting in long term savings to the City's General Fund as it relates to future retiree benefits.

In light of the ongoing structural deficit issues impacting the General Fund and the ongoing uncertainty with Federal and State budgets, as well as the associated budget impacts attributed to the dissolution of the former Redevelopment Agency, the City Council and Management will be seeking to reopen negotiations with the various City union groups to look at additional cost savings including, but not limited to, unpaid furloughs and staff reductions to address the General Fund's structural deficit. In addition, Management is currently reviewing all City contracts and agreements with consultants and vendors to determine possible options for renegotiation and cost savings. Included as part of this process is the current negotiation with the City of Los Angeles to establish a new annual fee for contracted fire and ambulance services with the Los Angeles Fire Department. The purpose of this contract renegotiation is to obtain additional savings for public services in the General Fund expenditures.

The Grant Special Fund deficit will be eliminated by continuing to make annual payments from the General Fund to the Grant Special Fund. Management is proposing to the City Council to adopt a payment schedule that ensures full payment of the outstanding deficit over the next 20 years. The schedule will seek to account for current financial constraints with payments increasing over time, which are intended to reflect long term build up in reserves through the implementation of Citywide cost saving measures.

The Recreation and Special Revenue Fund deficit will be eliminated by reducing budgeted personnel appropriations and increasing program fees. Together, these activities will recover program operational costs charged to the Fund during Fiscal Year (FY) 2012-2013 with a projected positive fund balance.

The Street Lighting Special Revenue deficit will be eliminated by improving the energy efficiency of our current lighting system via upgrades to more energy efficient infrastructure and by seeking other alternative funding sources during FY 2012-2013 to end with a positive fund balance.

The Community Development Block Grant Special Revenue Fund deficit will be reduced by future revenues associated with repayment of outstanding loans.

City of San Fernando
Notes to Financial Statements
Year Ended June 30, 2012

11) DEFICIT NET ASSETS/FUND BALANCES AND EXCESS EXPENDITURES - Continued

The following funds/departments reported expenditures in excess of appropriations:

	<u>Appropriations</u>	<u>Actual Expenditures</u>	<u>Variance</u>
Major Funds:			
General Fund:			
General Government:			
Treasurer	\$ 141,931	\$ 148,566	\$ (6,635)
City Attorney	336,000	406,029	(70,029)
Retirement and Nondepartmental	1,250,136	1,611,250	(361,114)
Public Safety:			
Police	5,401,402	6,066,283	(664,881)
Parks and Recreation	1,264,853	1,396,686	(131,833)
Retirement Special Revenue Fund	1,082,795	1,107,017	(24,222)

12) COMMITMENTS AND CONTINGENCIES

Various claims and lawsuits have been filed against the City in the normal course of business. Based upon information obtained from the City attorney and the self-insurance administrators, the estimated liability under such claims and litigation will not exceed the accrued self-insurance liability recorded in the government-wide statement of net assets. Also, the City has received State and Federal funds that are subject to review and audit by the grantor agencies. Such audits could generate expenditure disallowances under terms of the grants; however, it is believed that any such reimbursements will not be significant.

CHFA Loan

In connection with the CHFA loan disclosed in Note 6, the City entered into a Disposition and Development Agreement in March 2004 whereby the City's RDA would acquire a piece of land, under certain conditions, for \$1.4 million from a developer for the purpose of providing low income senior housing in the City. Upon the arrival of the development milestones specified in the agreement, the RDA would acquire the fee title to the land parcel, and grant the Developer a leasehold interest in the land parcel for a term of 75 years at an annual lease payment of \$10, and an option to extend for an additional 24 years at market rate rent. The RDA and the Developer anticipate the project would cost over \$14.5 million, and would be financed through a combination of sources including, but not limited to: HOME Funds from the Los Angeles Community Development Commission, LIHTC proceeds, Tax Exempt Bond proceeds, and deferred development fees.

Fire - Ambulance Services Contract Negotiation

The City of San Fernando contracts with the City of Los Angeles Fire Department (LAFD) for fire and ambulance services. During the fiscal year, City staff continued negotiations with the LAFD in an effort to obtain a savings for contracted services. At the conclusion of the fiscal year, the city was unable to complete the contract negotiations and has outstanding invoices for fire-ambulance services in the amount of \$526,560 that are reflected in the City's General Fund Liabilities. During the coming fiscal year, the City staff will continue to work with LAFD to negotiate a new contract term and annual cost for fire-ambulance services that may results in a savings to the General Fund and provide for a multi-year payment schedule that addresses the FY 11-12 Liabilities amount of \$526,560. Therefore, failure to obtain a savings in fire-ambulance contract costs would further increase liabilities to the General Fund.

City of San Fernando
Notes to Financial Statements
Year Ended June 30, 2012

12) COMMITMENTS AND CONTINGENCIES - Continued

MOU-Swap Meet Property

In June 2003, the City of San Fernando entered into a Memorandum of Understanding with the Robertsons Properties Group (the "Swap Meet Owner") in effort to facilitate the redevelopment of the current swap meet site into a future regional shopping center. The MOU provides for continued operation of the swap meet as well as facilitating relocation of the swap meet operation and vendors to a suitable location prior to initiating the commercial redevelopment of the subject site. As part of the MOU, the City conveyed the City Yard Site to the former City of San Fernando Redevelopment Agency (the Agency). In 2007, the Agency then entered into a Purchase and Sale Agreement with the Swap Meet Owner, which include an initial cash payment of \$500,000 and 10 equal payments of \$125,000 per year for 10 years. In addition, at the end of the 10 year term, the Swap Meet Owner is scheduled to make a balloon payment of \$3,819,335 (less an amount not to exceed \$198,020 for pre-approved demolitions costs) to the Agency. These funds are currently included as Assets (Loans) in the Successor Agency of the former Agency's Private –Purpose Trust Fund.

City is considering contesting the future remaining payments scheduled to the former city redevelopment agency.

13) UNCERTAINTIES

General Fund

The City's General Fund and Grants Special Revenue Fund have been experiencing deficit fund balances and/or expenditures in excess of revenues for the past several years. The General Fund and Grants Fund had deficit fund balances at June 30, 2012 of \$1,236,782 and \$2,007,798, respectively. However, the General Fund reports a deficit "unassigned" fund balance of \$1,572,548 as of June 30, 2012. In addition, the General Fund and Grants Fund have had cash overdrafts in recent years making it necessary to borrow cash from other funds (total borrowings of \$2,871,646 at June 30, 2012). Also, the City's liability for other Post-Employment Benefits has increased to over \$6 million as of June 30, 2012. It is unclear how this liability will eventually be funded.

The General Fund is expected to have liquidity problems and will need to borrow cash from other funds in fiscal year 2012-2013.

In light of these facts, the City has taken a number of actions to augment the revenues and reduce expenditures for the fiscal year 2012-2013, and in future years, so as to increase the General Fund balance. Such measures include:

Controlling and reducing operational costs. This will be achieved through anticipated staff savings from all departments. Vacated and unfilled positions and union concessions (e.g., modified benefits, employee payment of 50% of employees' PERS contribution, layoffs, furloughs) resulting from renegotiation of each memorandum of understanding with each union group. The trend towards reducing government personnel expenditures is the "new normal" and is an operational reality for the City. Therefore, the City has to do more with less and right size the organizational structure to align personnel expenditures with available revenues.

City of San Fernando
Notes to Financial Statements
Year Ended June 30, 2012

13) UNCERTAINTIES - Continued

General Fund - Continued

Renegotiation of contracts. During FY 2012-2013, the City renegotiated with City of Los Angeles for contracted services for fire and ambulance services in order to reduce General Fund expenditures associated with contracted public safety services. The City is also renegotiating the City's franchise refuse contract and considering an amendment with the local swap meet operator to increase the admission fee per swap meet attendee in order to secure additional revenues to reduce the General Fund budget shortfall. The City is also seeking alternative funding sources to the General Fund including grant funds for personnel costs (e.g., planning and police staffing).

Cost recovery. During FY 2012-2103, the City will review the current fee schedule to ensure that the City is recovering the full cost of providing municipal services.

Business retention and recruitment. The City is actively recruiting developers and businesses to fill vacant properties including new tenants for the former JC Penney building and the closed Rydell Automotive dealership site. The City is seeking out private sector jobs, notably those in technology related industries, professional and business services, and information, which could help build up demand for office space in the downtown area.

Removing government constraints. The City is also seeking ways to streamline the discretionary and permit approval process in order to facilitate new commercial, industrial, and residential construction focused on new tenant improvement work to retain existing business, attract new tenants, as well as, support of single residential rehabilitation, and new high density infill residential development. Collectively, these efforts to streamline the entitlement process will add to sales tax base in the community and improve property tax valuations throughout the City while preserving the City's existing residential neighborhoods. It is anticipated that the housing market will continue to show gains in new home purchase attributed to the lowest loan interest rates in history, as well as the demand for new affordable and market rate rental units in close proximity to public transit centers such as the San Fernando/Sylmar Metrolink Station.

However, it is important to note that there is no assurance that these efforts will eliminate the structural deficit and build up resources to provide operating capital and emergency funds.

Grant Special Revenue Funds

Grant fund monitoring. The City will ensure implementation of internal grant fund monitoring protocols in order to ensure that the grant agreement requirements for procurement, reimbursement requests, and ongoing reporting are followed by all departments. In addition, the City will fill management positions (e.g., directors and management analyst) that have direct responsibility for ensuring compliance with grant fund requirements.

14) SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY

On December 29, 2011, the California Supreme Court upheld Assembly Bill 1X 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 of Santee that previously had reported a community development commission (redevelopment agency) within the reporting entity of the City as a blended component unit.

City of San Fernando
Notes to Financial Statements
Year Ended June 30, 2012

14) SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY - Continued

The Bill provides that upon dissolution of a redevelopment agency, either the City 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. In January 2012, the City Council elected to become the Successor Agency for the former redevelopment agency in accordance with the Bill. However, the City Council, on March 25, 2012, elected not to retain the housing assets and functions of the former Redevelopment Agency. As of June 30, 2012, no assets have been transferred to the County Housing Authority, and are currently reported in the Successor Agency Private Purpose Trust Fiduciary Fund.

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.

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.

Management believes, in consultation with legal counsel, that the obligations of the former redevelopment agency due to the City are valid enforceable obligations payable by the successor agency trust under the requirements of the Bill. The City's position on this issue is not a position of settled law and there is considerable legal uncertainty regarding this issue. It is reasonably possible that a legal determination may be made at a later date by an appropriate judicial authority that would resolve this issue unfavorably to the City.

In accordance with the timeline set forth in the Bill (as modified by the California Supreme Court on December 29, 2011) all redevelopment agencies in the State of California were dissolved and ceased to operate as a legal entity as of February 1, 2012.

Prior to that date, the final several months of the activity of the redevelopment agency continued to be reported in the governmental funds of the City. After the date of dissolution, 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.

The transfer of the assets and liabilities of the former redevelopment agency as of February 1, 2012 (effectively the same date as January 31, 2012) from governmental funds of the City to fiduciary funds was reported in the governmental funds as an extraordinary loss. The receipt of these assets and liabilities as of January 31, 2012 was reported in the private-purpose trust fund as an extraordinary gain (loss).

City of San Fernando
Notes to Financial Statements
Year Ended June 30, 2012

14) SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY - Continued

Because of the different measurement focus of the governmental funds (*current financial resources measurement focus*) and the measurement focus of the trust funds (*economic resources measurement focus*), the extraordinary gain (loss) recognized in the governmental funds was not the same amount as the extraordinary gain (loss) that was recognized in the fiduciary fund financial statements.

The difference between the extraordinary loss recognized in the fund financial statements and the extraordinary gain (loss) recognized in the fiduciary fund financial statements is reconciled as follows:

Total extraordinary loss reported in governmental funds - increase to net assets of the Successor Agency Trust Fund.	\$ 1,723,105
Deferred revenue on long-term loans receivables is not recorded in the government-wide financial statements - increase to net assets of the Successor Agency Trust Fund.	6,982,542
Long-term debt reported in the government-wide financial statements - decrease to net assets of the Successor Agency Trust Fund.	<u>(13,516,430)</u>
Net decrease to net assets of the Successor Agency Trust Fund as a result of initial transfers (equal to amount of extraordinary gain reported in the government-wide financial statements of the City).	<u><u>\$ (4,810,783)</u></u>

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Required Supplementary Information

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City of San Fernando
Schedule of Funding Progress
For the Year Ended June 30, 2012

Other Post-Employment Benefits Plan

Actuarial Valuation Date	Actuarial Asset Value	Entry Age Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability	Funded Ratio AVA	Covered Payroll	Unfunded Actuarial Accrued Liability as a Percentage of Covered Payroll
	(a)	(b)	(b) - (a)	(a)/(b)	(c)	[(b)-(a)]/(c)
04/01/09	\$ -	\$ 27,397,966	\$ 27,397,966	0.00%	\$ 10,768,148	254.44%
04/01/11	-	33,727,414	33,727,414	0.00%	7,991,271	422.05%

City of San Fernando
Budgetary Comparison Schedule
General Fund
Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
REVENUES				
Taxes	\$ 6,634,420	\$ 6,800,893	\$ 6,828,654	\$ 27,761
Licenses and Permits	209,600	215,100	279,825	64,725
Charges for Services	1,132,500	1,091,000	1,087,694	(3,306)
Fines and Forfeitures	1,123,000	888,000	831,983	(56,017)
Investment Earnings	255,000	260,000	220,005	(39,995)
Intergovernmental	2,279,387	2,160,172	2,152,736	(7,436)
Other	388,000	673,000	743,509	70,509
Total Revenues	12,021,907	12,088,165	12,144,406	56,241
EXPENDITURES				
Current:				
General Government:				
City Council	116,770	116,770	116,727	43
Treasurer	141,931	141,931	148,566	(6,635)
Administration	536,622	528,956	469,675	59,281
City Attorney	249,008	385,008	406,029	(21,021)
City Clerk	125,144	125,144	125,084	60
Elections	-	10,000	58	9,942
Financial Management	567,019	555,613	552,219	3,394
Retirement and Nondepartmental	1,179,365	1,250,136	1,611,250	(361,114)
Public Safety:				
Police	5,456,325	5,401,402	6,066,283	(664,881)
Fire	2,967,131	3,159,360	3,159,359	1
Community Development	807,016	688,786	660,339	28,447
Public Works	1,262,988	1,228,012	1,076,661	151,351
Parks and Recreation	1,211,035	1,264,853	1,396,686	(131,833)
Total Expenditures	14,620,354	14,855,971	15,788,936	(932,965)
Excess (Deficiency) of Revenues over Expenditures	(2,598,447)	(2,767,806)	(3,644,530)	(876,724)
OTHER FINANCING SOURCES (USES)				
Transfers In	2,881,673	2,833,508	3,010,099	176,591
Transfers Out	(100,000)	(100,000)	(103,034)	(3,034)
Sale of Property	300,000	300,000	120,000	(180,000)
Total Other Financing Sources (Uses)	3,081,673	3,033,508	3,027,065	(6,443)
Net Change in Fund Balances	483,226	265,702	(617,465)	(883,167)
Fund Balance, Beginning of Year	(619,317)	(619,317)	(619,317)	-
Fund Balance, End of Year	\$ (136,091)	\$ (353,615)	\$ (1,236,782)	\$ (883,167)

City of San Fernando
Budgetary Comparison Schedule
Grants Special Revenue Fund
Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Investment Earnings	\$ -	\$ -	\$ 112	\$ 112
Intergovernmental	2,353,250	2,583,412	1,957,678	(625,734)
Other	856,363	856,363	17,533	(838,830)
Total Revenues	3,209,613	3,439,775	1,975,323	(1,464,452)
EXPENDITURES				
Current:				
General Government	-	-	-	-
Public Safety	972,989	1,122,989	736,118	386,871
Community Development	362,734	326,734	2,983	323,751
Public Works	1,143,653	1,179,653	119,913	1,059,740
Parks and Recreation	417,831	497,993	460,824	37,169
Capital Outlay	-	-	-	-
Total Expenditures	2,897,207	3,127,369	1,319,838	1,807,531
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	312,406	312,406	655,485	343,079
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	100,000	100,000
Total Other Financing Sources (Uses)	-	-	100,000	100,000
Net Change in Fund Balances	312,406	312,406	755,485	443,079
Fund Balance, Beginning of Year	(2,763,283)	(2,763,283)	(2,763,283)	-
Fund Balance, End of Year	<u>\$ (2,450,877)</u>	<u>\$ (2,450,877)</u>	<u>\$ (2,007,798)</u>	<u>\$ 443,079</u>

City of San Fernando
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - State Gas Tax Fund
Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Investment Earnings	\$ -	\$ -	\$ 28	\$ 28
Intergovernmental	574,383	584,383	707,716	123,333
Total Revenues	574,383	584,383	707,744	123,361
EXPENDITURES				
Current:				
Public Works	772,431	772,431	736,632	35,799
Total Expenditures	772,431	772,431	736,632	35,799
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	(198,048)	(188,048)	(28,888)	159,160
OTHER FINANCING SOURCES (USES)				
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	(198,048)	(188,048)	(28,888)	159,160
Fund Balance, Beginning of Year	591,807	591,807	591,807	-
Fund Balance, End of Year	\$ 393,759	\$ 403,759	\$ 562,919	\$ 159,160

City of San Fernando
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Retirement Tax Fund
Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Taxes	\$ 2,776,128	\$ 3,970,428	\$ 4,235,916	\$ 265,488
Investment Earnings	4,100	4,100	2,029	(2,071)
Intergovernmental	41,272	41,272	42,053	781
Other	-	-	-	-
Total Revenues	2,821,500	4,015,800	4,279,998	264,198
EXPENDITURES				
Current:				
General Government	1,056,523	1,082,795	1,107,017	(24,222)
Total Expenditures	1,056,523	1,082,795	1,107,017	(24,222)
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,764,977	2,933,005	3,172,981	239,976
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	(2,335,165)	(2,335,165)	(2,528,421)	(193,256)
Total Other Financing Sources (Uses)	(2,335,165)	(2,335,165)	(2,528,421)	(193,256)
Net Change in Fund Balances	(570,188)	597,840	644,560	46,720
Fund Balance, Beginning of Year	(611,751)	(611,751)	(611,751)	-
Fund Balance, End of Year	\$ (1,181,939)	\$ (13,911)	\$ 32,809	\$ 46,720

City of San Fernando
Notes to Required Supplementary Information
Year Ended June 30, 2012

BUDGETS AND BUDGETARY ACCOUNTING

The budget of the City is a detailed operating plan, which identifies estimated costs and results in relation to estimated revenues. The budget includes (1) the program, projects, series, and activities to be provided during the fiscal year, (2) the estimated resources (inflows) and amounts available for appropriation and (3) the estimated charges to appropriations. The budget represents a process through which policy decisions are made, implemented and controlled. The City Charter prohibits expending funds for which there is no legal appropriation.

The City's procedures for preparing the budgetary data reflected in the financial statements are:

- The annual budget provides for the general operation of the City and is adopted by the City Council after the holding of a public hearing. The budget figures presented in the accompanying required supplementary information financial schedules represent the original and final revised budget and include proposed expenditures and related financing.
- The City Council approves total budget appropriations and may amend the budget by motion during the fiscal year. However, the City Administrator is authorized to transfer within individual fund budgets without the approval of City Council; however, total appropriations may not be exceeded at the department level. The legal level of budgetary control is at the department level. The appropriated budget covers City expenditures in the General Fund, and Special Revenue Funds. Project length plans are adopted for the capital projects funds with unexpended funds at June 30 re-appropriated in the following year. The debt service on bond issues constitutes a legally authorized "non-appropriated budget". During the fiscal year 2011-12 supplemental budget appropriations were approved by the City Council. The effects of the supplemental appropriations were minor.
- The City Council approves annual budgets for redevelopment funds only on a project-area-by-project-area basis and not on an individual fund basis, except for the Low-income Housing Capital Projects Fund, therefore, there are no Schedules of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual presented for the Redevelopment Funds, except for the Low-income Housing Capital Projects Fund.
- Formal budgetary integration is employed as a management control device during the year. Commitments for materials and services, such as purchase orders and contracts, are recorded as encumbrances to assist in controlling expenditures. Encumbrances at year-end lapse, and then are added to the following year's budgeted appropriations.
- Annual budgets for the General and Special Revenue Funds are adopted on a basis substantially consistent with generally accepted accounting principles. Actual revenues and expenditures can be compared with related budgeted amounts without any significant reconciling items. No budgetary comparisons are presented for the Proprietary Funds, as the City is not legally required to adopt budgets for this type of fund.
- Capital projects are budgeted through the Capital Projects Funds on a project-by-project basis. Appropriations for capital projects authorized but not constructed or completed during the year lapse at year-end, and are then included as part of appropriations in the following year's annual budget.

Budget information is presented as supplementary information for the other governmental special revenue funds. Budgeted revenue amounts represent the original budget modified by Council-authorized adjustments during the year which were contingent upon new, or additional revenue sources. Budgeted expenditure amounts represent original appropriations adjusted for supplemental appropriations during the year. The budgets conform, in all material respects, to generally accepted accounting principles, which serves as the budgeting basis. Appropriations lapse at year-end.

Supplementary Information

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City of San Fernando
Combining Balance Sheet
Other Governmental Funds
June 30, 2012

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total
ASSETS				
Cash and Investments	\$ 1,725,817	\$ -	\$ -	\$ 1,725,817
Receivables:				
Taxes	48,166	-	-	48,166
Accounts	59,244	-	-	59,244
Grants	12,238	-	-	12,238
Due from Other Funds	-	-	-	-
Loans Receivable	424,200	-	-	424,200
Advances to Other Funds	-	-	-	-
Prepaid Items	9,312	-	-	9,312
Land Held for Resale	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 2,278,977</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,278,977</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 193,447	\$ -	\$ -	\$ 193,447
Accrued Liabilities	34,343	-	-	34,343
Deposits	1,067	-	-	1,067
Retentions Payable	-	-	-	-
Deferred Revenue	424,200	-	-	424,200
Due to Other Funds	30,448	-	-	30,448
Advances from Other Funds	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>683,505</u>	<u>-</u>	<u>-</u>	<u>683,505</u>
Fund Balances:				
Nonspendable:				
Long-term Receivables	-	-	-	-
Advances to Other Funds	-	-	-	-
Prepaid Items	9,312	-	-	9,312
Land Held for Resale	-	-	-	-
Restricted for:				
Transportation	1,150,536	-	-	1,150,536
Air Pollution	71,885	-	-	71,885
Parks and Recreation	411,319	-	-	411,319
Public Safety	2,955	-	-	2,955
Debt Service	-	-	-	-
Unassigned	(50,535)	-	-	(50,535)
	<u>(50,535)</u>	<u>-</u>	<u>-</u>	<u>(50,535)</u>
Total Fund Balances	<u>1,595,472</u>	<u>-</u>	<u>-</u>	<u>1,595,472</u>
Total Liabilities and Fund Balances	<u>\$ 2,278,977</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,278,977</u>

City of San Fernando
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Other Governmental Funds
Year Ended June 30, 2012

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total
REVENUES				
Taxes	\$ 1,240,356	\$ 178,422	\$ -	\$ 1,418,778
Charges for Services	421,089	-	-	421,089
Fines and Forfeitures	56,153	-	-	56,153
Investment Earnings	13,609	70	4	13,683
Intergovernmental	373,866	-	-	373,866
Other	228,951	-	-	228,951
	<hr/>	<hr/>	<hr/>	<hr/>
Total Revenues	2,334,024	178,492	4	2,512,520
	<hr/>	<hr/>	<hr/>	<hr/>
EXPENDITURES				
Current:				
General Government	-	6,632	-	6,632
Public Safety	-	-	-	-
Community Development	8,190	-	156,672	164,862
Public Works	1,815,125	-	-	1,815,125
Parks and Recreation	198,205	-	-	198,205
Pass-throughs	-	95,799	-	95,799
SERAF	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Principal	252,000	-	-	252,000
Interest and Fiscal Charges	71,692	56,439	-	128,131
	<hr/>	<hr/>	<hr/>	<hr/>
Total Expenditures	2,345,212	158,870	156,672	2,660,754
	<hr/>	<hr/>	<hr/>	<hr/>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(11,188)	19,622	(156,668)	(148,234)
	<hr/>	<hr/>	<hr/>	<hr/>
OTHER FINANCING SOURCES (USES)				
Transfers In	123,312	-	-	123,312
Transfers Out	(480,956)	-	-	(480,956)
	<hr/>	<hr/>	<hr/>	<hr/>
Total Other Financing Sources (Uses)	(357,644)	-	-	(357,644)
	<hr/>	<hr/>	<hr/>	<hr/>
EXTRAORDINARY GAIN (LOSS)	-	(170,245)	1,328,991	1,158,746
	<hr/>	<hr/>	<hr/>	<hr/>
Net Change in Fund Balances	(368,832)	(150,623)	1,172,323	652,868
Fund Balance, Beginning of Year	1,964,304	150,623	(1,172,323)	942,604
	<hr/>	<hr/>	<hr/>	<hr/>
Fund Balance, End of Year	<u>\$ 1,595,472</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,595,472</u>

City of San Fernando Special Revenue Funds

SPECIAL REVENUE FUNDS

Special revenue funds account for specific revenues that are legally restricted to expenditures for particular purposes. The other special revenue funds include:

Proposition A Local Transit - Accounts for receipt and approved Local Transit Fund projects from a voter approved sales tax override for public transportation.

Proposition C Discretionary - Accounts for the maintenance of the mile-long bike path along the Metro-link Corridor in San Fernando.

Traffic Safety - Accounts for receipts from traffic fines as levied by local courts. Some of these funds are transferred to the General Fund for traffic safety purposes. The fund is required by Section 1463(b) of the California Penal Code.

Parking Maintenance and Operations - Accounts for parking receipts and maintenance of Business District parking facilities.

Local Transportation - Accounts for state funds allocated by the State for local pedestrian facility development or improvement.

Recreation - Accounts for receipts and the related expenditures from various recreation programs to be used for a specific program, such as sport leagues, craft and music classes, special events and concerts.

Quimby Act Fees - Accounts for revenues from real estate developers, who are required under state law to provide and support park facilities.

Street Lighting - Accounts for revenues and costs associated with the City's street lighting program.

Measure R - Accounts for the receipt of Measure R funds. These funds are to be used to provide traffic relief.

State Asset Forfeiture - Accounts for the receipts and disbursements of state seized and forfeited assets from sale of controlled substances.

Federal Asset Forfeiture - Accounts for the receipts and disbursements of federal seized and forfeited assets from sale of controlled substances.

AQMD - Accounts for South Coast Air Quality Management District revenues. These funds may be used for various programs to reduce air pollution.

Cash-in-Lieu of Parking - Accounts for revenues and related expenditures from developers or builders who elect to pay a specified amount to the City instead of providing required parking.

**City of San Fernando
Special Revenue Funds - Continued**

SPECIAL REVENUE FUNDS - Continued

Pavement Management - Accounts for all of the pavement impact fees that are generated and the expenditures that are made related to the streets and highway infrastructure.

Proposition C - Accounts for the receipt of the "half-cent" sales tax allocated by LACMTA. These funds are to be used to reduce traffic congestion, improve air quality, improve conditions of streets/freeways, and reduce foreign fuel dependence.

Community Development Block Grant (CDBG) - Accounts for expenses of the Community Development Block Grant received through the County of Los Angeles.

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City of San Fernando
Combining Balance Sheet
Other Special Revenue Funds
June 30, 2012

	Proposition A Local Transit	Proposition C Discretionary	Traffic Safety	Parking Maintenance and Operations
ASSETS				
Cash and Investments	\$ 241,597	\$ 20,388	\$ 108,747	\$ 68,730
Receivables:				
Taxes	-	-	-	-
Accounts	15	-	2,005	-
Grants	-	-	-	-
Loans Receivable	-	-	-	-
Advances to Other Funds	-	-	-	-
Prepaid Items	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u><u>\$ 241,612</u></u>	<u><u>\$ 20,388</u></u>	<u><u>\$ 110,752</u></u>	<u><u>\$ 68,730</u></u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 85,253	\$ -	\$ 33,884	\$ 5,267
Accrued Liabilities	3,108	-	330	4,197
Deposits	-	-	-	1,067
Retentions Payable	-	-	-	-
Deferred Revenue	-	-	-	-
Due to Other Funds	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	<u>88,361</u>	<u>-</u>	<u>34,214</u>	<u>10,531</u>
Fund Balances:				
Nonspendable:				
Long-term Receivables	-	-	-	-
Advances to Other Funds	-	-	-	-
Prepaid Items	-	-	-	-
Restricted for:				
Transportation	153,251	20,388	76,538	-
Air Pollution	-	-	-	-
Parks and Recreation	-	-	-	58,199
Public Safety	-	-	-	-
Unassigned	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Fund Balances	<u>153,251</u>	<u>20,388</u>	<u>76,538</u>	<u>58,199</u>
Total Liabilities and Fund Balances	<u><u>\$ 241,612</u></u>	<u><u>\$ 20,388</u></u>	<u><u>\$ 110,752</u></u>	<u><u>\$ 68,730</u></u>

<u>Local Transportation</u>	<u>Recreation</u>	<u>Quimby Act Fees</u>	<u>Street Lighting</u>	<u>Measure R</u>	<u>State Asset Forfeiture</u>
\$ -	\$ -	\$ 355,068	\$ 23,972	\$ 125,972	\$ 2,493
-	-	-	18,330	22,494	-
-	-	-	-	-	-
12,238	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	9,312	-	-	-	-
<u>\$ 12,238</u>	<u>\$ 9,312</u>	<u>\$ 355,068</u>	<u>\$ 42,302</u>	<u>\$ 148,466</u>	<u>\$ 2,493</u>
\$ -	\$ 20,068	\$ -	\$ 40,756	\$ 8,219	\$ -
-	5,738	1,948	4,948	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
9,121	19,727	-	-	-	-
<u>9,121</u>	<u>45,533</u>	<u>1,948</u>	<u>45,704</u>	<u>8,219</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	9,312	-	-	-	-
3,117	-	-	-	140,247	-
-	-	-	-	-	-
-	-	353,120	-	-	-
-	-	-	-	-	2,493
-	(45,533)	-	(3,402)	-	-
<u>3,117</u>	<u>(36,221)</u>	<u>353,120</u>	<u>(3,402)</u>	<u>140,247</u>	<u>2,493</u>
<u>\$ 12,238</u>	<u>\$ 9,312</u>	<u>\$ 355,068</u>	<u>\$ 42,302</u>	<u>\$ 148,466</u>	<u>\$ 2,493</u>

Continued

City of San Fernando
Combining Balance Sheet
Other Special Revenue Funds - Continued
June 30, 2012

	<u>Federal Asset Forfeiture</u>	<u>AQMD</u>	<u>Cash-in-Lieu of Parking</u>	<u>Pavement Management</u>
ASSETS				
Cash and Investments	\$ 462	\$ 64,543	\$ 71,672	\$ 88,918
Receivables:				
Taxes	-	7,342	-	-
Accounts	-	-	-	57,224
Grants	-	-	-	-
Loans Receivable	-	-	-	-
Advances to Other Funds	-	-	-	-
Prepaid Items	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 462</u>	<u>\$ 71,885</u>	<u>\$ 71,672</u>	<u>\$ 146,142</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Accrued Liabilities	-	-	-	6,754
Deposits	-	-	-	-
Retentions Payable	-	-	-	-
Deferred Revenue	-	-	-	-
Due to Other Funds	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,754</u>
Fund Balances:				
Nonspendable:				
Long-term Receivables	-	-	-	-
Advances to Other Funds	-	-	-	-
Prepaid Items	-	-	-	-
Restricted for:				
Transportation	-	-	71,672	139,388
Air Pollution	-	71,885	-	-
Parks and Recreation	-	-	-	-
Public Safety	462	-	-	-
Unassigned	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balances	<u>462</u>	<u>71,885</u>	<u>71,672</u>	<u>139,388</u>
Total Liabilities and Fund Balances	<u>\$ 462</u>	<u>\$ 71,885</u>	<u>\$ 71,672</u>	<u>\$ 146,142</u>

<u>Proposition C</u>	<u>Community Development Block Grant</u>	<u>Total</u>
\$ 553,255	\$ -	\$ 1,725,817
-	-	48,166
-	-	59,244
-	-	12,238
-	424,200	424,200
-	-	-
-	-	9,312
<u>\$ 553,255</u>	<u>\$ 424,200</u>	<u>\$ 2,278,977</u>
\$ -	\$ -	\$ 193,447
7,320	-	34,343
-	-	1,067
-	-	-
-	424,200	424,200
-	1,600	30,448
<u>7,320</u>	<u>425,800</u>	<u>683,505</u>
-	-	-
-	-	-
-	-	9,312
545,935	-	1,150,536
-	-	71,885
-	-	411,319
-	-	2,955
-	(1,600)	(50,535)
<u>545,935</u>	<u>(1,600)</u>	<u>1,595,472</u>
<u>\$ 553,255</u>	<u>\$ 424,200</u>	<u>\$ 2,278,977</u>

City of San Fernando
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Other Special Revenue Funds
Year Ended June 30, 2012

	Proposition A Local Transit	Proposition C Discretionary	Traffic Safety	Parking Maintenance and Operations
REVENUES				
Taxes	\$ 370,672	\$ -	\$ -	\$ -
Charges for Services	24,101	-	-	195,959
Fines and Forfeitures	-	-	53,803	-
Investment Earnings	152	10	-	12,800
Intergovernmental	-	-	-	-
Other	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total Revenues	394,925	10	53,803	208,759
	<hr/>	<hr/>	<hr/>	<hr/>
EXPENDITURES				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Community Development	-	-	-	-
Public Works	641,297	-	113,927	173,094
Parks and Recreation	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total Expenditures	641,297	-	113,927	173,094
	<hr/>	<hr/>	<hr/>	<hr/>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(246,372)	10	(60,124)	35,665
	<hr/>	<hr/>	<hr/>	<hr/>
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	-	-	(30,000)	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total Other Financing Sources (Uses)	-	-	(30,000)	-
	<hr/>	<hr/>	<hr/>	<hr/>
Net Change in Fund Balances	(246,372)	10	(90,124)	35,665
	<hr/>	<hr/>	<hr/>	<hr/>
Fund Balances, Beginning of Year	399,623	20,378	166,662	22,534
	<hr/>	<hr/>	<hr/>	<hr/>
Fund Balances, End of Year	<u>\$ 153,251</u>	<u>\$ 20,388</u>	<u>\$ 76,538</u>	<u>\$ 58,199</u>

<u>Local Transportation</u>	<u>Recreation</u>	<u>Quimby Act Fees</u>	<u>Street Lighting</u>	<u>Measure R</u>	<u>State Asset Forfeiture</u>
\$ -	\$ -	\$ -	\$ 332,863	\$ 229,105	\$ -
-	201,029	-	-	-	-
-	-	-	-	-	2,350
-	-	178	-	67	-
12,239	-	-	-	-	-
-	-	-	-	-	-
<u>12,239</u>	<u>201,029</u>	<u>178</u>	<u>332,863</u>	<u>229,172</u>	<u>2,350</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
15,784	-	-	422,420	26,245	-
-	187,688	10,517	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>15,784</u>	<u>187,688</u>	<u>10,517</u>	<u>422,420</u>	<u>26,245</u>	<u>-</u>
<u>(3,545)</u>	<u>13,341</u>	<u>(10,339)</u>	<u>(89,557)</u>	<u>202,927</u>	<u>2,350</u>
-	10,230	-	110,048	-	-
-	-	-	-	(110,048)	-
-	10,230	-	110,048	(110,048)	-
(3,545)	23,571	(10,339)	20,491	92,879	2,350
6,662	(59,792)	363,459	(23,893)	47,368	143
<u>\$ 3,117</u>	<u>\$ (36,221)</u>	<u>\$ 353,120</u>	<u>\$ (3,402)</u>	<u>\$ 140,247</u>	<u>\$ 2,493</u>

Continued

City of San Fernando
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Other Special Revenue Funds - Continued
Year Ended June 30, 2012

	<u>Federal Asset Forfeiture</u>	<u>AQMD</u>	<u>Cash-in-Lieu of Parking</u>	<u>Pavement Management</u>
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Investment Earnings	-	27	-	95
Intergovernmental	-	29,745	-	-
Other	-	-	-	226,551
	<u>-</u>	<u>-</u>	<u>-</u>	<u>226,551</u>
Total Revenues	<u>-</u>	<u>29,772</u>	<u>-</u>	<u>226,646</u>
EXPENDITURES				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Community Development	-	-	-	-
Public Works	-	-	-	211,663
Parks and Recreation	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>211,663</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>29,772</u>	<u>-</u>	<u>14,983</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	(240,000)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>(240,000)</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(240,000)</u>
Net Change in Fund Balances	-	29,772	-	(225,017)
Fund Balances, Beginning of Year	<u>462</u>	<u>42,113</u>	<u>71,672</u>	<u>364,405</u>
Fund Balances, End of Year	<u>\$ 462</u>	<u>\$ 71,885</u>	<u>\$ 71,672</u>	<u>\$ 139,388</u>

<u>Proposition C</u>	<u>Community Development Block Grant</u>	<u>Total</u>
\$ 307,716	\$ -	\$ 1,240,356
-	-	421,089
-	-	56,153
280	-	13,609
-	331,882	373,866
-	2,400	228,951
<u>307,996</u>	<u>334,282</u>	<u>2,334,024</u>
-	-	-
-	-	-
-	8,190	8,190
210,695	-	1,815,125
-	-	198,205
-	-	-
-	252,000	252,000
-	71,692	71,692
<u>210,695</u>	<u>331,882</u>	<u>2,345,212</u>
<u>97,301</u>	<u>2,400</u>	<u>(11,188)</u>
-	3,034	123,312
<u>(100,908)</u>	<u>-</u>	<u>(480,956)</u>
<u>(100,908)</u>	<u>3,034</u>	<u>(357,644)</u>
(3,607)	5,434	(368,832)
<u>549,542</u>	<u>(7,034)</u>	<u>1,964,304</u>
<u>\$ 545,935</u>	<u>\$ (1,600)</u>	<u>\$ 1,595,472</u>

City of San Fernando
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Proposition A Local Transit Fund
Year Ended June 30, 2012

	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Taxes	\$ 349,138	\$ 370,672	\$ 21,534
Charges for Services	25,000	24,101	(899)
Investment Earnings	2,000	152	(1,848)
Total Revenues	<u>376,138</u>	<u>394,925</u>	<u>18,787</u>
EXPENDITURES			
Current:			
Public Works	<u>716,083</u>	<u>641,297</u>	<u>74,786</u>
Total Expenditures	<u>716,083</u>	<u>641,297</u>	<u>74,786</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(339,945)	(246,372)	93,573
Fund Balance, Beginning of Year	<u>399,623</u>	<u>399,623</u>	-
Fund Balance, End of Year	<u><u>\$ 59,678</u></u>	<u><u>\$ 153,251</u></u>	<u><u>\$ 93,573</u></u>

City of San Fernando
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Proposition C Discretionary Fund
Year Ended June 30, 2012

	Budgeted Amounts <u>Final</u>	Actual Amounts <u></u>	Variance with Final Budget Positive (Negative) <u></u>
REVENUES			
Investment Earnings	\$ 25	\$ 10	\$ (15)
Fund Balance, Beginning of Year	<u>20,378</u>	<u>20,378</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 20,403</u></u>	<u><u>\$ 20,388</u></u>	<u><u>\$ (15)</u></u>

City of San Fernando
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Traffic Safety Fund
Year Ended June 30, 2012

	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Fines and Forfeitures	\$ 135,959	\$ 53,803	\$ (82,156)
Total Revenues	<u>135,959</u>	<u>53,803</u>	<u>(82,156)</u>
EXPENDITURES			
Current:			
Public Works	<u>206,250</u>	<u>113,927</u>	<u>92,323</u>
Total Expenditures	<u>206,250</u>	<u>113,927</u>	<u>92,323</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(70,291)</u>	<u>(60,124)</u>	<u>10,167</u>
OTHER FINANCING SOURCES (USES)			
Transfers Out	<u>(30,000)</u>	<u>(30,000)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(30,000)</u>	<u>(30,000)</u>	<u>-</u>
Net Change in Fund Balances	(100,291)	(90,124)	10,167
Fund Balance, Beginning of Year	<u>166,662</u>	<u>166,662</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 66,371</u></u>	<u><u>\$ 76,538</u></u>	<u><u>\$ 10,167</u></u>

City of San Fernando
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Parking Maintenance and Operations Fund
Year Ended June 30, 2012

	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Charges for Services	\$ 205,000	\$ 195,959	\$ (9,041)
Investment Earnings	13,000	12,800	(200)
Total Revenues	218,000	208,759	(9,241)
EXPENDITURES			
Current:			
Public Works	223,572	173,094	50,478
Total Expenditures	223,572	173,094	50,478
Excess (Deficiency) of Revenues Over (under) Expenditures	(5,572)	35,665	41,237
Fund Balance, Beginning of Year	22,534	22,534	-
Fund Balance, End of Year	\$ 16,962	\$ 58,199	\$ 41,237

City of San Fernando
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Local Transportation Fund
Year Ended June 30, 2012

	Budgeted Amounts <u>Final</u>	Actual Amounts <u></u>	Variance with Final Budget Positive (Negative) <u></u>
REVENUES			
Investment Earnings	\$ -	\$ -	\$ -
Intergovernmental	<u>12,238</u>	<u>12,239</u>	<u>1</u>
Total Revenues	<u>12,238</u>	<u>12,239</u>	<u>1</u>
EXPENDITURES			
Current:			
Public Works	<u>16,100</u>	<u>15,784</u>	<u>316</u>
Total Expenditures	<u>16,100</u>	<u>15,784</u>	<u>75</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,862)	(3,545)	317
Fund Balance, Beginning of Year	<u>6,662</u>	<u>6,662</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 2,800</u></u>	<u><u>\$ 3,117</u></u>	<u><u>\$ 317</u></u>

City of San Fernando
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Recreation Fund
Year Ended June 30, 2012

	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Charges for Services	\$ 173,389	\$ 201,029	\$ 27,640
Total Revenues	173,389	201,029	27,640
EXPENDITURES			
Current:			
Parks and Recreation	154,058	187,688	(33,630)
Total Expenditures	154,058	187,688	(33,630)
Excess (Deficiency) of Revenues Over (Under) Expenditures	19,331	13,341	(5,990)
OTHER FINANCING SOURCES (USES)			
Transfers In	-	10,230	10,230
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	10,230	10,230
Net Change in Fund Balances	19,331	23,571	4,240
Fund Balance Beginning of Year	(59,792)	(59,792)	-
Fund Balance, End of Year	\$ (40,461)	\$ (36,221)	\$ 4,240

City of San Fernando
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Quimby Act Fees Fund
Year Ended June 30, 2012

	Budgeted Amounts <u>Final</u>	Actual Amounts <u></u>	Variance with Final Budget Positive (Negative) <u></u>
REVENUES			
Investment Earnings	\$ 300	\$ 178	\$ (122)
Total Revenues	<u>300</u>	<u>178</u>	<u>(122)</u>
EXPENDITURES			
Current:			
Parks and Recreation	<u>52,438</u>	<u>10,517</u>	<u>41,921</u>
Total Expenditures	<u>52,438</u>	<u>10,517</u>	<u>41,921</u>
Excess (Deficiency) of Revenues Over (under) Expenditures	(52,138)	(10,339)	41,799
Fund Balance, Beginning of Year	<u>363,459</u>	<u>363,459</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 311,321</u></u>	<u><u>\$ 353,120</u></u>	<u><u>\$ 41,799</u></u>

City of San Fernando
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Street Lighting Fund
Year Ended June 30, 2012

	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Taxes	\$ 337,000	\$ 332,863	\$ (4,137)
Total Revenues	337,000	332,863	(4,137)
EXPENDITURES			
Current:			
Public Works	420,534	422,420	(1,886)
Total Expenditures	420,534	422,420	(1,886)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(83,534)	(89,557)	(6,023)
OTHER FINANCING SOURCES (USES)			
Transfers In	110,048	110,048	-
Total Other Financing Sources (Uses)	110,048	110,048	-
Net Change in Fund Balances	26,514	20,491	(6,023)
Fund Balance Beginning of Year	(23,893)	(23,893)	-
Fund Balance, End of Year	\$ 2,621	\$ (3,402)	\$ (6,023)

City of San Fernando
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Measure R Fund
Year Ended June 30, 2012

	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Taxes	\$ 217,203	\$ 229,105	\$ 11,902
Investment Earnings	-	67	67
Total Revenues	217,203	229,172	11,969
EXPENDITURES			
Public Works	142,000	26,245	115,755
Total Expenditures	142,000	26,245	115,755
Excess (Deficiency) of Revenues Over (Under) Expenditures	75,203	202,927	127,724
OTHER FINANCING SOURCES (USES)			
Transfers Out	(110,048)	(110,048)	-
Total Other Financing Sources (Uses)	(110,048)	(110,048)	-
Net Change in Fund Balances	(34,845)	92,879	127,724
Fund Balance Beginning of Year	47,368	47,368	-
Fund Balance, End of Year	\$ 12,523	\$ 140,247	\$ 127,724

City of San Fernando
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - State Asset Forfeiture Fund
Year Ended June 30, 2012

	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Fines and Forfeitures	\$ 778	\$ 2,350	\$ 1,572
Total Revenues	778	2,350	1,572
OTHER FINANCING SOURCES (USES)			
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balances	778	2,350	1,572
Fund Balance, Beginning of Year	143	143	-
Fund Balance, End of Year	\$ 921	\$ 2,493	\$ 1,572

City of San Fernando
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Federal Asset Forfeiture Fund
Year Ended June 30, 2012

	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Investment Earnings	\$ -	\$ -	\$ -
Total Revenues	-	-	-
EXPENDITURES			
Current:			
Public Safety	-	-	-
Total Expenditures	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-
OTHER FINANCING SOURCES (USES)			
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balances	-	-	-
Fund Balance Beginning of Year	462	462	-
Fund Balance, End of Year	\$ 462	\$ 462	\$ -

City of San Fernando
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - AQMD Fund
Year Ended June 30, 2012

	Budgeted Amounts <u>Final</u>	Actual Amounts <u></u>	Variance with Final Budget Positive (Negative) <u></u>
REVENUES			
Investment Earnings	\$ -	\$ 27	\$ 27
Intergovernmental	<u>29,000</u>	<u>29,745</u>	<u>745</u>
Total Revenues	29,000	29,772	772
Fund Balance, Beginning of Year	<u>42,113</u>	<u>42,113</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 71,113</u></u>	<u><u>\$ 71,885</u></u>	<u><u>\$ 772</u></u>

City of San Fernando
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Cash-in-Lieu of Parking Fund
Year Ended June 30, 2012

	Budgeted Amounts <u>Final</u>	Actual Amounts <u></u>	Variance with Final Budget Positive (Negative) <u></u>
REVENUES			
Investment Earnings	\$ -	\$ -	\$ -
Total Revenues	-	-	-
Fund Balance, Beginning of Year	<u>71,672</u>	<u>71,672</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 71,672</u></u>	<u><u>\$ 71,672</u></u>	<u><u>\$ -</u></u>

City of San Fernando
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Pavement Management Fund
Year Ended June 30, 2012

	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Investment Earnings	\$ 2,000	\$ 95	\$ (1,905)
Other	241,667	226,551	(15,116)
Total Revenues	243,667	226,646	(17,021)
EXPENDITURES			
Current:			
Public Works	382,379	211,663	170,716
Total Expenditures	382,379	211,663	170,716
Excess (Deficiency) of Revenues Over (Under) Expenditures	(138,712)	14,983	153,695
OTHER FINANCING SOURCES (USES)			
Transfers Out	(240,000)	(240,000)	-
Total Other Financing Sources (Uses)	(240,000)	(240,000)	-
Net Change in Fund Balances	(378,712)	(225,017)	153,695
Fund Balance, Beginning of Year	364,405	364,405	-
Fund Balance, End of Year	\$ (14,307)	\$ 139,388	\$ 153,695

City of San Fernando
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Proposition C Fund
Year Ended June 30, 2012

	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Taxes	\$ 282,753	\$ 307,716	\$ 24,963
Investment Earnings	6,848	280	(6,568)
Total Revenues	<u>289,601</u>	<u>307,996</u>	<u>18,395</u>
EXPENDITURES			
Current:			
Public Works	<u>278,019</u>	<u>210,695</u>	<u>67,324</u>
Total Expenditures	<u>278,019</u>	<u>210,695</u>	<u>67,324</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>11,582</u>	<u>97,301</u>	<u>85,719</u>
OTHER FINANCING SOURCES (USES)			
Transfers Out	<u>(100,908)</u>	<u>(100,908)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(100,908)</u>	<u>(100,908)</u>	<u>-</u>
Net Change in Fund Balances	(89,326)	(3,607)	85,719
Fund Balance, Beginning of Year	<u>549,542</u>	<u>549,542</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 460,216</u></u>	<u><u>\$ 545,935</u></u>	<u><u>\$ 85,719</u></u>

City of San Fernando
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Community Development Block Grant Special Revenue Fund
Year Ended June 30, 2012

	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 345,297	\$ 331,882	\$ (13,415)
Other	-	2,400	2,400
Total Revenues	345,297	334,282	(11,015)
EXPENDITURES			
Current:			
Community Development	8,190	8,190	-
Public Works	-	-	-
Capital Outlay	-	-	-
Debt Service:			
Principal	252,000	252,000	-
Interest and Fiscal Charges	85,107	71,692	13,415
Total Expenditures	345,297	331,882	13,415
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	2,400	2,400
OTHER FINANCING SOURCES (USES)			
Transfers In	-	3,034	3,034
Total Other Financing Sources (Uses)	-	3,034	3,034
Net Change in Fund Balances	-	5,434	5,434
Fund Balance, Beginning of Year	(7,034)	(7,034)	-
Fund Balance, End of Year	\$ (7,034)	\$ (1,600)	\$ 5,434

City of San Fernando
Debt Service Funds
June 30, 2012

Debt service funds are used to account for the resources accumulated and payments made for interest and principal on general obligation debt, including tax allocation bonds and long-term notes payable, of governmental funds. The two other debt service funds include:

- Redevelopment Project Area #1A
- Public Financing Authority

City of San Fernando
Combining Balance Sheet
Other Debt Service Funds
June 30, 2012

	Redevelopment Project Area #1A	Public Financing Authority	Total
ASSETS			
Cash and Investments	\$ -	\$ -	\$ -
Receivables:			
Taxes	-	-	-
Due from Other Funds	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts Payable	\$ -	\$ -	\$ -
Advances from Other Funds	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:			
Restricted for:			
Debt Service	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

City of San Fernando
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Other Debt Service Funds
Year Ended June 30, 2012

	Redevelopment Project Area #1A	Public Financing Authority	Total
REVENUES			
Taxes	\$ 178,422	\$ -	\$ 178,422
Investment Earnings	70	-	70
Total Revenues	178,492	-	178,492
EXPENDITURES			
Current:			
General Government	6,632	-	6,632
Pass-throughs	95,799	-	95,799
SERAF	-	-	-
Debt Service:			
Principal	-	-	-
Internal and Fiscal Charges	56,439	-	56,439
Total Expenditures	158,870	-	158,870
Excess (Deficiency) of Revenues Over (Under) Expenditures	19,622	-	19,622
OTHER FINANCING SOURCES (USES)			
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
EXTRAORDINARY GAIN (LOSS)	(170,245)		(170,245)
Net Change in Fund Balances	(150,623)	-	(150,623)
Fund Balances, Beginning of Year	150,623	-	150,623
Fund Balances, End of Year	\$ -	\$ -	\$ -

City of San Fernando
Capital Projects Funds
June 30, 2012

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds. The two other capital projects funds include:

- Redevelopment Merged Project Area #1, 2, 3 and 4
- Redevelopment Project Area #1A

City of San Fernando
Combining Balance Sheet
Other Capital Projects Funds
June 30, 2012

	Redevelopment Merged Project Area #1, 2, 3, 4	Redevelopment Project Area #1A	Total
ASSETS			
Land Held for Resale	\$ -	\$ -	\$ -
Total Assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts Payable	\$ -	\$ -	\$ -
Accrued Liabilities	-	-	-
Due to Other Funds	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:			
Nonspendable:			
Land Held for Resale	-	-	-
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

City of San Fernando
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Other Capital Projects Funds
Year Ended June 30, 2012

	Redevelopment Merged Project Area #1, 2, 3, 4	Redevelopment Project Area #1A	Total
REVENUES			
Investment Earnings	\$ 4	\$ -	\$ 4
Total Revenues	4	-	4
EXPENDITURES			
Current:			
General Government	-	-	-
Community Development	156,655	17	156,672
Public Works	-	-	-
Total Expenditures	156,655	17	156,672
Excess (Deficiency) of Revenues Over (Under) Expenditures	(156,651)	(17)	(156,668)
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
EXTRAORDINARY GAIN (LOSS)	328,974	1,000,017	1,328,991
Net Change in Fund Balances	172,323	1,000,000	1,172,323
Fund Balances, Beginning of Year	(172,323)	(1,000,000)	(1,172,323)
Fund Balances, End of Year	\$ -	\$ -	\$ -

City of San Fernando
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Low Income Housing Capital Projects Fund - Major Fund
Year Ended June 30, 2012

	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Investment Earnings	\$ 49,000	\$ 36,990	\$ (12,010)
Other	-	-	-
Total Revenues	49,000	36,990	(12,010)
EXPENDITURES			
Current:			
Community Development	1,875,315	393,998	1,481,317
Total Expenditures	1,875,315	393,998	1,481,317
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,826,315)	(357,008)	1,469,307
OTHER FINANCING SOURCES (USES)			
Transfers In	1,387,000	-	(1,387,000)
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	1,387,000	-	(1,387,000)
EXTRAORDINARY GAIN (LOSS)	-	(1,784,573)	(1,784,573)
Net Change in Fund Balances	(439,315)	(2,141,581)	(1,702,266)
Fund Balance, Beginning of Year	2,141,581	2,141,581	-
Fund Balance, End of Year	\$ 1,702,266	\$ -	\$ (1,702,266)

City of San Fernando
Fiduciary Fund
June 30, 2012

Agency Fund - This fund is used to account for funds received by the City as an agent for other entities.

City of San Fernando
Schedule of Changes in Assets and Liabilities
Agency Fund
June 30, 2012

	Beginning Balance	Additions	Deletions	Ending Balance
ASSETS				
Cash and Investments	\$ 108,257	\$ 151,652	\$ 137,321	\$ 122,588
Prepaid Expenses	<u>808</u>	<u>4,650</u>	<u>808</u>	<u>4,650</u>
Total Assets	<u><u>\$ 109,065</u></u>	<u><u>\$ 156,302</u></u>	<u><u>\$ 138,129</u></u>	<u><u>\$ 127,238</u></u>
LIABILITIES				
Accounts Payable	\$ 1,222	\$ 138,527	\$ 135,283	\$ 4,466
Deposits	<u>107,843</u>	<u>150,844</u>	<u>135,915</u>	<u>122,772</u>
Total Liabilities	<u><u>\$ 109,065</u></u>	<u><u>\$ 289,371</u></u>	<u><u>\$ 271,198</u></u>	<u><u>\$ 127,238</u></u>

III. Statistical Section

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City of San Fernando
Description of Statistical Section Contents
June 30, 2012

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

Contents:	<u>Pages</u>
<u>Financial Trends</u> these schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time	100
<u>Revenue Capacity</u> these schedules contain information to help the reader assess the City's most significant local revenue source, the property tax	110
<u>Debt Capacity</u> these schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future	117
<u>Demographic and Economic Information</u> these schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place	122
<u>Operating Information</u> these schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs	125

City of San Fernando
Net Assets by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year			
	2003	2004	2005	2006
Governmental activities:				
Invested in capital assets, net of related debt	\$ 15,320,572	\$ 16,844,545	\$ 18,598,023	\$ 19,972,495
Restricted	924,063	924,257	931,708	8,528,754
Unrestricted	<u>(4,377,772)</u>	<u>(4,811,226)</u>	<u>(5,875,097)</u>	<u>(7,970,119)</u>
Total governmental activities net assets	<u>\$ 11,866,863</u>	<u>\$ 12,957,576</u>	<u>\$ 13,654,634</u>	<u>\$ 20,531,130</u>
Business-type activities:				
Invested in capital assets, net of related debt	\$ 7,097,735	\$ 7,606,136	\$ 7,635,859	\$ 7,321,367
Restricted	-	-	-	-
Unrestricted	<u>7,834,074</u>	<u>6,723,623</u>	<u>7,701,850</u>	<u>8,523,702</u>
Total business-type activities net assets	<u>\$ 14,931,809</u>	<u>\$ 14,329,759</u>	<u>\$ 15,337,709</u>	<u>\$ 15,845,069</u>
Primary government:				
Invested in capital assets, net of related debt	\$ 22,418,307	\$ 24,450,681	\$ 26,233,882	\$ 27,293,862
Restricted	924,063	924,257	931,708	8,528,754
Unrestricted	<u>3,456,302</u>	<u>1,912,397</u>	<u>1,826,753</u>	<u>553,583</u>
Total primary government net assets	<u>\$ 26,798,672</u>	<u>\$ 27,287,335</u>	<u>\$ 28,992,343</u>	<u>\$ 36,376,199</u>

Source: City Finance Department

Fiscal Year					
2007	2008	2009	2010	2011	2012
\$ 43,237,994	\$ 42,548,031	\$ 42,804,903	\$ 42,262,518	\$ 43,598,683	\$ 50,993,498
11,957,932	13,204,186	14,329,955	14,364,410	13,040,082	2,533,805
<u>(10,844,681)</u>	<u>(11,650,513)</u>	<u>(14,751,986)</u>	<u>(17,503,004)</u>	<u>(19,365,287)</u>	<u>(14,057,614)</u>
<u>\$ 44,351,245</u>	<u>\$ 44,101,704</u>	<u>\$ 42,382,872</u>	<u>\$ 39,123,924</u>	<u>\$ 37,273,478</u>	<u>\$ 39,469,689</u>
\$ 17,439,596	\$ 16,950,800	\$ 16,267,470	\$ 15,547,758	\$ 15,324,618	\$ 14,811,543
-	-	-	-	-	-
<u>7,858,369</u>	<u>7,846,843</u>	<u>7,920,801</u>	<u>7,206,906</u>	<u>7,733,239</u>	<u>7,887,577</u>
<u>\$ 25,297,965</u>	<u>\$ 24,797,643</u>	<u>\$ 24,188,271</u>	<u>\$ 22,754,664</u>	<u>\$ 23,057,857</u>	<u>\$ 22,699,120</u>
\$ 60,677,590	\$ 59,498,831	\$ 59,072,373	\$ 57,810,276	\$ 58,923,301	\$ 65,805,041
11,957,932	13,204,186	14,329,955	14,364,410	13,040,082	2,533,805
<u>(2,986,312)</u>	<u>(3,803,670)</u>	<u>(6,831,185)</u>	<u>(10,296,098)</u>	<u>(11,632,048)</u>	<u>(6,170,037)</u>
<u>\$ 69,649,210</u>	<u>\$ 68,899,347</u>	<u>\$ 66,571,143</u>	<u>\$ 61,878,588</u>	<u>\$ 60,331,335</u>	<u>\$ 62,168,809</u>

City of San Fernando
Changes in Net Assets
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year				
	2003	2004	2005	2006	2007
Expenses:					
Governmental activities:					
General government	\$ 6,414,558	\$ 5,781,612	\$ 7,701,673	\$ 7,065,983	\$ 6,472,343
Public safety	7,093,437	8,091,125	8,588,373	8,761,669	9,322,543
Community development	3,756,565	3,560,256	3,149,303	2,859,514	1,945,956
Public works	1,946,221	2,060,745	1,938,912	2,001,888	5,764,469
Parks and recreation	1,924,353	1,648,096	3,090,098	1,667,800	1,944,663
Capital outlay	13,244	-	-	-	-
Interest on long-term debt	529,764	488,119	583,454	667,366	1,009,135
Total governmental activities expenses	<u>21,678,142</u>	<u>21,629,953</u>	<u>25,051,813</u>	<u>23,024,220</u>	<u>26,459,109</u>
Business-type activities:					
Water	1,997,625	2,098,936	2,286,754	3,023,474	3,380,128
Sewer	2,409,689	2,178,353	1,632,168	1,723,353	2,969,735
Waste disposal	1,017,323	965,278	1,181,607	1,182,631	1,261,254
Total business-type activities expenses	<u>5,424,637</u>	<u>5,242,567</u>	<u>5,100,529</u>	<u>5,929,458</u>	<u>7,611,117</u>
Total primary government expenses	<u>27,102,779</u>	<u>26,872,520</u>	<u>30,152,342</u>	<u>28,953,678</u>	<u>34,070,226</u>
Program revenues:					
Governmental activities:					
Charges for services:					
General government	2,704,730	4,015,856	4,962,322	2,977,575	2,351,218
Public safety	1,109,206	815,564	1,084,958	358,088	1,192,594
Community development	323,122	66,301	2,500	604,626	308,974
Public works	694,893	404,496	649,641	655,844	931,094
Parks and recreation	692,109	566,844	544,675	357,345	575,260
Operating grants and contributions	-	-	-	1,924,581	2,371,022
Capital grants and contributions	1,727,313	1,365,732	3,147,589	2,196,347	2,314,280
Total governmental activities program revenues	<u>7,251,373</u>	<u>7,234,793</u>	<u>10,391,685</u>	<u>9,074,406</u>	<u>10,044,442</u>
Business-type activities:					
Charges for services:					
Water	2,260,704	2,388,730	2,667,963	2,809,324	2,878,972
Sewer	1,893,343	1,979,065	2,381,596	2,498,588	2,482,039
Waste disposal	988,394	989,224	1,111,776	1,159,112	1,153,329
Total business-type activities program revenues	<u>5,142,441</u>	<u>5,357,019</u>	<u>6,161,335</u>	<u>6,467,024</u>	<u>6,514,340</u>
Total primary government program revenues	<u>12,393,814</u>	<u>12,591,812</u>	<u>16,553,020</u>	<u>15,541,430</u>	<u>16,558,782</u>
Net revenues (expenses):					
Governmental activities	(14,426,769)	(14,395,160)	(14,660,128)	(13,949,814)	(16,414,667)
Business-type activities	(282,196)	114,452	1,060,806	537,566	(1,096,777)
Total net revenues (expenses)	<u>(14,708,965)</u>	<u>(14,280,708)</u>	<u>(13,599,322)</u>	<u>(13,412,248)</u>	<u>(17,511,444)</u>

Source: City Finance Department

Fiscal Year				
2008	2009	2010	2011	2012
\$ 9,724,823	\$ 7,343,319	\$ 8,393,942	\$ 9,051,209	\$ 6,397,275
9,881,438	10,101,285	9,917,154	10,137,119	10,346,561
2,891,460	3,220,792	5,547,132	3,658,552	1,944,293
5,383,561	6,102,140	5,591,332	4,960,530	5,423,605
2,123,999	3,745,511	2,960,683	2,375,034	2,145,767
-	-	-	-	-
1,045,722	963,737	1,141,113	1,092,731	509,971
<u>31,051,003</u>	<u>31,476,784</u>	<u>33,551,356</u>	<u>31,275,175</u>	<u>26,767,472</u>
2,946,107	3,183,923	3,282,758	3,227,843	3,248,148
2,812,307	2,731,323	2,614,749	1,867,044	2,445,675
1,142,613	1,125,434	1,098,303	1,077,641	1,027,810
<u>6,901,027</u>	<u>7,040,680</u>	<u>6,995,810</u>	<u>6,172,528</u>	<u>6,721,633</u>
<u>37,952,030</u>	<u>38,517,464</u>	<u>40,547,166</u>	<u>37,447,703</u>	<u>33,489,105</u>
2,095,604	2,455,039	2,698,964	2,503,993	584,356
1,383,612	1,710,327	1,642,838	1,583,487	1,359,010
287,403	334,666	425,299	581,323	413,067
903,091	916,211	975,160	903,323	565,723
1,702,639	878,659	871,337	526,198	458,090
2,100,154	3,425,677	3,287,154	4,432,649	3,197,798
1,674,190	2,063,580	1,094,301	1,896,595	930,527
<u>10,146,693</u>	<u>11,784,159</u>	<u>10,995,053</u>	<u>12,427,568</u>	<u>7,508,571</u>
2,839,207	2,795,599	2,737,198	3,064,458	2,769,412
2,458,857	2,562,997	2,367,243	2,383,329	2,580,623
<u>1,063,799</u>	<u>1,097,873</u>	<u>1,110,869</u>	<u>1,125,037</u>	<u>1,122,709</u>
<u>6,361,863</u>	<u>6,456,469</u>	<u>6,215,310</u>	<u>6,572,824</u>	<u>6,472,744</u>
<u>16,508,556</u>	<u>18,240,628</u>	<u>17,210,363</u>	<u>19,000,392</u>	<u>13,981,315</u>
(20,904,310)	(19,692,625)	(22,556,303)	(18,847,607)	(19,258,901)
<u>(539,164)</u>	<u>(584,211)</u>	<u>(780,500)</u>	<u>400,296</u>	<u>(248,889)</u>
<u>(21,443,474)</u>	<u>(20,276,836)</u>	<u>(23,336,803)</u>	<u>(18,447,311)</u>	<u>(19,507,790)</u>

(Continued)

City of San Fernando
Changes in Net Assets
Last Ten Fiscal Years - (Continued)
(accrual basis of accounting)

	Fiscal Year				
	2003	2004	2005	2006	2007
General revenues and other changes in net assets:					
Governmental activities:					
Taxes:					
Property	\$ 5,387,292	\$ 5,591,534	\$ 8,664,486	\$ 9,868,621	\$ 10,591,345
Sales and use	5,301,408	5,566,868	6,437,044	6,992,207	3,673,550
Property taxes in lieu of sales and use taxes	-	-	-	-	-
Business license taxes	-	-	-	-	-
Franchise	1,948,844	1,956,149	2,067,293	350,718	373,991
Motor fuel	1,425,275	1,122,019	-	-	-
Other taxes	-	-	-	-	-
Intergovernmental, unrestricted	-	-	575,837	180,687	1,873,488
Investment income	387,443	429,153	400,074	198,089	796,038
Gain on sale of property					
Other	89,428	-	-	15,178	729,944
Transfers	20,000	820,150	222,321	220,810	220,810
Extraordinary gain	-	-	-	-	-
Total governmental activities	<u>14,559,690</u>	<u>15,485,873</u>	<u>18,367,055</u>	<u>17,826,310</u>	<u>18,259,166</u>
Business-type activities:					
Investment income	269,380	103,648	169,465	260,460	354,850
Other	-	-	-	(69,856)	-
Transfers	(20,000)	(820,150)	(222,321)	(220,810)	(220,810)
Total business-type activities	<u>249,380</u>	<u>(716,502)</u>	<u>(52,856)</u>	<u>(30,206)</u>	<u>134,040</u>
Total primary government	<u>14,809,070</u>	<u>14,769,371</u>	<u>18,314,199</u>	<u>17,796,104</u>	<u>18,393,206</u>
Changes in net assets					
Governmental activities	132,921	1,090,713	3,706,927	3,876,496	1,844,499
Business-type activities	(32,816)	(602,050)	1,007,950	507,360	(962,737)
Total primary government	<u>\$ 100,105</u>	<u>\$ 488,663</u>	<u>\$ 4,714,877</u>	<u>\$ 4,383,856</u>	<u>\$ 881,762</u>

(1) These fluctuations compared to the prior year resulted from reclassifications of certain revenues.

(2) The extraordinary gain in 2012 resulted from the dissolution of the City's Redevelopment Agency in accordance with State law.

Source: City Finance Department

Fiscal Year				
2008	2009	2010	2011	2012
\$ 11,937,517	\$ 12,976,749	\$ 13,101,490	\$ 12,596,288	\$ 10,198,997 (1)
3,154,930	2,599,450	2,478,957	2,323,994	2,380,675
1,029,267	998,834	927,430	596,449	603,373
-	-	-	-	1,082,584 (1)
325,742	418,974	341,642	333,522	307,119
-	-	-	-	-
-	-	-	-	1,002,816 (1)
100,464	85,783	74,236	115,898	264,443
472,572	108,972	264,448	244,419	918
2,569,335	-	-	298,411	120,000
832,593	892,153	1,014,000	1,467,179	562,404
232,349	222,623	340,902	121,000	121,000
-	-	-	-	4,810,783 (2)
<u>20,654,769</u>	<u>18,303,538</u>	<u>18,543,105</u>	<u>18,097,160</u>	<u>21,455,112</u>
271,191	197,462	45,256	23,897	11,152
-	-	-	-	-
<u>(232,349)</u>	<u>(222,623)</u>	<u>(340,902)</u>	<u>(121,000)</u>	<u>(121,000)</u>
<u>38,842</u>	<u>(25,161)</u>	<u>(295,646)</u>	<u>(97,103)</u>	<u>(109,848)</u>
<u>20,693,611</u>	<u>18,278,377</u>	<u>18,247,459</u>	<u>18,000,057</u>	<u>21,345,264</u>
(249,541)	(1,389,087)	(4,013,198)	(750,447)	2,196,211
<u>(500,322)</u>	<u>(609,372)</u>	<u>(1,076,146)</u>	<u>303,193</u>	<u>(358,737)</u>
<u>\$ (749,863)</u>	<u>\$ (1,998,459)</u>	<u>\$ (5,089,344)</u>	<u>\$ (447,254)</u>	<u>\$ 1,837,474</u>

City of San Fernando
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year				
	2003	2004	2005	2006	2007
General fund:					
Reserved	\$ 30,327	\$ 44,779	\$ 49,532	\$ 183,608	\$ 2,055,539
Unreserved	<u>179,768</u>	<u>397,592</u>	<u>3,026,464</u>	<u>4,984,271</u>	<u>3,992,140</u>
Total general fund	<u>\$ 210,095</u>	<u>\$ 442,371</u>	<u>\$ 3,075,996</u>	<u>\$ 5,167,879</u>	<u>\$ 6,047,679</u>
All other governmental funds:					
Reserved	\$ 3,157,797	\$ 3,147,147	\$ 6,942,187	\$ 9,375,226	\$ 12,189,553
Unreserved, reported in:					
Special revenue funds	2,905,681	(2,230,704)	(2,101,096)	(2,923,775)	(2,020,353)
Debt service funds	1,206,357	(450,962)	87,989	(84,361)	(565,199)
Capital projects funds	(880,729)	2,002,942	816,814	29,777	4,979,008
Other	<u>-</u>	<u>2,824,596</u>	<u>2,136,295</u>	<u>2,131,887</u>	<u>-</u>
Total all other governmental funds	<u>\$ 6,389,106</u>	<u>\$ 5,293,019</u>	<u>\$ 7,882,189</u>	<u>\$ 8,528,754</u>	<u>\$ 14,583,009</u>
General fund:					
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total general fund	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
All other governmental funds:					
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-	-
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total all other governmental funds	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Note: GASB 54 was implemented in 2011. Years prior to that have no comparable data.

Fiscal Year				
2008	2009	2010	2011	2012
\$ 69,999	\$ 639,172	\$ 768,679	\$ -	\$ -
<u>2,362,813</u>	<u>(492,513)</u>	<u>(666,295)</u>	<u>-</u>	<u>-</u>
<u>\$ 2,432,812</u>	<u>\$ 146,659</u>	<u>\$ 102,384</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 8,760,628	\$ 7,112,657	\$ 8,245,010	\$ -	\$ -
(3,636,210)	(422,538)	(614,082)	-	-
(611,346)	611,990	(2,222,757)	-	-
(1,105,235)	(2,896,209)	(2,759,950)	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 3,407,837</u>	<u>\$ 4,405,900</u>	<u>\$ 2,648,221</u>	<u>\$ -</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ 237,378	\$ 335,766
<u>-</u>	<u>-</u>	<u>-</u>	<u>(856,695)</u>	<u>(1,572,548)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (619,317)</u>	<u>\$ (1,236,782)</u>
\$ -	\$ -	\$ -	\$ 5,448,274	\$ 492,395
-	-	-	2,890,223	2,199,614
<u>-</u>	<u>-</u>	<u>-</u>	<u>(7,022,933)</u>	<u>(2,508,607)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,315,564</u>	<u>\$ 183,402</u>

City of San Fernando
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year			
	2003	2004	2005	2006
Revenues:				
Taxes	\$ 12,731,567	\$ 13,223,074	\$ 17,116,611	\$ 18,160,481
Licenses and permits	2,339,702	2,068,941	1,591,609	1,321,998
Charges for services	294,477	380,555	481,095	499,624
Fines and forfeitures	476,013	608,780	850,464	970,687
Investment earnings	372,443	429,153	400,074	807,847
Intergovernmental	3,880,576	4,390,068	6,521,737	4,297,805
Administrative overhead	930,468	930,628	930,628	1,672,248
Community development	211,520	-	-	-
Sale of inventory	-	-	-	-
Other	475,251	1,443,986	894,473	1,148,455
Total revenues	<u>21,712,017</u>	<u>23,475,185</u>	<u>28,786,691</u>	<u>28,879,145</u>
Expenditures				
Current:				
General government	5,817,665	6,630,988	8,037,230	7,834,515
Public safety	7,183,020	7,830,932	8,375,379	8,466,474
Community development	1,924,352	1,636,810	1,344,615	3,069,196
Public works	3,626,185	4,595,811	5,206,946	3,798,336
Parks and recreation	1,867,457	2,124,210	1,918,860	1,939,812
Pass-throughs	-	-	-	-
SERAF	-	-	-	-
Other	-	168	2,321	-
Capital outlay	2,074,668	1,418,383	1,717,999	-
Debt service:				
Principal	505,000	540,000	575,000	787,000
Interest and fiscal charges	437,496	381,845	432,867	498,414
Cost of issuance	-	-	-	-
Total expenditures	<u>23,435,843</u>	<u>25,159,147</u>	<u>27,611,217</u>	<u>26,393,747</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,723,826)</u>	<u>(1,683,962)</u>	<u>1,175,474</u>	<u>2,485,398</u>
Other financing sources (uses):				
Transfers in	2,757,080	4,878,792	7,496,266	4,817,583
Transfers out	(2,737,080)	(4,058,642)	(4,273,945)	(4,596,773)
Payment to/from bond escrow agent	-	-	-	32,240
Issuance of debt	-	-	-	-
Discount	-	-	-	-
Sale of property	-	-	-	-
Total other financing sources (uses)	<u>20,000</u>	<u>820,150</u>	<u>3,222,321</u>	<u>253,050</u>
Extraordinary gain (loss)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>\$ (1,703,826)</u>	<u>\$ (863,812)</u>	<u>\$ 4,397,795</u>	<u>\$ 2,738,448</u>
Debt service as a percentage of noncapital expenditures	4.6%	4.0%	4.1%	5.1%

Source: City Finance Department

The above fluctuations in revenues and expenditures in 2012 are a result of reclassifications and the dissolution of the Redevelopment Agency, previously reported as a blended component unit.

Fiscal Year					
2007	2008	2009	2010	2011	2012
\$ 17,869,675	\$ 19,597,729	\$ 20,136,147	\$ 18,114,573	\$ 17,433,856	\$ 14,941,249
235,143	254,159	260,071	223,748	249,754	279,825
1,997,264	3,307,933	2,814,217	2,876,980	2,697,601	1,508,783
886,395	1,074,122	1,268,174	1,226,322	1,183,299	888,136
1,084,708	731,934	699,154	700,719	570,661	280,368
5,607,795	3,608,832	5,481,477	6,017,833	7,005,399	5,234,049
-	-	-	-	-	-
-	-	-	-	-	-
-	500,000	125,000	-	-	-
<u>1,563,678</u>	<u>1,424,980</u>	<u>1,931,944</u>	<u>2,177,633</u>	<u>2,331,930</u>	<u>1,013,941</u>
<u>29,244,658</u>	<u>30,499,689</u>	<u>32,716,184</u>	<u>31,337,808</u>	<u>31,472,500</u>	<u>24,146,351</u>
7,499,986	8,998,389	8,362,675	7,870,484	7,710,354	4,623,271
9,664,425	9,977,618	10,620,149	10,382,127	10,556,689	9,961,760
2,189,345	5,051,488	2,033,620	1,636,343	2,364,956	1,222,182
9,192,018	7,060,897	4,383,266	3,274,845	3,085,317	3,748,331
1,925,068	5,093,249	3,731,142	2,921,263	2,332,198	2,055,715
927,114	1,004,484	1,367,117	1,745,906	1,712,477	1,067,046
-	-	-	2,063,811	424,902	-
-	-	-	-	-	-
2,826,135	6,167,164	1,538,552	989,588	2,835,433	-
832,000	1,309,000	1,418,388	1,663,887	1,933,535	1,482,000
682,275	859,788	771,988	932,410	870,409	378,568
383,621	-	-	-	-	-
<u>36,121,987</u>	<u>45,522,077</u>	<u>34,226,897</u>	<u>33,480,664</u>	<u>33,826,270</u>	<u>24,538,873</u>
<u>(6,877,329)</u>	<u>(15,022,388)</u>	<u>(1,510,713)</u>	<u>(2,142,856)</u>	<u>(2,353,770)</u>	<u>(392,522)</u>
4,078,292	4,451,217	5,468,685	6,818,161	7,603,439	3,233,411
(3,857,482)	(4,218,868)	(5,246,062)	(6,477,259)	(7,482,439)	(3,112,411)
-	-	-	-	-	-
11,490,000	-	-	-	-	-
(74,426)	-	-	-	-	-
-	-	-	-	178,411	245,000
<u>11,636,384</u>	<u>232,349</u>	<u>222,623</u>	<u>340,902</u>	<u>299,411</u>	<u>366,000</u>
-	-	-	-	-	(1,723,105)
<u>\$ 4,759,055</u>	<u>\$ (14,790,039)</u>	<u>\$ (1,288,090)</u>	<u>\$ (1,801,954)</u>	<u>\$ (2,054,359)</u>	<u>\$ (1,749,627)</u>
6.0%	5.8%	7.2%	8.7%	10.3%	8.4%

City of San Fernando
Assessed Value of Taxable Property
Last Ten Fiscal Years

<u>Fiscal Year Ended June 30</u>	<u>Residential</u>	<u>Commercial</u>	<u>Industrial</u>	<u>Other</u>	<u>Unsecured</u>
2003	\$ 522,844,101	\$ 169,484,766	\$ 159,491,948	\$19,873,642	\$ 75,912,741
2004	567,902,157	177,295,352	165,048,900	23,765,942	77,422,782
2005	623,693,705	188,143,522	170,451,341	22,958,543	82,517,735
2006	701,620,690	204,017,895	183,844,983	23,324,074	78,503,390
2007	802,084,309	218,355,001	198,477,251	27,888,079	82,754,213
2008	900,052,366	240,006,510	216,095,061	25,461,983	76,947,962
2009	924,249,336	254,066,849	223,073,530	35,618,563	78,152,281
2010	834,108,715	256,442,463	258,825,850	32,405,858	112,691,566
2011	796,187,198	259,924,017	257,840,462	31,707,331	108,228,918
2012	810,126,651	261,333,463	254,802,905	36,235,560	108,145,377

Notes: Exempt values are not included in Total.

In 1978 the voters of the State of California passed Proposition 13 which limited taxes to a total maximum rate of 1%, based upon the assessed value of the property being taxed. Each year, the assessed value of the property may be increased by an "inflation factor" (limited to a maximum of 2%). With few exceptions, property is only reassessed as a result of new construction activity or at the time it is sold to a new owner. At this point, the property is reassessed based upon the added value of the construction or at the purchase price (market value) or economic value of the property sold. The assessed valuation data shown above represents the only data currently available with respect to the actual market value of taxable property and is subject to the limitations described above.

Source: L.A. County Assessor 2002/03 -2011/12 combined Tax Rolls provided by HdL, Coren & Cone

<u>Unknown</u>	<u>Taxable Assessed Value</u>	<u>Direct Tax Rate</u>
\$ 6,080,544	\$ 953,687,742	0.59360%
15,121,604	1,026,556,737	0.59653%
16,996,055	1,104,760,901	0.68950%
17,719,324	1,209,030,356	0.69569%
9,954,395	1,339,513,248	0.68705%
-	1,458,563,882	0.68705%
-	1,515,160,559	0.68605%
-	1,494,474,452	0.73077%
-	1,453,887,926	0.73507%
	1,470,643,956	0.73170%

City of San Fernando
Direct and Overlapping Property Tax Rates
(Rate per \$100 of assessed value)
Last Ten Fiscal Years

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
City Direct Rates:						
City basic rate	0.3320	0.3320	0.4320	0.4320	0.4291	0.4320
Redevelopment agency/Other	0.1929	0.1919	0.2913	0.2904	0.2868	0.2887
Total City Direct Rate	0.5936	0.5965	0.6895	0.6957	0.6871	0.6794

NOTES:

- (1) In 1978, California voters passed Proposition 13 which set the property tax rate at a 1.00% fixed amount. This 1.00% is shared by all taxing agencies for which the subject property resides within. In addition to the 1.00% fixed amount, property owners are charged taxes as a percentage of assessed property values for the payment of any voter approved bonds.
- (2) Overlapping rates are those of local and county governments that apply to property owners within the City. Not all overlapping rates apply to all City property owners.
- (3) City's Share of 1% Levy is based on the City's share of the general fund tax rate area with the largest net taxable value within the City. ERAF general fund tax shifts may not be included in tax ratio figures.
- (4) RDA rate is based on the largest RDA tax rate area (TRA) and includes only rate(s) from indebtedness adopted prior to 1989 per California State statute. RDA direct and overlapping rates are applied only to the incremental property values.
- (5) Total Direct Rate is the weighted average of all individual direct rates applied by the government preparing the statistical section information.

This report is not to be used in support of debt issuance or continuing disclosure statements without the written consent of HdL, Coren & Cone.

Sources: L. A. County Assessor 2002/03 - 2011/12. Tax rate table prepared on 10/23/2012 by MV HdL Report

<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
0.4298	0.4298	0.4298	0.4298
0.2886	0.2885	0.2879	0.2879
0.6861	0.7308	0.7351	0.7317

City of San Fernando
Principal Property Tax Payers
Top Ten - Current Year and Nine Years Ago

Taxpayer	2012		Taxpayer	2003	
	Taxable Assessed Value	Percent of Total City Taxable Assessed Value		Taxable Assessed Value	Percent of Total City Taxable Assessed Value
CPF San Fernando LLC	\$ 69,354,801	4.72%	CLPF San Fernando LP	\$ 42,752,200	4.48%
Pharmavite LLC	39,563,692	2.69%	SFVS Company LLC	17,295,120	1.81%
SFVS Company LLC	19,942,752	1.36%	Land M O Hearn Properties LLC	14,756,340	1.55%
Foothill HD Retail Center LLC	18,840,859	1.28%	Voit Glenoaks Partners LLC	13,300,000	1.39%
Ahi Glenoaks Inc.	15,314,658	1.04%	San Fernando Associates	9,990,183	1.05%
San Fernando Gateway LLC	14,189,185	0.96%	Argonaut Holdings Inc.	9,616,924	1.01%
315 Partners LLC	13,539,038	0.92%	GMS Realty LLC	8,823,000	0.93%
San Fernando Associates	10,065,121	0.68%	816 Partners LLC	6,000,000	0.63%
San Fernando Valley Automotive LLC	8,446,810	0.57%	Puretek Corporation	5,945,767	0.62%
NNN California Auto Services	8,249,567	0.56%	Nathan O. Shaw Trust	5,904,341	0.62%
Total Top Ten	<u>\$ 217,506,483</u>	<u>14.79%</u>	Total Top Ten	<u>\$ 134,383,875</u>	<u>14.09%</u>
Total Property Taxes	<u>\$ 1,470,643,956</u>		Total Property Taxes	<u>\$ 953,687,742</u>	

Source: HdL, Coren & Cone

**City of San Fernando
Property Tax Levies and Collections
Last Ten Fiscal Years**

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percent of Levy		Amount	Percent of Levy
2003	\$ 6,021,584	\$6,119,018	101.62%	\$ 55,752	\$ 6,174,770	102.54%
2004	6,481,679	6,342,738	97.86%	74,254	6,416,992	99.00%
2005	7,862,160	8,045,587	102.33%	65,771	8,111,358	103.17%
2006	8,403,799	9,015,419	107.28%	142,693	9,158,112	108.98%
2007	9,197,054	9,901,528	107.66%	102,464	10,003,992	108.77%
2008	9,909,383	10,361,519	104.56%	70,019	10,431,538	105.27%
2009	9,661,994	10,977,764	113.62%	352,262	11,330,026	117.26%
2010	9,754,979	11,049,754	113.27%	426,417	11,476,171	117.64%
2011	9,693,186	11,146,361	114.99%	10,929	11,157,290	115.10%
2012	10,760,744	10,622,934	98.72%	253,124	10,876,058	101.07%

Note: The amounts presented include City property taxes and Redevelopment Agency tax increment. This schedule also includes amounts collected by the City and Redevelopment Agency that were passed-through to other agencies.

Source: Prior Year CAFR, City Financial Information, HdL Reports

City of San Fernando
Water Customers
Current Year and Nine Years Ago

Water Customer	2012		Water Customer	2003	
	Water Charges	Percent of Total Water Revenues		Water Charges	Percent of Total Water Revenues
Pharmavite Corporation	\$ 32,579	1.18%	Puretek Corporation	\$ 14,613	0.63%
Pharmavite Corporation	19,675	0.71%	Oh Boy! Corporation	8,418	0.36%
Puretek Corporation	13,223	0.48%	Voit Glenoaks Partner	7,526	0.32%
Mission Park Apartments	9,940	0.36%	KV Mart #19	6,718	0.29%
Fresenius Medical CA	9,734	0.35%	Mission Park Apartments	5,708	0.24%
LA Board of Education	9,640	0.35%	Pharmavite Corporation	5,409	0.23%
Majers, Olin	9,061	0.33%	LA Board of Education	5,300	0.23%
Home Depot #609	8,814	0.32%	LACO - Int Service Dept.	5,103	0.22%
KV Mart #19	8,799	0.32%	Flex - Link Products	5,029	0.22%
The SFVS Company LLC	8,551	0.31%	Tanaka, June	5,001	0.21%
Total Top Ten	\$ 130,016	4.69%		\$ 68,824	2.95%
Total Water Revenue	\$ 2,770,589			\$ 2,333,646	

Source: Eden UB System (Water only)

City of San Fernando
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year Ended June 30	Governmental Activities				Percentage of Personal Income	Per Capita
	General Obligation Bonds	Tax Allocation Bonds	Loans	Total Governmental Activities		
2003	-	\$ 7,065,000	\$ 1,521,839	\$ 8,586,839	2.01%	354
2004	-	6,525,000	2,299,775	8,824,775	1.95%	363
2005	-	5,340,000	6,023,726	11,363,726	2.36%	469
2006	-	5,340,000	6,023,726	11,363,726	2.21%	471
2007	-	16,113,506	6,348,789	22,462,295	4.17%	943
2008	-	15,075,000	6,610,671	21,685,671	3.93%	917
2009	-	13,985,000	6,643,296	20,628,296	3.74%	866
2010	-	12,850,000	6,582,631	19,432,631	5.41%	821
2011	-	11,620,158	6,307,069	17,927,227	4.94%	756
2012	-	-	2,424,692	2,424,692	Not Available	102

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements. Personal income numbers not available for 2012

Source: City Finance Department

City of San Fernando
Direct and Overlapping Bonded Debt
June 30, 2012

	Gross Bonded Debt Balance	Percent Applicable To City	Net Bonded Debt
Direct Debt:			
1998 Tax Allocation Bonds Project Area 1	\$ 330,000	100.000%	\$ 330,000
1998 Tax Allocation Bonds Project Area 3	1,560,000	100.000%	1,560,000
2006 Tax Allocation Bonds Project	8,550,000	100.000%	8,550,000
Total Direct Debt:			10,440,000
Overlapping Debt:			
*Metropolitan Water District Area 1117 DS	94,031,705	0.109	102,416
LA City Community College 2003 Ser B	68,950,000	0.253	174,221
LA City Community College Dist 2003 Ser 2004B	15,010,000	0.253	37,927
LA City Community College Dist 2001 Ser 2004A	74,615,000	0.253	188,535
LACC DS REF 2001 Series 2005 A	430,410,000	0.253	1,087,548
LA City Community College DS Ref 2001 2006 Series B	382,575,000	0.253	966,680
LA City Community College DS Ref 2003 2006 Series C	284,050,000	0.253	717,730
LACC DS 2001 2008 Series E-1	275,580,000	0.253	696,328
LACC DS 2003 2008 Series F-1	344,915,000	0.253	871,522
LACC DS 2003 2008 Taxable Series F-2	3,805,000	0.253	9,614
LACC DS 2008 2009 Taxable Series A	350,000,000	0.253	884,370
LACC DS 2008 2009 Taxable Series B	75,000,000	0.253	189,508
LACC DS 2008 2010 Taxable Series D	175,000,000	0.253	442,185
LACC DS 2008 2010 Taxable Series E (BABS)	900,000,000	0.253	2,274,096
LACC DS 2008 2010 Taxable Series C	125,000,000	0.253	315,847
Los Angeles Unif Sch Dis 1997 Ser A	64,120,000	0.314	201,020
Los Angeles Unif Sch Dis 1997 Ser E	15,665,000	0.314	49,111
Los Angeles Unif Sch Dis 2002 Refdg BD	210,440,000	0.314	659,743
Los Angeles Unif Sch Dis 1997 Ser F	82,930,000	0.314	259,991
Los Angeles Unif Sch Dis 2002 Ser A	35,000,000	0.314	109,727
Los Angeles Unif Sch Dis 2004 Series C 2004	36,905,000	0.314	115,700
Los Angeles Unif Sch Dis 2004 Ref Bonds A-1	90,165,000	0.314	282,673
Los Angeles Unif Sch Dis 2004 Ref Bonds A-2	127,080,000	0.314	398,404
Los Angeles Unif Sch Dis 2004 Series E	229,210,000	0.314	718,588
Los Angeles Unif Sch Dis 2005 Ref Bds A-1	346,750,000	0.314	1,087,084
Los Angeles DS 2005 Refunding Bonds A-2	120,925,000	0.314	379,108
Los Angeles Unif Sch Dis 2004 Series F	436,035,000	0.314	1,366,998
LA USD DS 2006 Ref BD Series A	132,325,000	0.314	414,847
LA USD DS 2005 Series A (2006)	255,210,000	0.314	800,100
LA USD DS 2005 Series B (2006)	334,290,000	0.314	1,048,021
LA USD DS 2005 Series C (2006)	449,130,000	0.314	1,408,052
LA USD DS 2005 Series D (2006)	882,535,000	0.314	2,766,804
LA USD DS 2006 Refunding Series B	558,340,000	0.314	1,750,432
LA USD DS 2007 Refunding Series A-1	1,133,525,000	0.314	3,553,674
LA USD DS 2007 Refunding Series A-2	136,055,000	0.314	426,541
LA USD DS 2002 Series B (2007)	234,740,000	0.314	735,925
LA USD DS 2007 Ref BDS Series B	24,650,000	0.314	77,279
LA USD DS 2002 Series C	518,525,000	0.314	1,625,610
LA USD DS 2004 Series H	141,145,000	0.314	442,499
LA USD DS 2005 Series E	29,680,000	0.314	93,049
LA USD DS 2002 Series D	141,250,000	0.314	442,828
LA USD DS 2004 Series I	5,615,000	0.314	17,603
LA USD DS 2005 Series F	145,250,000	0.314	455,368
LA USD DS 2002 Series E	157,165,000	0.314	492,722
LA USD DS 2004 Series J	130,450,000	0.314	408,969

City of San Fernando
Direct and Overlapping Bonded Debt - Continued
June 30, 2012

	Gross Bonded Debt Balance	Percent Applicable To City	Net Bonded Debt
Overlapping Debt - Continued:			
LA USD DS 2005 Series G	3,795,000	0.314	11,912
LA USD DS 2005 Series H & 2010	768,490,000	0.314	2,409,266
LA USD DS 2009 Refunding Measure R Bonds	55,570,000	0.314	174,216
LA USD DS Measure R Series KRY BABS	200,000,000	0.314	627,013
LA USD DS Measure Y Series 2009 KRY BABS	363,005,000	0.314	1,138,044
LA USD DS 2009 Refunding Prop BB Bonds	73,335,000	0.314	229,910
LA USD DS Measure R Series 2010 KRY BABS	806,795,000	0.314	2,529,355
LA USD DS Measure R Series 2010 KRY BABS	1,250,585,000	0.314	3,920,665
LAUSD 2010 REFUNDING SERIES A PROP BB	407,805,000	0.314	1,278,495
LAUSD 2010 REFUNDING SERIES A (MEASURE K)	156,000,000	0.314	489,070
Total Overlapping Debt:			44,354,943
Total Direct & Overlapping Debt:			\$ 54,794,943

2011/12 Assessed Valuation: \$940,235,873 after deducting \$530,408,083 Redevelopment Increment.

Debt to Assessed Valuation Ratios:	Direct Debt	1.11%
	Overlapping Debt	4.72%
	Total Debt	5.83%

Notes:

- (1) In 1978, California voters passed Proposition 13 which set the property tax rate at a 1.00% fixed amount. This 1.00% is shared by all taxing agencies for which the subject property resides within. In addition to the 1.00% fixed amount, property owners are charged taxes as a percentage of assessed property values for the payment of any voter approved bonds.
- (2) Overlapping rates are those of local and county governments that apply to property owners within the City. Not all overlapping rates apply to all City property owners.
- (3) City's Share of 1% Levy is based on the City's share of the general fund tax rate area with the largest net taxable value within the City. ERAF general fund tax shifts may not be included in tax ratio figures.
- (4) The total debt to assessed valuation ratio is calculated by the total direct and overlapping debt divided by the 2010/11 Assessed Valuation.
- (5) RDA rate is based on the largest RDA tax rate area (TRA) and includes only rate(s) from indebtedness adopted prior to 1989 per California State statute. RDA direct and overlapping rates are applied only to the incremental property values.
- (6) Total Direct Rate is the weighted average of all individual direct rates applied by the government preparing the statistical section information.

* This fund is a portion of a larger agency, and is responsible for debt in areas outside the City.

This report is not to be used in support of debt issuance or continuing disclosure statements without the written consent of HdL, Coren & Cone

Source: L. A. County Assessor and Auditor Combined 2011/12 Lien Date Tax Rolls. Prepared on 10/23/2012 by MV.

City of San Fernando
Legal Debt Margin Information
Last Ten Fiscal Years

	Fiscal Year			
	2003	2004	2005	2006
Assessed valuation	\$ 953,687,742	\$ 1,026,556,737	\$ 1,104,760,901	\$ 1,209,030,356
Conversion percentage	25%	25%	25%	25%
Adjusted assessed valuation	238,421,936	256,639,184	276,190,225	302,257,589
Debt limit percentage	15%	15%	15%	15%
Debt limit	35,763,290	38,495,878	41,428,534	45,338,638
Total net debt applicable to limit: General obligation bonds	-	-	-	-
Legal debt margin	<u>\$ 35,763,290</u>	<u>\$ 38,495,878</u>	<u>\$ 41,428,534</u>	<u>\$ 45,338,638</u>
Total debt applicable to the limit as a percentage of debt limit	0.0%	0.0%	0.0%	0.0%

The Government Code of the State of California provides for a legal debt limit of 15% of gross assessed valuation. However, this provision was enacted when assessed valuation was based upon 25% of market value. Effective with the 1981-82 fiscal year, each parcel is now assessed at 100% of market value (as of the most recent change in ownership for that parcel). The computations shown above reflect a conversion of assessed valuation data for each fiscal year from the current full valuation perspective to the 25% level that was in effect at the time that the legal debt margin was enacted by the State of California for local governments located within the state.

Source: L.A. County Assessor 2011/12 Combined Tax Rolls, HdL, Coren & Cone, and City Finance Department. Prepared on 10/23/2012 By MV.

Fiscal Year					
2007	2008	2009	2010	2011	2012
\$ 1,339,513,248	\$ 1,458,563,882	\$ 1,515,160,559	\$ 1,494,474,452	\$ 1,453,887,926	\$ 1,470,643,956
25%	25%	25%	25%	25%	25%
334,878,312	364,640,971	378,790,140	373,618,613	363,471,982	367,660,989
15%	15%	15%	15%	15%	15%
50,231,747	54,696,146	56,818,521	56,042,792	54,520,797	55,149,148
-	-	-	-	-	-
<u>\$ 50,231,747</u>	<u>\$ 54,696,146</u>	<u>\$ 56,818,521</u>	<u>\$ 56,042,792</u>	<u>\$ 54,520,797</u>	<u>\$ 55,149,148</u>
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

**City of San Fernando
Demographic and Economic Statistics
Last Ten Calendar Years**

<u>Calendar Year</u>	<u>Population ¹</u>	<u>Calif. Metropolitan Personal Income (in thousands)²</u>	<u>Calif. Metropolitan Per Capita Personal Income²</u>	<u>Unemployment Rate³</u>
2003	24,253	\$ 427,549,556	\$ 33,435	6.6%
2004	24,304	452,200,899	35,170	7.2%
2005	24,207	482,011,274	37,441	7.8%
2006	24,119	513,123,392	39,880	7.8%
2007	23,818	539,163,000	41,875	7.8%
2008	23,645	552,449,876	42,916	7.6%
2009	23,833	551,271,235	42,818	11.9%
2010	23,662	359,081,000	14,156	12.9%
2011	23,712	363,168,000	15,290	12.9%
2012	23,818	Not Available	Not Available	11.5%

Sources: ¹ US Census Bureau

² HdL Report/Bureau of Economic Analysis (data shown is for the metropolitan area of L.A.-Long Beach-Santa Ana through 2009; thereafter it is specific to the City of San Fernando)

³ US Census Bureau/Personal Profile for years 2011-2012. Estimates for previous years.

City of San Fernando
Miscellaneous and Demographic Statistics

Date Incorporated	August 31, 1911	
Form of Government	Council-City Administrator	
Land Area	2.42 square miles	
Land Use (Estimated % of City)	Residential	43.2%
	Commercial	10.2%
	Industrial	9.7%
	Public/Institutional	7.4%
	Open space	1.7%
	Highway and streets, rights-of-way	26.3%
	Undeveloped land	1.6%
		100.0%

Building Permits	<u>Calendar Year</u>	<u># Permits</u>	<u>Valuation</u>
	1995	650	\$ 4,802,623
	1996	354	5,321,998
	1997	379	6,229,912
	1998	241	5,314,484
	1999	277	6,879,355
	2000	481	8,530,618
	2001	499	11,829,627
	2002	527	5,852,529
	2003	985	9,610,033
	2004	551	10,249,858
	2005	1,390	15,845,473
	2006	1,421	13,860,435
	2007	1,137	9,549,375
	2008	1,035	15,742,359
	2009	858	9,888,598
	2010	797	8,024,919
	2011	760	7,146,062
	2012	810	19,328,819

Source : Various City Departments

**City of San Fernando
Principal Employers (Top Twenty)
Current Year**

2012			
Company	Number of Employees	Percent of Total	
		City Employment	Type
Los Angeles Unified School District	580	5.49%	Public Education
JT Contractors	400	3.79%	Clothing Manufacturer
Puretek	400	3.79%	Pharmaceutical Products
Pepsi Bottling Co.	300	2.84%	Wholesale Beverages
Los Angeles County	265	2.51%	County Government
Home Depot	250	2.37%	Home Improvement Supplies
Linzer Products	250	2.37%	Painters Equipment & Supplies
Samco Scientific	250	2.37%	Physicians & Surgeons Equip
Future Graphics	220	2.08%	Wholesale Printer Cartridges
Bernards Brothers	200	1.89%	Building Contractor
City of San Fernando	157	1.49%	City Government
Medical Illumination International	155	1.47%	Physicians & Surgeons Equip
Sam's Club	140	1.33%	Retail
McDonald's	119	1.13%	Restaurant
7 Up RC Bottling	100	0.95%	Wholesale Beverages
J & M Products	100	0.95%	Clamp Manufacturer
Premier Accessories Manufacturing	100	0.95%	Wholesale Apparel
Rydell's San Fernando	100	0.95%	Automotive Dealership
Santana Formal Accessories	100	0.95%	Formal Accessories
Wic Nutrition Program	99	0.94%	Social Service & Welfare
Total Top Twenty Employers	<u>4,285</u>	<u>40.58%</u>	
Total Employed within the City	<u>10,560</u>		

Note: Figures have been rounded to the nearest tenth. Information as of August 2010. Information from 10 years ago not available.

Disclaimer: The City of San Fernando makes no claims concerning the accuracy of data provided nor assumes any liability resulting from the use of information herein.

City of San Fernando
Full-time and Part-time City Employees
by Function
Last Ten Fiscal Years

Function	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
General government	41	42	38	37	37	36	35	50	48	59
Public safety	61	62	61	59	59	62	65	65	60	55
Public works	41	41	42	48	43	46	47	38	38	35
Community development	10	10	10	9	11	10	10	6	5	9
Total	<u>153</u>	<u>155</u>	<u>151</u>	<u>153</u>	<u>150</u>	<u>154</u>	<u>157</u>	<u>159</u>	<u>151</u>	<u>158</u>

Source: City Personnel Records

**City of San Fernando
Operating Indicators
by Function
Last Ten Calendar Years**

Function	Calendar Year				
	2003	2004	2005	2006	2007
Police:					
Arrests	1,310	1,481	1,432	1,377	1,571
Parking citations issued	16,233	16,129	15,860	15,205	16,074

Source: City of San Fernando Police Department

Calendar Year				
2008	2009	2010	2011	2012
2,471	2,721	1,933	1,424	887
19,096	16,966	16,583	14,799	13,407

**City of San Fernando
Capital Asset Statistics
by Function
Last Ten Fiscal Years**

Function	Fiscal Year				
	2003	2004	2005	2006	2007
Police:					
Stations	1	1	1	1	1
Fire:					
Fire stations	0	0	0	0	0
Public works:					
Streets (miles)	50.00	50.00	50.00	50.00	50.00
Streetlights	1,678	1,678	1,678	1,678	1,678
Traffic signals intersections	45	45	45	45	45
Parks and recreation:					
Parks	4	5	5	5	6
Recreation centers	2	2	2	2	2
Water:					
Water mains (miles)	66.50	66.50	66.50	66.50	66.50
Maximum daily pumping capacity (thousands of gallons)	600	600	600	600	600
Wastewater:					
Sanitary sewers (miles)	40.00	40.00	40.00	40.00	40.00
Storm sewers (miles)	0.68	0.68	0.68	0.68	0.68

Source: City of San Fernando Public Works Department

Fiscal Year				
2008	2009	2010	2011	2012
1	1	1	1	1
0	0	0	0	0
50.00	50.00	50.00	50.00	50.00
1,678	1,678	1,848	1,848	1,848
45	45	45	45	45
6	6	6	6	6
2	2	2	2	2
66.50	66.50	66.50	66.50	66.88
600	600	600	600	600
40.00	40.00	40.00	40.00	40.00
0.68	0.68	0.68	0.68	0.68

ATTACHMENT "B"

CITIES FINANCIAL TRANSACTIONS REPORT

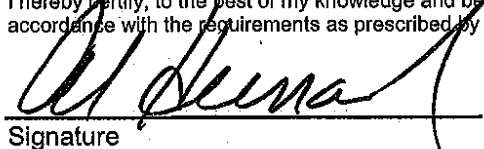
COVER PAGE

City of San Fernando

Fiscal Year **2012** **ID Number** **11981978200**

Certification:

I hereby certify, to the best of my knowledge and belief, that the report forms fairly reflect the financial transactions of the city in accordance with the requirements as prescribed by the California State Controller.


Signature

City Administrator

Title

Al Hernandez
Name (Please Print)

10/18/2012

Date

Per Government Code section 53891, this report is due within 90 days after the end of the fiscal year. If filed in electronic format, the report is due within 110 days after the end of the fiscal year.

To file electronically:

1. Complete all forms as necessary.
2. Transmit the completed output file using a File Transfer Protocol (FTP) program or via diskette.
3. Sign this cover page and mail to either address.

To file a paper report:

1. Complete all forms as necessary.
2. Sign this cover page, and mail completed report to either address.

Report will not be considered filed until receipt of this signed cover page.

Mailing Address:

State Controller's Office
Division of Accounting and Reporting
Local Government Reporting Section
P. O. Box 942850
Sacramento, CA 94250

Express Mailing Address:

State Controller's Office
Division of Accounting and Reporting
Local Government Reporting Section
3301 C Street, Suite 700
Sacramento, CA 95816

Supplement to the Annual Report of California Municipalities

City Name:	San Fernando
-------------------	---------------------

Mark the appropriate box below to indicate the ending date of your agency's fiscal year. Report data for that period only.

☐ September 2011

☒ June 2012

Return this form to the **California State Controller's Office**. If you have any questions regarding this form please contact:

U.S. Bureau of the Census at 1-800-242-4523

1. Reference: State Controller's Report – Please refer to your State Controller's Report to answer questions A-D.

Section A: From the Schedule of Net Expenditures, General Government (Legislative) –Indicate the operating expenditures (Column A) and capital outlay amounts (Column B) you included in the 'Legislative' field that relate to the financial administration (i.e. finance director, city auditor, treasurer; central accounting and purchasing services, budgeting, etc. - including related data processing) of your government, if any.

Column A – Operating Expenditures:	E23	\$
Column B – Capital Outlay Amount: Equipment and Land	G23	\$
Construction	F23	\$

Section B: From the Schedule of Net Expenditures, General Government (Legislative) –Indicate the operating expenditures (Column A) and capital outlay amounts (Column B) you included in the 'Legislative' field that relate to the city attorney and prosecution (exclude probation and parole), if any.

Column A – Operating Expenditures:	E25	\$ 360,478
Column B – Capital Outlay Amount: Equipment and Land	G25	\$
Construction	F25	\$

Section C: From the Schedule of Net Expenditures, General Government (Management and Support) – Indicate the operating expenditures (Column A) and capital outlay amounts (Column B) you included in the 'Management and Support' field that relate to the financial administration

(i.e. finance director, city auditor, treasurer; central accounting and purchasing services, budgeting, etc. - including related data processing) of your government, if any.

Column A – Operating Expenditures:	E23	\$ 551,607
Column B – Capital Outlay Amount: Equipment and Land	G23	\$ 610
Construction	F23	\$

Section D: From the Schedule of Net Expenditures, Public Safety (Police) – Indicate the operating expenditures (Column A) and capital outlay amounts (Column B) you included in the ‘Police’ field that relate to the city attorney and prosecution (exclude probation and parole), if any.

Column A – Operating Expenditures:	E62	\$
Column B – Capital Outlay Amount: Equipment and Land	G62	\$
Construction	F62	\$

2. Intergovernmental Expenditures

Indicate the recipient agency, purpose, and the amount of intergovernmental payments over \$100,000 made by your government during the year.

Paid to:	Purpose:	Amount:
a.		
b.		
c.		
d.		

City of San Fernando

Cities Financial Transactions Report

General Information

Fiscal Year 2012

Members of the Governing Body

	First Name	Middle Initial	Last Name
Mayor	Brenda		Esquela
Member 1	Maribel		De La Torre
Member 2	Sylvia		Ballin
Member 3	Antonio		Lopez
Member 4	Mario		Hernandez
Member 5			
Member 6			
Member 7			
Member 8			
Member 9			
Member 10			

City Fiscal Officer

	First Name	Middle Initial	Last Name
	Al		Hernandez
Title	City Administrator		
Telephone	(818) 898-1203		

Mailing Address

Street 1 117 Macneil Street

Street 2

City San Fernando State CA Zip 91340-

Email sgarcia@sfcity.org ☐ Is Address Changed?

Report Prepared By

Firm Name Thales Consulting Inc.

First Joe

Middle Initial

Last Stimac

Title CEO

Telephone (530) 979-1648

Fax No. (530) 654-3381

Email jstimac@thales-consulting.com

City of San Fernando

Cities Financial Transactions Report - Sewer Activity/Enterprise

Operating Revenue

Fiscal Year 2012

Is This Function Accounted for as an Enterprise Fund?

Yes

Operating Revenue

Sewer Service Charges

2,377,547

Sewer Connection Fees

Sewer Service Penalties

35,108

Other Operating Revenue

156,111

Total Operating Revenue

\$2,568,766

Operating Expense

Transmission

Treatment and Disposal Plant

2,304,755

Taxes

General and Administrative Expense

Depreciation Expense

Total Operating Expense

\$2,304,755

Operating Income (Loss)

\$264,011

Non-Operating Revenue

Interest

8,545

State

Federal

County

Gain on Sale of Assets

Other

Total Non-Operating Revenue

\$8,545

Non-Operating Expense

Interest

Loss on Sale of Assets

Other

Total Non-Operating Expense

\$0

Operating Transfers In (Out)

-60,000

Net Income (Loss)

\$212,556

Depreciation that Reduces Contributed Capital

Increase (Decrease) in Retained Earnings

\$212,556

Retained Earnings, Beginning

\$10,015,073

Adjustments

-110,599

Reason for Adjustments

adj to PY ending balance

Residual Equity Transfers In (Out)

Retained Earnings, Ending

\$10,117,030

City of San Fernando

Cities Financial Transactions Report - Sewer Activity/Enterprise

Operating Revenue

Fiscal Year 2012

Equity

Contributed Capital: (Current Year)

State

Federal

Connection Fees (Capital)

County

Contribution from Non-Government Sources

Other

Total Current Year Contributions

Residual Equity Transfers In (Out)

Depreciation Applied to Contributed Capital

Net Increase (Decrease) to Contributed Capital

Contributed Capital, Beginning

Adjustments

Reason for Adjustments

Contributed Capital, Ending

Retained Earnings, Ending

Total Equity, Ending

Retained Earnings - Reserved

Retained Earnings - Unreserved

Revenue/Expenditure Schedule Adjustments

Total Proceeds from Sale of Assets

Principal Payments on Debt Service

Capital Lease Payments

Current Year Capital Outlay

Other (Specify, maximum of 5 entries allowed)

Specify:

Amount:

City of San Fernando
Cities Financial Transactions Report - Transit Activity/Enterprise
Operating Revenue

Fiscal Year	2012
--------------------	------

Is This Function Accounted for as an Enterprise Fund?	No
Operating Revenue	
Passenger Fares	24,101
Transportation Revenues	
Non-Transportation Revenues	
Interest	90
Local Cash Grants and Reimbursements	
Local Assistance	599,777
Local Sales Tax	
TDA 1/4 Cent Sales Tax	
State Cash Grants and Reimbursements	
State Transit Assistance Funds	12,238
Other State Grants	
Federal Cash Grants and Reimbursements	
Other Operating Revenues	
Total Operating Revenues	\$636,206
Operating Expense	
Salaries and Fringe Benefits	81,308
Services	502,838
Materials and Supplies	738
Utilities, Casualty, and Liability Costs	
Purchased Transportation	
Miscellaneous Expense/Transfers	208,488
Depreciation Expense	
Total Operating Expense	\$793,372
Operating Income (Loss)	(\$157,166)
Other Reconciling Items	
Gain or (Loss) on the Sale of Assets	
Net Income (Loss)	(\$157,166)
Depreciation that Reduces Contributed Capital	
Increase (Decrease) In Retained Earnings	\$0
Retained Earnings, Beginning	\$0
Adjustments	
Reason for Adjustments	
Retained Earnings, Ending	\$0

City of San Fernando
Cities Financial Transactions Report - Transit Activity/Enterprise
Operating Revenue

Fiscal Year 2012

Equity**Contributed Capital: (Current Year)**

State	<input type="text"/>
Federal	<input type="text"/>
County	<input type="text"/>
Contribution from Non-Government Sources	<input type="text"/>
Other	<input type="text"/>

Total Current Year Contributions

\$0

Residual Equity Transfers In (Out)

Depreciation Applied to Contributed Capital

Net Increase (Decrease) to Contributed Capital

\$0

Contributed Capital, Beginning

\$0

Adjustments

Reason for Adjustments

Contributed Capital, Ending

\$0

Retained Earnings, Ending

\$0

Total Equity, Ending

\$0

Retained Earnings - Reserved

Retained Earnings - Unreserved

\$0

Revenue/Expenditure Schedule Adjustments

Total Proceeds from Sale of Assets	<input type="text"/>
Principal Payments on Debt Service	<input type="text"/>
Capital Lease Payments	<input type="text"/>
Current Year Capital Outlay	<input type="text"/>
Other (Specify, maximum of 5 entries allowed)	<input type="text" value="\$599,777"/>

Specify:**Amount:**

<input type="text" value="Other (Specify in Footnote Box)"/>	<input type="text" value="599,777"/>
Total:	<input type="text" value="\$599,777"/>

City of San Fernando
Cities Financial Transactions Report - Water Activity/Enterprise
Operating Revenue

Fiscal Year	2012
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Is This Function Accounted for as an Enterprise Fund?

Yes

Operating Revenue

Retail Sales of Water - Within City Limits

2,510,631

Retail Sales of Water - Outside City Limits

Wholesale to Other Water Utilities for Resale

Sales to Municipal Departments

Hydrant Rental or Fire Service Charge

115,888

Other Sales or Service

Water Connection Fees

22,899

Rent from Waterworks Property

Other Water Operating Revenues

130,089

Total Operating Revenue

\$2,779,507

Operating Expense

Source of Water Supply

1,202,455

Pumping Expense

Water Treatment Expense

Transmission and Distribution Expense

517,119

Customer Account Expense

371,670

Sales Expense

General and Administrative Expense

778,015

Depreciation Expense

Total Operating Expense

\$2,869,259

Operating Income (Loss)

(\$89,752)

Non-Operating Revenue

Interest

431

State

Federal

County

Gain on Sale of Assets

Other

Total Non-Operating Revenue

\$431

City of San Fernando
Cities Financial Transactions Report - Water Activity/Enterprise
Operating Revenue

Fiscal Year 2012

Non-Operating Expense

Interest	
Loss on Sale of Assets	
Other	
Total Non-Operating Expense	\$0
Operating Transfers In (Out)	-61,000
Net Income (Loss)	(\$150,321)
Depreciation that Reduces Contributed Capital	
Increase (Decrease) in Retained Earnings	(\$150,321)
Retained Earnings, Beginning	\$13,323,513
Adjustments	-144,524
Reason for Adjustment	adj to PY ending balance
Residual Equity Transfers In (Out)	
Retained Earnings, Ending	\$13,028,668

Equity

Contributed Capital: (Current Year)

State	
Federal	
Connection Fees (Capital)	
County	
Contribution from Non-Government Sources	
Other	
Total Current Year Contributions	\$0
Residual Equity Transfers In (Out)	
Depreciation Applied to Contributed Capital	
Net Increase (Decrease) to Contributed Capital	\$0
Contributed Capital, Beginning	\$0
Adjustments	
Reason for Adjustments	
Contributed Capital, Ending	\$0
Retained Earnings, Ending	\$13,028,668
Total Equity, Ending	\$13,028,668
Retained Earnings - Reserved	
Retained Earnings - Unreserved	\$13,028,668

City of San Fernando
Cities Financial Transactions Report - Water Activity/Enterprise
Operating Revenue

Fiscal Year 2012

Revenue/Expenditure Schedule Adjustments

Total Proceeds from Sale of Assets	<input style="width: 100%;" type="text"/>
Principal Payments on Debt Service	<input style="width: 100%;" type="text"/>
Capital Lease Payments	<input style="width: 100%;" type="text"/>
Current Year Capital Outlay	<input style="width: 100%;" type="text"/>
Other (Specify, maximum of 5 entries allowed)	<div style="border: 1px solid black; height: 20px;"></div>

Specify:

Amount:

Minimum Residential Periodic Charge

Minimum Residential Periodic Charge (Report in Dollars and Cents: 1.25)	<div style="border: 1px solid black; padding: 2px;">27.16</div>
Water Included In Min. Periodic Charge (In Cubic Feet)	<div style="border: 1px solid black; height: 20px;"></div>
Minimum Periodic Charge Covers (In Months)	<div style="border: 1px solid black; padding: 2px;">2</div>
Number of Accounts - Direct Customers - Within City Limits	<div style="border: 1px solid black; padding: 2px;">5,127</div>
Number of Accounts - Direct Customers - Outside City Limits	<div style="border: 1px solid black; height: 20px;"></div>
Number of Accounts - Other Water Utilities or Agencies	<div style="border: 1px solid black; height: 20px;"></div>

Use Whole Acre Feet for Quantities of Water Below:*

Water Purchased from Other Agencies	<div style="border: 1px solid black; padding: 2px;">17</div>
Total Water Introduced into System	<div style="border: 1px solid black; padding: 2px;">3,228</div>
Water Sold to Direct Customers	<div style="border: 1px solid black; padding: 2px;">2,761</div>
Water Sold to Other Water Utilities or Agencies	<div style="border: 1px solid black; padding: 2px;">0</div>
Water Sold to or Used by City (Not Accounted For In Line 9 or 10 Above)	<div style="border: 1px solid black; padding: 2px;">9</div>
Water Lost Through System	<div style="border: 1px solid black; padding: 2px;">458</div>
Total Water Sold, Used, or Lost	<div style="border: 1px solid black; padding: 2px;">\$3,228</div>
Water Services Provided by Other Than the City (Yes or No)	<div style="border: 1px solid black; padding: 2px;">No</div>

Conversion Table

1 Acre Foot = 43,560 Cubic Feet	1 Cubic Foot = 7.48052 Gallons
1 Acre Foot = 325,851 Gallons	(Round to the Nearest Acre Foot)

City of San Fernando
Cities Financial Transactions Report - Other Activity/Enterprise
Operating Revenue

Fiscal Year 2012

Enterprise Name

Housing

Is This Function Accounted for as an Enterprise Fund?

No

Charges for Service

Other Operating Revenue

Total Operating Revenue

\$0

Operating Expense

Personal Services

Contractual Services

Supplies

Materials

Other Operating Expenses

General and Administrative Expenses

8,190

Depreciation Expense

Total Operating Expense

\$8,190

Operating Income (Loss)

(\$8,190)

Non-Operating Revenue

Interest

State

331,882

Federal

County

Gain on Sale of Assets

Other

Total Non-Operating Revenue

\$331,882

Non-Operating Expense

Interest

71,692

Loss on Sale of Assets

Other

Total Non-Operating Expense

\$71,692

City of San Fernando
Cities Financial Transactions Report - Other Activity/Enterprise
Operating Revenue

Fiscal Year 2012

Enterprise Name

Operating Transfers In (Out)

Net Income (Loss)

Depreciation that Reduces Contributed Capital

Increase (Decrease) in Retained Earnings

Retained Earnings, Beginning

Adjustments

Reason for Adjustments

Residual Equity Transfers In (Out)

Retained Earnings, Ending

Equity

Contributed Capital: (Current Year)

State

Federal

County

Contribution from Non-Government Sources

Other

Total Current Year Contributions

Residual Equity Transfers In (Out)

Depreciation Applied to Contributed Capital

Net Increase (Decrease) to Contributed Capital

Contributed Capital, Beginning

Adjustments

Reason for Adjustments

Contributed Capital, Ending

Retained Earnings, Ending

Total Equity, Ending

Retained Earnings - Reserved

Retained Earnings - Unreserved

City of San Fernando
Cities Financial Transactions Report - Other Activity/Enterprise
Operating Revenue

Fiscal Year 2012

Enterprise Name

Housing

Revenue/Expenditure Schedule Adjustments

Total Proceeds from Sale of Assets

Principal Payments on Debt Service

Capital Lease Payments

Current Year Capital Outlay

Other (Specify, maximum of 5 entries allowed)

252,000

Specify:

Amount:

Activity/Enterprise Types

Cemeteries

Golf Courses

Hospitals and Sanitariums

Housing

Parking Facilities

Ports and Harbors

Solid Waste

Sports Arena / Stadiums

Other: (Specify)

City of San Fernando
Cities Financial Transactions Report - Other Activity/Enterprise
Operating Revenue

Fiscal Year 2012

Enterprise Name

Is This Function Accounted for as an Enterprise Fund?

Charges for Service

Other Operating Revenue

Total Operating Revenue

Operating Expense

Personal Services

Contractual Services

Supplies

Materials

Other Operating Expenses

General and Administrative Expenses

Depreciation Expense

Total Operating Expense

Operating Income (Loss)

Non-Operating Revenue

Interest

State

Federal

County

Gain on Sale of Assets

Other

Total Non-Operating Revenue

Non-Operating Expense

Interest

Loss on Sale of Assets

Other

Total Non-Operating Expense

City of San Fernando
Cities Financial Transactions Report - Other Activity/Enterprise
Operating Revenue

Fiscal Year 2012

Enterprise Name Parking Facilities

Operating Transfers In (Out)

Net Income (Loss) \$35,666

Depreciation that Reduces Contributed Capital

Increase (Decrease) in Retained Earnings \$0

Retained Earnings, Beginning \$0

Adjustments

Reason for Adjustments

Residual Equity Transfers In (Out)

Retained Earnings, Ending \$0

Equity

Contributed Capital: (Current Year)

State

Federal

County

Contribution from Non-Government Sources

Other

Total Current Year Contributions \$0

Residual Equity Transfers In (Out)

Depreciation Applied to Contributed Capital

Net Increase (Decrease) to Contributed Capital \$0

Contributed Capital, Beginning \$0

Adjustments

Reason for Adjustments

Contributed Capital, Ending \$0

Retained Earnings, Ending \$0

Total Equity, Ending \$0

Retained Earnings - Reserved

Retained Earnings - Unreserved \$0

City of San Fernando

Cities Financial Transactions Report - Other Activity/Enterprise

Operating Revenue

Fiscal Year 2012

Enterprise Name

Parking Facilities

Revenue/Expenditure Schedule Adjustments

Total Proceeds from Sale of Assets

Principal Payments on Debt Service

Capital Lease Payments

Current Year Capital Outlay

Other (Specify, maximum of 5 entries allowed)

Specify:

Amount:

Activity/Enterprise Types

Cemeteries

Golf Courses

Hospitals and Sanitariums

Housing

Parking Facilities

Ports and Harbors

Solid Waste

Sports Arena / Stadiums

Other: (Specify)

City of San Fernando
Cities Financial Transactions Report - Other Activity/Enterprise
Operating Revenue

Fiscal Year 2012

Enterprise Name

Is This Function Accounted for as an Enterprise Fund?

Charges for Service

Other Operating Revenue

Total Operating Revenue

Operating Expense

Personal Services

Contractual Services

Supplies

Materials

Other Operating Expenses

General and Administrative Expenses

Depreciation Expense

Total Operating Expense

Operating Income (Loss)

Non-Operating Revenue

Interest

State

Federal

County

Gain on Sale of Assets

Other

Total Non-Operating Revenue

Non-Operating Expense

Interest

Loss on Sale of Assets

Other

Total Non-Operating Expense

City of San Fernando
Cities Financial Transactions Report - Other Activity/Enterprise
Operating Revenue

Fiscal Year 2012

Enterprise Name	Solid Waste
Operating Transfers In (Out)	
Net Income (Loss)	\$99,900
Depreciation that Reduces Contributed Capital	
Increase (Decrease) in Retained Earnings	\$99,900
Retained Earnings, Beginning	(\$96,262)
Adjustments	14,834
Reason for Adjustments	adj to Py ending balance
Residual Equity Transfers In (Out)	
Retained Earnings, Ending	\$18,472
Equity	
Contributed Capital: (Current Year)	
State	
Federal	
County	
Contribution from Non-Government Sources	
Other	
Total Current Year Contributions	\$0
Residual Equity Transfers In (Out)	
Depreciation Applied to Contributed Capital	
Net Increase (Decrease) to Contributed Capital	\$0
Contributed Capital, Beginning	\$0
Adjustments	
Reason for Adjustments	
Contributed Capital, Ending	\$0
Retained Earnings, Ending	\$18,472
Total Equity, Ending	\$18,472
Retained Earnings - Reserved	
Retained Earnings - Unreserved	\$18,472

City of San Fernando

Cities Financial Transactions Report - Other Activity/Enterprise

Operating Revenue

Fiscal Year 2012

Enterprise Name

Solid Waste

Revenue/Expenditure Schedule Adjustments

Total Proceeds from Sale of Assets

Principal Payments on Debt Service

Capital Lease Payments

Current Year Capital Outlay

Other (Specify, maximum of 5 entries allowed)

Specify:**Amount:**

Activity/Enterprise Types

Cemeteries

Golf Courses

Hospitals and Sanitariums

Housing

Parking Facilities

Ports and Harbors

Solid Waste

Sports Arena / Stadiums

Other: (Specify)

City of San Fernando

Cities Financial Transactions Report

Detailed Summary of Functional Revenues For Fiscal Year 2012

Functional Revenue:**Expenditures:****Construction Permits**

Construction and Engineering Regulation Enforcement	\$229,748
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Sub Total:	\$229,748
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Contributions from Non-Govt Sources

Parks and Recreation	\$17,533
----------------------	----------

Sub Total:	\$17,533
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Engineering Fees Inspection and Other

Construction and Engineering Regulation Enforcement	\$58,790
--	----------

Sub Total:	\$58,790
-------------------	-----------------

Gasoline Tax

Streets/Highways/Storm Drains	\$707,716
-------------------------------	-----------

Sub Total:	\$707,716
-------------------	------------------

Homeowners Property Tax Relief

Management and Support	\$42,054
------------------------	----------

Sub Total:	\$42,054
-------------------	-----------------

Voter Approved Indebtedness Property Taxes

Management and Support	\$3,276,417
------------------------	-------------

Sub Total:	\$3,276,417
-------------------	--------------------

Investment Earnings

Streets/Highways/Storm Drains	\$196
-------------------------------	-------

Parks and Recreation	\$64
----------------------	------

Management and Support	\$2,137
------------------------	---------

Sub Total:	\$2,397
-------------------	----------------

Lighting

Street Lighting	\$314,889
-----------------	-----------

City of San Fernando

Cities Financial Transactions Report

Detailed Summary of Functional Revenues For Fiscal Year 2012

Functional Revenue:**Expenditures:**

	Sub Total:	\$314,889
--	------------	-----------

Parks and Recreation Fees

Parks and Recreation	\$710,623
----------------------	-----------

	Sub Total:	\$710,623
--	------------	-----------

Peace Officers Standards and Training

Police	\$7,319
--------	---------

	Sub Total:	\$7,319
--	------------	---------

Prop. 172-Public Safety

Police	\$169,106
--------	-----------

	Sub Total:	\$169,106
--	------------	-----------

Quasi-External Transactions

Management and Support	\$925,581
------------------------	-----------

	Sub Total:	\$925,581
--	------------	-----------

Special Police Department Services

Police	\$506,885
--------	-----------

	Sub Total:	\$506,885
--	------------	-----------

Street Sidewalk and Curb Repairs

Streets/Highways/Storm Drains	\$226,551
-------------------------------	-----------

	Sub Total:	\$226,551
--	------------	-----------

Vehicle Code Fines

Police	\$875,316
--------	-----------

	Sub Total:	\$875,316
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Weed and Lot Cleaning

Weed Abatement	\$613
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	Sub Total:	\$613
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City of San Fernando

Cities Financial Transactions Report

Detailed Summary of Functional Revenues For Fiscal Year 2012

Functional Revenue:**Expenditures:****Zoning Fees and Subdivision Fees**

Construction and Engineering	\$51,818
Regulation Enforcement	

Sub Total:	\$51,818
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City of San Fernando

Cities Financial Transactions Report - Schedule of General and Functional Revenues

Taxes

Fiscal Year 2012

	Functional Revenues A	General Revenues B	Total Revenues C
Taxes			
Secured and Unsecured Property Taxes		1,340,511	
Supplement Roll Secured and Unsecured Property Taxes			
Property Tax In-Lieu of Vehicle License Fees		1,874,672	
Voter Approved Indebtedness Property Taxes	\$3,276,417		
Supplemental Roll Voter Approved Indebtedness Property Taxes			
Property Taxes - Prior		39,855	
Supplemental Roll Property Taxes-Prior			
Other Property Taxes			
Interest, Penalties, and Delinquent Taxes		213,270	
Sale and Use Taxes		2,688,391	
In-Lieu Local Sales and Use Taxes		603,373	
Transportation Taxes - Transit	\$12,238		
Transportation Taxes - Non Transit			
Transient Lodging Taxes			
Franchises		307,119	
Business License Taxes		1,082,583	
Real Property Transfer Taxes			
Utility Users Taxes			
Construction Development Taxes			
Other Non-Property Taxes			
Admission Tax		833,710	
Parking Tax			
Other (Specify)	\$0	\$39,225	

City of San Fernando

Cities Financial Transactions Report - Schedule of General and Functional Revenues

Taxes

Fiscal Year 2012

Specify Functional Revenues

Select Expenditure
Function

Functional
Revenue

Specify General Revenues

General Revenues

Documentary Tax	39,225
Total:	\$39,225

Total

\$3,288,655

\$9,022,709

\$12,311,364

City of San Fernando

Cities Financial Transactions Report - Schedule of General and Functional Revenues

Special Benefit Assessments for Operations

Fiscal Year 2012

Functional Revenues
A
Special Benefit Assessments for Operations

Fire	
Paramedics	
Police	
Lighting	\$314,889
Other (Specify, maximum of 5 entries allowed)	\$0

Specify Functional Revenues
**Select Expenditure
Function**
**Functional
Revenue**

Total
\$314,889

City of San Fernando

Cities Financial Transactions Report - Schedule of General and Functional Revenues

Licenses and Permits

Fiscal Year 2012

Functional Revenues	General Revenues	Total Revenues
A	B	C

Licenses and Permits

Animal Licenses		
Bicycle Licenses		
Construction Permits	\$229,748	
Street and Curb Permits		
Other Licenses and Permits (Specify)	\$49,419	\$0

Specify Functional Revenues

Select Expenditure Function

Functional Revenue

Banner and Sign Permits	Management and Support	11,052
Business License Permits	Management and Support	17,759
Garage Sale Permits	Management and Support	3,810
Planning Review	Planning	16,798
Total		\$49,419

Specify General Revenues

General Revenues

Total

\$279,167

\$0

\$279,167

City of San Fernando
Cities Financial Transactions Report - Schedule of General and Functional Revenues

Fines and Forfeitures and Revenue from Use of Money and Property

Fiscal Year	2012	Functional Revenues A	General Revenues B	Total Revenues C
Fines and Forfeitures				
Vehicle Code Fines		\$875,316		
Other Fines			10,471	
Forfeitures and Penalties				
Total		\$875,316	\$10,471	\$885,787
Revenue from Use of Money and Property				
Investment Earnings		\$11,463	575	
Rents and Concessions			475,926	
Royalties				
Other 1				
Other 2				
Total		\$11,463	\$476,501	\$487,964

City of San Fernando

Cities Financial Transactions Report - Schedule of General and Functional Revenues

Intergovernmental - State

Fiscal Year 2012

Functional
Revenues

A

General
Revenues

B

Total Revenues

C

Intergovernmental - State

Motor Vehicle In-Lieu Tax		42,294	
Homeowners Property Tax Relief	\$42,054	10,897	
Gasoline Tax	\$707,716		
Peace Officers Standards and Training	\$7,319		
Off Highway Motor Vehicle In-Lieu Fee			

Other State Grants

Mandated Cost		13,080	
Other 1			
Other 2			
Prop. 172 - Public Safety	\$169,106		
Other State Grants from Enterprise Activities	\$331,882		
Other State Grants (Specify)	\$1,002,002		

Specify Functional Revenues

Select Expenditure Function

Functional Revenue

Arts Council	Parks and Recreation	1,080
Asset Forfeiture	Police	2,350
CA Arts	Parks and Recreation	9,000
COPS	Police	100,000
COPS Safe School	Police	147,671
Corrections	Police	6,303
DUI	Police	6,184
Park Outdoor Fitness	Parks and Recreation	44,162
Senior Meals	Parks and Recreation	90,161
Street Improvements	Streets/Highways/Storm Drains	343,713
Traffic Safety	Streets/Highways/Storm Drains	109,765
Virtual Patrol Program	Police	141,613
Total:		\$1,002,002

Total

\$2,260,079

\$66,271

\$2,326,350

City of San Fernando

Cities Financial Transactions Report - Schedule of General and Functional Revenues

Intergovernmental - Federal, County, and Other Taxes In-Lieu

Fiscal Year 2012

Functional Revenues	General Revenues	Total Revenues
A	B	C

Intergovernmental - Federal

Community Development Block Grant		
Workforce Investment Act (WIA)		
Other Federal Grants from Enterprise Activities	\$0	
Other Federal Grants (Specify)	\$454,429	

Specify Functional Revenues
**Select Expenditure
Function**
**Functional
Revenue**

CHRP	Police	252,236
Endowment for Arts	Parks and Recreation	17,798
Energy Efficiency Conservation	Community Promotion	132,666
Learning in the Arts	Parks and Recreation	38,000
Recycling	Management and Support	13,598
Title III Telephone Reassurance	Management and Support	131
Total:		\$454,429

Total	\$454,429	\$454,429
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Intergovernmental - County

County Grants of State Gasoline Tax		
Other County Grants from Enterprise Activities	\$0	
Other County Grants		
Total	\$0	\$0
Other Taxes In-Lieu		\$0

City of San Fernando

Cities Financial Transactions Report - Schedule of General and Functional Revenues

Current Service Charges

Fiscal Year 2012

Functional Revenues

Current Service Charges

Zoning Fees and Subdivision Fees	\$51,818
Special Police Department Services	\$506,885
Special Fire Department Services	
Plan Checking Fees	
Animal Shelter Fee and Charges	
Engineering Fees Inspection and Other	\$58,790
Street, Sidewalk, and Curb Repairs	\$226,551
Weed and Lot Cleaning	\$613
Sewer Service Charges	\$2,568,766
Sewer Connection Fees	\$0
Solid Waste Revenues	\$1,122,709
Sales of Refuse	
First Aid and Ambulance Charges	
Library Fines and Fees	
Parking Facility	\$208,760
Parks and Recreation Fees	\$710,623
Golf Courses Fees	\$0
Water Service Charges	\$2,756,608
Water Connection Fees	\$22,899
Electric Revenues	\$0
Gas Revenues	\$0
Airport Revenues	\$0
Cemetery Revenues	\$0
Housing Revenues	\$0
Ports and Harbor Revenues	\$0
Hospital Revenues	\$0
Transit Revenues	\$24,101
Stadium Revenues	\$0

City of San Fernando

Cities Financial Transactions Report - Schedule of General and Functional Revenues

Current Service Charges

Fiscal Year 2012

Functional Revenues

Quasi-External Transactions

\$925,581

Other Current Service Charges (Specify)

\$1,387,884

Specify Functional Revenues

Select Expenditure Function

Functional Revenue

Administrative Overhead	Management and Support	1,087,925
CNG Fueling Station	Management and Support	183,551
Duplicating Fees	Management and Support	15,086
Mall Maintenance Levy	Management and Support	101,322
		Total:
		\$1,387,884

Total

\$10,572,588

City of San Fernando

Cities Financial Transactions Report - Schedule of General and Functional Revenues

Other Revenues

Functional Revenues A	General Revenues B	Total Revenues C
-----------------------------	--------------------------	------------------------

Fiscal Year 2012

Other Revenues

Sale of Real and Personal Property	\$0	120,000	
Contributions from Non-Govt. Sources for Enterprise Activities	\$0		
Contributions from Non-Govt. Sources	\$17,533		
Other Revenues from Enterprise Activities	\$599,777		
Other Sources of Revenues (Specify)	\$276,633	\$82,777	

Specify Functional Revenues

Select Expenditure Function

Functional Revenue

Equipment Replacements and Reimbursements	Management and Support	276,633
Total		\$276,633

Specify General Revenues

General Revenues

ATM Transaction Fee	1,543
Refund of Excise Taxes	81,234
Total:	\$82,777

Total	\$893,943	\$202,777	\$1,096,720
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City of San Fernando
Cities Financial Transactions Report - Schedule of General and Functional Revenues
Other Financing Sources and Grand Total Revenues

Fiscal Year 2012

	Functional Revenues A	General Revenues B	Total Revenues C
Other Financing Sources			
General Obligation Bond Proceeds	\$0		
Revenue Bond Proceeds	\$0		
Improvement District Bond Proceeds	\$0		
Limited Obligation Bond Proceeds	\$0		
Note Proceeds	\$0		
Other Debt Proceeds	\$0		
Total	\$0		\$0
Grand Total Functional and General Revenue	\$18,950,529	\$9,778,729	\$28,729,258

City of San Fernando

Cities Financial Transactions Report - Schedule of Net Expenditures

General Government and Public Safety

Fiscal Year 2012

Operating
Expenditures
A

Capital Outlay
B

Debt Service
C

Total
Expenditures
D

Functional
Revenues
E

Net Expenditures/
(Excess) Revenues
F

General Government

Legislative	602,305			\$602,305	\$0	\$602,305
Management and Support	7,153,269	24,050		\$7,177,319	\$5,957,056	\$1,220,263
Total	\$7,755,574	\$24,050	\$0	\$7,779,624	\$5,957,056	\$1,822,568

Public Safety

Police	6,414,892	79,767		\$6,494,659	\$2,214,983	\$4,279,676
Fire	2,632,799			\$2,632,799	\$0	\$2,632,799
Emergency Medical Service	10,000			\$10,000	\$0	\$10,000
Animal Regulation				\$0	\$0	\$0
Weed Abatement				\$0	\$613	(\$613)
Street Lighting	419,420	3,000		\$422,420	\$314,889	\$107,531
Disaster Preparedness				\$0	\$0	\$0
Other Public Safety 1				\$0	\$0	\$0
Other Public Safety 2				\$0	\$0	\$0
Total	\$9,477,111	\$82,767	\$0	\$9,559,878	\$2,530,485	\$7,029,393

City of San Fernando
Cities Financial Transactions Report - Schedule of Net Expenditures

Transportation and Community Development

Fiscal Year 2012

	Operating Expenditures	Capital Outlay	Debt Service	Total Expenditures	Functional Revenues	Net Expenditures/ (Excess) Revenues
	A	B	C	D	E	F

Transportation

Streets / Highway / Storm Drains	650,805	237,005		\$887,810	\$1,387,941	(\$500,131)
Streets Trees / Landscaping	90,354	1,242		\$91,596	\$0	\$91,596
Parking Facility	\$173,094	\$0	\$0	\$173,094	\$208,760	(\$35,666)
Public Transit	\$793,372	\$0	\$0	\$793,372	\$636,206	\$157,166
Airports	\$0	\$0	\$0	\$0	\$0	\$0
Ports and Harbor	\$0	\$0	\$0	\$0	\$0	\$0
Other Transportation 1				\$0	\$0	\$0
Other Transportation 2				\$0	\$0	\$0
Total	\$1,707,625	\$238,247	\$0	\$1,945,872	\$2,232,907	(\$287,035)

Community Development

Planning	439,699	3,601		\$443,300	\$16,798	\$426,502
Construction and Engineering Regulation	334,454	618		\$335,072	\$340,356	(\$5,284)
Redevelopment				\$0	\$0	\$0
Housing	\$8,190	\$0	\$323,692	\$331,882	\$331,882	\$0
Employment				\$0	\$0	\$0
Community Promotion	72,486			\$72,486	\$132,666	(\$60,180)
Other Community Development 1				\$0	\$0	\$0
Other Community Development 2				\$0	\$0	\$0
Total	\$854,829	\$4,219	\$323,692	\$1,182,740	\$821,702	\$361,038

City of San Fernando

Cities Financial Transactions Report - Schedule of Net Expenditures

Health and Culture and Leisure

Fiscal Year 2012

Operating Expenditures	Capital Outlay	Debt Service	Total Expenditures	Functional Revenues	Net Expenditures/ (Excess) Revenues
------------------------	----------------	--------------	--------------------	---------------------	-------------------------------------

A	B	C	D	E	F
---	---	---	---	---	---

Health

Physical and Mental Health				\$0	\$0	\$0
Hospitals and Sanitariums	\$0	\$0	\$0	\$0	\$0	\$0
Solid Waste	\$1,022,809	\$0	\$0	\$1,022,809	\$1,122,709	(\$99,900)
Sewers	\$2,304,755	\$0	\$0	\$2,304,755	\$2,577,311	(\$272,556)
Cemeteries	\$0	\$0	\$0	\$0	\$0	\$0
Other Health 1				\$0	\$0	\$0
Other Health 2				\$0	\$0	\$0
Total	\$3,327,564	\$0	\$0	\$3,327,564	\$3,700,020	(\$372,456)

Culture and Leisure

Parks and Recreation	2,291,391	51,272		\$2,342,663	\$928,421	\$1,414,242
Marina and Wharfs				\$0	\$0	\$0
Libraries				\$0	\$0	\$0
Museums				\$0	\$0	\$0
Golf Courses	\$0	\$0	\$0	\$0	\$0	\$0
Sports Arenas and Stadiums	\$0	\$0	\$0	\$0	\$0	\$0
Community Centers and Auditoriums				\$0	\$0	\$0
Other Culture and Leisure 1				\$0	\$0	\$0
Other Culture and Leisure 2				\$0	\$0	\$0
Total	\$2,291,391	\$51,272	\$0	\$2,342,663	\$928,421	\$1,414,242

City of San Fernando

Cities Financial Transactions Report - Schedule of Net Expenditures

Public Utilities, Other, and Grand Total

Fiscal Year 2012

	Operating Expenditures A	Capital Outlay B	Debt Service C	Total Expenditures D	Functional Revenues E	Net Expenditures/ (Excess) F
Public Utilities						
Water	\$2,869,259	\$0	\$0	\$2,869,259	\$2,779,938	\$89,321
Gas	\$0	\$0	\$0	\$0	\$0	\$0
Electric	\$0	\$0	\$0	\$0	\$0	\$0
Other Public Utilities 1				\$0	\$0	\$0
Other Public Utilities 2				\$0	\$0	\$0
Total	\$2,869,259	\$0	\$0	\$2,869,259	\$2,779,938	\$89,321
Other Expenditure 1				\$0	\$0	\$0
Other Expenditure 2				\$0	\$0	\$0
Total	\$0	\$0	\$0	\$0	\$0	\$0
Grand Total	\$28,283,353	\$400,555	\$323,692	\$29,007,600	\$18,950,529	\$10,057,071

City of San Fernando
Cities Financial Transactions Report - Schedule of Total Expenditures By Major Object Classification

Object Class

Fiscal Year	2012	Operating Expenditures	Capital Outlay	Debt Service	Total Expenditures
		A	B	C	D
Operating Expenditures					
Salaries and Wages		8,934,871			\$8,934,871
Retirement		3,292,075			\$3,292,075
Other Employee Benefits		2,997,493			\$2,997,493
Contract Services					
Private		6,048,381			\$6,048,381
Other Governmental Agencies					\$0
Material, Supplies, and Other		7,010,533	206,710		\$7,217,243
Capital Outlay					
Equipment			21,070		\$21,070
Land					
Building and Improvement			172,775		\$172,775
Debt Service					
Interest				71,692	\$71,692
Principal				252,000	\$252,000
Lease Payments					
Total		\$28,283,353	\$400,555	\$323,692	\$29,007,600
Supplemental Data					
Expenditures Pursuant to Competitive Bidding					
Other Than Competitive Bidding					
Total					\$0

City of San Fernando
Cities Financial Transactions Report - Construction Financed By the United States and/or The State Of California
Loan Types

Fiscal Year	2012
--------------------	------

Purpose of Loan	Section 108-Regional Swimming Pool Facility
Loan Type	Loans
Year of Issue	2005
Year Begin	2006
Year End	2017
Amount Extended	3,000,000
Repayment Obligation	3,000,000
Amount Outstanding, Beginning of Fiscal Year	\$1,764,000
Amount Repaid in Current Year	252,000
Adjustments in Current Year	
Reason for Adjustments in Current Year	
Amount of Principal Repaid to Date	\$490,000
Amount Outstanding at End of Fiscal Year	\$1,512,000
Current Year Interest Payment	93,297
Principal Amount Delinquent	
Interest Amount Delinquent	
Unpaid Due to Lack of Funds, Describe the Nature and Extent of Revenue that is Pledged in the Debt Covenant as Additional Security for the Debt	

Loan Types

Notes

Loans

Other

City of San Fernando
Cities Financial Transactions Report - Check List of Services Provided
Service

Fiscal Year 2012

Service

(Please see * below for codes to enter)

Police	<input type="text" value="A"/>
Fire	<input type="text" value="C"/>
Emergency Medical	<input type="text" value="C"/>
Street Lighting	<input type="text" value="AJ"/>
Public Transit	<input type="text" value="EJ"/>
Community Development - Planning	<input type="text" value="A"/>
Solid Waste	<input type="text" value="EI"/>
Sewers	<input type="text" value="AC"/>
Parks and Recreation	<input type="text" value="AB"/>
Libraries	<input type="text" value="I"/>
Water	<input type="text" value="A"/>

*** Service Codes**

A = Provided By Paid City Employees	B = Provided By City Volunteers
Provided Wholly, or in Part, Through Contract With:	Provided Wholly, or in Part, Without Contract By Other Local Agency:
C = Another City	G = Another City
D = County	H = Special District or Other Public Agency
E = Private Sector	I = County
F = Special District or Other Public Agency	J = Private Sector
	K = Service Not Provided Within City

	Number of Paid City Employees A	Number of Volunteers B	Total Number of Employees C
Police Protection	62	11	73
Police Officers	43	11	54
Fire Protection			0
Fire Fighters			0
Emergency Medical			0

If Your City Reports Transient Lodging Tax; What Is the Tax Rate?	<input type="text"/>
What Is the Effective Date of the Current Tax Rate? (00/00/0000)	<input type="text"/>
If Your City Reports Utility User Tax; What Is the Tax Rate?	<input type="text"/>

City of San Fernando

Cities Financial Transactions Report - Worksheet for Completing Balance Sheet

Governmental Funds

Fiscal Year 2012

	General	Special Revenue	Debt Service	Capital Projects
Assets				
Cash and Investments	199,405	-941,562		
Fixed Assets				
Other Assets	1,427,015	3,099,256		
Total Assets	\$1,626,420	\$2,157,694	\$0	\$0
Net Current Assets	\$1,626,420	\$2,157,694	\$0	\$0
Liabilities				
Accounts Payable	725,941	351,397		
Compensated Absences				
Other Liabilities 1	825,220	2,186,457		
Other Liabilities 2				
Other Liabilities 3				
Total Liabilities	\$1,551,161	\$2,537,854	\$0	\$0
Net Current Liabilities	\$1,551,161	\$2,537,854	\$0	\$0
Working Capital	\$75,259	(\$380,160)	\$0	\$0
Fund Equity	\$75,259	(\$380,160)	\$0	\$0
Fund Balance				
Reserved		848,678		
Unreserved Designated				
Unreserved Undesignated	75,259	-1,228,838		
Total Fund Equity	\$75,259	(\$380,160)	\$0	\$0

City of San Fernando

Cities Financial Transactions Report - Worksheet for Completing Balance Sheet

Proprietary Funds Types

Fiscal Year 2012

Assets	Enterprise	Internal Service
Cash and Investments	6,758,155	
Fixed Assets	15,256,941	
Other Assets	3,388,881	
Total Assets	\$25,403,977	\$0
Less: Non-Current Assets	18,914,945	
Net Current Assets	\$6,489,032	\$0
Liabilities		
Accounts Payable	552,096	
Compensated Absences		
General Obligation (Bonded Debt)		
Revenue (Bonded Debt)		
Other Debt (Bonded Debt)		
Notes (Other Long-Term Debt)		
Loans (Other Long-Term Debt)		
Other (Other Long-Term Debt)		
Notes (State or Federal Financing)		
Loans (State or Federal Financing)		
Other (State or Federal Financing)		
Lease Principal		
Other Liabilities 1	1,687,711	
Other Liabilities 2		
Other Liabilities 3		
Total Liabilities	\$2,239,807	\$0
Less: Non-Current Liability		
Net Current Liabilities	\$2,239,807	\$0
Working Capital	\$4,249,225	\$0
Fund Equity	\$23,164,170	\$0
Contributed Capital	\$0	\$0
Retained Earnings		
Reserved	\$0	\$0
Unreserved	\$23,164,170	\$0
Total Fund Equity	\$23,164,170	\$0

City of San Fernando
Cities Financial Transactions Report - Worksheet for Completing Balance Sheet

Fiduciary Fund Types

Fiscal Year 2012

	Agency	Expendable Trust	Non-Expendable Trust	Trust and Agency
Asset				
Cash and Investments	18,051			\$18,051
Fixed Assets				\$0
Other Assets				\$0
Total Assets	\$18,051	\$0	\$0	\$18,051
Less: Non-Current Assets				\$0
Net Current Assets	\$18,051	\$0	\$0	\$18,051
Liabilities				
Accounts Payable				\$0
Compensated Absences				\$0
General Obligation (Bonded Debt)				\$0
Revenue (Bonded Debt)				\$0
Other Debt (Bonded Debt)				\$0
Notes (Other Long-Term Debt)				\$0
Loans (Other Long-Term Debt)				\$0
Other (Other Long-Term Debt)				\$0
Notes (State or Federal Financing)				\$0
Loans (State or Federal Financing)				\$0
Other (State or Federal Financing)				\$0
Lease Principal				\$0
Other Liabilities 1	18,051			\$18,051
Other Liabilities 2				\$0
Other Liabilities 3				\$0
Total Liabilities	\$18,051	\$0	\$0	\$18,051
Less: Non-Current Liability				\$0
Net Current Liabilities	\$18,051	\$0	\$0	\$18,051
Working Capital		\$0	\$0	\$0
Fund Equity		\$0	\$0	\$0
Retained Earnings				
Reserved				
Unreserved				
Fund Balance				
Reserved				\$0
Unreserved Designated				\$0
Unreserved Undesignated				\$0
Total Fund Equity		\$0	\$0	\$0

City of San Fernando

Cities Financial Transactions Report - Worksheet for Completing Balance Sheet

Account Groups

Fiscal Year 2012

	General Fixed Assets	General Long-Term Debt	Total
Cash and Investments			\$6,034,049
Fixed Assets	96,316,375		\$111,573,316
Other Assets		3,561,712	\$11,476,864
Total Assets	\$96,316,375	\$3,561,712	\$129,084,229
Less: Non-Current Assets	\$96,316,375	\$3,561,712	\$118,793,032
Net Current Assets	\$0	\$0	\$10,291,197
Accounts Payable			\$1,629,434
Compensated Absences		2,049,712	\$2,049,712
General Obligation (Bonded Debt)			\$0
Revenue (Bonded Debt)			\$0
Other Debt (Bonded Debt)			\$0
Notes (Other Long-Term Debt)			\$0
Loans (Other Long-Term Debt)			\$0
Other (Other Long-Term Debt)			\$0
Notes (State or Federal Financing)			\$0
Loans (State or Federal Financing)		1,512,000	\$1,512,000
Other (State or Federal Financing)			\$0
Lease Principal			\$0
Other Liabilities 1			\$4,717,439
Other Liabilities 2			\$0
Other Liabilities 3			\$0
Total Liabilities		\$3,561,712	\$9,908,585
Less: Non-Current Liabilities		\$3,561,712	\$3,561,712
Net Current Liabilities		\$0	\$6,346,873
Working Capital			\$3,944,324
Fund Equity	\$96,316,375		\$119,175,644
Contributed Capital			\$0
Invest In General Fixed Assets	96,316,375		\$96,316,375
Reserved			\$0
Unreserved			\$23,164,170
Fund Balance			
Reserved			\$848,678
Unreserved Designated			\$0
Unreserved Undesignated			(\$1,153,579)
Total Fund Equity	\$96,316,375		\$119,175,644

City of San Fernando

Cities Financial Transactions Report - Debt Service Reconciliation

Debt Service Reconciliation Balance Sheet and Debt Pages

Fiscal Year 2012

Debt Service Reconciliation Income Statement and Debt Pages	Current Year Redeemed
Bonded Debt	0
Other Long-Term Debt	0
State or Federal Financing	252,000
Lease Payments	0
Total Debt Service	\$252,000
Debt Service from Schedule of Total Expenditures By Major Object Classification	252,000
Difference Should Be Zero	0
Explanation	

Debt Service Reconciliation Balance Sheet and Debt Pages	Long-Term Debt from Balance Sheet	Outstanding Long-Term Debt	Adjustments * (Please Explain with Footnote)	Difference After Adjustments Must Be Zero
Bonded Debt	A	B	C	D
General Obligation	0	0		\$0
Revenue	0	0		\$0
Other Debt	0	0		\$0
Other Long-Term Debt				
Notes	0	0		\$0
Loans	0	0		\$0
Other	0	0		\$0
State or Federal Financing				
Notes	0	0		\$0
Loan	1,512,000	1,512,000		\$0
Other	0	0		\$0
Lease Principal	0	0		\$0

City of San Fernando

Cities Financial Transactions Report - Consolidated Statement of Assets, Liabilities, and Fund Balances/Working Capital

Balance Sheet

Fiscal Year 2012

	General	Special Revenue	Debt Service	Capital Projects
	A	B	C	D
Total Assets	\$1,626,420	\$2,157,694	\$0	\$0
Less: Non-Current Assets				
Net Current Assets	\$1,626,420	\$2,157,694	\$0	\$0
Total Liabilities	\$1,551,161	\$2,537,854	\$0	\$0
Non-Current Liabilities				
Net Current Liabilities	\$1,551,161	\$2,537,854	\$0	\$0
Working Capital	\$75,259	(\$380,160)	\$0	\$0
Fund Equity	\$75,259	(\$380,160)	\$0	\$0
Contributed Capital				
Investment in General				
Fixed Assets				
Retained Earnings				
Reserved				
Unreserved				
Fund Balance				
Reserved	\$0	\$848,678	\$0	\$0
Unreserved - Designated	\$0	\$0	\$0	\$0
Unreserved - Undesignated	\$75,259	(\$1,228,838)	\$0	\$0
Total Fund Equity	\$75,259	(\$380,160)	\$0	\$0

City of San Fernando

Cities Financial Transactions Report - Consolidated Statement of Assets, Liabilities, and Fund Balances/Working Capital

Balance Sheet

Fiscal Year 2012

	Enterprise	Internal Service	Trust and Agency
	E	F	G
Total Assets	\$25,403,977	\$0	\$18,051
Less: Non-Current Assets	\$18,914,945	\$0	\$0
Net Current Assets	\$6,489,032	\$0	\$18,051
Total Liabilities	\$2,239,807	\$0	\$18,051
Non-Current Liabilities	\$0	\$0	\$0
Net-Current Liabilities	\$2,239,807	\$0	\$18,051
Working Capital	\$4,249,225	\$0	\$0
Fund Equity	\$23,164,170	\$0	\$0
Contributed Capital	\$0	\$0	
Investment in General			
Fixed Assets			
Retained Earnings			
Reserved	\$0	\$0	
Unreserved	\$23,164,170	\$0	
Fund Balance			
Reserved			\$0
Unreserved - Designated			\$0
Unreserved - Undesignated			\$0
Total Fund Equity	\$23,164,170	\$0	\$0

City of San Fernando

Cities Financial Transactions Report - Consolidated Statement of Assets, Liabilities, and Fund Balances/Working Capital

Balance Sheet

Fiscal Year 2012

	General Fixed Assets H	General Long- Term Debt I	Total J
Total Assets	\$96,316,375	\$3,561,712	\$129,084,229
Less: Non-Current Assets	\$96,316,375	\$3,561,712	\$118,793,032
Net Current Assets	\$0		\$10,291,197
Total Liabilities		\$3,561,712	\$9,908,585
Non-Current Liabilities		\$3,561,712	\$3,561,712
Net-Current Liabilities			\$6,346,873
Working Capital			\$3,944,324
Fund Equity	\$96,316,375		\$119,175,644
Contributed Capital			\$0
Investment in General			
Fixed Assets	\$96,316,375		\$96,316,375
Retained Earnings			
Reserved			\$0
Unreserved			\$23,164,170
Fund Balance			
Reserved			\$848,678
Unreserved - Designated			\$0
Unreserved - Undesignated			(\$1,153,579)
Total Fund Equity	\$96,316,375		\$119,175,644

City of San Fernando

Cities Financial Transactions Report - Consolidated Statement of Revenues, Expenditures, and Changes in Fund Balance/Working Capital

Consolidated Statement

Fiscal Year 2012

	Total Expenditures	Functional Revenues	Net Expenditures/ (Excess) Revenues
Expenditures Net of Functional Revenues			
General Government	\$7,779,624	\$5,957,056	\$1,822,568
Public Safety	\$9,559,878	\$2,530,485	\$7,029,393
Transportation	\$1,945,872	\$2,232,907	(\$287,035)
Community Development	\$1,182,740	\$821,702	\$361,038
Health	\$3,327,564	\$3,700,020	(\$372,456)
Culture and Leisure	\$2,342,663	\$928,421	\$1,414,242
Public Utilities	\$2,869,259	\$2,779,938	\$89,321
Other	\$0	\$0	\$0
Total	\$29,007,600	\$18,950,529	\$10,057,071
General Revenues			
Taxes			\$9,022,709
Licenses and Permits			\$0
Fines and Forfeitures			\$10,471
Revenue from Use of Money and Property			\$476,501
Intergovernmental State			\$66,271
Intergovernmental County			\$0
Other Taxes In-Lieu			\$0
Other			\$202,777
Total			\$9,778,729
Excess/(Deficiency) of General Revenue Over Net Expenditures			(\$278,342)
Excess/(Deficiency) of Internal Service Charges Over Expenses			\$0
Beginning Fund Balance/ Working Capital			\$4,462,955

City of San Fernando

Cities Financial Transactions Report - Consolidated Statement of Revenues, Expenditures, and Changes in Fund Balance/Working Capital

Consolidated Statement

Fiscal Year 2012

Adjustments (Specify, maximum of 10
entries allowed)

(\$240,289)

Specify:

Amount:

Proprietary Adjustments Brought Forward	-240,289
Total:	(\$240,289)

**Ending Fund Balance/ Working
Capital**

\$3,944,324

Appropriation Limit as of Fiscal Year End

32,850,409

Total Annual Appropriation Subject
to the Limit as of Fiscal Year End

9,778,729

City of San Fernando

Cities Financial Transactions Report

Detailed Summary of Footnotes For Fiscal Year 2011-12

Forms	Column	Additional Details	Footnotes
<u>Transit Activity/Enterprise Statement</u>			
Other (Specify in Footnote Box)	A		Local Assistance
<u>Other Enterprise</u>			
Total Operating Expense	A		Cy increae: due to icncrease in salaries.
Total Operating Expense	A	and ENT_TYPE = 'Housing'	Cy decrease due to no funding for projects for 2011-12.
Total Non-Operating Revenue	A	and ENT_TYPE = 'Housing'	CY decrease: state funding
<u>Taxes</u>			
Voter Approved Indebtedness Property Taxes	A		The increase is due to the dissolution of the Redevelopment Agency per ABx1 26. The Tax increment collected through the RDA included a .28% debt override rate that was assessed from the 1946 ballot measure that was passed by the San Fernando residents to fund the retirement cost of City employees. Los Angeles County is now reallocating this debt service amount to the City directly through the property tax collection.
<u>Fines and Forfeitures and Revenue from Use of Money and Property</u>			
Investment Earnings	B		Cy decrease: reflects rates.
Rents and Concessions	B		The increase is due to an Admission Fee collected from San Fernando Valley residents that come to use the San Fernando Regional Aquatic Facility.
<u>Intergovernmental - State</u>			

City of San Fernando

Cities Financial Transactions Report

Detailed Summary of Footnotes For Fiscal Year 2011-12

Forms	Column	Additional Details	Footnotes
<u>Intergovernmental - State</u>			
Motor Vehicle In-Lieu Tax	B		CY decrease: reflects state funding
<u>Other Revenues</u>			
Sale of Real and Personal Property	B		CY decrease: see PY footnote for what was sold.
<u>Transportation and Community Development</u>			
Street/Highways/Storm Drains	A		The increase is due to an Administrative reorganization and to the increase in Health and pension cost.

ATTACHMENT "C"

RESOLUTION NO. 6772

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN FERNANDO APPROVING TWO TRANSFERS OF FUNDS IN THE FORM OF LOANS FROM THE RETIREMENT AND SEWER ENTERPRISE FUNDS TO THE LAS PALMAS PARK IMPROVEMENTS FUND FOR FISCAL YEAR 2001-2002

RECITALS

- A. Whereas, the San Fernando Las Palmas Park Improvements Fund ("Park Fund") is in need of completing the improvement of the Las Palmas Park Center during the fiscal year 2001-2002; and
- B. Whereas, in order to complete the improvements at the Las Palmas Park Center the Park Fund is in need of financing; and
- C. Whereas, the San Fernando Retirement and Sewer Enterprise Funds ("Enterprise Funds") currently have a sufficient balance to make such loans;

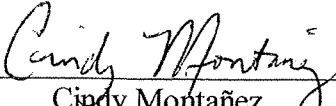
NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF SAN FERNANDO HEREBY FINDS, DETERMINES, RESOLVES AND ORDERS AS FOLLOWS:

Section 1: The Memoranda of Loan attached hereto as Exhibits "A" and "B" are hereby approved and the Mayor is hereby authorized and directed to execute the Memoranda of Loans.


Section 2: The obligation of the Park Fund to repay the loan to the Enterprise Funds may be subordinated to any bonds, notes or other obligations of the Park Fund to the extent authorized by the City Council.

Section 3: The City's officers, employees and counsel are hereby authorized to do all the acts and deeds which may be required of them by this Resolution. All such acts and deeds are hereby approved, ratified and confirmed.

PASSED, APPROVED AND ADOPTED THIS 7th day of May, 2001.


Cindy Montañez
Mayor

ATTEST:


Wilma Miller
City Clerk

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss
CITY OF SAN FERNANDO)

I, Wilma Miller, City Clerk of the City of San Fernando, do hereby certify that the foregoing resolution was duly adopted at a regular meeting of the City Council of the City of San Fernando held on the 7th day of May, 2001, and was carried by the following roll call vote:

AYES: Montanez, Hernandez, De La Torre, Di Tomaso, Ramos - 5
NOES: None - 0
ABSENT: None - 0

Wilma Miller
City Clerk

Exhibit "A"

MEMORANDUM OF LOAN BETWEEN THE RETIREMENT ENTERPRISE FUND
AND THE LAS PALMAS PARK IMPROVEMENTS FUND

This Memorandum of Loan, dated as of May 7th, 2001 is made to document a loan between the San Fernando Retirement Enterprise Fund ("Retirement Fund") and the San Fernando Las Palmas Park Improvement Fund ("Park Fund"). For and in consideration of the mutual covenants and promises set forth in this document, the transfer of funds should occur as follows.

Recitals

- A. The Park Fund is in need of completing the Las Palmas Center improvements during the fiscal year 2001-2002.
- B. The Retirement Fund currently has idle funds which can be loaned to the Park Fund for the necessary improvements.

Definitions

The following terms shall have the following meaning, unless the context requires otherwise:

"Retirement Enterprise Fund" means the San Fernando Retirement Enterprise Fund.

"Park Fund" means the San Fernando Fund established to construct improvements at the Las Palmas Park.

"Memorandum" means this Memorandum of Loan.

"City" means the City of San Fernando, a municipal corporation organized and existing under and by virtue of the Constitution and laws of the State of California.

"City Council" means the City Council of the City of San Fernando.

Loan

Section 1. Memorandum of Loan. The City Council authorizes the transfer of Seven Hundred and Fifty Thousand Dollars (\$750,000) from the Retirement Fund to the Park Fund.

Section 2. Interest Payable. Interest shall be payable on the unpaid principal of this loan, compounded annually on a 360 day year, at a rate calculated as the average rate earned on the funds deposited by the City into the Local Agency Investment Fund (LAIF), beginning on the date or dates the loan funds are transferred, and continuing until principal and interest are paid in full.

Section 3. Principal Payable. Park Fund shall repay the principal sum of the loan Seven Hundred and Fifty Thousand Dollars (\$750,000) within twenty 20 years, or sooner if the Park Fund is able to do so without incurring prepayment penalties.

IN WITNESS HEREOF THE PARTIES HAVE CAUSED THIS
MEMORANDUM OF LOAN TO BE EXECUTED.

CITY OF SAN FERNANDO

By

Cindy Montañez
Mayor Cindy Montañez

ATTEST:

Wilma Miller
Wilma Miller
City Clerk

Exhibit "B"

MEMORANDUM OF LOAN BETWEEN THE SEWER ENTERPRISE FUND AND
THE LAS PALMAS PARK IMPROVEMENTS FUND

This Memorandum of Loan, dated as of May 7th, 2001 is made to document a loan between the San Fernando Sewer Enterprise Fund ("Sewer Fund") and the San Fernando Las Palmas Park Improvement Fund ("Park Fund"). For and in consideration of the mutual covenants and promises set forth in this document, the transfer of funds should occur as follows.

Recitals

- A. The Park Fund is in need of completing the Las Palmas Center improvements during the fiscal year 2001-2002.
- B. The Sewer Fund currently has idle funds which can be loaned to the Park Fund for the necessary improvements.

Definitions

The following terms shall have the following meaning, unless the context requires otherwise:

"Sewer Enterprise Fund" means the San Fernando Sewer Enterprise Fund.

"Park Fund" means the San Fernando Fund established to construct improvements at the Las Palmas Park.

"Memorandum" means this Memorandum of Loan.

"City" means the City of San Fernando, a municipal corporation organized and existing under and by virtue of the Constitution and laws of the State of California.

"City Council" means the City Council of the City of San Fernando.

Loan

Section 1. Memorandum of Loan. The City Council authorizes the transfer of Seven Hundred and Fifty Thousand Dollars (\$750,000) from the Sewer Fund to the Park Fund.

Section 2. Interest Payable. Interest shall be payable on the unpaid principal of this loan, compounded annually on a 360 day year, at a rate calculated as the average rate earned on the funds deposited by the City into the Local Agency Investment Fund (LAIF), beginning on the date or dates the loan funds are transferred, and continuing until principal and interest are paid in full.

Section 3. Principal Payable. Park Fund shall repay the principal sum of the loan Seven Hundred and Fifty Thousand Dollars (\$750,000) within twenty 20 years, or sooner if, Park Fund is able to do so without incurring prepayment penalties.

IN WITNESS HEREOF THE PARTIES HAVE CAUSED THIS
MEMORANDUM OF LOAN TO BE EXECUTED.

CITY OF SAN FERNANDO

By

Cindy Montañez
Mayor Cindy Montañez

ATTEST:

Wilma Miller
Wilma Miller
City Clerk

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RECREATION AND COMMUNITY SERVICES DEPARTMENT

MEMORANDUM

TO: Mayor Antonio Lopez and Councilmembers

FROM: Don Penman, Interim City Administrator
By: Ismael Aguila, Recreation and Community Services Operations Manager

DATE: February 4, 2013

SUBJECT: Pool Pump – Request for Quimby Funds

RECOMMENDATION:

It is recommended that the City Council adopt a Resolution (Attachment “A”) approving an allocation of Quimby Funds for a pool pump upgrade at the San Fernando Regional Pool Facility (Pool Facility) in the amount of \$17,121.73.

BACKGROUND:

1. On November 7, 2012, the 50-meter pool at the Pool Facility experienced water flow interruptions.
2. On November 8, 2012, Sea Clear Pool Service conducted diagnostic testing on the pool equipment and concluded that failure of the 50 horsepower (hp) pool pump was the cause of the water flow interruptions.
3. On November 18, 2012, a rental pump was located and installed to restore operations of the 50-meter pool until a new pump is purchased.
4. During November of 2012, Recreation and Community Services (RCS) staff contacted various vendors to request quotes for a new pump.
5. On December 8, 2012, RCS staff awarded a contract to Commercial Aquatics (the lowest bidder) to upgrade the 50-meter pool pump. When specifications for the pump were received, it was determined that the pump was redesigned with higher efficiency thus qualifying as an upgrade for use of Quimby Funds.
6. On December 26, 2012, Commercial Aquatics installed the pump upgrade at the Pool Facility.

Pool Pump – Request for Quimby Funds

Page 2

ANALYSIS:*Pool Facility*

The Pool Facility is comprised of three attractions that provide access to the community for aquatic programming which include:

- Competition Pool –Utilized for aquatic activities such as competition swim, water polo, diving, scuba diving, synchronized swimming, and lap swim. It contains approximately 750,000 gallons of water and requires a 50 hp recirculation pump to operate.
- Multi-use Pool – Utilized for aquatic activities such as recreation swim, swim lessons, and small swim team activities. It contains 120,000 gallons of water and requires one 25 hp recirculation pump and three booster pumps to operate.
- Splash Pad – Utilized for aquatic activities such as recreation swim. It requires one 2 hp recirculation pump and two booster pumps to operate.

Paco Pump

The original pump for the competition pool was a Paco pump (model number 8015) that included double suction, split case, 13.23” impeller technology that provided 50 hp at 90% energy efficiency. This pump is no longer in production and thus was not available for purchase. The newly purchased Paco pump is similar, but has a redesigned impeller that allows for 98% energy efficiency thus qualifying for use of Quimby Funds.

CONCLUSION:

It is recommended that the City Council adopt a Resolution approving an allocation of Quimby Funds for the pool pump upgrade at the San Fernando Regional Pool Facility in the amount of \$17,121.73.

BUDGET IMPACT:

There will be no budget impact to the General Fund for the Fiscal Year 2012-13.

ATTACHMENT:

A. Resolution

ATTACHMENT "A"**RESOLUTION NO. _____****A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
SAN FERNANDO AMENDING THE BUDGET FOR THE
FISCAL YEAR 2012-2013 ADOPTED ON JULY 2, 2012**

WHEREAS, the City of Council has received and considered the proposed adjustment to the budget for Fiscal Year 2013, commencing July 1, 2012, and ending June 30, 2013;

WHEREAS, the City Council has determined that it is necessary to increase the expenditures of the Current City; and

WHEREAS, an annual budget for the City of San Fernando for the Fiscal Year beginning July 1, 2012 and ending June 30, 2013, a copy of which is on file in the City Clerk's Office, has been adopted on July 2, 2012.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SAN FERNANDO DOES HEREBY RESOLVE, FIND, DETERMINE AND ORDER AS FOLLOWS:

Section 1: The following adjustment in expenditures is made in the named City fund:

1. Quimby Fee Fund – Increase in Expenditures: \$17,121.73
(Pool pump upgrade at San Fernando Regional Pool Facility)

PASSED, APPROVED, AND ADOPTED this 4th day of February, 2013.

Antonio Lopez, Mayor

ATTEST:

Elena G. Chávez, City Clerk

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss
CITY OF SAN FERNANDO)

I HEREBY CERTIFY that the foregoing Resolution was approved and adopted at a special meeting of the City Council held on the 4th day of February, 2013, by the following vote to wit:

AYES:

NOES:

ABSENT:

Elena G. Chávez, City Clerk

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PUBLIC WORKS DEPARTMENT

MEMORANDUM

TO: Mayor Antonio Lopez and Councilmembers

FROM: Don Penman, Interim City Administrator
By: Ron Ruiz, Public Works Director

DATE: February 4, 2013

SUBJECT: Award of Contract – On-Site Sodium Hypochlorite Generation System

RECOMMENDATION:

It is recommended that the City Council:

- a. Award a Contract to Severn Trent Water Purification, Inc. for the purchase and installation of an On-Site Sodium Hypochlorite Generation (OSG) System;
- b. Authorize the City Administrator to execute a Professional Services Contract with Severn Trent Water Purification, Inc. (Attachment “A”) for an amount not to exceed \$164,400; and
- c. Authorize the City Administrator to approve a contingency not to exceed 10% of contract amount.

BACKGROUND:

1. On September 11, 2012, the Public Works Department published a Request for Proposal (RFP) for an OSG System.
2. On September 21, 2012, the City received one proposal in response to an RFP for an OSG System.
3. On November 19, 2012, City Council rejected the bid proposal.
4. On November 20, 2012, the Public Works Department republished an RFP for an OSG System.
5. On December 21, 2012, the City received one proposal in response to an RFP for an OSG System.

Award of Contract – On-Site Sodium Hypochlorite Generation System

Page 2

ANALYSIS:

As part of the Nitrate Project, a new OSG System will be installed at the Lower Reservoir site located at 12900 Dronfield Avenue, Sylmar, CA 91342. This system is necessary to complete the Nitrate Treatment System as it will be used to inject chlorine into the treated water before it is distributed to City of San Fernando customers. This new system will be housed inside the new chlorination room that will be constructed as part of Phase 1B of the Nitrate Project. Currently, the City's other OSG systems are provided and serviced by Severn Trent Water Purification, Inc. This project work is included in the approved City budget for Fiscal Year (FY) 2012-13.

At the November 19, 2012 City Council meeting, the Council rejected the bid. Council felt the RFP was advertised for insufficient time therefore resulting in a sole response. During the rebid process, staff again sent out an invitation for the RFP to several companies that provide OSG systems. The RFP was again published on the City's website and other bid-related websites such as Bid America and Bid Net. Follow-up phone calls to three potential bidders were also conducted by staff to inform them of the RFP.

The reissuing of the RFP resulted again in receiving only one bid from the same bidder, Severn Trent Water Purification, Inc., with a bid amount of \$164,400. The bid amount is \$21,320 higher than the prior bid amount. The second bid process appears to confirm that there is little interest by other firms in bidding for this item. Given the results of the second bid process, it is unlikely that a third bid process would yield any better results. There is also the possibility that the existing bidder may choose to not bid again or raise the cost even higher if this item is rebid again. Therefore, staff recommends that the item not be rebid a third time.

CONCLUSION:

Staff has analyzed the proposal and funding for the installation of the on-site chlorination system. Staff recommends award of the Contract to the sole responsive bidder; Severn Trent Water Purification, Inc. Staff recommends that this item not be bid again, since the process will not likely yield any better results.

BUDGET IMPACT:

This item is included in the City Council approved budget for FY 2012-13 in Fund 70, Water, Division 384 Water Production.

ATTACHMENT:

A. Contract

ATTACHMENT "A"**AGREEMENT FOR PROFESSIONAL SERVICES**

This Agreement is entered into this 4th day of February, 2013 by and between the City of San Fernando, a municipal corporation ("CITY") and SEVERN TRENT WATER PURIFICATION, INC., a California corporation ("CONSULTANT").

RECITALS

A. CITY has determined that it requires the following professional services from a consultant: update the designs for route maps, informational handout and website information on the trolley program.

B. CONSULTANT represents that it is fully qualified to perform such professional services by virtue of its experience and the training, education and expertise of its principals and employees. CONSULTANT further represents that it is willing to accept responsibility for performing such services in accordance with the terms and conditions of this Agreement.

NOW THEREFORE, in consideration of mutual covenants and conditions herein contained, CITY and CONSULTANT agree as follows:

1. DEFINITIONS

A. "Scope of Services": Such professional services as are set forth in Exhibit A attached hereto and incorporated herein by this reference.

B. "Approved Fee Schedule": Such compensation rates as are set forth in the fee schedule attached hereto as Exhibit B and incorporated herein by this reference.

C. "Commencement Date": March 1, 2013

D. "Expiration Date": June 30, 2013

2. CONSULTANT'S SERVICES

A. Scope of Services. Subject to the terms and conditions set forth in this Agreement, CONSULTANT shall perform the services identified in the Scope of Services. CITY shall have the right to request, in writing, changes in the scope of work or the services to be performed. Any changes mutually agreed upon by the parties, and any increase or decrease in compensation, shall be incorporated by written amendments to this Agreement.

B. Time for Performance. CONSULTANT shall commence the services on the Commencement Date and shall perform all services diligently and expeditiously.

C. Standard of Performance. CONSULTANT shall perform all work to the highest professional standards and in a manner reasonably satisfactory to CITY. CONSULTANT shall comply with all applicable federal, state and local laws, ordinances, codes and regulations.

3. REPRESENTATIVES

A. City Representative. For the purposes of this Agreement, the contract administrator and CITY's representative shall be the City Public Works Director (hereinafter the "City Representative"). It shall be CONSULTANT's responsibility to assure that the City Representative is kept informed of the progress of the performance of the services, and CONSULTANT shall refer any decisions which must be made by CITY to the City Representative. Unless otherwise specified herein, any approval of CITY required hereunder shall mean the approval of the City Representative.

B. Consultant Representative. For the purposes of this Agreement, Kara Weber, Sales Engineer is hereby designated as the principal and representative of CONSULTANT authorized to act on its behalf with respect to the services specified herein and make all decisions in connection therewith (the "Responsible Principal"). The Responsible Principal may not be changed by CONSULTANT without the prior written approval of CITY.

4. CONSULTANT'S PERSONNEL

A. CONSULTANT represents that it has, or will secure at its own expense, all personnel required to perform the services required under this Agreement. All such services will be performed by CONSULTANT or under its supervision, and all personnel engaged in the work shall possess the qualifications, permits and licenses required by applicable law to perform such services.

B. CONSULTANT shall be solely responsible for the satisfactory work performance of all personnel engaged in performing services required by this Agreement, and compliance with all reasonable performance standards established by CITY.

C. In the event that CITY, in its sole discretion, at anytime during the term of this Agreement, desires the removal of any person or persons assigned by CONSULTANT to perform services pursuant to this Agreement, CONSULTANT shall remove any such person immediately upon receiving notice from CITY of the desire of CITY for the removal of such person or persons.

D. CONSULTANT shall be responsible for payment of all employees' and subconsultants' wages and benefits and shall comply with all requirements pertaining to employer's liability, workers' compensation, unemployment insurance, and Social Security.

E. Permits and Licenses. CONSULTANT shall obtain and maintain during the Agreement term all necessary licenses, permits and certificates required by law for the provision of services under this Agreement, including a City of San Fernando business license.

5. FACILITIES AND EQUIPMENT

Except as otherwise authorized by CITY in writing, CONSULTANT shall, at its sole cost and expense, furnish all facilities and equipment which may be required for furnishing services pursuant to this Agreement.

6. TERM OF AGREEMENT

This Agreement is effective as of the Commencement Date and shall terminate on the Expiration Date, unless sooner terminated as provided in Section 18 herein.

7. COMPENSATION

A. CITY agrees to compensate CONSULTANT for the services provided under this Agreement, and CONSULTANT agrees to accept in full satisfaction for such services, a sum not to exceed ONE HUNDRED SIXTY-FOUR THOUSAND FOUR HUNDRED DOLLARS (\$164,400.00). CITY shall not withhold applicable federal or state payroll or any other required taxes or other authorized deductions from each payment made to CONSULTANT. No claims for compensation in excess of the not-to-exceed amount for the Project will be allowed unless such compensation is approved by the City Administrator, in writing.

B. Additional Services. No claims for additional services performed by CONSULTANT which are beyond the scope set forth in Exhibit A will be allowed unless such additional work is authorized by CITY in writing prior to the performance of such services. Additional services, if any are authorized, shall be compensated on a time and materials basis using CONSULTANT's Approved Fee Schedule (Exhibit B). Fees for such additional services shall be paid within thirty (30) days of the date CONSULTANT issues an invoice to CITY for such services.

8. METHOD OF PAYMENT

CONSULTANT shall submit to CITY an invoice, on a monthly basis, for the services performed pursuant to this Agreement. Each invoice shall itemize the services rendered during the billing period and the amount due. Such itemizations shall include the days worked, number of hours worked by position, and authorized reimbursable expenses incurred with appropriate back-up documentation and receipts evidencing the authorized expenses, if any, for each day in the period and shall separately describe any additional services authorized by CITY. Any invoice claiming compensation for additional services shall include appropriate documentation of CITY's prior authorization. Within ten (10) business days of receipt of each invoice, CITY shall notify CONSULTANT in writing of any disputed amounts included on the invoice. Within thirty (30) calendar days of receipt of each invoice, CITY shall pay all undisputed amounts included on the invoice up to the maximum amount set forth in Section 7.

9. OWNERSHIP OF WORK PRODUCT

All reports, documents or other written material ("written products") developed by CONSULTANT in the performance of this Agreement shall be and remain the property of CITY without restriction or limitation upon its use or dissemination by CITY. CONSULTANT may take and retain such copies of the written products as desired, but no such written products shall be the subject of a copyright application by CONSULTANT.

10. TRAVEL REIMBURSEMENT

Travel required by CONSULTANT or any subconsultant or subcontractor pursuant to this Agreement shall be a reimbursable expense and shall only be made where necessary to complete the services agreed to be performed under this Agreement. Travel expenses shall be reasonable and shall be incurred in the most cost efficient manner possible. CITY will not pay for travel expenses to and from City Hall. All requests for travel reimbursement shall be accompanied by appropriate back-up documentation and receipts evidencing authorized expenses.

11. INDEPENDENT CONTRACTOR

CONSULTANT will act hereunder as an independent contractor. This Agreement shall not and is not intended to constitute CONSULTANT as an agent, servant, or employee of CITY and shall not and is not intended to create the relationship of partnership, joint venture or association between CITY and CONSULTANT.

12. CONFIDENTIALITY

All data, documents, discussion, or other information developed or received by CONSULTANT or provided for performance of this Agreement are deemed confidential and shall not be disclosed by CONSULTANT without prior written consent by CITY. CITY shall grant such consent if disclosure is legally required or necessary to provide the services under this Agreement. All CITY data shall be returned to CITY upon the termination of this Agreement. CONSULTANT's covenant under this Section shall survive the termination of this Agreement.

13. CONFLICTS OF INTEREST

CONSULTANT hereby warrants for itself, its employees, and subcontractors that those persons presently have no interest and shall not obtain any interest, direct or indirect, which would conflict in any manner with the performance of the services contemplated by this Agreement. No person having such conflicting interest shall be employed by or associated with CONSULTANT in connection with this project. CONSULTANT hereby warrants for itself, its employees, and subcontractors that no such person shall engage in any conduct which would constitute a conflict of interest under any CITY ordinance, state law or federal statute. CONSULTANT agrees that a clause substantially similar to this Section shall be incorporated into any sub-contract that CONSULTANT executes in connection with the performance of this Agreement.

14. INDEMNIFICATION

A. To the full extent permitted by law, CONSULTANT shall indemnify, hold harmless and defend CITY, its elected officials, officers, agents, employees, attorneys, servants, volunteers, successors and assigns from and against any and all claims, demands, causes of action, liability, losses, costs or expenses for any damage due to death or injury to any person and injury to any property resulting from any alleged intentional, reckless, negligent or otherwise wrongful acts, errors or omissions of CONSULTANT or any of its officers, employees, servants, agents, subcontractors, volunteers or any other person or entity involved by, for, with or on

behalf of CONSULTANT in the performance of this Agreement. Such costs and expenses shall include reasonable attorneys' fees incurred by counsel of CITY'S choice.

The parties understand and agree that the duty of CONSULTANT to indemnify and hold harmless includes the duty to defend as set forth in Section 2778 of the California Civil Code.

B. CONSULTANT's obligations under this or any other provision of this Agreement will not be limited by the provisions of any workers compensation act or similar act. CONSULTANT expressly waives its statutory immunity under such statutes or laws as to CITY, its officers, agents, employees and volunteers.

C. CONSULTANT agrees to obtain executed indemnity agreements with provisions identical to those in this Section from each and every subcontractor or any other person or entity involved by, for, with or on behalf of CONSULTANT in the performance of this Agreement. In the event CONSULTANT fails to obtain such indemnity obligations for the benefit of CITY, CONSULTANT agrees to be fully responsible and indemnify, hold harmless and defend CITY, its officers, agents, employees and volunteers from and against any and all claims and losses, costs or expenses for any damage due to death or injury to any person and injury to any property resulting from any alleged, intentional, reckless, negligent or otherwise wrongful acts, errors or omissions of CONSULTANT or any of its officers, employees, servants, agents, subcontractors, volunteers or any other person or entity involved by, for, with or on behalf of CONSULTANT in the performance of this Agreement. Such costs and expenses shall include reasonable attorneys' fees incurred by counsel of CITY's choice.

D. CITY does not, and shall not; waive any rights that it may possess against CONSULTANT because of the acceptance by CITY, or the deposit with CITY, of any insurance policy or certificate required pursuant to this Agreement. This hold harmless and indemnification provision shall apply regardless of whether or not any insurance policies are determined to be applicable to the claim, demand, damage, liability, loss, cost or expense. CONSULTANT agrees that CONSULTANT's covenant under this Section shall survive the termination of this Agreement.

E. CONSULTANT agrees to pay all required taxes on amounts paid to CONSULTANT under this Agreement, and to indemnify and hold CITY harmless from any and all taxes, assessments, penalties, and interest asserted against CITY by reason of the independent contractor relationship created by this Agreement. CONSULTANT shall fully comply with the workers' compensation laws regarding CONSULTANT and CONSULTANT's employees. CONSULTANT further agrees to indemnify and hold CITY harmless from any failure of CONSULTANT to comply with applicable workers' compensation laws. CITY shall have the right to offset against the amount of any fees due to CONSULTANT under this Agreement any amount due to CITY from CONSULTANT as a result of CONSULTANT's failure to promptly pay to CITY any reimbursement or indemnification arising under this Section.

15. INSURANCE

A. CONSULTANT shall at all times during the term of this Agreement carry, maintain, and keep in full force and effect, insurance as follows:

1. Commercial General Liability Insurance with minimum limits of One Million Dollars (\$1,000,000) for each occurrence and in the aggregate for any personal injury, death, loss or damage.
2. Automobile Liability Insurance for any owned, non-owned or hired vehicle used in connection with the performance of this Agreement with minimum limits of One Million Dollars (\$1,000,000) per accident for bodily injury and property damage.
3. Worker's Compensation insurance as required by the State of California.
4. Professional Liability Insurance with a minimum limit of One Million Dollars (\$1,000,000) per occurrence.

B. CONSULTANT shall require each of its sub-consultants or sub-contractors to maintain insurance coverage that meets all of the requirements of this Agreement.

C. The policies required by this Agreement shall be issued by an insurer admitted in the State of California and with a rating of at least A:VII in the latest edition of Best's Insurance Guide.

D. CONSULTANT agrees that if it does not keep the insurance required in this Agreement in full force and effect, CITY may either immediately terminate this Agreement or, if insurance is available at a reasonable cost, CITY may take out the necessary insurance and pay, at CONSULTANT'S expense, the premium thereon.

E. Prior to commencement of work under this Agreement, CONSULTANT shall file with CITY's Risk Manager a certificate or certificates of insurance showing that the insurance policies are in effect and satisfy the required amounts and specifications required pursuant to this Agreement.

F. CONSULTANT shall provide proof that policies of insurance expiring during the term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Such proof will be furnished at least two weeks prior to the expiration of the coverages.

G. The general liability and automobile policies of insurance shall contain an endorsement naming CITY, its elected officials, officers, agents, employees, attorneys, servants, volunteers, successors and assigns as additional insureds. All of the policies shall contain an endorsement providing that the policies cannot be canceled or reduced except on thirty (30) days' prior written notice to CITY. CONSULTANT agrees to require its insurer to modify the certificates of insurance to delete any exculpatory wording stating that failure of the insurer to

mail written notice of cancellation imposes no obligation, and to delete the word “endeavor” with regard to any notice provisions.

H. The insurance provided by CONSULTANT shall be primary to any other coverage available to CITY. Any insurance or self-insurance maintained by CITY, its officers, employees, agents or volunteers, shall be in excess of CONSULTANT’s insurance and shall not contribute with it.

I. All insurance coverage provided pursuant to this Agreement shall not prohibit CONSULTANT, and CONSULTANT’s employees, agents, subcontractors, or volunteers from waiving the right of subrogation prior to a loss. CONSULTANT hereby waives all rights of subrogation against CITY.

J. Any deductibles or self-insured retentions must be approved by CITY. At the option of CITY, CONSULTANT shall either reduce or eliminate the deductibles or self-insured retentions with respect to CITY, or CONSULTANT shall procure a bond guaranteeing payment of losses and expenses.

K. If CONSULTANT is a Limited Liability Company, general liability coverage must be amended so that the Limited Liability Company and its managers, affiliates, employees, agents, and other persons necessary or incidental to its operation are insureds.

L. Procurement of insurance by CONSULTANT shall not be construed as a limitation of CONSULTANT’s liability or as full performance of CONSULTANT’s duties to indemnify, hold harmless and defend under Section 14 of this Agreement.

16. MUTUAL COOPERATION

A. CITY shall provide CONSULTANT with all pertinent data, documents and other requested information as is reasonably available for the proper performance of CONSULTANT’s services.

B. In the event any claim or action is brought against CITY relating to CONSULTANT’s performance in connection with this Agreement, CONSULTANT shall render any reasonable assistance that CITY may require.

17. RECORDS AND INSPECTIONS

CONSULTANT shall maintain full and accurate records with respect to all matters covered under this Agreement for a period of three (3) years. CITY shall have access, without charge, upon reasonable notice, during normal business hours to such records, and the right to examine and audit the same and to make transcripts therefrom, and to inspect all program data, documents, proceedings, and activities.

18. TERMINATION OF AGREEMENT

A. CITY shall have the right to terminate this Agreement for any reason or for no reason on five (5) calendar days' written notice to CONSULTANT. CONSULTANT shall have the right to terminate this Agreement for any reason or no reason on ten (10) calendar days' written notice to CITY. CONSULTANT agrees to cease all work under this Agreement on or before the effective date of such notice. All completed and uncompleted products up to the date of receipt of written notice of termination shall become the property of CITY.

B. In the event of termination or cancellation of this Agreement by CITY, due to no fault or failure of performance by CONSULTANT, CONSULTANT shall be paid based on the percentage of work satisfactorily performed at the time of termination. In no event shall CONSULTANT be entitled to receive more than the amount that would be paid to CONSULTANT for the full performance of the services required by this Agreement.

19. FORCE MAJEURE

CONSULTANT shall not be liable for any failure to perform if CONSULTANT presents acceptable evidence, in CITY's sole judgment that such failure was due to causes beyond the control, and without the fault or negligence of CONSULTANT.

20. NOTICES

Any notices, bills, invoices, or reports required by this Agreement shall be deemed received on: (a) the day of delivery if delivered by hand or overnight courier service during CONSULTANT's and CITY's regular business hours; or (b) on the third business day following deposit in the United States mail, postage prepaid, to the addresses heretofore below, or to such other addresses as the parties may, from time to time, designate in writing.

If to CITY:

Attn: Ron Ruiz, Public Works Director
City of San Fernando
117 Macneil Street
San Fernando, California 91340
Telephone: (818) 898-1222
Facsimile: (818) 361-6728

If to CONSULTANT:

Attn: Kara Weber, Sales Engineer
SEVERN TRENT WATER
PURIFICATION, INC.
1110 Industrial Boulevard
Sugar Land, Texas 77478
Telephone: (281) 240-6770
Facsimile: (281) 240-6762

With a courtesy copy to:

Maribel S. Medina, City Attorney
Meyers Nave
633 West 5th Street, Suite 1700
Los Angeles, CA 90071
Telephone: (213) 626-2906
Facsimile: (213) 626-0215

21. NON-DISCRIMINATION AND EQUAL EMPLOYMENT OPPORTUNITY

In the performance of this Agreement, CONSULTANT shall not discriminate against any employee, subcontractor, or applicant for employment because of race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, medical condition, or sexual orientation or other basis prohibited by law. CONSULTANT will take affirmative action to ensure that subcontractors and applicants are employed, and that employees are treated during employment, without regard to their race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, medical condition, or sexual orientation.

22. PROHIBITION AGAINST ASSIGNMENT

CONSULTANT shall not delegate, transfer, subcontract or assign its duties or rights hereunder, either in whole or in part, without CITY's prior written consent, and any attempt to do so shall be void and of no effect. CITY shall not be obligated or liable under this Agreement to any party other than CONSULTANT.

23. ATTORNEY'S FEES

In the event that CITY or CONSULTANT commences any legal action or proceeding to enforce or interpret the provisions of this Agreement, the prevailing party shall be entitled to recover its costs of suit, including reasonable attorney's fees.

24. ENTIRE AGREEMENT

All documents referenced as exhibits in this Agreement are hereby incorporated in this Agreement. In the event of any material discrepancy between the express provisions of this Agreement and provisions of any document incorporated by reference, the provisions of this Agreement shall prevail. This instrument contains the entire Agreement between CITY and CONSULTANT with respect to the subject matter herein. No other prior oral or written agreements are binding on the parties. Any modification of this Agreement will be effective only if it is in writing and executed by CITY and CONSULTANT.

25. GOVERNING LAW; JURISDICTION

This Agreement shall be governed by and construed in accordance with the laws of the State of California. In the event of litigation between the parties, venue in State trial courts shall lie exclusively in Los Angeles County. In the event of litigation in a United States District Court, exclusive venue shall lie in the Central District of California.

26. SEVERABILITY

Wherever possible, each provision of this Agreement shall be interpreted in such a manner as to be valid under applicable law. If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions shall nevertheless continue in full force and effect.

27. CAPTIONS

The captions used in this Agreement are solely for reference and the convenience of the parties. The captions are not a part of the Agreement, in no way bind, limit, or describe the scope or intent of any provision, and shall have no effect upon the construction or interpretation of any provision herein.

28. EXECUTION

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which when taken together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

CITY OF SAN FERNANDO

CONSULTANT: SEVERN TRENT
WATER PURIFICATION, INC.

Don Penman
Interim City Administrator

By: _____
Kara Weber
Sales Engineer

ATTEST:

Elena G. Chávez
City Clerk

APPROVED AS TO FORM:

Maribel S. Medina
City Attorney

EXHIBIT A**SCOPE OF SERVICES**

The scope of services shall include, but may not necessarily be limited to the following:

I. One ClorTec® CT-150 or equivalent

Provide NSF certified on-site sodium hypochlorite generation equipment capable of producing 150-lbs per day chlorine equivalent. The equipment shall consist of the following:

Factory Pre-Assembled Equipment Mounted on Skid:

- | | |
|---------|--|
| 1 Each- | Epoxy based powder coated carbon steel skid with brine proportioning system, drain valve, acid cleaning by-pass valves, solenoid valve, pressure regulator and flow switch |
| 2 Each- | 75 PPD (34 kg/day) DSA titanium electrodes with temp/level controls, DC Copper connection points and safety covers, assembled in a clear acrylic housing. Factory plumbed and mounted on above skid. |
| 1 Each- | Control Cabinet factory mounted on skid with: <ul style="list-style-type: none">• Epoxy powder coated steel, NEMA 4 enclosure• 6" color touchscreen display• Allen Bradley MicroLogix 1100 PLC• Built-in blower control• Ethernet/IP communication protocol• All necessary I/O points• Safety interlocks |
| 1 Each- | Transformer Rectifier in a NEMA 4 enclosure:

Oil-cooled DC power supply/rectifier, soft start constant current with built-in DC volt/amp display, emergency shut-off switch |

Factory Pre-Assembled Equipment Provided as a Loose Assembly:

- | | |
|---------|--|
| 1 Each- | Hydrogen dilution system consisting of one blower with factory pre-assembled check valve |
|---------|--|

Equipment Provided As Loose Items:

- | | |
|---------|---|
| 2 Each- | 20 Micron 10" inline filters in clear PVC housing |
|---------|---|

- | | |
|---------|--|
| 1 Each- | 500 gallon HDLPE (4'5" D x 5'1" H) brine maker/storage tank with level controls, lid, fittings, and drain. |
| 1 Each- | 1700 gallon HDXLPE, (6'1" D x 9'7" H) hypochlorite storage tank with lid, fittings, and drain. |
| 1 Each- | Ultrasonic level sensor for hypochlorite tank level control |
| 1 Each- | Differential pressure switch with orifice plate (for hydrogen dilution system) |
| 1 Each- | Hydrogen detector for generator room (required safety feature) |
| 1 Each- | Maintenance Kit |

Dosing Equipment:

- | | |
|---------|--|
| 1 Each- | Dosing Pump skid, with two diaphragm metering pumps (one duty/one standby) each capable of 75 GPH at 145 psi (10 bar). Each pump is factory pre-piped and mounted on a polypropylene skid and includes: <ul style="list-style-type: none">• TEFC Motor• VFD enclosures for pump control <p>The duty pump also includes:</p> <ul style="list-style-type: none">• Back pressure valve• Pressure relief valve• Calibration column• Y strainer• Pulsation dampner |
|---------|--|

Spare Parts:

- | | |
|---------|---|
| 1 Lot- | Spare fuses for control panel |
| 1 Each- | Spare parts kit for each of the supplied brine pumps |
| 1 Each- | Spare parts kit for each of the supplied metering pumps |
| 1 Each- | Spare level and temperature switch assembly for the electrolytic cell |

II. Technical Services

Engineering and Documentation:

- Two hard copies and one electronic set of shop drawings and product data submittals
- Two hard copies and one electronic file of Operations and Maintenance Manuals

Installation Services:

- Four eight-hour man-days to perform installation services as listed above

Included:

- Setting and mounting of the provided equipment including the anchor bolts for the provided equipment when applicable
- Plumbing of the interconnecting piping, pipe supports, valves and fittings between the provided equipment
- Plumbing of hydrogen dilution venting
- PVC conduits and wiring between provided equipment

Excluded:

- Power to any equipment
- Disconnects to any equipment
- Underground electrical conduit and plumbing to any equipment including conduit, piping, valves and fittings between provided equipment
- Roof penetrations
- Installation of storage tanks seismic restraints
- Installation of hypochlorite injection line and corporation stop
- Analyzer Drain
- Wall Corings

Startup and Training:

- Three eight-hour man-days to perform startup and commissioning
- One eight-hour man-day training sessions for owners operating personnel
- The above listed services must be provided by a trained technician or a factory authorized third party.

EXHIBIT B**APPROVED FEE SCHEDULE**

ITEM	DESCRIPTION	QTY/ UNIT	UNIT PRICE IN WORDS	UNIT PRICE IN NUMBERS	ITEM TOTAL IN NUMBERS
1	ClorTEc CT-150 (or Equivalent) as described in Scope of Services	Lump Sum	\$ One hundred twenty-one thousand and three hundred five dollars	\$121,305	\$121,305
2	Technical Services as described in Scope of Services	Lump Sum	\$ Twenty-one thousand and seven hundred seventy-five dollars	\$21,775	\$21,775
Total Cost					\$143,080.00

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CITY COUNCIL**MEMORANDUM**

TO: Mayor Antonio Lopez and Councilmembers

FROM: Councilmember Joel Fajardo

DATE: February 4, 2013

SUBJECT: Fourth of July Fireworks Celebration and December Holiday Parade

RECOMMENDATION:

I have placed this on the agenda for City Council discussion and consideration. Furthermore, it is recommended that the City Council take one of the following actions:

- a. Designate a representative to fundraise for the Fourth of July Fireworks Celebration and to return \$10,000 to the Fund 17 Account; or
- b. Cancel the Fourth of July Fireworks Celebration for 2013; or
- c. Table this matter to a future date.

BACKGROUND/ANALYSIS:

The Fourth of July firework celebration has been a tradition in San Fernando for more than two decades. This tradition started after the City of Los Angeles prohibited the City of San Fernando from selling fireworks. Last year, the fundraising efforts for the celebration fell short by approximately \$10,000. To offset this shortage, funds were used from the Fund 17 Account, which is normally used for other items, such as recreational programs.

On January 28, 2013, the Recreation and Community Services Manager Ismael Aguila advised the Education, Parks, Arts, Health, Youth and Aging (EPAH) Standing Committee meeting that funds were not presently allocated for the fireworks celebration. Furthermore, Mr. Aguila stated that he and his staff were not in a position to raise such funds for the event. The City would need approximately \$26,000 by mid May for the event to take place.

The City Council should determine whether to pursue the fireworks celebration, cancel it, or table the matter. In making a decision, council members should take note that the city may face a similar predicament with the December Holiday Parade, which is unfunded at the present time.

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CITY COUNCIL**MEMORANDUM**

TO: Councilmembers

FROM: Mayor Antonio Lopez

DATE: February 4, 2013

SUBJECT: Discussion to Consider Declaring Ficus Trees a Public Nuisance

RECOMMENDATION:

It is recommended that the City Council:

- a. Declare all Ficus trees as a public nuisance and undesirable throughout the City; and
- b. Direct staff to prepare ordinance to be presented to City Council at an upcoming City Council meeting.

ANALYSIS:

To be provided during council meeting.

CONCLUSION:

It is my assessment that it shall be unlawful for any person to plant Ficus trees. The existence of this tree is potentially harmful to the public, and the removal of the tree is strongly encouraged. It is recommended that this undesirable tree be removed during the improvement of a lot or parcel. Staff shall provide Council with a recommendation of native trees to use as the replacement trees.

ATTACHMENTS:

- A. Los Angeles Times Article - "Ficus' Shady Reputation Prompts Change in Scenery"
- B. Bloomberg Article - "Los Angeles Pays Damages as Ficus Jungle Breaks Up Sidewalks"
- C. Curbed Los Angeles Article - "A Ficus Grows Out of the Fifth Story of a Broadway Building"

Los Angeles Times

Ficus' Shady Reputation Prompts Change in Scenery

Landscape: Onetime savior is now causing problems, such as ruining sidewalks. Some areas put palms in instead.

March 13, 1996 | LARRY GORDON | TIMES STAFF WRITER

Whether clipped into lollipop shape or allowed to spread thick evergreen canopies, ficus trees have transformed the look of Southern California cities from San Diego to San Luis Obispo. They also have garnered great affection and, more recently, blossoming antagonism.

Hailed as a miracle tree able to thrive under tough urban conditions, two ficus varieties commonly called "Indian laurel fig" were planted in enormous numbers throughout Southern California in the late '50s and early '60s. But the trees grew into troubled maturities with unanticipated harvests of cracked sidewalks, invaded sewer lines, blocked street signs and expensive prunings.

As a result, some neighborhoods and cities now are ripping out *Ficus microcarpa nitida* and its close cousin, *Ficus microcarpa retusa*, and replacing them with different species. Many other areas are considering similar changes, stirring debate over how the region should dress itself in greenery.

"It was sold as the tree to plant. But they are an absolutely horrible, horrible street plant," said Ken Ayers, public works director in Gardena, which took out 70 mature *Ficus microcarpa* from Gardena Boulevard last year and switched to palms.

Brea, Hollywood, San Fernando, Ventura and Glendale, among others, also have removed Indian laurel from some streets. Most cities, at the minimum, have stopped planting new ficus.

In Anaheim and Santa Ana, ficus trees have fallen off the cities' list of recommended trees to plant.

"Every time you plant a ficus tree, because of its root structure and as soon as the tree starts maturing, you're going to have problems," said Paul Emery, Santa Ana's maintenance service manager.

"A ficus tree has not been planted in Santa Ana in more than 10 years," Emery said.

The *Ficus microcarpa*'s reversal of fortune again can alter dramatically the appearance of Southern California streetscapes, experts say. Native to Malaysia and India, ficus trees with their light gray bark and lustrous green, pinched-oval leaves now connote California elegance and affluence, partly through their carefully manicured presence in Beverly Hills.

The look of California greenery has changed several times before. Native oaks and sycamores fell to grazing and housing tracts. Previous generations planted massive amounts of other nonnative trees such as palms and eucalyptus.

Still, the many ficus lovers are quick to allege that their removal is horticultural massacre. In Ventura last year, the chopping down of two dozen ficus as part of a Main Street revitalization project sparked petitions, street theater protests and the arrest of one man who chained himself to a doomed tree in front of a thrift shop.

In many cases, ficus are being replaced by palm trees. That trendy switch upsets fans of the dense shade and vibrant green that ficus trees add to otherwise hot and drab boulevards.

"My description of a palm tree is telephone pole with a cowlick," said Victoria Hochberg, a Hollywood neighborhood activist. "It does not provide any shade. It does not provide any feeling of safe harbor. It does not provide a place where you can sit and read, an encompassing space that provides solace and peace."

Because ficus trees provide those qualities, she mourns the removal last year of large ficus during roadwork and redevelopment on Highland Avenue near the Hollywood Bowl and the year before on Hollywood Boulevard.

ATTACHMENT "B"

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Los Angeles Pays Damages as Ficus Jungle Breaks Up Sidewalks

By Nadja Brandt - Jul 01, 2008

July 1 (Bloomberg) -- The bill is coming due for Los Angeles, decades after ficus trees were planted to supply shade for a city bathed in sunshine almost year-round.

The thrusting roots of mature ficus are tearing up sidewalks, triggering complaints and lawsuits.

``Ficus trees are notorious supersizers," said Pieter Severynen, an arborist and landscape architect with North East Trees, a nonprofit environmental group in Los Angeles.

``Almost everything grows in Southern California. It becomes a curse when the cute little tree you planted turns into a monster."

[Los Angeles](#) budgeted \$8.4 million in May toward mending 4,000 miles (6,400 kilometers) of damaged sidewalks, said Victoria Villa-Agustin, an analyst at the [Bureau of Street Services](#). It paid about \$415,000 to settle 99 claims involving tree mishaps from July 2007 through April 2008, according to documents provided by Frank Mateljan of the City Attorney's office.

``The people that have contacted us usually suffer strains or sprains from falling over tree roots or uprooted sidewalks," said Steven Glickman, a personal injury lawyer for Glickman & Glickman in Beverly Hills. Other claims are for limbs from ficus and other trees falling on houses, cars or people.

Developers lined neighborhood walkways with trees as they built houses to accommodate the burgeoning population of Los Angeles and its suburbs in the 1950s and '60s. They favored the [Ficus microcarpa](#), whose broccoli-shaped crown can grow to more than 40 feet (12 meters) in diameter. Ficus roots can stretch as far as 90 feet from the trunk, Severynen said.

``They have been way overplanted, and planted where there was no room for them," he

said. ``They can be a nightmare."

Fatal Blow

In Anaheim, efforts to rein in growth of a ficus proved fatal for Michael Gandy, a resident of the town 25 miles south of Los Angeles. Gandy, 49, was killed last year when a 50-foot- tall ficus fell on his parked car.

His family alleged that the town had pruned the tree's roots, making it unstable. Anaheim agreed in February to pay Gandy's relatives \$700,000 in an out-of-court settlement, said David Nunley, the city's claims manager.

``The danger to pedestrians plus the cost to the infrastructure is immeasurable," said Helga McGinnis, 70, referring to the ficus trees on a main thoroughfare in nearby Whittier. ``Older people or people with disabilities definitely can't walk there."

Fixing tree-damaged sidewalks was homeowners' headache until the city government took responsibility under a 1973 ordinance. Los Angeles is asking private property owners to share the cost under the [50/50 Voluntary Sidewalk Reconstruction and Repair Program](#), started three years ago.

Palms, Elms

The Ficus microcarpa, also known as Chinese banyan or laurel fig, is related to smaller ficus varieties that are potted for use indoors or on patios. It represents about 9 percent of trees along Los Angeles streets, while palms are the most common, said Ronald Lorenzen, the city's assistant chief forester. Chinese flame goldenrains, American sweet gums and Chinese elms also are prevalent.

The ficus, an evergreen native to Southeast Asia, does more than shield against the sun.

``Give a big ficus a chance and it will clean the air, even if it tears up the sidewalk in the process," Severynen said.

Every \$1 spent on a tree returns about \$1.91 in benefits, such as reducing energy use, removing carbon dioxide from the air and absorbing rainfall, Lorenzen said.

Drought-Tolerant Trees

Ficus isn't on the planting list as Los Angeles adds to its tree population under Mayor [Antonio Villaraigosa](#)'s [Million Trees](#) project, started two years ago. Participants are encouraged to choose native varieties that withstand drought better. They may include coastal live oak, valley oak, California sycamore, California walnut and California bay trees, Lorenzen said.

The city, neighborhoods, businesses, and individuals are planting and caring for a million new trees where they are needed most, such as schools and underserved communities.

``We are trying to learn from past mistakes," Lorenzen said. ``We are trying to give trees the optimum space and work with urban developers to make sure they are putting the right tree in the right place."

In [Santa Monica](#), 15 miles west, a grass-roots community group calling itself [Treesavers](#) is petitioning officials to preserve trees. The city is moving some mature ficus to help reduce problems and plans to replace others.

For 23 of the ficus, it found a permanent solution: Maintenance workers sawed them down.

To contact the reporter on this story: [Nadja Brandt](#) in Los Angeles at nbrandt@bloomberg.net

To contact the editor responsible for this story: Joanne Norton at jnorton@bloomberg.net.

A Ficus Grows Out of the Fifth Story of a Broadway Building

Thursday, January 24, 2013, by [Adrian Glick Kudler](#)



[Image via Downtown News]

The office conversion at the former Zobel Building on Broadway is uncovering all kinds of interesting things--first it was [the original \(restored\) 1911 facade](#) and now it's a mysterious **12-foot-tall ficus tree** growing right out of the building's southern wall, five stories up, rising "well above the roofline and a rooftop structure that houses the top of the old elevator shaft," [according to the Downtown News](#). A construction superintendent on the renovation project (which will add a sixth story and a groundfloor bar) "has searched the building many times trying to find the tree roots. He has inspected the elevator shaft and the walls on every floor for other signs of the tree, but except for the part that grows on the wall, he has found nothing." No one ever waters the thing, but it appears to be doing just fine. The superintendent says that "The tree has been here maybe five or six years ... In the last year alone it's **grown twice the size**." (Now sometimes they light it up at night.)

A tree curator tells the paper that it's not totally unheard of for a ficus to just set up shop wherever; all they need is a little moisture and something to grab ahold of. But the tenacious tree is headed for its doom: the fire department says the developer will have to remove it (he says he'll offer it up to whoever wants it). The tree is also on the side of the building that will get a new version of the "Calle

de la Eternidad" mural that for many years graced the building's facade.

- [The Strangest Tree in Downtown](#) [Downtown News]
- [Mural-Obscured 1911 Facade Finally Revealed on Broadway](#) [Curbed LA]

Story by: Curbed Los Angeles

<http://la.curbed.com/archives/2013/01/>

[a_ficus_grows_out_of_the_fifth_story_of_a_broadway_building.php#more](#)

ATTACHMENT "D"







