

CITY OF ROSEVILLE
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2001

Prepared by
FINANCE DEPARTMENT

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CITY OF ROSEVILLE
General Purpose Financial Statements
For the Year Ended June 30, 2001

Page

INTRODUCTORY SECTION:

Table of Contents i

FINANCIAL SECTION:

Combined Statements Overview:

Independent Auditor's Report on General Purpose Financial Statements 1

General Purpose Financial Statements:

Combined Balance Sheets - All Fund Types and Account Groups.....4

Combined Statements of Revenues, Expenditures, and
Changes in Fund Balances - All Governmental Fund Types..... 7

Combined Statements of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual -
All Governmental Fund Types 8

Combined Statements of Revenues, Expenses, and Changes
in Retained Earnings - All Proprietary Fund Types..... 10

Combined Statements of Cash Flows - All Proprietary Fund Types..... 11

Combined Schedule of Revenues, Expenses, and Changes
in Retained Earnings - Budget (Non-GAAP Legal Basis)
and Actual - Enterprise and Internal Service Funds..... 12

Schedule of Expenditures - Budget and Actual by Department
and Summary Category for all Fund Types 13

CITY OF ROSEVILLE
General Purpose Financial Statements
For the Year Ended June 30, 2001

	<u>Page</u>
Notes to Financial Statements	16
1. Summary of Significant Accounting Policies.....	16
2. Budgets and Budgetary Accounting	23
3. Cash and Investments	25
4. Interfund Transactions	28
5. Notes Receivable and Deferred Revenue	31
6. Deferred Receivables and Deferred Revenue.....	33
7. Development Agreement	33
8. Fixed Assets.....	34
9. Long Term Debt.....	36
10. Debt Without City Commitment.....	39
11. Fund Balances and Retained Earnings	40
12. Segment Information for Enterprise Funds	42
13. Pension Plan.....	43
14. Risk Management	44
15. Prepaid Purchased Electricity	47
16. Northern California Power Agency (NCPA).....	47
17. South Placer Wastewater Authority (SPWA).....	52
18. Municipal Solid Waste Landfill Closure and Postclosure Care Costs	53
19. Contingent Liabilities	53
20. Subsequent Event.....	54

Supplemental Combining, Individual Fund and Account Group Statements and Schedules:

General Fund:

Comparative Balance Sheets.....	56
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	57

Special Revenue Funds:

Combining Balance Sheets	60
Combining Statements of Revenues, Expenditures, and Changes in Fund Balances.....	64
Combining Statements of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual	68

CITY OF ROSEVILLE
General Purpose Financial Statements
For the Year Ended June 30, 2001

	<u>Page</u>
 <i>Debt Service Fund:</i>	
Comparative Balance Sheets.....	78
Comparative Statements of Revenues, Expenditures, and Changes in Fund Balances.....	79
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual.....	80
 <i>Capital Projects Funds:</i>	
Combining Balance Sheets	82
Combining Statements of Revenues, Expenditures, and Changes in Fund Balances.....	84
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual.....	86
 <i>Enterprise Funds:</i>	
Combining Balance Sheets	90
Combining Statements of Revenues, Expenses and Changes in Retained Earnings.....	92
Combining Statements of Cash Flows.....	94
Combining Schedule of Revenues, Expenses and Changes in Retained Earnings - Budget (Non GAAP Legal Basis) and Actual.....	96
 <i>Internal Service Funds:</i>	
Combining Balance Sheets	102
Combining Statements of Revenues, Expenses and Changes in Retained Earnings.....	104
Combining Statements of Cash Flows.....	106
Combining Schedule of Revenues, Expenses and Changes in Retained Earnings - Budget (Non GAAP Legal Basis) and Actual.....	108
 <i>Agency Funds:</i>	
Statement of Changes in Assets and Liabilities	114

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INDEPENDENT AUDITOR'S REPORT ON GENERAL PURPOSE FINANCIAL STATEMENTS

To the City Council
City of Roseville, California

We have audited the general purpose financial statements of the City of Roseville as of and for the years ended June 30, 2001 and 2000 as listed in the Table of Contents. These financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* (1994 Revision), issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance as to 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 audits provide a reasonable basis for our opinion.

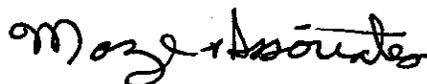
In accordance with Government Auditing Standards, we have also issued reports dated November 30, 2001 on our consideration of the City of Roseville's internal control structure and on its compliance with laws and regulations.

In our opinion, the general purpose financial statements referred to above present fairly in all material respects the financial position of the City of Roseville at June 30, 2001 and 2000 and the results of its operations and the cash flows of its proprietary fund types for the years then ended, in conformity with generally accepted accounting principles.

The general purpose financial statements referred to above follow the requirements of the Government Accounting Standards Board's Statement 33, *Accounting and Financial Reporting for Nonexchange Transactions*, which was implemented for the year ended June 30, 2001.

Our audits were made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The supplemental section listed in the Table of Contents is presented for purposes of additional analysis and is not a required part of the general purpose financial statements of the City of Roseville. Such information has been subjected to the auditing procedures applied in our audit of the general purpose financial statements, and in our opinion is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

November 30, 2001



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CITY OF ROSEVILLE

COMBINED STATEMENTS OVERVIEW

These statements provide an overview of the combined financial position and the operating results of all fund types and account groups. Individual funds utilized by the City are grouped in these statements as follows:

GOVERNMENTAL FUND TYPE OPERATION

These funds (general, special revenue, debt service and capital projects) are those through which governmental functions are typically funded with the emphasis on sources and uses of resources.

PROPRIETARY FUND TYPE OPERATION

These funds (enterprise and internal service) are used to account for activities similar to private industry with the emphasis on net income determination.

FIDUCIARY FUND TYPE

These funds account for assets held by the City in a trustee capacity or as an agent for others.

ACCOUNT GROUPS

Account groups are used to establish accounting control for the City's general fixed assets and unmatured principal of its general long-term debt. Because these assets and liabilities are long-term they are neither spendable resources nor do they require current appropriation. They are accounted for separate from governmental fund types.

**CITY OF ROSEVILLE
COMBINED BALANCE SHEETS
ALL FUND TYPES AND ACCOUNT GROUPS
JUNE 30, 2001
WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2000**

ASSETS	GOVERNMENTAL FUND TYPES				PROPRIETARY FUND TYPES	
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service
Cash and investments in City Treasury (Note 3)	\$17,590,729	\$76,047,465		\$13,390,122	\$102,689,173	\$18,030,378
Restricted cash and investments with fiscal agents (Note 3)		640,277	\$1,664,345	17,789,300	11,089,755	42,805
Receivables	8,897,339	4,165,214		141,747	25,158,474	858,592
Due from other funds (Note 4B)	317,683	230,526		93,744	508,616	405,244
Prepaid expenses	2,032	8,488			11,224,495	
Advances to other funds (Note 4C)	8,587,888	400,000		868,970		5,022,029
Deferred receivables (Note 6)		5,866,971			2,027,231	
Notes receivable (Note 5)	167,969	4,333,759				
Inventories (Note 11)	402,930				5,587,835	315,128
Prepaid purchased electricity (Note 15)					5,822,188	
Unamortized bond origination costs					1,686,782	
Investment in NCPA reserves (Note 16)					2,752,230	
Investment in SPWA reserves (Note 17)					131,405,267	
Fixed assets (net where applicable of accumulated depreciation) (Note 8)					416,711,448	11,146,733
Amount available in Debt Service Fund						
Amount to be provided for retirement of general long-term debt						
Total Assets	\$35,966,570	\$91,692,700	\$1,664,345	\$32,283,883	\$716,663,494	\$35,820,909
LIABILITIES						
Accounts payable	\$3,061,191	\$3,157,122		\$2,479,459	\$7,721,127	\$179,824
Accrued liabilities	1,605,509	1,046,551			1,700,465	45,988
Due to other funds (Note 4B)	31,996	797,583		253,759	446,269	25,496
Due to other government agencies	25,125	3,817,755			607,584	
Advances from other funds (Note 4C)		10,795,759			4,083,128	
Current portion of long-term debt (Note 9)					3,045,826	
Deposits	1,199,044			9,815	512,427	
Deferred revenue (Notes 5 & 6)	454,311	8,687,518			3,814,255	
Self-insurance claims payable (Note 14)						4,621,000
Long term debt: (Note 9)						
Notes					210,387	
Special assessments						
Certificates of participation					65,115,000	
Revenue bonds					96,346,762	
Capital leases						
Landfill closure and post closure liability (Note 18)					706,003	
Due to member agencies						
Due to bondholders						
Due to others						
Compensated absences (Note 1G)					3,320,377	210,582
Total Liabilities	6,377,176	28,302,288		2,743,033	187,629,610	5,082,890
FUND EQUITY						
Contributed capital (Note 8C):						
From subdividers					85,464,803	
From other government agencies					12,004,435	
Equity in joint venture (Notes 16 and 17)					57,527,610	
Investment in general fixed assets						
Retained earnings: (Note 11)						
Reserved for debt service					5,999,796	
Unreserved					368,037,240	30,738,019
Fund balances (Note 11):						
Reserved for advances	8,587,888	400,000		868,970		
Reserved for inventories	402,930					
Reserved for encumbrances	1,526,180	1,380,935		110,832		
Reserved for prepaid expenses	2,032					
Reserved for debt service						
Reserved for low and moderate income housing		361,832	\$1,664,345			
Reserved for deferred receivables and notes receivable	167,969	57,699				
Unreserved:						
Designated for economic reserve	6,119,700					
Designated for carryover of capital improvement projects	3,241,484			28,561,048		
Undesignated	9,541,211	61,189,946				
Total Fund Equity	29,589,394	63,390,412	1,664,345	29,540,850	374,037,036	30,738,019
Total Equity and Other Credits	29,589,394	63,390,412	1,664,345	29,540,850	529,033,884	30,738,019
Total Liabilities, Equity and Other Credits	\$35,966,570	\$91,692,700	\$1,664,345	\$32,283,883	\$716,663,494	\$35,820,909

FIDUCIARY FUND TYPES	ACCOUNT GROUPS		TOTALS (Memorandum Only)	
	General Fixed	General Long-	2001	2000
	Assets	Term Obligations		
Agency				
\$124,942,319			\$352,690,186	\$289,497,196
142,416,844			173,643,326	70,044,027
4,500,346			43,721,712	33,302,818
			1,555,813	2,121,270
			11,235,015	26,322
			14,878,887	23,750,231
3,457,403			11,351,605	13,947,552
			4,501,728	3,845,963
			6,305,893	6,208,842
			5,822,188	5,893,463
			1,686,782	1,781,407
			2,752,230	2,287,352
			131,405,267	
	\$130,276,892		558,135,073	460,589,097
		\$1,664,345	1,664,345	1,603,009
		27,459,597	27,459,597	27,694,472
<u>\$275,316,912</u>	<u>\$130,276,892</u>	<u>\$29,123,942</u>	<u>\$1,348,809,647</u>	<u>\$942,593,021</u>
\$7,577,147			\$24,175,870	\$22,399,913
1,118,102			5,516,615	4,368,483
710			1,555,813	2,121,270
18,094			4,468,558	3,203,661
			14,878,887	23,750,231
			3,045,826	2,783,066
626,926			2,348,212	2,348,784
			12,956,084	10,652,368
			4,621,000	4,507,000
			210,387	218,858
		\$78,779	78,779	88,632
		20,025,000	85,140,000	87,740,000
			96,346,762	
		1,582,504	1,582,504	1,935,971
			706,003	911,558
226,932,620			226,932,620	1,925,540
37,037,278			37,037,278	34,461,765
2,006,035			2,006,035	1,003,528
		7,437,659	10,968,618	9,685,208
<u>275,316,912</u>		<u>29,123,942</u>	<u>534,575,851</u>	<u>214,105,836</u>
			85,464,803	88,180,601
			12,004,435	12,387,655
			57,527,610	2,287,352
	\$130,276,892		130,276,892	114,013,990
			5,999,796	5,999,796
			398,775,259	390,441,760
			9,856,858	16,666,041
			402,930	494,769
			3,017,947	2,358,908
			2,032	17,990
			1,664,345	1,603,009
			361,832	56,614
			225,668	241,534
			6,119,700	5,533,700
			31,802,532	46,830,294
			70,731,157	41,373,172
			528,960,056	511,617,587
	130,276,892		814,233,796	728,487,185
<u>\$275,316,912</u>	<u>\$130,276,892</u>	<u>\$29,123,942</u>	<u>\$1,348,809,647</u>	<u>\$942,593,021</u>

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CITY OF ROSEVILLE
COMBINED STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE FISCAL YEAR ENDED JUNE 30, 2001
WITH COMPARATIVE AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2000

	GOVERNMENTAL FUND TYPES				TOTALS (Memorandum Only)	
	General	Special Revenue	Debt Service	Capital Improvement	2001	2000
REVENUES						
Taxes	\$51,092,405	\$5,529,361			\$56,621,766	\$49,441,890
Licenses and permits	2,431,091				2,431,091	2,210,596
Charges for services	8,202,129	19,613,394		\$25,634	27,841,157	25,878,364
Subventions and grants	5,180,262	10,338,022			15,518,284	16,785,739
Use of money and property	1,156,756	4,660,223	\$119,599	3,128,400	9,064,978	6,779,306
Fines, forfeitures and penalties	66,900	398,339			465,239	354,984
Miscellaneous revenues	272,626	509,511		520,740	1,302,877	434,172
Total Revenues	68,402,169	41,048,850	119,599	3,674,774	113,245,392	101,885,051
EXPENDITURES						
Current						
General government	14,210,158	1,975,099			16,185,257	12,889,225
Community development and planning	4,321,936	1,301,661			5,623,597	5,747,501
Public works	10,873,585				10,873,585	16,652,261
Public safety:						
Police	13,868,406				13,868,406	11,798,987
Fire	9,197,433				9,197,433	8,752,263
Library	2,169,391	176,463			2,345,854	2,206,762
Parks and recreation	8,781,180	898,710			9,679,890	6,963,057
Housing assistance payments		1,737,541			1,737,541	1,496,176
Capital outlay	254,655	15,103,229		37,476,651	52,834,535	63,197,651
Payments under developer agreement (Note 7)	1,603,838				1,603,838	
Debt service (Note 9)						
Principal	481,040		600,000		1,081,040	2,642,740
Interest and fiscal charges	128,969	190,787	975,696		1,295,452	1,262,038
Total Expenditures	65,890,591	21,383,490	1,575,696	37,476,651	126,326,428	133,608,661
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	2,511,578	19,665,360	(1,456,097)	(33,801,877)	(13,081,036)	(31,723,610)
OTHER FINANCING SOURCES (USES)						
Contributions from property owners				8,224,249	8,224,249	45,162,789
Contributions from developers	55,540	2,123,417		7,814	2,186,771	3,326,057
Proceeds from sale of property		1,200,000			1,200,000	
Proceeds from capital lease	271,598				271,598	78,368
Operating transfers in (Note 4A)	16,439,715	13,712,584	1,517,433	7,454,719	39,124,451	29,356,569
Operating transfers (out) (Note 4A)	(18,534,358)	(9,924,995)		(716,042)	(29,175,395)	(20,521,671)
Total Other Financing Sources (Uses)	(1,767,505)	7,111,006	1,517,433	14,970,740	21,831,674	57,402,112
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES	744,073	26,776,366	61,336	(18,831,137)	8,750,638	25,678,502
Fund balances at beginning of year, as restated (Note 11D)	28,845,321	36,355,714	1,603,009	48,371,987	115,176,031	89,497,529
Residual equity transfer in (Note 1K)		258,332		32,763,267	33,021,599	
Residual equity transfer (out) (Note 1K)				(32,763,267)	(32,763,267)	
Fund balances at end of year	\$29,589,394	\$63,390,412	\$1,664,345	\$29,540,850	\$124,185,001	\$115,176,031

See accompanying notes to financial statements

CITY OF ROSEVILLE
COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
ALL GOVERNMENTAL FUND TYPES
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	GENERAL FUND			SPECIAL REVENUE		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
Taxes	\$46,034,100	\$51,092,405	\$5,058,305	\$4,412,517	\$5,529,361	\$1,116,844
Licenses and permits	2,116,370	2,431,091	314,721			
Charges for services	6,187,469	8,202,129	2,014,660	17,770,330	19,613,394	1,843,064
Subventions and grants	5,076,022	5,180,262	104,240	12,675,602	10,338,022	(2,337,580)
Use of money and property	895,880	1,156,756	260,876	2,805,190	4,629,317	1,824,127
Fines, forfeitures and penalties	73,000	66,900	(6,100)	200,000	398,339	198,339
Miscellaneous revenue	386,900	272,626	(114,274)	539,600	507,332	(32,268)
Total Revenues	60,769,741	68,402,169	7,632,428	38,403,239	41,015,765	2,612,526
EXPENDITURES						
Current:						
General government	14,241,338	14,210,158	31,180	845,000	783,802	61,198
Community development and planning	5,779,084	4,321,936	1,457,148	6,101,919	2,492,958	3,608,961
Public works	13,317,417	10,873,585	2,443,832			
Public safety:						
Police	14,307,189	13,868,406	438,783			
Fire	9,527,896	9,197,433	330,463			
Library	2,485,936	2,169,391	316,545	189,365	176,463	12,902
Parks and recreation	9,558,291	8,781,180	777,111	1,480,395	898,710	581,685
Housing assistance program				1,705,530	1,737,541	(32,011)
Capital outlay	3,128,792	254,655	2,874,137	33,229,877	15,103,229	18,126,648
Payments under developer agreement		1,603,838	(1,603,838)			
Debt service						
Principal	547,783	481,040	66,743			
Interest and fiscal charges	64,281	128,969	(64,688)		190,787	(190,787)
Total Expenditures	72,958,007	65,890,591	7,067,416	43,552,086	21,383,490	22,168,596
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(12,188,266)	2,511,578	14,699,844	(5,148,847)	19,632,275	24,781,122
OTHER FINANCING SOURCES (USES)						
Contributions from property owners						
Contributions from developers	2,074,317	55,540	(2,018,777)	1,500,000	2,123,417	623,417
Proceeds from capital lease		271,598	271,598			
Proceeds from sale of property					1,200,000	1,200,000
Operating transfers in	16,988,888	16,439,715	(549,173)	7,973,246	13,712,584	5,739,338
Operating transfers (out)	(13,527,415)	(18,534,358)	(5,006,943)	(19,950,775)	(9,924,995)	10,025,780
Total Other Financing Sources (Uses)	5,535,790	(1,767,505)	(7,303,295)	(10,477,529)	7,111,006	17,588,535
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	(\$6,652,476)	744,073	\$7,396,549	(\$15,626,376)	26,743,281	\$42,369,657
Fund balances at beginning of year, as restated		28,845,321			35,899,216	
Residual equity transfer in					258,332	
Residual equity transfer (out)						
Funds not budgeted:						
Special Revenue Funds:						
Trench Cut Recovery					2,243	
Affordable Housing					487,340	
Capital Projects Fund:						
Roseville Finance Authority						
Fund balances at end of year		\$29,589,394			\$63,390,412	

See accompanying notes to financial statements

DEBT SERVICE			CAPITAL IMPROVEMENT		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
				\$25,634	\$25,634
\$88,000	\$119,599	\$31,599	\$1,837,390	3,087,129	1,249,739
				520,740	520,740
<u>88,000</u>	<u>119,599</u>	<u>31,599</u>	<u>1,837,390</u>	<u>3,633,503</u>	<u>1,796,113</u>
			52,025,963	37,476,651	14,549,312
\$600,000	600,000				
975,100	975,696	(596)			
<u>1,575,100</u>	<u>1,575,696</u>	<u>(596)</u>	<u>52,025,963</u>	<u>37,476,651</u>	<u>14,549,312</u>
<u>(1,487,100)</u>	<u>(1,456,097)</u>	<u>31,003</u>	<u>(50,188,573)</u>	<u>(33,843,148)</u>	<u>16,345,425</u>
			3,655,936	8,224,249	4,568,313
			165,000	7,814	(157,186)
1,575,100	1,517,433	(57,667)	18,301,328	7,454,719	(10,846,609)
			(2,156,470)	(716,042)	1,440,428
<u>1,575,100</u>	<u>1,517,433</u>	<u>(57,667)</u>	<u>19,965,794</u>	<u>14,970,740</u>	<u>(4,995,054)</u>
<u>\$88,000</u>	61,336	<u>(\$26,664)</u>	<u>(\$30,222,779)</u>	(18,872,408)	<u>\$11,350,371</u>
	1,603,009			15,220,915	
				32,732,808	
				(30,459)	
				489,994	
	<u>\$1,664,345</u>			<u>\$29,540,850</u>	

CITY OF ROSEVILLE
COMBINED STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN RETAINED EARNINGS - ALL PROPRIETARY FUND TYPES
FOR THE FISCAL YEAR ENDED JUNE 30, 2001
WITH COMPARATIVE AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2000

	Enterprise	Internal Service	TOTALS (Memorandum Only)	
			2001	2000
OPERATING REVENUES				
Charges for services	\$128,691,396	\$12,127,934	\$140,819,330	\$137,228,404
Subventions and grants	3,979,007		3,979,007	3,215,077
Sale of wholesale power	6,186,595		6,186,595	
Other	771,375	352,696	1,124,071	841,357
Total Operating Revenues	139,628,373	12,480,630	152,109,003	141,284,838
OPERATING EXPENSES				
Purchased power	44,974,174		44,974,174	42,231,342
Distribution:				
Operations	38,847,066	5,142,877	43,989,943	38,730,642
Administration	3,363,836		3,363,836	3,933,592
Depreciation and amortization	10,587,838	2,472,087	13,059,925	11,654,725
Claims expense		1,807,073	1,807,073	368,771
Total Operating Expenses	97,772,914	9,422,037	107,194,951	96,919,072
Operating Income (Loss)	41,855,459	3,058,593	44,914,052	44,365,766
NONOPERATING REVENUES (EXPENSES)				
Interest revenue	12,070,072	1,638,265	13,708,337	10,128,992
Interest and fiscal charges (expense)	(5,377,806)		(5,377,806)	(2,826,973)
Other		176,870	176,870	111,109
Net Nonoperating Revenues (Expenses)	6,692,266	1,815,135	8,507,401	7,413,128
Income (Loss) Before Contributions and Operating Transfers	48,547,725	4,873,728	53,421,453	51,778,894
Contribution in aid of construction	6,328,425		6,328,425	
Capital contributions from developers	13,884,805		13,884,805	
Capital contributions from SPWA member agencies	19,529,157		19,529,157	
Operating transfers in (Note 4A)	1,779,768	1,855,815	3,635,583	2,918,288
Operating transfers (out) (Note 4A)	(12,823,792)	(760,847)	(13,584,639)	(11,753,186)
Net Income (Loss)	77,246,088	5,968,696	83,214,784	42,943,996
ITEMS AFFECTING CONTRIBUTED CAPITAL				
Depreciation on fixed assets acquired through capital contributions (Note 8)	3,099,018		3,099,018	2,994,234
Retained earnings at beginning of year	371,672,233	24,769,323	396,441,556	350,503,326
Residual equity transfer (out) (Note 17)	(77,980,303)		(77,980,303)	
Retained earnings at end of year	\$374,037,036	\$30,738,019	\$404,775,055	\$396,441,556

See accompanying notes to financial statements

CITY OF ROSEVILLE
COMBINED STATEMENTS OF CASH FLOWS
ALL PROPRIETARY FUND TYPES
FOR THE FISCAL YEAR ENDED JUNE 30, 2001
WITH COMPARATIVE AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2000

	Enterprise	Internal Service	TOTALS (Memorandum Only)	
			2001	2000
CASH FLOWS FROM OPERATING ACTIVITIES				
Operating income (loss)	\$41,855,459	\$3,058,593	\$44,914,052	\$45,373,785
Adjustments to reconcile operating income to cash flows from operating activities				
Depreciation and amortization	10,587,838	2,472,087	13,059,925	11,654,725
Net change in:				
Accounts receivable	(8,013,759)	(105,083)	(8,118,842)	(1,780,198)
Accrued interest	1,207,543	(3,327)	1,204,216	(1,183,119)
Due from other government agencies	(547,881)	(7,296)	(555,177)	(232,592)
Prepaid expenses	(11,216,163)		(11,216,163)	(1,016,351)
Deferred receivables	64,322		64,322	(138,803)
Inventories	(166,990)	(21,900)	(188,890)	(1,024,712)
Prepaid purchased electricity	(149,357)		(149,357)	397,934
Accounts payable	(279,664)	(203,775)	(483,439)	1,561,001
Accrued liabilities	5,204	9,160	14,364	734,067
Due to other government agencies	607,584		607,584	
Deposits	55,025		55,025	42,057
Deferred revenue	125,030		125,030	722,909
Self-insurance claims liability		114,000	114,000	(850,000)
Landfill closure and post closure liability	(205,555)		(205,555)	(210,505)
Compensated absences	480,555	13,074	493,629	514,830
Net Cash Provided from Operating Activities	34,409,191	5,325,533	39,734,724	54,565,028
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Net borrowings (repayments) of amounts due from/ to other funds	(135,709)	70,252	(65,457)	250,556
Net borrowings (repayments) of advances from/ to other funds	(405,244)	2,062,161	1,656,917	50,000
Operating transfers in	1,779,768	1,855,815	3,635,583	2,918,288
Operating transfers (out)	(12,823,792)	(760,847)	(13,584,639)	(11,753,186)
Residual equity transfer (out)	(52,733,766)		(52,733,766)	
Net Cash Used by Noncapital Financing Activities	(64,318,743)	3,227,381	(61,091,362)	(8,534,342)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	12,070,072	1,638,265	13,708,337	10,128,992
Net change in restricted assets	8,435,784		8,435,784	7,252,565
Net Cash Provided by (Used in) investing activities	20,505,856	1,638,265	22,144,121	17,381,557
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES				
Acquisition and construction of fixed assets	(62,660,506)	(4,664,746)	(67,325,252)	(56,014,624)
Transfer of connection fees to SPWA	(4,726,068)		(4,726,068)	
Principal paid on debt, bond maturities, special assessments, and equipment contracts	(2,783,067)		(2,783,067)	(2,672,683)
Proceeds from long term debt				21,630,000
Proceeds from sale of fixed assets		176,870	176,870	111,109
Interest and fiscal charges paid	(2,980,520)		(2,980,520)	(2,826,973)
Contribution in aid of construction	6,328,425		6,328,425	
Capital contributions from developers	13,884,805		13,884,805	
Contributed capital				8,269,829
Cash Flows (used by) Capital Financing Activities	(52,936,931)	(4,487,876)	(57,424,807)	(31,503,342)
Net Cash Flows	(62,340,627)	5,703,303	(56,637,324)	31,908,901
Cash and investments at beginning of year	165,029,800	12,369,880	177,399,680	145,490,779
Cash and investments at end of year	\$102,689,173	\$18,073,183	\$120,762,356	\$177,399,680
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES				
Transfer of SPWA fixed assets to City	\$42,612,170		\$42,612,170	
Transfer of accounts receivable to SPWA	(657,319)		(657,319)	
Transfer of due from other government agencies to SPWA	(2,915,751)		(2,915,751)	
Transfer of deferred receivables to SPWA	(5,728,787)		(5,728,787)	
Interest on SPWA Revenue Bonds	2,397,286		2,397,286	

See accompanying notes to financial statements

**CITY OF ROSEVILLE
COMBINED SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN RETAINED EARNINGS
BUDGET (NON-GAAP LEGAL BASIS) AND ACTUAL
ENTERPRISE AND INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001**

	ENTERPRISE FUNDS			INTERNAL SERVICE FUNDS		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
OPERATING REVENUES						
Charges for services	\$121,120,446	\$128,691,396	\$7,570,950	\$11,843,750	\$12,127,934	\$284,184
Subventions and grants	4,619,343	3,979,007	(640,336)			
Sale of wholesale power	6,100,000	6,186,595	86,595			
Miscellaneous	433,663	771,375	337,712	50,000	320,607	270,607
Total Operating Revenues	132,273,452	139,628,373	7,354,921	11,893,750	12,448,541	554,791
OPERATING EXPENSES						
Purchased power	59,400,000	44,974,174	14,425,826			
Distribution:						
Operations	217,690,215	87,224,113	130,466,102	10,649,579	9,783,616	865,963
Administration	4,270,426	3,363,836	906,590			
Claims expense				2,029,000	1,807,073	221,927
Total Operating Expenses	281,360,641	135,562,123	145,798,518	12,678,579	11,590,689	1,087,890
Operating Income (Loss)	(149,087,189)	4,066,250	153,153,439	(784,829)	857,852	1,642,681
NONOPERATING REVENUES (EXPENSES)						
Interest revenue	7,778,086	12,070,072	4,291,986	1,138,943	1,638,265	499,322
Interest and fiscal charges (expense)	(2,991,168)	(5,377,806)	(2,386,638)			
Proceeds from bond issuance	90,000,000		(90,000,000)			
Debt service - principal (Note 9)	(2,783,070)	(2,783,067)	3			
Other					176,870	176,870
Net Nonoperating Revenues (Expenses)	92,003,848	3,909,199	(88,094,649)	1,138,943	1,815,135	676,192
Income (Loss) Before Operating Transfers	(57,083,341)	7,975,449	65,058,790	354,114	2,672,987	2,318,873
Contribution in aid of construction	4,352,000	6,328,425	1,976,425			
Capital contributions from developers		13,884,805	13,884,805			
Capital contributions from SPWA member agencies		19,529,157	19,529,157			
Operating transfer in	12,268,122	1,779,768	(10,488,354)	2,712,500	1,855,815	(856,685)
Operating transfer (out)	(24,779,037)	(12,823,792)	11,955,245	(608,920)	(760,847)	(151,927)
Net Income (Loss)	(\$65,242,256)	36,673,812	\$101,916,068	\$2,457,694	3,767,955	\$1,310,261
ITEMS AFFECTING CONTRIBUTED CAPITAL						
Depreciation		3,099,018				
Adjustments to budgetary basis:						
Depreciation and amortization		(10,587,838)			(2,472,087)	
Capital outlay		48,377,047			4,640,739	
Debt service - principal		2,783,067				
Retained earnings at beginning of year, budgeted funds		371,672,233			24,769,323	
Residual equity transfer (out)		(77,980,303)				
Retained earnings at end of year, fund not budgeted: Central Stores Internal Service Fund					32,089	
Retained earnings at end of year		\$374,037,036			\$30,738,019	

See accompanying notes to financial statements

CITY OF ROSEVILLE
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
BY DEPARTMENT AND SUMMARY CATEGORY FOR ALL FUND TYPES
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

Department/Category	Appropriations	Actual Expenditures	Variance Favorable (Unfavorable)
City Council			
Salaries and Benefits	\$21,250	\$21,100	\$150
Operating Services and Supplies	316,345	314,286	2,059
Total City Council	337,595	335,386	2,209
Office of the City Manager			
Salaries and Benefits	767,655	738,369	29,286
Operating Services and Supplies	301,021	196,195	104,826
Capital Outlay	175,216	80,709	94,507
Total Office of the City Manager	1,243,892	1,015,273	228,619
Office of the City Attorney			
Salaries and Benefits	586,453	584,822	1,631
Operating Services and Supplies	240,890	218,906	21,984
Capital Outlay	11,000	2,514	8,486
Total Office of the City Attorney	838,343	806,242	32,101
Administrative Services			
Salaries and Benefits	2,584,055	2,610,677	(26,622)
Operating Services and Supplies	5,470,232	4,714,189	756,043
Capital Outlay	417,068	547,703	(130,635)
Debt Service	543,500	548,308	(4,808)
Total Administrative Services	9,014,855	8,420,877	593,978
City Clerk			
Salaries and Benefits	470,765	385,647	85,118
Operating Services and Supplies	163,585	159,243	4,342
Capital Outlay	35,000	34,885	115
Total City Clerk	669,350	579,775	89,575
Central Services			
Salaries and Benefits	3,486,474	3,226,203	260,271
Operating Services and Supplies	2,775,240	2,645,949	129,291
Capital Outlay	70,300	34,178	36,122
Capital Improvement Projects	26,379,450	10,805,361	15,574,089
Total Central Services	32,711,464	16,711,691	15,999,773
Finance			
Salaries and Benefits	2,511,210	2,333,142	178,068
Operating Services and Supplies	1,205,238	1,078,659	126,579
Capital Outlay	89,000	46,954	42,046
Total Finance	3,805,448	3,458,755	346,693
Police			
Salaries and Benefits	11,006,541	10,778,679	227,862
Operating Services and Supplies	2,795,036	2,553,564	241,472
Capital Outlay	505,612	536,163	(30,551)
Total Police	14,307,189	13,868,406	438,783
Fire			
Salaries and Benefits	7,489,260	7,447,097	42,163
Operating Services and Supplies	2,038,637	1,750,337	288,300
Capital Outlay	672,133	346,952	325,181
Capital Improvement Projects	93,581	57,938	35,643
Total Fire	10,293,611	9,602,324	691,287

(Continued)

CITY OF ROSEVILLE
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
BY DEPARTMENT AND SUMMARY CATEGORY FOR ALL FUND TYPES
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

Department/Category	Appropriations	Actual Expenditures	Variance Favorable (Unfavorable)
Library			
Salaries and Benefits	2,105,750	1,830,594	275,156
Operating Services and Supplies	493,251	437,129	56,122
Capital Outlay	79,000	78,131	869
Debt Service	2,800	2,964	(164)
Total Library	2,680,801	2,348,818	331,983
Community Development			
Salaries and Benefits	1,440,250	1,334,559	105,691
Operating Services and Supplies	1,166,488	752,084	414,404
Capital Outlay	13,900	12,714	1,186
Capital Improvement Projects	549,807	26,854	522,953
Total Community Development	3,170,445	2,126,211	1,044,234
Housing and Redevelopment			
Salaries and Benefits	346,705	320,673	26,032
Operating Services and Supplies	3,079,296	888,163	2,191,133
Capital Outlay	2,500	2,418	82
Debt Service		189,128	(189,128)
Capital Improvement Projects	3,432,760	204,482	3,228,278
Other Expenditures	342,780	539,992	(197,212)
Total Housing and Redevelopment	7,204,041	2,144,856	5,059,185
Planning			
Salaries and Benefits	1,585,403	1,388,087	197,316
Operating Services and Supplies	283,384	236,132	47,252
Capital Outlay	7,750	6,771	979
Capital Improvement Projects	1,072,530	1,148,989	(76,459)
Total Planning	2,949,067	2,779,979	169,088
Public Works			
Salaries and Benefits	6,459,955	5,716,029	743,926
Operating Services and Supplies	3,818,664	3,340,961	477,703
Capital Outlay	96,944	70,083	26,861
Capital Improvement Projects	36,880,917	19,211,974	17,668,943
Total Public Works	47,256,480	28,339,047	18,917,433
Environmental Utilities			
Salaries and Benefits	9,219,894	8,955,360	264,534
Operating Services and Supplies	13,252,732	12,609,888	642,844
Capital Outlay	703,419	604,251	99,168
Capital Improvement Projects	156,035,776	35,679,719	120,356,057
Total Environmental Utilities	179,211,821	57,849,218	121,362,603
Parks and Recreation			
Salaries and Benefits	8,139,762	7,521,144	618,618
Operating Services and Supplies	5,340,734	5,322,635	18,099
Capital Outlay	385,314	312,214	73,100
Capital Improvement Projects	7,353,360	3,159,752	4,193,608
Debt Service	10,068	10,076	(8)
Total Parks and Recreation	21,229,238	16,325,821	4,903,417

(Continued)

CITY OF ROSEVILLE
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
BY DEPARTMENT AND SUMMARY CATEGORY FOR ALL FUND TYPES
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

Department/Category	Appropriations	Actual Expenditures	Variance Favorable (Unfavorable)
Electric			
Salaries and Benefits	7,610,550	7,076,336	534,214
Operating Services and Supplies	63,841,597	49,583,506	14,258,091
Capital Outlay	586,750	85,448	501,302
Capital Improvement Projects	14,073,588	9,678,625	4,394,963
Total Electric	86,112,485	66,423,915	19,688,570
Transit			
Salaries and Benefits	230,340	188,781	41,559
Operating Services and Supplies	2,401,735	1,766,103	635,632
Capital Improvement Projects	1,141,416	109,186	1,032,230
Total Transit	3,773,491	2,064,070	1,709,421
Debt Service			
Debt Service	7,360,510	9,751,830	(2,391,320)
Other Expenditures	44,524	159,754	(115,230)
Total Debt Service	7,405,034	9,911,584	(2,506,550)
Community Grants			
Operating Services and Supplies	639,649	482,450	157,199
Total Community Grants	639,649	482,450	157,199
Automotive Replacement			
Operating Services and Supplies		16	(16)
Capital Outlay	5,211,139	4,577,454	633,685
Total Automotive Replacement	5,211,139	4,577,470	633,669
Non-departmental			
Salaries and Benefits		493,629	(493,629)
Operating Services and Supplies	1,322,790	1,004,616	318,174
Capital Improvement Projects	28,097,238	25,954,452	2,142,786
Payments under developer agreement		1,603,838	(1,603,838)
Other Expenditures	2,224,278	1,378,392	845,886
Total Community Grants	31,644,306	30,434,927	1,209,379

CITY OF ROSEVILLE
Notes to Financial Statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Roseville was incorporated on April 10, 1909 under provisions of Act 279, P.A. 1909, as amended (Home Rule City). The City operates under the Council-Manager form of government and provides the following services: public safety (police and fire), highways and streets, sanitation, water, refuse, electric, local transportation, school-age child care, golf course, parks-recreation, public improvements, planning and zoning, library, general administration services, redevelopment and housing.

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

A. Reporting Entity

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

The **Redevelopment Agency of the City of Roseville** is a separate government entity whose purpose is to prepare and implement plans for improvement, rehabilitation, and development of certain areas within the City. The Agency is controlled by the City and has the same governing board as the City, which also performs all accounting and administrative functions for the Agency. The financial activities of the Agency have been included in these financial statements in the Redevelopment Agency of the City of Roseville Special Revenue Fund.

The **Roseville Finance Authority** is a separate government entity whose purpose is to assist with the financing or refinancing of certain public capital facilities within the City. The Authority has the power to purchase bonds issued by any local agency at public or negotiated sale and may sell such bonds to public or private purchasers at public or negotiated sale. The Authority is controlled by the City and has the same governing body as the City, which also performs all accounting and administrative functions for the Authority. The financial activities of the Authority are included in the Roseville Finance Authority Debt Service Fund and Capital Projects Fund.

The **City of Roseville Housing Authority** is a separate government entity whose purpose is to assist with the housing for the City's low and moderate income residents. The Authority is controlled by the City and has the same governing body as the City, which also performs all accounting and administrative functions for the Authority. The financial activities of the Authority are included in the Housing Authority Section 8 Special Revenue Fund.

Financial statements for the Redevelopment Agency may be obtained from the City of Roseville at 311 Vernon Street, Suite 206, Roseville, California, 95678. Separate financial statements for the Roseville Finance Authority and Roseville Housing Authority are not issued.

CITY OF ROSEVILLE
Notes to Financial Statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The California Joint Powers Risk Management Authority, the Local Agency Workers' Compensation Excess Joint Powers Authority, the Roseville-Placer County Civic Center Improvement Authority, the Highway 65 Joint Powers Authority, the Disaster Recovery Joint Powers Authority, and the South Placer Wastewater Authority are not included in the accompanying general purpose financial statements because they do not meet the above financial accountability criteria as these entities are administered by governing boards separate from and wholly independent of the City.

B. *Fund Accounting*

In order to ensure the proper identification of individual revenue sources and the expenditures made from those revenues, the accounts of the City are organized on the basis of individual funds and account groups, each of which is considered 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. The City's resources are accounted for in these individual funds based on the purposes for which they are to be spent and the means by which spending activities are controlled.

In the Combined Financial Statements, these funds are grouped into the fund types and categories discussed below. The financial statements for each individual fund in each fund type are presented in the Combining Financial Statements section of this report.

GOVERNMENTAL FUNDS

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

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specific purposes.

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

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

CITY OF ROSEVILLE
Notes to Financial Statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

PROPRIETARY FUNDS

Enterprise Funds - Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises where the intent of the City is that the costs and expenses, including depreciation, of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the City has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Internal Service Funds - Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis. The City provides automotive services, central stores and self-insurance.

FIDUCIARY FUNDS

Agency Funds - Agency funds are used to account for assets held by the City as an agent for individuals, private organizations, other governments and/or other funds.

C. Measurement Focus

All governmental funds are accounted for on a spending or *flow of current financial resources* measurement focus which means that only *current* assets and *current* liabilities are generally included on their balance sheets. Their reported fund balance is their net current assets, which is considered only to be a measure of *available spendable resources*. Governmental fund operating statements present a summary of sources and uses of available spendable resources during a period by presenting increases and decreases in net current assets.

In those cases when a governmental fund records a long-term receivable or other non-current asset, an offsetting credit is made to deferred revenue or undesignated fund balance is reduced to reflect the fact that this amount is not yet available.

Because of their spending measurement focus, governmental funds exclude fixed assets and noncurrent liabilities. Instead, these assets and liabilities are reported in the General Fixed Assets Account Group and the General Long-Term Obligations Account Group. These account groups measure only financial position; they are not funds and they do not measure results of operations. They maintain accounting control over the City's governmental fund fixed assets and City debt which will be repaid by governmental funds.

Proprietary funds are accounted for on a cost of services or *economic resources* measurement focus, which means that all assets and all liabilities associated with their activity are included on their balance sheets. Their reported fund equity is segregated into contributed capital and retained earnings components. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in total assets.

CITY OF ROSEVILLE
Notes to Financial Statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Basis of Accounting

Basis of accounting refers to *when* revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements, regardless of the measurement focus applied. All **governmental funds and agency funds** are accounted for using the *modified accrual basis* of accounting. These fund revenues are recognized when they become measurable *and* available as net current assets. Measurable means the amount of the transaction can be determined and available means the amount is collectible within the current period or soon enough thereafter (generally sixty days) to be used to pay liabilities of the current period. Amounts which could not be measured or were not available were not accrued as revenue in the current fiscal year.

Those revenues susceptible to accrual are property, sales and franchise taxes, certain other intergovernmental revenues, certain charges for services and interest revenue. Fines, licenses and permits, and charges for services are not susceptible to accrual because they are not measurable until received in cash.

Non-exchange transactions, in which the City gives or receives value without directly receiving or giving equal value in exchange, include taxes, grants, entitlements, and donations. On an accrual basis, revenue from taxes is recognized in the fiscal year for which the taxes are levied or assessed. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. In addition, contributions to proprietary funds from state and federal agencies, developers and others are recorded as revenue.

Expenditures are also generally recognized under the modified accrual basis of accounting. An exception to this rule is principal and interest on general long-term debt, which is not recognized by debt service funds until it is due. Financial resources usually are appropriated in funds responsible for repaying debt for transfer to a debt service fund in the period in which maturing debt principal and interest must be paid. Thus, the liability is recognized by the fund responsible for paying the debt, not the debt service fund.

All **Proprietary Funds** are accounted for using the *accrual basis* of accounting. Their revenues are recognized when they are earned, and their expenses are recognized when they are incurred.

The City follows those Financial Accounting Standards Board Statements issued before November 30, 1989 which do not conflict with Governmental Accounting Standards Board Statements.

E. Revenue Recognition For Electric, Water, Sewer, and Garbage Funds

Revenues are recognized based on cycle billings rendered to customers. All residential and commercial utility customers are billed once per month. There are ten billing cycles per month which include all types of customers, based on their location within the City. Revenues for services provided but not billed at the end of a fiscal year are accrued.

CITY OF ROSEVILLE
Notes to Financial Statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. *Property Tax*

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

Secured property tax is due in two installments, on November 1 and February 1, and becomes a lien on those dates. It becomes delinquent on December 10 and April 10, respectively. Unsecured property tax is due on July 1, and becomes delinquent on August 31. Collection of delinquent accounts is the responsibility of the county, which retains all penalties.

The term "unsecured" refers to taxes on personal property other than real estate, land and buildings. These taxes are secured by liens on the property being taxed. Property tax revenues are recognized by the City in the fiscal year they are assessed, provided they become available as defined above.

G. *Compensated Absences*

Compensated absences comprise unused vacation leave, vested sick pay and certain compensated time off, which are accrued as earned. The City's liability for compensated absences is recorded in the General Long-term Obligations Account or Proprietary-type funds as appropriate.

H. *Postemployment Health Care Benefits*

The City provides health care benefits for 225 retired employees and spouses based on negotiated employee bargaining unit contracts. Substantially all of the City's employees may become eligible for those benefits if they reach the normal retirement age and have a minimum five years of service while working for the City. The cost of retiree health care benefits is recognized as an expenditure as health care premiums are paid. For the year ending June 30, 2001, those costs totaled \$805,368.

I. *Inventories*

Inventories are valued at the lower of cost (weighted-average method) or market. Inventories of the General Fund consist of expendable supplies held for consumption. The cost is recorded as an expenditure in the General Fund at the time individual inventory items are consumed. Reported General Fund inventories are equally offset by a fund balance reserve which indicates that they do not constitute available spendable resources even though they are a component of net current assets. Inventories of the Enterprise Funds consist primarily of merchandise held for internal consumption.

CITY OF ROSEVILLE
Notes to Financial Statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. *New Funds*

The Trench Cut Recovery Fund Special Revenue Fund was established to account for revenues collected under the ordinance for trench cut fees paid by developers or utility companies for future pavement management.

The Traffic Congestion Relief Special Revenue Fund was established to account for revenues received from State of California under AB2928. AB2928 is to fund local streets and roads maintenance, rehabilitation and reconstruction projects according to the State's Traffic Congestion Relief Plan.

The Post Retirement Internal Service Fund was established to account for the payment of future post-retirement medical insurance and retiree accumulated compensated absence payments.

The Stoneridge West Community Facilities District #1 Agency Fund was established to account for special assessment collections and debt service payments.

The South Placer Wastewater Authority Agency Fund was established to account for the activities of the Authority.

K. *Closed, Consolidated and Restated Funds*

The Law Enforcement Services Special Revenue Fund and Local Law Enforcement Block Grant Special Revenue Fund were closed and combined to form the Law Enforcement Block Grant Special Revenue Fund. The beginning fund balance in the Law Enforcement Block Grant Special Revenue Fund represents the totals of these funds as of June 30, 2000.

The Native Oak Tree Propagation Special Revenue Fund and Non-native Oak Tree Propagation Special Revenue Fund were closed and combined to form the Tree Propagation Special Revenue Fund. The beginning fund balance in the Tree Propagation Special Revenue Fund represents the totals of these funds as of June 30, 2000.

The Community Development Block Grant Special Revenue Fund and HOME Investment Partnership Program Special Revenue Fund were closed and combined to form the Community Development Block Grant/HOME Special Revenue Fund. The beginning fund balance in the Community Development Block Grant/HOME Special Revenue Fund represents the totals of these funds as of June 30, 2000.

The SERSP Lighting and Landscaping Agency Fund, Olympus Point Lighting and Landscaping Fund, North Roseville Service District Agency Fund were closed and combined to form the Lighting and Landscape and Service Districts Special Revenue Fund. This new fund also includes balances which were previously reported in the Other Agency Fund. Total residual equity transfers in to the Lighting and Landscape and Service Districts Special Revenue Fund from these funds were \$258,332 as of June 30, 2001.

CITY OF ROSEVILLE
Notes to Financial Statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The City also closed and combined the following Capital Projects Funds to form the Community Facilities Districts Capital Projects Fund. The closure of the following funds resulted in total residual equity transfers in to and out of the Community Facilities Districts Capital Projects Fund of \$32,732,808 and \$30,459, respectively, as of June 30, 2001:

- Foothills Boulevard
- Foothills Boulevard Extension
- Northwest Roseville Community Facilities District No. 1
- North Central Roseville Community Facilities District No. 1
- North Roseville Community Facilities District No. 1
- Woodcreek West Community Facilities District No. 1
- Crocker Ranch Community Facilities District No. 1
- Highland Reserve North Community Facilities District No. 1
- Stoneridge Parcel 1 Community Facilities District No. 1

L. *Classification Changes*

For the year ended June 30, 2001, certain account classifications have been changed to improve financial statement presentation. For comparative purposes, prior year balances have been reclassified to conform with the 2000-2001 presentation.

M. *Total Columns on Combined Financial Statements*

Although each of the City's funds is a separate accounting entity, the Combined Financial Statements also include total columns, which are captioned Memorandum Only to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in cash flow in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation, since no interfund eliminations have been made in the aggregation of this data.

CITY OF ROSEVILLE
Notes to Financial Statements

NOTE 2 - BUDGETS AND BUDGETARY ACCOUNTING

A. *Budgeting Procedures*

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

1. The City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comments.
3. The budget is legally enacted through passage of a minute order and ordinance.
4. The City Manager or designee is authorized to apply prudent monitoring procedures to assure that actual expenditures/expenses of the City do not exceed the appropriations by department of the major summary categories (salaries and benefits, operating services and supplies, capital outlay, and capital improvement projects) in conformance with the adopted policies set by the City Council. Additional appropriations or interfund transfers not included in the original budget ordinance require approval by the City Council.
5. Expenditures may not legally exceed budgeted appropriations at the department level by major summary category.
6. Formal budgetary integration is employed as a management control device during the year in all the funds listed below at B.
7. Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) for all funds, except for Proprietary Funds, which do not budget for depreciation and do budget capital outlay.

CITY OF ROSEVILLE
Notes to Financial Statements

NOTE 2 - BUDGETS AND BUDGETARY ACCOUNTING (Continued)

B. Reconciliation with Original Appropriations

Budgeted expenditure amounts in the budgetary comparison statements are reconciled below with the amounts originally appropriated by City Council:

Fund	Original Appropriations	Amendments (net)	Amended Budget
General Fund	\$66,718,819	\$6,239,188	\$72,958,007
Special Revenue Funds:			
Lighting and Landscape and Service Districts	438,073	1,042,322	1,480,395
State Gasoline Tax	2,944,000	5,840,568	8,784,568
Home Improvement	25,000	5,000	30,000
Construction Surcharge		58,024	58,024
California Library Services	189,000	365	189,365
Fire Facilities	334,174	431,540	765,714
Traffic Mitigation	9,105,480	8,430,749	17,536,229
Park Development	2,941,270	2,543,500	5,484,770
Tree Propagation	252,940		252,940
Community Development Block Grant/HOME	1,116,577	495,432	1,612,009
Citizens Benefit	815,000		815,000
Housing Authority Section 8	1,960,857		1,960,857
Redevelopment Agency of the City of Roseville	3,527,877	1,054,338	4,582,215
Debt Service Fund:			
Roseville Finance Authority	1,575,100		1,575,100
Capital Projects Funds:			
Community Facilities Districts	21,872,747	3,773,766	25,646,513
Building	10,875,000	15,504,450	26,379,450
Enterprise Funds:			
Electric	65,378,082	21,572,206	86,950,288
Water	11,601,193	23,697,106	35,298,299
Sewer	103,057,245	30,430,123	133,487,368
Refuse	9,051,748	1,374,405	10,426,153
Golf Course	2,812,308	(277,680)	2,534,628
Local Transportation	2,934,585	6,693,317	9,627,902
School-Age Child Care	2,965,103	70,900	3,036,003
Internal Service Funds:			
Automotive Services	2,761,163	174,918	2,936,081
Automotive Replacement	2,335,606	2,875,533	5,211,139
Self Insurance Funds:			
Workers' Compensation	1,601,000	208,029	1,809,029
General Liability	1,250,000		1,250,000
Unemployment Reserve	60,000		60,000
Vision	75,000	5,000	80,000
Dental	768,000		768,000
Section 125	250,000		250,000
Post-Retirement	207,200	107,130	314,330

CITY OF ROSEVILLE
Notes to Financial Statements

NOTE 2 - BUDGETS AND BUDGETARY ACCOUNTING (Continued)

C. *Encumbrances*

Under encumbrance accounting, purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation. Encumbrance accounting is employed as an extension of formal budgetary integration in all budgeted funds. Encumbrances outstanding at year end are reported as reservations of fund balances since they do not constitute expenditures or liabilities and are reappropriated in the following year. Unexpended appropriations lapse at year end and must be reappropriated in the following year.

D. *Excess of Expenditures or Expenses over Appropriations*

The Housing Authority Section 8 Special Revenue Fund had expenditures in excess of budget in the amount of \$71,563; the Roseville Finance Authority Debt Service Fund had expenditures in excess of budget of \$596; the Community Facilities District Capital Projects Fund had expenditures in excess of budget in the amount of \$1,024,777; the School-age Child Care Enterprise Fund had expenses in excess of budget in the amount of \$676; and the Automotive Services and Post Retirement Internal Service Funds had expenses in excess of budget of \$34,504 and \$87,270, respectively, during the fiscal year. Sufficient revenues were available to cover these expenditures and expenses.

NOTE 3 - CASH AND INVESTMENTS

The City pools cash from all sources and all funds, except certain specific investments within funds and cash with fiscal agents, so that it can be invested at the maximum yield, consistent with safety and liquidity, while individual funds can make expenditures at any time.

A. *Categorization of Credit Risk of Securities Instruments*

The City and its fiscal agents invest in individual investments and in investment pools. Individual investments are evidenced by specific identifiable pieces of paper called *securities instruments*, or by an electronic entry registering the owner in the records of the institution issuing the security, called the *book entry* system. Individual investments are generally made by the City's fiscal agents as required under its debt issues. In order to maximize security, the City employs the Trust Department of a bank as the custodian of all City managed investments, regardless of their form.

The City categorizes its individual securities instruments in ascending order to reflect the relative risk of loss of these instruments. This risk is called Credit Risk, the lower the number, the lower the risk. The three levels of risk prescribed by generally accepted accounting principles are described below:

Category 1 - Securities instruments in this category are in the City's name and are in the possession of the Trust Department of the bank employed by the City solely for this purpose. The City is the registered owner of securities held in book entry form by the bank's Trust Department.

Category 2 - Securities instruments and book entry form securities in this category are in the bank's name but are held by its Trust Department in a separate account in the City's name.

CITY OF ROSEVILLE
Notes to Financial Statements

NOTE 3 - CASH AND INVESTMENTS (Continued)

Category 3 - None of the City's investments are in this category, which would include only City-owned securities instruments or book entry form securities which were not in the City's name or which were not held by the bank's Trust Department.

Pooled Investments - Pooled investments are not categorized because of their pooled, rather than individual, nature.

Investments are carried at fair value and are categorized as follows at June 30:

	2001	2000
<i>Category 2 Investments:</i>		
U.S. Government Securities	\$148,727,840	\$284,302,779
Commercial Paper	21,818,076	
Forward delivery agreement	56,270,838	
<i>Pooled Investments (non Categorized):</i>		
Guaranteed Investment Contracts	112,313,892	
Mutual Funds and Money Market Funds (U.S. Securities)	36,022,607	11,213,222
State of California Local Agency Investment Fund	60,125,899	29,768,514
California Arbitrage Management Program	55,943,321	26,788,947
Total Investments	491,222,473	352,073,462
<i>Cash Deposits with Banks</i>	35,111,039	7,467,761
Total Cash and Investments	\$526,333,512	\$359,541,223

B. Classification

Cash and investments are classified in the financial statements as shown below, based on whether or not their use is restricted under the terms of City debt instruments or agency agreements.

	2001	2000
Cash and investments in City Treasury	\$352,690,186	\$289,497,196
Restricted cash and investments with fiscal agent	173,643,326	70,044,027
Total Cash and Investments	\$526,333,512	\$359,541,223

Cash and investments are used in preparing Proprietary Fund statements of cash flows because these assets are highly liquid and are expended to liquidate liabilities arising during the year.

CITY OF ROSEVILLE
Notes to Financial Statements

NOTE 3 - CASH AND INVESTMENTS (Continued)

C. Cash Deposits

California Law requires banks and savings and loan institutions to pledge government securities with a market value of 110% of the City's cash on deposit or first trust deed mortgage notes with a value of 150% of the deposit as collateral for these deposits. Under California Law this collateral is held in the City's name and places the City ahead of general creditors of the institution. The City has waived collateral requirements for the portion of deposits covered by federal deposit insurance.

The carrying amount of the City's cash deposits was \$35,111,039 at June 30, 2001. Bank balances before reconciling items were \$37,706,838 of which \$486,490 was insured (Category 1), and \$37,220,348 was collateralized as discussed above (Category 2) at June 30, 2001.

D. Authorized Investments

The City's investment policy and the California Government Code allow the City to invest in the following:

- City of Roseville Bonds
- Securities of the U. S. Government or its agencies
- Certificates of Deposit
- Negotiable Certificates of Deposit
- Banker's Acceptances
- Commercial Paper
- California Local Agency Investment Fund
- Repurchase Agreements
- Passbook Savings Account Demand Deposits

The City does not enter into reverse repurchase agreements. Trustees under bond indentures may also invest in money market and mutual funds and guaranteed investment contracts. South Placer Wastewater Authority's investment policy allows for the investment in Forward Delivery Agreements.

The City's investments are carried at fair value instead of cost, as required by generally accepted accounting principles. The City adjusts the carrying value of its investments to reflect their fair value at each fiscal year end, and it includes the effects of these adjustments in income for that fiscal year.

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 City reports its investment in LAIF at the fair value amount provided by LAIF, which at June 30, 2001 was \$134,233 more than the City's cost. The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. Included in LAIF's investment portfolio are collateralized mortgage obligation, mortgage-backed securities, other asset-backed securities, loans to certain state funds, and floating rate securities issued by federal agencies, government-sponsored enterprises, and corporations.

CITY OF ROSEVILLE
Notes to Financial Statements

NOTE 4 - INTERFUND TRANSACTIONS

A. Operating Transfers Between Funds

With Council approval, resources may be transferred from one City fund to another. The purpose of the majority of transfers, called operating transfers, is to reimburse a fund which has made an expenditure on behalf of another fund. Less often, a residual equity transfer may be made to open or close a fund.

Operating transfers between funds during the fiscal year ended June 30, 2001 were as follows:

Fund Receiving Transfers	Fund Making Transfers	Amount Transferred
General Fund	State Gasoline Tax Special Revenue Fund	\$1,024,763
	Home Improvement Special Revenue Fund	630
	Construction Surcharge Special Revenue Fund	4,600
	California Library Services Special Revenue Fund	3,400
	Traffic Safety Special Revenue Fund	398,339
	FEMA Special Revenue Fund	2,371,799
	Law Enforcement Block Grants Special Revenue Fund	148,914
	Fire Facilities Special Revenue Fund	450,913
	Traffic Mitigation Special Revenue Fund	26,580
	Public Facilities Special Revenue Fund	1,260
	Traffic Congestion Relief Special Revenue Fund	529,125
	Park Development Special Revenue Fund	45,033
	Pleasant Grove Drain Basin Special Revenue Fund	19,400
	Tree Propagation Special Revenue Fund	1,540
	Housing Authority Section 8 Special Revenue Fund	32,660
	Redevelopment Agency of the City of Roseville Special Revenue Fund	39,510
	General Capital Improvement Projects Rehabilitation Capital Projects Fund	227,549
	Electric Enterprise Fund	5,582,517
	Water Enterprise Fund	1,421,615
	Sewer Enterprise Fund	1,618,071
	Refuse Enterprise Fund	1,082,958
	Golf Course Enterprise Fund	271,610
	Local Transportation Enterprise Fund	93,910
	School-Age Child Care Enterprise Fund	286,690
	Automotive Services Internal Service Fund	475,858
	Automotive Replacement Internal Service Fund	250,651
	Worker's Compensation Internal Service Fund	4,970
	General Liability Internal Service Fund	4,970
	Unemployment Reserve Internal Service Fund	4,970
	Vision Internal Service Fund	4,970
	Dental Internal Service Fund	4,970
	Section 125 Internal Service Fund	4,970

(Continued)

CITY OF ROSEVILLE
Notes to Financial Statements

NOTE 4 - INTERFUND TRANSACTIONS (Continued)

Fund Receiving Transfers	Fund Making Transfers	Amount Transferred
Special Revenue Funds:		
State Gasoline Tax	General Fund	5,520,000
	Water Enterprise Fund	300,000
	Sewer Enterprise Fund	200,000
Construction Surcharge	Traffic Mitigation Special Revenue Fund	210
Traffic Mitigation	Local Transportation Enterprise Fund	16,680
Public Facilities	General Fund	7,000,000
Park Development	Lighting and Landscape and Service District Special Revenue Fund	183,470
	Community Development Block Grant/HOME Special Revenue Fund	3,997
	General Capital Improvement Projects Rehabilitation Capital Projects Fund	480,399
Community Development Block Grant/HOME	General Capital Improvement Projects Rehabilitation Capital Projects Fund	7,828
Roseville Finance Authority Debt Service Fund	General Fund	1,517,433
Capital Projects Funds:		
Building	Fire Facilities Special Revenue Fund	582,882
	Public Facilities Special Revenue Fund	2,927,338
	Park Development Special Revenue Fund	558,376
	Citizens Benefit Special Revenue Fund	239,865
	Electric Enterprise Fund	89,258
General Capital Improvement Projects Rehabilitation	General Fund	3,057,000
Enterprise Funds:		
Electric	Water Enterprise Fund	83,330
	Sewer Enterprise Fund	83,340
	Refuse Enterprise Fund	83,330
Water	Sewer Enterprise Fund	519,273
	Refuse Enterprise Fund	329,820
Sewer	Water Enterprise Fund	6,073
Refuse	General Fund	666,604
Local Transportation	General Fund	7,732
	Community Facilities Districts Capital Projects Fund	266
Internal Service Funds:		
Automotive Replacement	General Fund	523,389
	Fire Facilities Special Revenue Fund	330,391
	Electric Enterprise Fund	77,515
	Water Enterprise Fund	206,631
	Sewer Enterprise Fund	2,584
	Refuse Enterprise Fund	357,589
	School-Age Child Care Enterprise Fund	18,403
Post Retirement	General Fund	242,200
	Electric Enterprise Fund	73,283
	Sewer Enterprise Fund	9,640
	Local Transportation Enterprise Fund	9,672
	Automotive Services Internal Service Fund	4,518
Total Interfund Transfers		<u>\$42,760,034</u>

CITY OF ROSEVILLE
Notes to Financial Statements

NOTE 4 - INTERFUND TRANSACTIONS (Continued)

B. Current Interfund Balances

Current interfund balances arise in the normal course of business and are expected to be repaid shortly after the end of the fiscal year. At June 30, 2001 interfund balances comprised the following:

Fund with Due From	Fund with Due To	Amount
General Fund	State Gasoline Tax Special Revenue Fund	\$33,447
	Traffic Safety Special Revenue Fund	65,172
	Fire Facilities Special Revenue Fund	223
	Redevelopment Agency Special Revenue Fund	150,000
	General Capital Improvement Projects Rehabilitation Capital Projects Fund	42,774
	Electric Enterprise Fund	223
	Water Enterprise Fund	167
	Sewer Enterprise Fund	168
	Automotive Replacement Internal Service Fund	25,496
	Other Agency Fund	13
Special Revenue Funds:		
Home Improvement	Redevelopment Agency Special Revenue Fund	50,000
Park Development	General Capital Improvement Projects Rehabilitation Capital Projects Fund	180,526
Capital Projects Funds:		
Community Facilities Districts Capital Projects Fund Building	Lighting and Landscape and Service Districts Special Revenue Fund	50,000
	Fire Facilities Special Revenue Fund	7,431
	Public Facilities Special Revenue Fund	7,732
	Park Development Special Revenue Fund	20,641
	Electric Enterprise Fund	7,940
Enterprise Funds:		
Water	Construction Surcharge Special Revenue Fund	2,657
	Community Development Block Grant/HOME Special Revenue Fund	410,280
	Community Facilities Districts Capital Projects Fund	30,459
	Sewer Enterprise Fund	19,965
	Refuse Enterprise Fund	12,562
	Other Agency Fund	697
Refuse	General Fund	31,996
Internal Service Fund:		
Automotive Replacement	Refuse Enterprise Fund	310,000
	Golf Course Enterprise Fund	95,244
		\$1,555,813

CITY OF ROSEVILLE
Notes to Financial Statements

NOTE 4 - INTERFUND TRANSACTIONS (Continued)

C. Long-Term Interfund Advances

At June 30, 2001 the funds below had made advances which were not expected to be repaid within the next year. These long-term interfund advances are expected to be repaid out of future revenues.

Fund Receiving Advance	Fund Making Advance	Amount of Advance
Special Revenue Funds:		
Lighting and Landscape and Service Districts	Community Facilities Districts	\$703,970
	Capital Projects Fund	
Park Development	General Fund	6,600,000
Redevelopment Agency of the City of Roseville	General Fund	1,987,888
	Affordable Housing Special Revenue Fund	400,000
	Roseville Finance Authority	165,000
	Capital Projects Fund	
	Automotive Replacement Internal Service Fund	938,901
Enterprise Funds:		
Refuse	Automotive Replacement Internal Service Fund	863,128
Golf Course	Automotive Replacement Internal Service Fund	3,220,000
		<u>\$14,878,887</u>

NOTE 5 - NOTES RECEIVABLE AND DEFERRED REVENUE

The City and Agency engage in programs designed to encourage business enterprises, construction or improvement in low-to-moderate income housing, or other projects. Under these programs, grants or loans are provided with favorable terms to businesses, home-owners or developers who agree to spend these funds in accordance with the City's terms. Although these notes are expected to be repaid in full, their balance has been offset by deferred revenue or a reservation of fund balance as they are not expected to be repaid during fiscal year 2002. These notes receivable were comprised of the following at June 30, 2001:

	June 30	
	2001	2000
Notes	\$238,986	\$282,482
Employee Notes	118,113	118,649
Housing Rehabilitation and Affordable Housing		
Housing	2,029,775	1,607,201
First Time Home-Buyer	2,030,876	1,754,625
Housing Elevation	83,978	83,006
Total	<u>\$4,501,728</u>	<u>\$3,845,963</u>

A. Notes Receivable

The City has provided loans to various homeowners and businesses for rehabilitation due to flood damage. The maximum loan amount is \$5,000 carrying various interest rates and payment dates. Although these notes are expected to be repaid in full, their balance has been offset by a reservation of fund balance. The balance of these notes receivable at June 30, 2001 was \$42,137.

CITY OF ROSEVILLE
Notes to Financial Statements

NOTE 5 - NOTES RECEIVABLE AND DEFERRED REVENUE (Continued)

In fiscal year 2000, the City sold an air compressor to Western Placer County JPA. The City will receive ten annual payments of \$4,518 toward the purchase of this equipment. At June 30, 2001 the balance due was \$40,665.

In fiscal year 1989, the City made a loan to a property owner in the amount of \$7,719, secured by a first deed of trust. The note does not bear interest and payment is deferred until July 2, 2007 unless the property is transferred or sold. The balance of this note has been offset by a reservation of fund balance.

The Agency engages in a commercial rehabilitation program designed to aid small business owners in renovating and rehabilitating commercial property in need of repair. These notes will be forgiven at the end of the Owner Participation Agreement term, which is five to fifteen years, if the property has not been sold. If the property is sold prior to the completion of the agreement term, a proportionate amount of the note will be forgiven. The notes are secured by a deed of trust on the property. At June 30, 2001, \$148,465 in notes had been issued to twelve property owners.

B. *Employee Notes Receivable*

All full-time and part-time City employees who have completed their probationary period are eligible to obtain an interest free loan of up to \$2,500 to purchase a computer. All requests for loans are subject to review by the Management Information Systems Department and must be approved by the Personnel Director. Repayment of these loans is handled through payroll deductions which are spread out equally over a two year period. Employees must pay off any outstanding balance on their loans upon ending employment with the City. As of June 30, 2001, 116 employees had \$118,113 in notes due to the City.

C. *Housing Rehabilitation and Affordable Housing Notes Receivable*

The City engages in programs designed to encourage construction or improvement in low-to-moderate income housing or other projects. Under these programs, grants or loans are provided under favorable terms to home-owners or developers who agree to spend these funds in accordance with the City's terms. Although these loans and notes are expected to be repaid in full, their balance has been offset with the liability, Due to Other Governments, as they are not expected to be repaid during fiscal year 2002 and any repayments will be used to reduce future grant draw-downs by the City. The balance of the notes receivable arising from these programs at June 30, 2001 was \$2,029,775.

D. *First Time Home-Buyer Notes Receivable*

The City engages in a first time home-buyer program designed to encourage home ownership among low income persons. Under this program, grants or loans are provided at no interest and are due upon sale or transfer of the property. These loans have been offset by due to other governments and deferred revenue as they are not expected to be repaid during fiscal year 2002 and any repayments will be used to reduce future grant draw-downs by the City. The balance of the notes receivable arising from this program at June 30, 2001 was \$2,030,876.

CITY OF ROSEVILLE
Notes to Financial Statements

NOTE 5 - NOTES RECEIVABLE AND DEFERRED REVENUE (Continued)

E. *Housing Elevation Notes Receivable*

In fiscal 1997, the Federal Emergency Management Agency (FEMA) approved Hazard Mitigation Grant Program funds to be used for residential home elevation projects in the City at a maximum of \$33,934 per household, with the total federal share not to exceed \$1,493,096. The City provides matching funds to each eligible household at a maximum of \$5,000 in the form of a zero percent, deferred loan payable upon sale, change of title or change of use (See A. above). As of June 30, 2001, twenty-four loans, funded through the FEMA Hazard Mitigation Grant Program, were outstanding with a total balance of \$83,978.

NOTE 6 - DEFERRED RECEIVABLES AND DEFERRED REVENUE

The City has entered into a number of agreements with developers to defer permit fees for various projects within the City. The terms of these agreements call for various interest rates and payment dates. Although these fees are expected to be repaid in full, their balance has been offset by deferred revenue, in governmental funds, as they are not expected to be repaid early enough to be treated as a current asset. The balance of these deferred receivables at June 30, 2001 was \$11,351,605.

NOTE 7 - DEVELOPMENT AGREEMENT

The City may enter into development agreements in an effort to provide incentives to develop new businesses and new tax revenues. The substance of these agreements is that developers will be paid a portion of future sales tax revenues produced by their developments. These payments are conditioned on the generation of sales tax revenues by these developments and the City is not required to use any other resources to pay these amounts.

A. *Galleria at Roseville*

In fiscal 2001 the City agreed to share a portion of future sales tax revenues generated from the Galleria at Roseville regional mall. The Developer agreed to construct the mall along with water and storm sewer mains, a bike trail, pedestrian walks, landscaping, parking areas and infrastructure improvements to surrounding streets. The mall opened for business in August 2000 and the term of the sales tax sharing agreement commenced on that date. The remaining portion of sales tax revenues to be refunded approximated \$26.1 million at June 30, 2001. The agreement terminates in 2017, regardless of whether this amount has been returned; after that date all future sales tax revenues remain with the City. During fiscal year 2001 payments made to the developer under the agreement totaled \$1,603,838.

CITY OF ROSEVILLE
Notes to Financial Statements

NOTE 8 - FIXED ASSETS

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are valued at their estimated fair value on the date donated.

A. General Fixed Assets

The General Fixed Assets Account Group provides accounting control over the cost of fixed assets used by the City's governmental funds. The General Fixed Assets Account Group is not a fund and its balances are not financial resources available for expenditure. Rather, these balances provide an historical accounting record of resources expended on general fixed assets. Public domain (infrastructure) general fixed assets, which include roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems, have not been capitalized because these assets are immovable and of value only to the public. No depreciation has been provided on general fixed assets.

B. Proprietary Fund (Enterprise and Internal Service) Fixed Assets and Depreciation

Proprietary (Enterprise and Internal Service) fund fixed assets are recorded at cost and depreciated over their estimated useful lives. The purpose of depreciation is to spread the cost of proprietary fund fixed assets equitably among all customers over the life of these assets, so that each customer's bill includes a pro rata share of the cost of these assets. The amount charged to depreciation expense each year represents that year's pro rata share of the cost of proprietary fund fixed assets.

Depreciation of all proprietary fund fixed assets is charged as an expense against operations each year and the total amount of depreciation taken over the years, called accumulated depreciation, is reported on the proprietary funds' balance sheet as a reduction in the book value of the fixed assets.

Depreciation of proprietary fund fixed assets in service is provided using the straight line method which means the cost of the asset is divided by its expected useful life in years and the result is charged to expense each year until the asset is fully depreciated. The City has assigned the useful lives listed below to proprietary fund fixed assets.

Buildings	15-20 years
Equipment	2-20 years
Water and sewer lines	40-50 years
Electric Improvements	30-40 years

C. Contributed Capital

The City obtained federal and State grant funds and collects utility capital improvement fees to construct certain utility fund fixed assets. These amounts are accounted for as Contributed Capital. As fixed assets are used, a prorata portion of the annual depreciation expense is allocated against Contributed Capital, reducing its balance as these fixed assets are used up.

CITY OF ROSEVILLE
Notes to Financial Statements

NOTE 8 - FIXED ASSETS (Continued)

D. Fixed Asset Additions and Retirements

Fixed assets at June 30 comprise:

	2000	Additions	Retirements	Transfers	2001
General Fixed Assets:					
Land and Improvements	\$14,050,977	\$2,149,109			\$16,200,086
Buildings and Improvements	85,310,642	13,011,886			98,322,528
Machinery and Equipment	8,650,949	2,069,810	\$1,255,412		9,465,347
Capital Leases:					
Buildings and Improvements	3,023,291				3,023,291
Machinery and Equipment	2,978,131	287,509			3,265,640
Total General Fixed Assets	\$114,013,990	\$17,518,314	\$1,255,412		\$130,276,892
Enterprise Fixed Assets:					
Land and Improvements	\$10,283,217	\$164,481			\$10,447,698
Buildings and Improvements	362,612,967	22,949,771	\$302,691	\$12,077,454	397,337,501
Machinery and Equipment	7,898,864	4,247,080	1,640,816		10,505,128
Construction in Progress	41,218,119	62,548,506		(12,077,454)	91,689,171
Subtotal	422,013,167	\$89,909,838	\$1,943,507		509,979,498
Less Accumulated Depreciation	(84,392,134)	(\$10,272,581)	(\$1,396,665)		(93,268,050)
Total Enterprise Fixed Assets	\$337,621,033				\$416,711,448
Internal Service Fixed Assets:					
Machinery and Equipment	\$23,327,086	\$4,666,959	\$1,694,457		\$26,299,588
Less Accumulated Depreciation	(14,373,012)	(\$2,472,087)	(\$1,692,244)		(15,152,855)
Total Internal Service Fixed Assets	\$8,954,074				\$11,146,733

CITY OF ROSEVILLE
Notes to Financial Statements

NOTE 9 - LONG-TERM DEBT

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

The General Long-term Obligations Account Group provides accounting control over the principal of the City's general long-term debt. This debt will be repaid only out of governmental funds but is not accounted for in these funds because this debt does not require an appropriation or expenditure in this accounting period.

Proprietary Fund (Enterprise and Internal Service) long-term debt is accounted for in the proprietary funds, which will repay the debt because these funds are accounted for on the full-accrual basis in a similar manner to commercial operations.

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

A. Current Year Transactions and Balances

	Original Issue Amount	Balance June 30, 2000	Additions	Retirements	Balance June 30, 2001
General Long Term Debt:					
Certificates of Participation:					
1993 Public Facilities Bond, 2.8%-5.1%, due 8/1/20	\$23,970,000	\$20,625,000		\$600,000	\$20,025,000
Installment Purchase Obligations:					
Public Safety Building, 6.1%-6.3%, due 1/15/01	2,130,449	163,434		163,434 (1)	
Equipment	875,540	363,583	\$271,598	209,683	425,498
Motorola Radio Equipment, 5.6%, due 8/1/04	1,955,734	1,408,954		251,948	1,157,006
Total Installment Purchase Obligations	4,961,723	1,935,971	271,598	625,065	1,582,504
Other Long Term Obligations					
Foothill Blvd. Extension, due 4/1/07	114,423	88,632		9,853	78,779
TOTAL GENERAL LONG TERM DEBT	\$29,046,146	\$22,649,603	\$271,598	\$1,234,918	\$21,686,283
Enterprise Long Term Debt:					
Certificates of Participation:					
1997 Electric System Revenue, 3.6%-5.25%, due 2/1/17	\$11,880,000	\$7,545,000		\$1,510,000	\$6,035,000
1999 Electric System Revenue, 4.0%-5.5%, due 2/1/24	21,630,000	21,630,000			21,630,000
1993 Golf Course Project, 4.6%-6.0%, due 8/1/23	9,325,000	8,755,000		180,000	8,575,000
1997 Water Utility Revenue, 3.9%-5.2%, due 12/1/18	33,000,000	31,960,000		1,085,000	30,875,000
Total Certificates of Participation	75,835,000	69,890,000		2,775,000	67,115,000
Revenue Bonds					
2000 Wastewater Revenue Bonds, Series A, 3.8%-5.5%, due 11/1/27	59,465,118		\$59,465,118		59,465,118
2000 Variable Rate Demand Wastewater Revenue Bonds, Series B, variable rate, due 11/1/35	37,919,000		37,919,000		37,919,000
Total Revenue Bonds	97,384,118		97,384,118		97,384,118
Other Long Term Obligations:					
Notes, 5%, due 10/1/17	333,108	226,924		8,067	218,857
TOTAL ENTERPRISE LONG TERM DEBT	\$173,552,226	\$70,116,924	\$97,384,118	\$2,783,067	\$164,717,975

(1) During fiscal year 2001 the outstanding balance of the public safety building obligation was forgiven.

CITY OF ROSEVILLE
Notes to Financial Statements

NOTE 9 - LONG-TERM DEBT (Continued)

B. 1993 Certificates of Participation

The City issued Certificates of Participation in the original principal amount of \$23,970,000 on October 1, 1993 to advance refund and defease the outstanding \$16,855,000 principal amount of the 1989 Refunding Revenue Bonds and to reimburse the City for some of the costs of the Corporation Yard Improvement and is repayable from the General Fund. Principal payments are payable annually on August 1 and interest payments are due semi-annually on February 1 and August 1, through August 1, 2020.

C. Foothill Blvd. Extension

The City acquired several parcels of land, in August of 1989, within the Foothill Blvd. Extension Assessment District to build the Corporation Yard. Upon acquisition, the City took over the assessment debt in the amount of \$114,423, due on these parcels. Principal and interest payments are payable annually on April 1, through April 1, 2007.

D. 1997 Electric System Revenue Certificates of Participation

The City issued Certificates of Participation in the original principal amount of \$11,880,000 on November 1, 1997 to finance a substation for the Electrical System and to refinance its' 1985 COP's and is repayable from net revenue of the Electric Utility System. Principal payments are payable annually on February 1 and interest payments are due semi-annually on February 1 and August 1, through February 1, 2017.

E. 1999 Electric System Revenue Certificates of Participation

On August 3, 1999, the City issued \$21,630,000 of Certificates of Participation to finance a portion of the cost of capital improvements and is repayable from net revenue of the Electric Utility System. The Certificates bear interest at 4.0% - 5.5% and are due semi-annually on February 1 and August 1. Principal payments are due annually on February 1 and interest payments are due semi-annually on February 1 and August 1, through February 1, 2024.

F. 1993 Golf Course Project Certificates of Participation

The City issued Certificates of Participation in the original principal amount of \$9,325,000 on October 1, 1993 to provide funds to acquire and construct the Golf Course Improvements and is repayable from the General Fund. Principal payments are payable annually on August 1 and interest payments are due semi-annually on February 1 and August 1, through August 1, 2023.

G. 1997 Water Utility Revenue Certificates of Participation

The City issued Certificates of Participation in the original principal amount of \$33,000,000 on September 1, 1997 to finance the acquisition, construction, and installation of additions to the water utility system, and is repayable from net revenue from the Water Utility System. Principal payments are payable annually on December 1 and interest payments are due semi-annually on December 1 and June 1, through December 1, 2018.

CITY OF ROSEVILLE
Notes to Financial Statements

NOTE 9 - LONG-TERM DEBT (Continued)

H. 2000 South Placer Wastewater Authority Wastewater Revenue Bonds, Series A; and 2000 South Placer Wastewater Authority Variable Rate Demand Wastewater Revenue Bonds, Series B

In November 2000, the South Placer Wastewater Authority issued Revenue Bonds Series A and Series B in the original principal amounts of \$109,775,000 and \$70,000,000 respectively. The purpose of these bonds is to partially finance the costs of acquisition and construction of the Pleasant Grove Wastewater Treatment Plant. Upon completion, this Plant will benefit the City of Roseville, the South Placer Municipal Utility District, and the County of Placer. These three entities in return share the obligation of the Revenue Bonds. The City's share of this obligation was determined to be 54.17%. As a result, this portion of the debt was recorded on the City's financial statements.

The South Placer Wastewater Authority Wastewater Revenue Bonds, Series A were issued as fixed rate bonds. Principal payments are payable annually on November 1 and interest payments are due semi-annually on May 1 and November 1, through November 1, 2027.

The South Placer Wastewater Authority Variable Rate Demand Wastewater Revenue Bonds, Series B were issued as variable rate bonds, with interest calculated weekly. The rate fluctuates according to the market conditions, but is capped at 12%. The average monthly interest paid in fiscal year 2000-01 was \$170,326. Beginning in fiscal year 2028-29, principal payments as shown below will be made in addition to the variable interest payments.

<u>Year Ending June 30</u>	<u>Principal Repayment</u>
2029	\$4,114,212
2030	4,279,430
2031	4,450,066
2032	4,628,827
2033	4,815,713
Thereafter	<u>15,630,752</u>
	<u>\$37,919,000</u>

I. Notes Payable

The City borrowed \$333,108 original principal amount, on November 9, 1977, from the U. S. Department of Commerce to aid in financing drought emergency projects. The debt is repayable from the surplus revenue account of the Water Revenue Bonds. Principal and interest payments are payable annually on October 1, through October 1, 2017.

CITY OF ROSEVILLE
Notes to Financial Statements

NOTE 9 - LONG-TERM DEBT (Continued)

J. Debt Service Requirements

Annual debt service requirements are shown below for all long-term debt except installment purchase obligations, as discussed in Note 9K, and variable rate demand bonds, as discussed in Note 9H:

For the Year Ending June 30	1993 Public Facilities Certificates of Participation	Foothill Blvd. Debt	Enterprise Certificates of Participation	Enterprise Revenue Bonds	Notes Payable	Totals
2002	\$1,569,470	\$16,379	\$5,403,145	\$3,995,426	\$19,413	\$11,003,833
2003	1,572,158	16,552	5,408,398	4,106,861	19,413	11,123,382
2004	1,568,001	16,653	5,407,760	4,104,912	19,413	11,116,739
2005	1,566,768	16,696	5,401,043	4,103,178	19,413	11,107,098
2006	1,568,163	16,668	5,408,014	4,101,313	19,413	11,113,571
Thereafter	23,367,610	16,575	84,132,400	89,496,204	232,943	197,245,732
	<u>31,212,170</u>	<u>99,523</u>	<u>111,160,760</u>	<u>109,907,894</u>	<u>330,008</u>	<u>252,710,355</u>
Less amount representing interest	<u>11,187,170</u>	<u>20,744</u>	<u>44,045,760</u>	<u>50,442,776</u>	<u>111,151</u>	<u>105,807,601</u>
Principal amount due	<u>\$20,025,000</u>	<u>\$78,779</u>	<u>\$67,115,000</u>	<u>\$59,465,118</u>	<u>\$218,857</u>	<u>\$146,902,754</u>

K. Installment Purchase Obligations

The City is purchasing various pieces of computer equipment on the installment basis. The City has also entered into long-term contracts for the lease/purchase of its public safety building and various equipment. Future installments payable are:

Year Ending June 30	General Long- Term Debt
2002	\$529,634
2003	470,049
2004	410,707
2005	393,672
Total payments due	<u>1,804,062</u>
Less amount representing interest	<u>221,558</u>
Principal payments due	<u>\$1,582,504</u>

NOTE 10 - DEBT WITHOUT CITY COMMITMENT

A. Special Assessment Districts

Special Assessment Districts in various parts of the City have issued debt to finance infrastructure improvements and facilities within their boundaries. The City is the collecting and paying agent for the debt issued by these Districts, but has no direct or contingent liability or moral obligation for the payment of this debt. Therefore, this debt is not included in general long-term debt of the City. The outstanding balance of each of these issues as of June 30, 2001 is as follows:

CITY OF ROSEVILLE
Notes to Financial Statements

NOTE 10 - DEBT WITHOUT CITY COMMITMENT (Continued)

Rocky Ridge/Harding Refunding District	\$1,515,000
Taylor Road Sewer Assessment District	27,000
North Roseville-Rocklin Sewer Refunding District	1,495,000
Foothills Boulevard Extension Assessment District	3,105,000
Northeast Roseville Community Facilities District #1 & #2	28,885,000
North Roseville Community Facilities District #1	19,285,000
North Central Roseville Community Facilities District #1	56,595,000
Northwest Roseville Community Facilities District #1	30,310,000
Highland Reserve North Community Facilities District #1	33,470,000
Woodcreek West Community Facilities District #1	16,945,000
Woodcreek East Community Facilities District #1	5,465,000
Stoneridge Parcel 1 Community Facilities District #1	2,000,000
Total	<u>\$199,097,000</u>

NOTE 11 - FUND BALANCES AND RETAINED EARNINGS

Governmental fund balances represent the net current assets of each fund. Net current assets generally represent a fund's cash and receivables, less its liabilities. Portions of a fund's balance may be reserved or designated for future expenditure.

A. Reserves

Reserves are restrictions placed by outside entities, such as other governments, which restrict the expenditures of the reserved funds to the purpose intended by the entity, which provided the funds. The City cannot modify or remove these restrictions or reserves. At June 30, 2001, reservations included:

Reserve for **encumbrances** represents the portion of fund balance set aside for open purchase orders.

Reserves for **inventories, prepaid expenses, advances, deferred receivables, and notes receivable** are the portions of fund balance set aside to indicate these items do not represent available, spendable resources even though they are a component of assets.

CITY OF ROSEVILLE
Notes to Financial Statements

NOTE 11 - FUND BALANCES AND RETAINED EARNINGS (Continued)

Reserve for **low/moderate income housing** is the portion of redevelopment fund balance legally required to be set-aside for low/moderate income housing expenditures.

Reserve for **debt service** is the portion of fund balance legally restricted for the payment of principal and interest on long-term liabilities.

Unreserved fund balance in the General Fund represents the resources available at June 30, 2001 to meet the financial needs of the City through approximately December 10, 2001 when the next property tax payment is due from the County. The amount available at June 30 is equivalent to approximately 12.6 % of fiscal 2001 expenditures or less than the average expenditures for seven weeks. Unreserved fund balance in the Special Revenue and Capital Projects funds are not available for general expenditures as they are reserved for the particular purposes of the funds they reside in.

B. Designations

Designations are imposed by City Council to reflect future spending plans or concerns about the availability of future resources. Designations may be modified, amended or removed by Council action.

Designated for economic reserve is the portion of fund balance which represents 10% of the original adopted operating expenditure budget to be used in the event of fiscal need.

Designated for carryover of capital improvement projects is the portion of fund balance to be used for approved capital projects.

C. Fund Balance and Retained Earnings Deficits

The following funds had a deficit fund balance at June 30, 2001: the Construction Surcharge Special Revenue Fund \$2,867 and the Redevelopment Agency of the City of Roseville Special Revenue Fund \$946,351. Future revenues are expected to offset these fund equity deficits.

D. Fund Balance Restatement

During fiscal year 2001 the City implemented Governmental Accounting Standards Board's Statement 33 which addresses the timing of revenue recognition for non-exchange transactions. As a result of implementing GASB Statement 33 the City restated and increased prior year's due from other governments, taxes revenue and therefore fund balance in the General Fund in the amount of \$3,027,862.

CITY OF ROSEVILLE
Notes to Financial Statements

NOTE 12 - SEGMENT INFORMATION FOR ENTERPRISE FUNDS

The City maintains seven enterprise funds. These funds are intended to be self-supporting, through user fees charged for services rendered. Segment information for these funds for the year ended June 30, 2001 follows:

	Electric	Water	Sewer	Refuse	Golf Course	Local Transportation	School-Age Child Care
Operating revenue	\$77,576,053	\$17,221,336	\$22,584,700	\$11,733,849	\$2,628,137	\$4,287,357	\$3,596,941
Depreciation & amortization	4,523,355	1,930,893	3,259,472	94,474	363,077	396,302	20,265
Operating income	15,857,191	8,278,540	12,148,697	2,386,516	632,311	1,731,998	820,206
Nonoperating revenues (expenses) net	4,790,358	1,594,004	446,400	31,495	(379,058)	161,652	47,415
Net income	31,377,056	10,655,066	31,657,491	1,230,918	(18,357)	1,781,386	562,528
Total fund equity (Deficit)	215,437,012	96,311,024	202,089,887	886,493	6,496,426	6,597,316	1,215,726
Changes in contributed capital:							
Beginning balances	43,933,716	20,485,359	29,639,170		5,306,950	1,203,061	
Accumulated depreciation	(1,424,507)	(698,220)	(810,820)			(165,471)	
Ending balances	42,509,209	19,787,139	28,828,350		5,306,950	1,037,590	
Net working capital	92,745,298	33,885,235	6,333,291	1,272,727	795,216	2,490,220	888,408
Fixed asset net additions and (retirements):							
Land & Improvements		103,340	61,141	396,188			
Buildings and improvements	17,460,449	12,543,696	3,902,071		710,918		107,400
Machinery and equipment	(20,449)	27,266	184,113		(24,868)	2,035,292	8,722
Construction in progress	2,265,751	6,919,448	41,101,964		(148,438)		164,088
Net fixed asset additions	19,705,751	19,593,750	45,249,289	396,188	537,612	2,035,292	280,210
Total assets	253,947,763	130,399,635	301,423,620	3,595,799	18,754,387	7,063,731	1,478,559
1997 Electric System Project							
Certificates of Participation payable from operating revenues	6,035,000						
1999 Electric System Project							
Certificates of Participation payable from operating revenues	21,630,000						
1993 Golf Course Project Certificates of Participation payable from operating revenues					8,575,000		
1998 Water Utility Revenue Certificates of Participation payable from operating revenues		30,875,000					
2000 Wastewater Revenue Bonds, payable from operating revenues			97,384,118				
Notes payable from operating revenues		218,857					

CITY OF ROSEVILLE
Notes to Financial Statements

NOTE 13 - PENSION PLAN

CALPERS Safety and Miscellaneous Employees Plans

Substantially all City employees are eligible to participate in pension plans offered by California Public Employees Retirement System (CALPERS), an agent multiple employer defined benefit pension plan which acts as a common investment and administrative agent for its participating member employers. CALPERS provides retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. The City's employees participate in the separate Safety (police and fire) and Miscellaneous (all other) Employee Plans. Benefit provisions under both Plans are established by State statute and City resolution. Benefits are based on years of credited service; one year of credited service is equal to one year of full time employment. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CALPERS; the City must contribute these amounts. The Plans' provisions and benefits in effect at June 30, 2001, are summarized as follows:

	Safety	Miscellaneous
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50	50
Monthly benefits, as a % of annual salary	2.00%-2.70%	1.426%-2.418%
Required employee contribution rates	9%	7%
Required employer contribution rates	8.872%	0%
Actuarially required contributions	\$1,731,957	\$2,292,694

The City's labor contracts require it to pay employee contributions as well as its own.

CALPERS determines contribution requirements using a modification of the Entry Age Normal Method. Under this method, the City's total normal benefit cost for each employee from date of hire to date of retirement is expressed as a level percentage of the related total payroll cost. Normal benefit cost under this method is the level amount the City must pay annually to fund an employee's projected retirement benefit. This level percentage of payroll method is used to amortize any unfunded actuarial liabilities. The actuarial assumptions used to compute contribution requirements are also used to compute the actuarial accrued liability. The City does not have a net pension obligation since it pays these actuarially required contributions monthly.

CALPERS uses the market related value method of valuing the Plan's assets. An investment rate of return of 8.25% is assumed, including inflation at 3.5%. Annual salary increases are assumed to vary by duration of service. Changes in liability due to plan amendments, changes in actuarial assumptions, or changes in actuarial methods are amortized as a level percentage of payroll on a closed basis over twenty years. Investment gains and losses are accumulated as they are realized and ten percent of the net balance is amortized annually.

The Plans' actuarial value (which differs from market value) and funding progress over the past three years are set forth below at their actuarial valuation date of June 30:

CITY OF ROSEVILLE
Notes to Financial Statements

NOTE 13 - PENSION PLAN (Continued)

Safety Plan:

Actuarial						
Valuation Date	Entry Age Accrued Liability	Value of Asset	Unfunded (Overfunded) Liability	Funded Ratio	Annual Covered Payroll	Unfunded (Overfunded) as % of Payroll
1997	\$30,655,870	\$33,916,076	(\$3,260,206)	110.6%	\$6,798,860	(47.952%)
1998	37,626,159	41,242,411	(3,616,252)	109.6%	7,720,300	(46.841%)
1999	41,288,321	47,958,769	(6,670,448)	116.2%	7,864,442	(84.818%)

Miscellaneous Plan:

Actuarial						
Valuation Date	Entry Age Accrued Liability	Value of Asset	Unfunded (Overfunded) Liability	Funded Ratio	Annual Covered Payroll	Unfunded (Overfunded) as % of Payroll
1997	\$57,652,842	\$61,131,420	(\$3,478,578)	106.0%	\$22,925,369	(15.173%)
1998	64,025,283	75,248,926	(11,223,643)	117.5%	24,853,604	(45.159%)
1999	72,237,960	88,364,377	(16,126,417)	122.3%	26,875,060	(60.005%)

Audited annual financial statements and ten-year trend information are available from CALPERS at P.O. Box 942709, Sacramento, CA 94229-2709.

PERS has reported that the value of the net assets in the Plan held for pension benefits changed as follows during the year ended June 30, 1999:

	Safety	Miscellaneous
Beginning Balance 6/30/98	\$41,242,411	\$75,248,926
Contributions received	1,924,695	4,271,519
Benefits and Refunds Paid	(1,063,686)	(1,997,593)
Transfers and Miscellaneous Adjustments Paid	(119)	8,397
Expected Investment Earnings Credited	3,437,307	6,300,317
Expected Actuarial Value of Assets 6/30/99	<u>\$45,540,608</u>	<u>\$83,831,566</u>
Market Value of Assets 6/30/99	<u>\$52,795,090</u>	<u>\$97,429,999</u>
Actuarial Value of Assets 6/30/99	<u>\$47,958,769</u>	<u>\$88,364,377</u>

Actuarially required contributions for fiscal years 2001, 2000, and 1999 were \$4,024,651, \$4,725,535, and \$6,196,214, respectively.

NOTE 14 - RISK MANAGEMENT

The City manages risk of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters by participating in the public entity risk pools described below and by retaining certain risks. The City maintains insurance coverage from a commercial carrier for its long-term disability and dental benefit plan.

CITY OF ROSEVILLE
Notes to Financial Statements

NOTE 14 - RISK MANAGEMENT (Continued)

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

A. Risk Coverage

The City is a member of the California Joint Powers Risk Management Authority (CJPRMA) which covers general liability claims up to \$15,000,000, property damage up to \$295,000,000, and boiler and machinery up to \$15,000,000. The City has a self-insured retention or deductible of \$500,000, \$500,000, and \$5,000, respectively, per claim. Once the City's self-insured retention for general liability claims is met CJPRMA becomes responsible for payment of all claims up to the limit. CJPRMA has purchased commercial insurance against property damage and boiler and machinery claims. During the fiscal year ended June 30, 2001, the City contributed \$386,647 for coverage during the current year and received a refund of \$162,249 of prior year excess contributions.

The City is also a member of the Local Agency Workers' Compensation Excess Joint Powers Authority (LAWCX) which covers workers' compensation claims up to \$350,000 and provides additional coverage up to statutory limits. The City has a self-insured retention of up to \$250,000 per claim. During the fiscal year ended June 30, 2001, the City contributed \$106,929 for current year coverage.

The contributions made to each risk pool equal the ratio of their respective payrolls to the total payrolls of all entities participating in the same layer of each program, in each program year. Actual surpluses or losses are shared according to a formula developed from overall loss costs and spread to member entities on a percentage basis after a retrospective rating.

The following types of loss risks are covered by the above authorities under the terms of their respective joint-powers agreements and through commercial insurance policies as follows:

Type of Coverage	Coverage Limits
Liability	\$15,000,000
Worker's Compensation	Statutory Limit
All Risk Fire & Property except earthquake and flood	295,000,000
Boiler & Machinery	15,000,000

Financial statements for the risk pools may be obtained from CJPRMA, 6140 Stoneridge Mall Road, Suite 380, Pleasanton, CA 94588-3235 and LAWCX, c/o Bickmore & Associates, 6371 Auburn Boulevard, Citrus Heights, CA 95621.

CITY OF ROSEVILLE
Notes to Financial Statements

NOTE 14 - RISK MANAGEMENT (Continued)

B. Insurance Internal Service Funds

The Governmental Accounting Standards Board (GASB) requires municipalities to record their liability for uninsured claims and to reflect the current portion of this liability as an expenditure in their financial statements. As discussed above, the City has coverage for such claims, but it has retained the risk for the deductible, or uninsured portion of these claims.

The change in the Worker's Compensation Internal Service Fund's claims liability, including claims incurred but not reported is based on an independent actuarial study prepared annually and was computed as follows for the years ended June 30:

	2001	2000
Claims liability, beginning of year	\$3,085,000	\$3,284,000
Current year claims	1,300,000	1,500,000
Change in prior year claims	(952,000)	(737,000)
Claims paid, current year claims	(169,000)	(269,000)
Claims paid, prior year claims	(222,000)	(693,000)
Claims liability, end of year	\$3,042,000	\$3,085,000

The City's liability for uninsured general liability claims, including claims incurred but not reported is reported in the General Liability Internal Service Fund. The liability is based on an independent actuarial study prepared annually and was computed as follows for the years ended June 30:

	2001	2000
Claims liability, beginning of year	\$1,422,000	\$2,073,000
Current year claims	700,000	775,000
Change in prior year claims	(227,000)	(1,261,000)
Claims paid, current year claims	(86,000)	(120,000)
Claims paid, prior year claims	(230,000)	(45,000)
Claims liability, end of year	\$1,579,000	\$1,422,000

The Unemployment Reserve and Vision Internal Service Funds had no outstanding claims liability at June 30, 2001.

CITY OF ROSEVILLE
Notes to Financial Statements

NOTE 15 - PREPAID PURCHASED ELECTRICITY

During fiscal 1999 the City paid \$6,138,335 to the Northern California Power Agency (NCPA) (see Note 16) as a capital contribution for the Geothermal and Hydroelectric Projects debt refinancing. This contribution has been capitalized on the City's balance sheet and will be amortized in conjunction with the related debt service savings. During fiscal 2001 the City paid an additional \$149,357 to the (NCPA). The amount amortized for fiscal year 2001 was \$220,632.

NOTE 16 - NORTHERN CALIFORNIA POWER AGENCY (NCPA)

A. General

The City participates in joint ventures through Joint Powers Authorities (JPAs) established under the Joint Exercise of Powers Act of the State of California. As separate legal entities, these JPAs exercise full powers and authorities within the scope of the related Joint Powers Agreement, including the preparation of annual budgets, accountability for all funds, the power to make and execute contracts and the right to sue and be sued. Obligations and liabilities of the JPAs are not those of the City.

Each JPA is governed by a board consisting of representatives from each member agency. Each board controls the operations of its respective JPA, including selection of management and approval of operating budgets, independent of any influence by member agencies beyond their representation on the Board.

The City is a member of NCPA, a joint powers agency which operates under a joint powers agreement among fifteen public agencies. The purpose of NCPA is to use the combined strength of its members to purchase, generate, sell and interchange electric energy and capacity through the acquisition and use of electrical generation and transmission facilities, and to optimize the use of those facilities and the members position in the industry. Each agency member has agreed to fund a pro rata share of certain assessments by NCPA and certain members have entered into take-or-pay power supply contracts with NCPA. While NCPA is governed by its members, none of its obligations are those of its members unless expressly assumed by them.

During the year ended June 30, 2001, the City incurred expenses totaling \$27,231,264 for purchased power and assessments and prepaid assets paid to NCPA.

Since the City receives no income from NCPA, changes in its equity in NCPA are reflected by adjustments to the Investment in NCPA Projects and Reserves, and Equity in NCPA Joint Ventures accounts, and are not reflected in the Statement of Revenues, Expenses and Changes in Retained Earnings.

CITY OF ROSEVILLE
Notes to Financial Statements

NOTE 16 - NORTHERN CALIFORNIA POWER AGENCY (NCPA) (Continued)

The City's Interest in certain NCPA Projects and Reserve, as computed by NCPA using unaudited information, is set forth below.

	June 30, 2001
General Operating Reserve (including advances)	\$1,500,000
Associated Member Services (including advances)	263,395
Undivided equity interest, at cost, in certain NCPA Power Projects:	
Geothermal Projects	97,014
Calaveras Hydroelectric Project	732,508
Combustion Turbine Project No. 1	(60,999)
Geothermal Public Power Line	NIL
Combustion Turbine Project No. 2	21,297
Graeagle Hydroelectric Project	NIL
Northwest Power Purchase Contract	199,015
	\$2,752,230

The General Operating Reserve represents the City's portion of funds which resulted from the settlement with third parties of issues with financial consequences and reconciliations of several prior years' budgets for programs. It is recognized that all the funds credited to the City are linked to the collection of revenue from the City's ratepayers, or to the settlement of disputes relating to electric power supply and that the money was collected from the City's ratepayers to pay power bills. Additionally, the NCPA Commission identified and approved the funding of specific reserves for working capital, accumulated employees post-retirement medical benefits, and billed property taxes for the geothermal project. The Commission also identified a number of contingent liabilities that may or may not be realized, the cost of which in most cases is difficult to estimate at this time. One such contingent liability is the steam field depletion which will require funding to cover debt service and operational costs in excess of the expected value of the electric power. The General Operating Reserve is intended to minimize the number and amount of individual reserves needed for each project, protect NCPA's financial condition and maintain its credit worthiness. These funds are available on demand, but the City has left them with NCPA as a reserve against these contingencies identified by NCPA.

Members of NCPA may participate in an individual project of NCPA without obligation for any other project. Member assessments collected for one project may not be used to finance other projects of NCPA without the member's permission.

B. Projects

Geothermal Projects

A purchased power agreement with NCPA obligates the City for 6.1741% of the operating costs and debt service of the two NCPA 110-megawatt geothermal steam powered generating plants, Plant Number 1 and Plant Number 2.

CITY OF ROSEVILLE
Notes to Financial Statements

NOTE 16 - NORTHERN CALIFORNIA POWER AGENCY (NCPA) (Continued)

NCPA's Geothermal Project has experienced a greater than originally anticipated decline in steam production from geothermal wells on its leasehold property. Results of the continuing well analysis program indicate that the potential productive capacity of the geothermal steam reservoir is less than originally estimated. Therefore, NCPA has modified the operations of the Geothermal Project to reduce the average annual output from past levels. As a result, the per unit cost of energy generated by the projects is higher than anticipated.

NCPA will continue to monitor the wells while pursuing alternatives for improving and extending reservoir performance, including supplemental water reinjection, plant equipment modifications, and changes in operating methodology. NCPA, along with other steam field operators, has observed a substantial increase in steam production in the vicinity of reinjection wells and is attempting to increase water reinjection at strategic locations. NCPA, other steam developers, and the Lake County Sanitation District have constructed a wastewater pipeline project that greatly increased the amount of water available for reinjection.

Based on an internal assessment of the melded costs of power from the Geothermal Project and all other resources available to the members, NCPA believes its members will continue to be able to operate their electric utilities on a competitive basis, when compared to local investor-owned utility rates, while meeting all electric system obligations including those to NCPA. In January 1996, NCPA issued \$167,940,000 (1996 Refunding Series B), and \$5,420,000 (1996 Taxable Series C) in variable rate revenue bonds, the proceeds of which were used to refund a portion of the 1987 Refunding Series A Revenue Bonds. In August 1998, NCPA remarketed \$121,590,000 (1996 Refunding Series A) of revenue bonds changing the interest rate from a weekly interest rate to a long term rate. The City is obligated to pay its contractual share of the debt until it is fully satisfied, regardless of resulting cost or availability of energy. At June 30, 2001, the book value of this Project's plant, equipment and other assets was \$385,128,064, while its long-term debt totaled \$300,192,676 and other liabilities totaled \$84,935,388. The City's share of the Project's long-term debt amounted to \$18,534,196 at that date.

Calaveras Hydroelectric Project

In July 1981, NCPA agreed with Calaveras County Water District to purchase the output of the North Fork Stanislaus River Hydroelectric Development Project and to finance its construction. Debt service payments to NCPA began in February 1990 when the project was declared substantially complete and power was delivered to the participants. Under its power purchase agreement with NCPA, the City is obligated to pay 12% of this Project's debt service and operating costs. On July 8, 1998, NCPA completed the \$301,490,000 refunding of revenue bonds at an interest rate of 5.30% and a net present value savings of \$48,000,000. At June 30, 2001, the book value of this Project's plant, equipment and other assets was \$537,468,866, while its long-term debt totaled \$503,481,150 and other liabilities totaled \$33,987,716. The City's share of the Project's long-term debt amounted to \$60,417,738 at that date.

CITY OF ROSEVILLE
Notes to Financial Statements

NOTE 16 - NORTHERN CALIFORNIA POWER AGENCY (NCPA) (Continued)

Combustion Turbine Project No. 1

In October 1984, NCPA financed a five-unit, 125-megawatt combustion turbine project. The project, built in three member cities, began full commercial operation in June 1986, providing reserve and peaking power. In December 1989, NCPA issued \$68,958,257 in fixed rate revenue bonds, the proceeds of which were used to defease the bonds then outstanding. Under the NCPA power purchase agreement, the City is obligated to pay 13.5840% of this Project's debt service and operating costs. At June 30, 2001, the book value of this Project's plant, equipment and other assets was \$34,859,402, while its long-term debt totaled \$31,454,119 and other liabilities totaled \$3,405,283. The City's share of the Project's long-term debt amounted to \$4,272,728 at that date.

Geothermal Public Power Line

In 1983, NCPA, Sacramento Municipal Utility District, the City of Santa Clara and the Modesto Irrigation District (joint owners) initiated studies for a Geothermal Public Power Line (GPPL) which would carry power generated at several existing and planned geothermal plants in the Geysers area to a location where the joint owners could receive it for transmission to their load centers. NCPA has an 18.5% share of this Project and the City has a 14.1756% participation in NCPA's share. In 1989, the development of the proposed Geothermal Public Power Line was discontinued because NCPA was able to contract for sufficient transmission capacity to meet its needs in the Geysers. However, because the project financing provided funding for an ownership interest in a PG&E transmission line, a central dispatch facility and a performance bond pursuant to the Interconnection Agreement with PG&E, as well as an ownership interest in the proposed GPPL, NCPA issued \$16,000,000 in long-term, fixed-rate revenue bonds in November 1989 to defease the remaining variable rate refunding bonds used to refinance this project. The City is obligated to pay its 14.1756% share of the related debt service, but debt service costs are covered through NCPA billing mechanisms that allocate the costs to members based on use of the facilities and services.

At June 30, 2001, the book value of this Project's plant, equipment and other assets was \$7,923,681, while its long-term debt totaled \$6,756,320 and other liabilities totaled \$1,167,361. The City's share of the Project's long-term debt amounted to \$957,749 at that date.

Combustion Turbine Project No. 2 (Steam Injected Gas Turbine Project)

The City is a participant in a 49.8 megawatt Steam Injected Gas Turbine project which was built under turnkey contract near the City of Lodi and declared substantially complete on April 23, 1996. In October 1992, NCPA issued \$152,320,000 of Multiple Capital Facilities Revenue Bonds to finance this project, a similar project for the Turlock Irrigation District in Ceres, and Lodi system facilities. Under the NCPA power purchase agreement, the City is obligated to pay 36.50% of the debt service and operating costs for the Lodi unit.

The City's participation in procurement of natural gas for fuel for existing and new combustion turbine units was approved in 1993. Although there is currently no additional debt financing, the City and NCPA have committed to long-term payments for gas transmission pipeline capacity, and entered a purchase contract for natural gas. The City is obligated to pay 17.9218%.

CITY OF ROSEVILLE
Notes to Financial Statements

NOTE 16 - NORTHERN CALIFORNIA POWER AGENCY (NCPA) (Continued)

At June 30, 2001, the book value of this Project's plant, equipment and other assets was \$148,734,503, while its long-term debt totaled \$144,285,657 and other liabilities totaled \$4,448,846. The City's share of the Project's long-term debt amounted to \$52,664,265 at that date.

Graeagle Hydroelectric Project

The City's participation in this small hydroelectric project was approved in 1993. Although this project does not involve any financing, it does involve a long-term contractual commitment to purchase the power produced by the project.

Northwest Power Purchase Contract

The City's participation with other NCPA members in a long-term contract for purchase of power from the Washington Water Power Company was approved in 1993. At that date the City did not have a share of the Project's long-term debt. On February 1, 1997, the NCPA issued \$18,310,000 in Northwest Resource Revenue Bonds. The proceeds will permit early termination of the contract by financing a portion of a payment to be made under the Northwest Power Purchase Contract and costs of issuance of the debt. Under the NCPA Agreement for Financing Electric Capacity, the City was obligated to pay 22.8940% of this debt service. At June 30, 2001 the book value of this Project's total assets was \$10,874,134, while its other liabilities totaled \$10,874,134.

California Electric Industry Restructuring

In September 1996, the California State legislature signed into law Assembly Bill 1890 (AB 1890) deregulating the electric power supply market and restructuring the electric power industry in California. While the majority of the legislation is directed at investor-owned utilities (IOU), the City and other California public utilities are affected by the restructuring of markets serving 70% of the electric load in California and the introduction of direct access in neighboring service territories.

NCPA's Industry Restructuring Task Force plays an active role in protecting members contractual rights in FERC, California Public Utilities Commission (CPUC), and other legislative/regulatory proceedings. Priorities are the preservation of local rate making authority for publicly owned utilities, assuring that NCPA member investments are fully recovered, removing IRS restrictions on the use of NCPA and member assets after deregulation, and maintaining members' preference access to power from the Central Valley Project and Western Area Power Authority.

NCPA's Generation Operations and Marketing, Pooling and Member Services Business Units seek to enhance members' competitive position by capitalizing on new marketing and service opportunities resulting from restructuring. Generation Operations and Marketing services work in tandem to optimize system operations and identify market power sales/purchase opportunities.

CITY OF ROSEVILLE
Notes to Financial Statements

NOTE 16 - NORTHERN CALIFORNIA POWER AGENCY (NCPA) (Continued)

In addition, as restructuring increased the need for scheduling coordinators, NCPA was able to market its scheduling capabilities. During the 1996-1997 fiscal year, NCPA provided scheduling and interchange management services for eight power marketers, including PG & E Services, US Generating Company, and Cinergy.

NCPA's Generation Operations and Power Management Business Units work in tandem to optimize system operations and identify market power sales/purchase opportunities. NCPA is working to expand membership and services to other public sector organizations.

NCPA Financial Information

NCPA's financial statements can be obtained from NCPA, 180 Cirby Way, Roseville, CA 95678.

NOTE 17 - SOUTH PLACER WASTEWATER AUTHORITY

The City is a member of the South Placer Wastewater Authority (SPWA), a joint powers agency which operates under a joint powers agreement among three public agencies, the City of Roseville, South Placer Municipal Utility District and Placer County. The purpose of SPWA is to provide for the planning, financing, acquisition, ownership, construction and operation of the Regional Wastewater Facilities.

Under the terms of a funding agreement, the City will own and operate the Regional Wastewater Facilities. Under the terms of this agreement the member agencies will share the operating costs of the Facilities after construction is complete. The Regional Wastewater Facilities include the Dry Creek Plant and the Pleasant Grove Plant. In November 2000, the SPWA issued Revenue Bonds Series A and Series B in the original principal amounts of \$109,775,000 and \$70,000,000 respectively. The purpose of these bonds is to partially finance the costs of acquisition and construction of the Pleasant Grove Wastewater Treatment Plant. The three agencies are responsible for the repayment of the Revenue Bonds. The City's share of this obligation was determined to be 54.17%. As a result, this portion of the debt was recorded on the City's financial statements, as discussed in Note 9.

During the year ended June 30, 2001, the City paid \$4,726,068 to SPWA based on connection fees collected during the fiscal year.

Prior to the establishment of SPWA the City held connection fees on behalf of the member agencies. During fiscal year 2001 the City transferred cumulative fees collected by the member agencies, including accounts receivable, due from other government agencies, and deferred receivables to SPWA through a residual equity transfer in the amount of \$77,980,303 and a net cash transfer of \$52,733,766, net of fixed assets constructed by the City of \$15,944,680. These assets and others, totaling \$42,612,170, were then subsequently contributed to the City by SPWA.

The City records its share of income and expenses from SPWA in the Sewer Enterprise Fund and these changes are reflected in the Statement of Revenues, Expenses and Changes in Retained Earnings. The City's Interest in SPWA Reserves at June 30, 2001 was \$131,405,267. The City's equity in SPWA was \$54,775,380 at June 30, 2001.

SPWA's financial statements can be obtained from the City of Roseville, 311 Vernon Street, Suite 206, Roseville, California, 95678.

CITY OF ROSEVILLE
Notes to Financial Statements

NOTE 18 - MUNICIPAL SOLID WASTE LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS

State and federal laws and regulations require that the City perform certain maintenance and monitoring functions at the Roseville sanitary landfill site, which is closed, through the year 2024. Accordingly, the City has recorded a liability and expense in the Enterprise Refuse Fund for the estimated postclosure care cost. The recorded amount is based on applicable state and local laws and regulations concerning closure and postclosure care. If additional postclosure care requirements are determined (due to changes in technology or applicable laws or regulations, for example), these costs may result in increased charges to future landfill users or the usage of future tax revenues.

NOTE 19 - COMMITMENTS AND CONTINGENT LIABILITIES

Under the terms of its NCPA joint venture agreement, the City is contingently liable for a portion of the bonded indebtedness issued by these agencies under take-or-pay or similar agreements, as discussed in Note 16. The City's estimated share of such debt outstanding at June 30, 2001 was \$136,846,675. Under certain circumstances, the City may also be responsible for a portion of the costs of operating these entities. Under certain circumstances, such as default or bankruptcy of other participants, the City may also be liable to pay a portion of the debt of these joint ventures on behalf of the other participants.

The City was served with a lawsuit October 19, 1998, alleging that the City's long-standing practice of transferring a percentage of the amounts annually budgeted by the City's Water, Wastewater and Solid Waste departments violates the provisions of Proposition 218. Proposition 218 related issues have not been litigated to conclusion in California yet, so no controlling precedent exists. The Court granted plaintiff's motion for summary judgment, and denied the City's motion. On August 9, 2000 the City filed the City's Notice of Appeal with the Third District Court of Appeal. The hearing date has been scheduled for February 19, 2002. However, per the City Attorney, the City expects to continue to vigorously defend this action and believe the chances of prevailing are good.

The City was served with a lawsuit December 11, 2000, alleging that the City's utility user taxes collected as five percent of charges made for water, telephone, sewer, refuse, gas, electricity, and cable services violates the provisions of Proposition 218. On the plaintiff's motion for summary judgment, the trial court declared the taxes invalid. The City has filed the Notice of Appeal with the Third District Court of Appeal. However, per the City Attorney, the City expects to continue to vigorously defend this action and believes the chances of prevailing are good.

The City is in the process of expanding its wastewater treatment capacity through the construction of a new wastewater treatment plant known as the Pleasant Grove Wastewater Treatment Plant through the South Placer Wastewater Authority, as discussed in Note 17. Certain environmental organizations have also filed an administrative appeal of the permit for the Pleasant Grove facility. The outcome of those proceedings could significantly affect the availability of the City to provide wastewater service or the cost of providing such service. The City believes it is likely it will prevail.

CITY OF ROSEVILLE
Notes to Financial Statements

NOTE 19 – COMMITMENTS AND CONTINGENT LIABILITIES (Continued)

The City participates in Federal and State grant programs. These programs have been audited through the fiscal year ended June 30, 2001 by the City's independent accountants in accordance with the provisions of the federal Single Audit Act amendments of 1996 and applicable State requirements. No cost disallowances were proposed as a result of these audits; however, these programs are still subject to further examination by the grantors and the amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time. The City expects such amounts, if any, to be immaterial.

The City is subject to litigation arising in the normal course of business. In the opinion of the City Attorney there is no pending litigation, other than disclosed above, which is likely to have a material adverse effect on the financial position of the City.

The City has committed approximately \$7,393,412 for the City's Civic Center construction, phase II.

NOTE 20 - SUBSEQUENT EVENTS

In August, 2001 the City issued \$16,000,000 of Special Tax Bonds through its Stoneridge East Community Facilities District Number 1 to acquire and construct certain public infrastructure improvements. The improvements consist generally of water, wastewater, drainage, roadway and other improvements necessary for development of property within the District.

In September, 2001 the City issued \$12,995,000 of Special Tax Bonds through its Stoneridge West Community Facilities District Number 1 to acquire and construct certain public infrastructure improvements, necessary for development of property within the District.

The City is the collecting and paying agent for the debt issued by the above Districts, but has no direct or contingent liability or moral obligation for the payment of this debt.

GENERAL FUND

The General Fund is used for all the general revenues of the City not specifically levied or collected for other City funds and the related expenditures. The general fund accounts for all financial resources of a governmental unit which are not accounted for in another fund.

CITY OF ROSEVILLE
GENERAL FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2001 AND 2000

	<u>2001</u>	<u>2000</u>
ASSETS		
Cash and investments in City Treasury	\$17,590,729	\$11,006,565
Receivables:		
Taxes	1,777,741	1,454,490
Accounts	1,551,894	1,373,841
Accrued interest	220,051	120,575
Due from other government agencies	5,347,653	4,866,176
Due from other funds	317,683	183,086
Advances to other funds	8,587,888	15,737,888
Prepaid expenses	2,032	17,990
Notes receivable	167,969	184,385
Inventories	<u>402,930</u>	<u>494,769</u>
 Total Assets and other debits	 <u>\$35,966,570</u>	 <u>\$35,439,765</u>
LIABILITIES		
Accounts payable	\$3,061,191	\$2,171,653
Accrued liabilities	1,605,509	1,443,200
Due to other funds	31,996	9,472
Due to other government agencies	25,125	6,088
Advances from other funds		1,656,917
Deposits	1,199,044	1,266,373
Deferred revenue	<u>454,311</u>	<u>40,741</u>
 Total Liabilities	 <u>6,377,176</u>	 <u>6,594,444</u>
FUND BALANCES		
Reserved for advances	8,587,888	15,737,888
Reserved for inventories	402,930	494,769
Reserved for encumbrances	1,526,180	1,313,564
Reserved for notes receivable	167,969	184,385
Reserved for prepaid expenses	2,032	17,990
Unreserved:		
Designated for economic reserve	6,119,700	5,533,700
Designated for carryover of capital improvement projects	3,241,484	
Undesignated	<u>9,541,211</u>	<u>5,563,025</u>
 Total Fund Balances	 <u>29,589,394</u>	 <u>28,845,321</u>
 Total Liabilities and Fund Balances	 <u>\$35,966,570</u>	 <u>\$35,439,765</u>

CITY OF ROSEVILLE
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2001
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2000

	2001		Variance Favorable (Unfavorable)	2000
	Budget	Actual		Actual
REVENUES				
Taxes	\$46,034,100	\$51,092,405	\$5,058,305	\$46,278,431
Licenses and permits	2,116,370	2,431,091	314,721	2,210,596
Charges for services	6,187,469	8,202,129	2,014,660	6,947,679
Subventions and grants	5,076,022	5,180,262	104,240	4,161,416
Use of money and property	895,880	1,156,756	260,876	1,052,817
Fines, forfeitures and penalties	73,000	66,900	(6,100)	72,853
Miscellaneous revenues	386,900	272,626	(114,274)	301,142
Total Revenues	60,769,741	68,402,169	7,632,428	61,024,934
EXPENDITURES				
Current:				
General government	14,241,338	14,210,158	31,180	11,431,752
Community development and planning	5,779,084	4,321,936	1,457,148	3,812,030
Public works	13,317,417	10,873,585	2,443,832	16,652,261
Public safety:				
Police	14,307,189	13,868,406	438,783	11,798,987
Fire	9,527,896	9,197,433	330,463	8,752,263
Library	2,485,936	2,169,391	316,545	2,014,063
Parks and recreation	9,558,291	8,781,180	777,111	6,963,057
Capital Outlay	3,128,792	254,655	2,874,137	323,206
Payments under developer agreement		1,603,838	(1,603,838)	
Debt service				
Principal	547,783	481,040	66,743	2,067,740
Interest and fiscal charges	64,281	128,969	(64,688)	164,752
Total Expenditures	72,958,007	65,890,591	7,067,416	63,980,111
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(12,188,266)	2,511,578	14,699,844	(2,955,177)
OTHER FINANCING SOURCES (USES)				
Contributions from developers	2,074,317	55,540	(2,018,777)	301,263
Proceeds from capital lease		271,598	271,598	78,368
Operating transfers in	16,988,888	16,439,715	(549,173)	17,329,901
Operating transfers (out)	(13,527,415)	(18,534,358)	(5,006,943)	(3,419,016)
Total Other Financing Sources (Uses)	5,535,790	(1,767,505)	(7,303,295)	14,290,516
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	(\$6,652,476)	744,073	\$7,396,549	11,335,339
Fund balance at beginning of year, as restated		28,845,321		17,509,982
Fund balance at end of year		\$29,589,394		\$28,845,321

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SPECIAL REVENUE FUNDS

These funds account for the proceeds from specific revenue sources that are legally restricted to expenditures for specified purposes.

CITY OF ROSEVILLE
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEETS
JUNE 30, 2001
WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2000

	Lighting and Landscape and Service Districts	State Gasoline Tax	Home Improvement	Construction Surcharge	California Library Services	Traffic Safety
ASSETS						
Cash and investments in City Treasury	\$1,349,689	\$7,226,322	\$458,249		\$111,646	
Restricted cash and investments with fiscal agents						
Receivables:						
Accounts	69,536		5,000			\$13,722
Accrued interest	7,344	34,598	70,963		589	
Due from other government agencies					105	51,450
Due from other funds			50,000			
Prepaid expenses						
Advances to other funds						
Deferred receivables						
Notes receivables			136,127			
Total Assets	\$1,426,569	\$7,260,920	\$720,339		\$112,340	\$65,172
LIABILITIES						
Accounts payable	\$64,490	\$24,268		\$210	\$1,136	
Accrued liabilities						
Due to other funds	50,000	33,447		2,657		\$65,172
Due to other government agencies						
Advances from other funds	703,970					
Deferred revenue			\$78,978			
Total Liabilities	818,460	57,715	78,978	2,867	1,136	65,172
FUND BALANCES						
Reserved for:						
Advances						
Encumbrances	4,083	507,660		2,005		
Low and moderate income housing						
Deferred receivables and notes receivable			57,149			
Unreserved	604,026	6,695,545	584,212	(4,872)	111,204	
Total Fund Balances (Deficit)	608,109	7,203,205	641,361	(2,867)	111,204	
Total Liabilities and Fund Balances	\$1,426,569	\$7,260,920	\$720,339		\$112,340	\$65,172

<u>FEMA</u>	<u>Trench Cut Recovery Fund</u>	<u>Law Enforcement Block Grants</u>	<u>Fire Facilities</u>	<u>Traffic Mitigation</u>	<u>Public Facilities</u>	<u>Traffic Congestion Relief</u>	<u>Park Development</u>	<u>Pleasant Grove Drain Basin</u>
	\$2,233	\$436,761	\$6,653,420	\$6,594,733	\$2,365,361	\$5,377	\$18,601,899	\$9,919,551
\$1,973,447	10	2,167	32,870	4,499 31,247 642,000	11,047	26	90,289 180,526	47,739
			289,929 40,665	4,954,498	375,271			247,273
<u>\$1,973,447</u>	<u>\$2,243</u>	<u>\$438,928</u>	<u>\$7,016,884</u>	<u>\$12,226,977</u>	<u>\$2,751,679</u>	<u>\$5,403</u>	<u>\$18,872,714</u>	<u>\$10,214,563</u>
			\$1,324	\$2,164,471	\$1,638		\$776,327	\$741
			7,654		7,732		20,641	
\$1,973,447		\$101,116	330,594	5,027,559	374,721		6,600,000	247,273
<u>1,973,447</u>		<u>101,116</u>	<u>339,572</u>	<u>7,192,030</u>	<u>384,091</u>		<u>7,396,968</u>	<u>248,014</u>
			453,716	13,011			109,460	
	\$2,243	337,812	6,223,596	5,021,936	550 2,367,038	\$5,403	11,366,286	9,966,549
	<u>2,243</u>	<u>337,812</u>	<u>6,677,312</u>	<u>5,034,947</u>	<u>2,367,588</u>	<u>5,403</u>	<u>11,475,746</u>	<u>9,966,549</u>
<u>\$1,973,447</u>	<u>\$2,243</u>	<u>\$438,928</u>	<u>\$7,016,884</u>	<u>\$12,226,977</u>	<u>\$2,751,679</u>	<u>\$5,403</u>	<u>\$18,872,714</u>	<u>\$10,214,563</u>

(Continued)

CITY OF ROSEVILLE
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEETS

JUNE 30, 2001

WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2000

	Tree Propagation	Community Development Block Grant/HOME	Citizens Benefit	Housing Authority Section 8	Affordable Housing	Redevelopment Agency of the City of Roseville
ASSETS						
Cash and investments in City Treasury	\$3,073,313	\$160,495	\$14,912,774	\$455,730	\$85,062	\$3,634,850
Restricted cash and investments with fiscal agents			594,898	45,379		
Receivables:						
Accounts			28,770	2,451		8,011
Accrued interest	14,654		392,188		2,278	15,303
Due from other government agencies		522,092		4,000		86,819
Due from other funds						8,488
Prepaid expenses						
Advances to other funds					400,000	
Deferred receivables						
Notes receivables		3,817,755				339,212
Total Assets	<u>\$3,087,967</u>	<u>\$4,500,342</u>	<u>\$15,928,630</u>	<u>\$507,560</u>	<u>\$487,340</u>	<u>\$4,092,683</u>
LIABILITIES						
Accounts payable	\$11,679	\$936		\$71,789		\$38,113
Accrued liabilities				76,631		969,920
Due to other funds		410,280				200,000
Due to other government agencies		3,817,755				
Advances from other funds						3,491,789
Deferred revenue				214,618		339,212
Total Liabilities	<u>11,679</u>	<u>4,228,971</u>		<u>363,038</u>		<u>5,039,034</u>
FUND BALANCES						
Reserved for:						
Advances					\$400,000	
Encumbrances	226,000					65,000
Low and moderate income housing						361,832
Deferred receivables and notes receivable						
Unreserved	2,850,288	271,371	15,928,630	144,522	87,340	(1,373,183)
Total Fund Balances (Deficit)	<u>3,076,288</u>	<u>271,371</u>	<u>15,928,630</u>	<u>144,522</u>	<u>487,340</u>	<u>(946,351)</u>
Total Liabilities and Fund Balances	<u>\$3,087,967</u>	<u>\$4,500,342</u>	<u>\$15,928,630</u>	<u>\$507,560</u>	<u>\$487,340</u>	<u>\$4,092,683</u>

TOTALS

<u>2001</u>	<u>2000</u>
\$76,047,465	\$57,337,113
640,277	554,068
131,989	26,375
753,312	824,890
3,279,913	1,021,038
230,526	93,508
8,488	
400,000	9,183
5,866,971	6,120,025
<u>4,333,759</u>	<u>3,661,578</u>
<u>\$91,692,700</u>	<u>\$69,647,778</u>
\$3,157,122	\$3,824,746
1,046,551	1,034,843
797,583	1,479,602
3,817,755	3,179,499
10,795,759	16,850,972
<u>8,687,518</u>	<u>6,922,402</u>
<u>28,302,288</u>	<u>33,292,064</u>
400,000	9,183
1,380,935	422,621
361,832	56,614
57,699	57,149
<u>61,189,946</u>	<u>35,810,147</u>
<u>63,390,412</u>	<u>36,355,714</u>
<u>\$91,692,700</u>	<u>\$69,647,778</u>

CITY OF ROSEVILLE
SPECIAL REVENUE FUNDS
COMBINING STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2001
WITH COMPARATIVE AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2000

	Lighting and Landscape and Service Districts	State Gasoline Tax	Home Improvement	Construction Surcharge	California Library Services	Traffic Safety
REVENUES						
Taxes	\$1,390,975					
Charges for services					\$97,272	
Subventions and grants		\$1,533,685			122,964	
Use of money and property	16,837	194,680	\$29,297	\$754	4,792	
Fines, forfeitures and penalties						\$398,339
Miscellaneous revenues	24,145	720	19,028		275	
Total Revenues	<u>1,431,957</u>	<u>1,729,085</u>	<u>48,325</u>	<u>754</u>	<u>225,303</u>	<u>398,339</u>
EXPENDITURES						
Current						
General government			10,000			
Community development and planning						
Library					176,463	
Parks and recreation	898,710					
Housing assistance payments						
Capital outlay		489,081		32,327		
Debt service						
Interest and fiscal charges						
Total Expenditures	<u>898,710</u>	<u>489,081</u>	<u>10,000</u>	<u>32,327</u>	<u>176,463</u>	
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>533,247</u>	<u>1,240,004</u>	<u>38,325</u>	<u>(31,573)</u>	<u>48,840</u>	<u>398,339</u>
OTHER FINANCING SOURCES (USES)						
Contributions from property owners						
Contributions from developers						
Proceeds from sale of property				210		
Operating transfers in		6,020,000				
Operating transfers out	(183,470)	(1,024,763)	(630)	(4,600)	(3,400)	(398,339)
Total Other Financing Sources (Uses)	<u>(183,470)</u>	<u>4,995,237</u>	<u>(630)</u>	<u>(4,390)</u>	<u>(3,400)</u>	<u>(398,339)</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES	349,777	6,235,241	37,695	(35,963)	45,440	
Fund balances (deficits) at beginning of year		967,964	603,666	33,096	65,764	
Residual equity transfer in	258,332					
Fund balances (deficits) at end of year	<u>\$608,109</u>	<u>\$7,203,205</u>	<u>\$641,361</u>	<u>(\$2,867)</u>	<u>\$111,204</u>	

<u>FEMA</u>	<u>Trench Cut Recovery Fund</u>	<u>Law Enforcement Block Grants</u>	<u>Fire Facilities</u>	<u>Traffic Mitigation</u>	<u>Public Facilities</u>	<u>Traffic Congestion Relief</u>	<u>Park Development</u>	<u>Pleasant Grove Drain Basin</u>
			\$2,411,498					
\$2,371,799		\$268,706		\$9,748,264	\$2,329,122		\$5,831,313	\$1,143,023
	\$64	28,512	417,514	2,448,167		\$529,125	54,280	
				343,645	153,251	5,403	1,016,802	603,807
	2,179		34,518	173,609			16,650	
<u>2,371,799</u>	<u>2,243</u>	<u>297,218</u>	<u>2,863,530</u>	<u>12,713,685</u>	<u>2,482,373</u>	<u>534,528</u>	<u>6,919,045</u>	<u>1,746,830</u>
			404,889	12,047,556			2,091,245	
			404,889	12,047,556			2,091,245	
<u>2,371,799</u>	<u>2,243</u>	<u>297,218</u>	<u>2,458,641</u>	<u>666,129</u>	<u>2,482,373</u>	<u>534,528</u>	<u>4,827,800</u>	<u>1,746,830</u>
				1,729,463			300,000	
				16,680	7,000,000		1,200,000	
(2,371,799)		(148,914)	(1,364,186)	(26,790)	(2,928,598)	(529,125)	667,866	(19,400)
(2,371,799)		(148,914)	(1,364,186)	1,719,353	4,071,402	(529,125)	(603,409)	(19,400)
	2,243	148,304	1,094,455	2,385,482	6,553,775	5,403	6,392,257	1,727,430
		189,508	5,582,857	2,649,465	(4,186,187)		5,083,489	8,239,119
	<u>\$2,243</u>	<u>\$337,812</u>	<u>\$6,677,312</u>	<u>\$5,034,947</u>	<u>\$2,367,588</u>	<u>\$5,403</u>	<u>\$11,475,746</u>	<u>\$9,966,549</u>

(Continued)

CITY OF ROSEVILLE
SPECIAL REVENUE FUNDS
COMBINING STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2001
WITH COMPARATIVE AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2000

	Tree Propagation	Community Development Block Grant/HOME	Citizens Benefit	Housing Authority Section 8	Affordable Housing	Redevelopment Agency of the City of Roseville
REVENUES						
Taxes						\$1,726,888
Charges for services	\$464,400					
Subventions and grants		\$895,186		\$2,074,382		39,728
Use of money and property	181,542		\$1,428,338	6,995	\$30,842	197,148
Fines, forfeitures and penalties						
Miscellaneous revenues		228,790		3,290		6,307
Total Revenues	<u>645,942</u>	<u>1,123,976</u>	<u>1,428,338</u>	<u>2,084,667</u>	<u>30,842</u>	<u>1,970,071</u>
EXPENDITURES						
Current						
General government			773,802			1,191,297
Community development and planning		1,006,782		294,879		
Library						
Parks and recreation						
Housing assistance payments				1,737,541		
Capital outlay	25,863	9,850				2,418
Debt service						
Interest and fiscal charges						190,787
Total Expenditures	<u>25,863</u>	<u>1,016,632</u>	<u>773,802</u>	<u>2,032,420</u>		<u>1,384,502</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>620,079</u>	<u>107,344</u>	<u>654,536</u>	<u>52,247</u>	<u>30,842</u>	<u>585,569</u>
OTHER FINANCING SOURCES (USES)						
Contributions from property owners						
Contributions from developers						93,954
Proceeds from sale of property						
Operating transfers in		7,828				
Operating transfers out	(1,540)	(3,997)	(239,865)	(32,660)		(39,510)
Total Other Financing Sources (Uses)	<u>(1,540)</u>	<u>3,831</u>	<u>(239,865)</u>	<u>(32,660)</u>		<u>54,444</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES	<u>618,539</u>	<u>111,175</u>	<u>414,671</u>	<u>19,587</u>	<u>30,842</u>	<u>640,013</u>
Fund balances (deficits) at beginning of year	2,457,749	160,196	15,513,959	124,935	456,498	(1,586,364)
Residual equity transfer in						
Fund balances (deficits) at end of year	<u>\$3,076,288</u>	<u>\$271,371</u>	<u>\$15,928,630</u>	<u>\$144,522</u>	<u>\$487,340</u>	<u>(\$946,351)</u>

TOTALS

<u>2001</u>	<u>2000</u>
\$5,529,361	\$3,163,459
19,613,394	18,909,951
10,338,022	12,624,323
4,660,223	2,998,577
398,339	282,131
509,511	122,093
41,048,850	38,100,534
1,975,099	1,457,473
1,301,661	1,935,471
176,463	192,699
898,710	
1,737,541	1,496,176
15,103,229	28,933,841
190,787	98,241
21,383,490	34,113,901
19,665,360	3,986,633
	180,000
2,123,417	1,508,752
1,200,000	
13,712,584	1,081,782
(9,924,995)	(16,737,907)
7,111,006	(13,967,373)
26,776,366	(9,980,740)
36,355,714	46,336,454
258,332	46,336,454
\$63,390,412	\$36,355,714

CITY OF ROSEVILLE
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	LIGHTING AND LANDSCAPE AND SERVICE DISTRICTS			STATE GASOLINE TAX		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
Taxes	\$1,529,317	\$1,390,975	(\$138,342)			
Charges for current services						
Subventions and grants				\$2,566,835	\$1,533,685	(\$1,033,150)
Use of money and property		16,837	16,837	70,210	194,680	124,470
Fines, forfeitures and penalties						
Miscellaneous revenues		24,145	24,145	500	720	220
Total Revenues	<u>1,529,317</u>	<u>1,431,957</u>	<u>(97,360)</u>	<u>2,637,545</u>	<u>1,729,085</u>	<u>(908,460)</u>
EXPENDITURES						
Current						
General government						
Community development and planning						
Library						
Parks and recreation	1,480,395	898,710	581,685			
Housing assistance payments						
Capital outlay				8,784,568	489,081	8,295,487
Debt service						
Interest and fiscal charges						
Total Expenditures	<u>1,480,395</u>	<u>898,710</u>	<u>581,685</u>	<u>8,784,568</u>	<u>489,081</u>	<u>8,295,487</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>48,922</u>	<u>533,247</u>	<u>484,325</u>	<u>(6,147,023)</u>	<u>1,240,004</u>	<u>7,387,027</u>
OTHER FINANCING SOURCES (USES)						
Contributions from developers						
Proceeds from sale of property						
Operating transfers in				6,020,000	6,020,000	
Operating transfers out	(183,470)	(183,470)		(926,885)	(1,024,763)	(97,878)
Total Other Financing Sources (Uses)	<u>(183,470)</u>	<u>(183,470)</u>		<u>5,093,115</u>	<u>4,995,237</u>	<u>(97,878)</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	<u>(\$134,548)</u>	<u>349,777</u>	<u>\$484,325</u>	<u>(\$1,053,908)</u>	<u>6,235,241</u>	<u>\$7,289,149</u>
Fund balances (deficits) at beginning of year					967,964	
Residual equity transfer in		258,332				
Funds not budgeted:						
Trench Cut Recovery						
Affordable Housing						
Fund balances (deficits) at end of year		<u>\$608,109</u>			<u>\$7,203,205</u>	

CITY OF ROSEVILLE
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	TRAFFIC SAFETY			FEMA		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
Taxes						
Charges for current services						
Subventions and grants				\$2,701,950	\$2,371,799	(\$330,151)
Use of money and property						
Fines, forfeitures and penalties	\$200,000	\$398,339	\$198,339			
Miscellaneous revenues						
Total Revenues	<u>200,000</u>	<u>398,339</u>	<u>198,339</u>	<u>2,701,950</u>	<u>2,371,799</u>	<u>(330,151)</u>
EXPENDITURES						
Current						
General government						
Community development and planning						
Library						
Parks and recreation						
Housing assistance payments						
Capital outlay						
Debt service						
Interest and fiscal charges						
Total Expenditures						
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>200,000</u>	<u>398,339</u>	<u>198,339</u>	<u>2,701,950</u>	<u>2,371,799</u>	<u>(330,151)</u>
OTHER FINANCING SOURCES (USES)						
Contributions from developers						
Proceeds from sale of property						
Operating transfers in						
Operating transfers out	(200,000)	(398,339)	(198,339)	(2,701,950)	(2,371,799)	330,151
Total Other Financing Sources (Uses)	<u>(200,000)</u>	<u>(398,339)</u>	<u>(198,339)</u>	<u>(2,701,950)</u>	<u>(2,371,799)</u>	<u>330,151</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Fund balances (deficits) at beginning of year						
Residual equity transfer in						
Funds not budgeted:						
Trench Cut Recovery						
Affordable Housing						
Fund balances (deficits) at end of year	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

LAW ENFORCEMENT BLOCK GRANTS			FIRE FACILITIES			TRAFFIC MITIGATION		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
			\$1,850,000	\$2,411,498	\$561,498	\$9,500,000	\$9,748,264	\$248,264
\$73,675	\$268,706	\$195,031				3,385,000	2,448,167	(936,833)
4,000	28,512	24,512	265,300	417,514	152,214	504,000	343,645	(160,355)
				34,518	34,518	533,500	173,609	(359,891)
<u>77,675</u>	<u>297,218</u>	<u>219,543</u>	<u>2,115,300</u>	<u>2,863,530</u>	<u>748,230</u>	<u>13,922,500</u>	<u>12,713,685</u>	<u>(1,208,815)</u>
			765,714	404,889	360,825	17,536,229	12,047,556	5,488,673
			<u>765,714</u>	<u>404,889</u>	<u>360,825</u>	<u>17,536,229</u>	<u>12,047,556</u>	<u>5,488,673</u>
<u>77,675</u>	<u>297,218</u>	<u>219,543</u>	<u>1,349,586</u>	<u>2,458,641</u>	<u>1,109,055</u>	<u>(3,613,729)</u>	<u>666,129</u>	<u>4,279,858</u>
						1,500,000	1,729,463	229,463
(148,914)	(148,914)		(3,983,759)	(1,364,186)	2,619,573	15,969	16,680	711
						(51,678)	(26,790)	24,888
<u>(148,914)</u>	<u>(148,914)</u>		<u>(3,983,759)</u>	<u>(1,364,186)</u>	<u>2,619,573</u>	<u>1,464,291</u>	<u>1,719,353</u>	<u>255,062</u>
<u>(\$71,239)</u>	148,304	<u>\$219,543</u>	<u>(\$2,634,173)</u>	1,094,455	<u>\$3,728,628</u>	<u>(\$2,149,438)</u>	2,385,482	<u>\$4,534,920</u>
	189,508			5,582,857			2,649,465	
	<u>\$337,812</u>			<u>\$6,677,312</u>			<u>\$5,034,947</u>	

(Continued)

CITY OF ROSEVILLE
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	PUBLIC FACILITIES			TRAFFIC CONGESTION RELIEF		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
Taxes						
Charges for current services	\$1,900,000	\$2,329,122	\$429,122			
Subventions and grants				\$529,125	\$529,125	
Use of money and property	131,160	153,251	22,091		5,403	\$5,403
Fines, forfeitures and penalties						
Miscellaneous revenues						
Total Revenues	<u>2,031,160</u>	<u>2,482,373</u>	<u>451,213</u>	<u>529,125</u>	<u>534,528</u>	<u>5,403</u>
EXPENDITURES						
Current						
General government						
Community development and planning						
Library						
Parks and recreation						
Housing assistance payments						
Capital outlay						
Debt service						
Interest and fiscal charges						
Total Expenditures						
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>2,031,160</u>	<u>2,482,373</u>	<u>451,213</u>	<u>529,125</u>	<u>534,528</u>	<u>5,403</u>
OTHER FINANCING SOURCES (USES)						
Contributions from developers						
Proceeds from sale of property		7,000,000	7,000,000			
Operating transfers in			181,691			
Operating transfers out	(3,110,289)	(2,928,598)	181,691	(529,125)	(529,125)	
Total Other Financing Sources (Uses)	<u>(3,110,289)</u>	<u>4,071,402</u>	<u>7,181,691</u>	<u>(529,125)</u>	<u>(529,125)</u>	
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	<u>(\$1,079,129)</u>	6,553,775	<u>\$7,632,904</u>		5,403	<u>\$5,403</u>
Fund balances (deficits) at beginning of year		(4,186,187)				
Residual equity transfer in						
Funds not budgeted:						
Trench Cut Recovery						
Affordable Housing						
Fund balances (deficits) at end of year		<u>\$2,367,588</u>			<u>\$5,403</u>	

CITY OF ROSEVILLE
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	COMMUNITY DEVELOPMENT BLOCK GRANT/HOME			CITIZENS BENEFIT		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
Taxes						
Charges for current services						
Subventions and grants	\$1,266,877	\$895,186	(\$371,691)			
Use of money and property				\$967,150	\$1,428,338	\$461,188
Fines, forfeitures and penalties						
Miscellaneous revenues		228,790	228,790			
Total Revenues	1,266,877	1,123,976	(142,901)	967,150	1,428,338	461,188
EXPENDITURES						
Current						
General government				815,000	773,802	41,198
Community development and planning	1,266,877	1,006,782	260,095			
Library						
Parks and recreation						
Housing assistance payments						
Capital outlay	345,132	9,850	335,282			
Debt service						
Interest and fiscal charges						
Total Expenditures	1,612,009	1,016,632	595,377	815,000	773,802	41,198
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(345,132)	107,344	452,476	152,150	654,536	502,386
OTHER FINANCING SOURCES (USES)						
Contributions from developers						
Proceeds from sale of property						
Operating transfers in	41,474	7,828	(33,646)			
Operating transfers out	(171,061)	(3,997)	167,064	(239,865)	(239,865)	
Total Other Financing Sources (Uses)	(129,587)	3,831	133,418	(239,865)	(239,865)	
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	(\$474,719)	111,175	\$585,894	(\$87,715)	414,671	\$502,386
Fund balances (deficits) at beginning of year		160,196			15,513,959	
Residual equity transfer in						
Funds not budgeted:						
Trench Cut Recovery						
Affordable Housing						
Fund balances (deficits) at end of year		\$271,371			\$15,928,630	

CITY OF ROSEVILLE
REDEVELOPMENT AGENCY OF THE
CITY OF ROSEVILLE

HOUSING AUTHORITY SECTION 8			CITY OF ROSEVILLE			TOTALS		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
			\$1,033,200	\$1,726,888	\$693,688	\$4,412,517	\$5,529,361	\$1,116,844
\$2,054,160	\$2,074,382	\$20,222	17,980	39,728	21,748	17,770,330	19,613,394	1,843,064
	6,995	6,995	51,460	197,148	145,688	12,675,602	10,338,022	(2,337,580)
						2,805,190	4,629,317	1,824,127
5,400	3,290	(2,110)		6,307	6,307	200,000	398,339	198,339
						539,600	507,332	(32,268)
<u>2,059,560</u>	<u>2,084,667</u>	<u>25,107</u>	<u>1,102,640</u>	<u>1,970,071</u>	<u>867,431</u>	<u>38,403,239</u>	<u>41,015,765</u>	<u>2,612,526</u>
						845,000	783,802	61,198
255,327	294,879	(39,552)	4,579,715	1,191,297	3,388,418	6,101,919	2,492,958	3,608,961
						189,365	176,463	12,902
1,705,530	1,737,541	(32,011)				1,480,395	898,710	581,685
			2,500	2,418	82	1,705,530	1,737,541	(32,011)
						33,229,877	15,103,229	18,126,648
				190,787	(190,787)		190,787	(190,787)
<u>1,960,857</u>	<u>2,032,420</u>	<u>(71,563)</u>	<u>4,582,215</u>	<u>1,384,502</u>	<u>3,197,713</u>	<u>43,552,086</u>	<u>21,383,490</u>	<u>22,168,596</u>
98,703	52,247	(46,456)	(3,479,575)	585,569	4,065,144	(5,148,847)	19,632,275	24,781,122
				93,954	93,954	1,500,000	2,123,417	623,417
			30,000		(30,000)		1,200,000	1,200,000
(42,820)	(32,660)	10,160	(39,510)	(39,510)		7,973,246	13,712,584	5,739,338
						(19,950,775)	(9,924,995)	10,025,780
<u>(42,820)</u>	<u>(32,660)</u>	<u>10,160</u>	<u>(9,510)</u>	<u>54,444</u>	<u>63,954</u>	<u>(10,477,529)</u>	<u>7,111,006</u>	<u>17,588,535</u>
<u>\$55,883</u>	19,587	<u>(\$36,296)</u>	<u>(\$3,489,085)</u>	640,013	<u>\$4,129,098</u>	<u>(\$15,626,376)</u>	26,743,281	<u>\$42,369,657</u>
	124,935			(1,586,364)			35,899,216	
							258,332	
							2,243	
							487,340	
	<u>\$144,522</u>			<u>(\$946,351)</u>			<u>\$63,390,412</u>	

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DEBT SERVICE FUND

The Debt Service Fund is used to account for the payment of interest and principal on the general debt service of the City and related entities.

CITY OF ROSEVILLE
 ROSEVILLE FINANCE AUTHORITY DEBT SERVICE FUND
 COMPARATIVE BALANCE SHEETS
 JUNE 30, 2001 AND 2000

	<u>2001</u>	<u>2000</u>
ASSETS		
Restricted cash and investments with fiscal agents	<u>\$1,664,345</u>	<u>\$1,603,009</u>
Total Assets	<u><u>\$1,664,345</u></u>	<u><u>\$1,603,009</u></u>
FUND BALANCES		
Reserved for debt service	<u>\$1,664,345</u>	<u>\$1,603,009</u>
Total Fund Balances	<u><u>\$1,664,345</u></u>	<u><u>\$1,603,009</u></u>

CITY OF ROSEVILLE
 ROSEVILLE FINANCE AUTHORITY DEBT SERVICE FUND
 COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 FOR THE FISCAL YEARS ENDED JUNE 30, 2001 AND 2000

	<u>2001</u>	<u>2000</u>
REVENUES		
Use of money and property	<u>\$119,599</u>	<u>\$88,504</u>
Total Revenues	<u>119,599</u>	<u>88,504</u>
EXPENDITURES		
Debt service		
Principal retirement	600,000	575,000
Interest and fiscal charges	<u>975,696</u>	<u>999,045</u>
Total Expenditures	<u>1,575,696</u>	<u>1,574,045</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(1,456,097)</u>	<u>(1,485,541)</u>
OTHER FINANCING SOURCES (USES)		
Operating transfers in	<u>1,517,433</u>	<u>1,355,806</u>
Total Other Financing Sources (Uses)	<u>1,517,433</u>	<u>1,355,806</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES	61,336	(129,735)
Fund balances at beginning of year	<u>1,603,009</u>	<u>1,732,744</u>
Fund balances at end of year	<u>\$1,664,345</u>	<u>\$1,603,009</u>

CITY OF ROSEVILLE
 ROSEVILLE FINANCE AUTHORITY DEBT SERVICE FUND
 STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Use of money and property	\$88,000	\$119,599	\$31,599
Total Revenues	<u>88,000</u>	<u>119,599</u>	<u>31,599</u>
EXPENDITURES			
Debt Service			
Principal retirement	600,000	600,000	
Interest and fiscal charges	975,100	975,696	(596)
Total Expenditures	<u>1,575,100</u>	<u>1,575,696</u>	<u>(596)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(1,487,100)</u>	<u>(1,456,097)</u>	<u>31,003</u>
OTHER FINANCING SOURCES (USES)			
Operating transfers in	1,575,100	1,517,433	(57,667)
Total Other Financing Sources (Uses)	<u>1,575,100</u>	<u>1,517,433</u>	<u>(57,667)</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	<u>\$88,000</u>	61,336	<u>(\$26,664)</u>
Fund balance at beginning of year		<u>1,603,009</u>	
Fund balance at end of year		<u>\$1,664,345</u>	

CAPITAL PROJECTS FUNDS

Capital Projects Funds are utilized to account for resources used for the acquisition and construction of capital facilities by the City, with the exception of those assets financed by proprietary funds.

CITY OF ROSEVILLE
 CAPITAL PROJECTS FUNDS
 COMBINING BALANCE SHEETS
 JUNE 30, 2001
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2000

	Community Facilities Districts	Building	General Capital Improvement Projects Rehabilitation	Foothills Boulevard	Foothills Boulevard Extension	Northwest Roseville Community Facilities District No. 1
ASSETS						
Cash and investments in City Treasury		\$8,370,234	\$4,734,387			
Restricted cash and investments with fiscal agents	\$17,789,300					
Receivables:						
Accounts	6,906	326				
Accrued interest	31,303	40,802	22,917			
Due from other funds	50,000	43,744				
Advances to other funds	703,970					
Total Assets	\$18,581,479	\$8,455,106	\$4,757,304			
LIABILITIES						
Accounts payable	\$1,610,967	\$868,492				
Deposits	9,815					
Due to other funds	30,459		\$223,300			
Total Liabilities	1,651,241	868,492	223,300			
FUND BALANCES						
Fund Balances:						
Reserved for advances	703,970					
Reserved for encumbrances		110,832				
Unreserved:						
Designated for carryover of capital improvement projects	16,226,268	7,475,782	4,534,004			
Total Fund Balances (Deficit)	16,930,238	7,586,614	4,534,004			
Total Liabilities and Fund Balances	\$18,581,479	\$8,455,106	\$4,757,304			

North Central Roseville Community Facilities District No. 1	North Roseville Community Facilities District No. 1	Woodcreek West Community Facilities District No. 1	Crocker Ranch Community Facilities District No. 1	Highland Reserve North Community Facilities District No. 1	Stoneridge Parcel I Community Facilities District No. 1	Roseville Finance Authority	TOTALS	
							2001	2000
						\$285,501	\$13,390,122	\$23,092,998
							17,789,300	30,127,531
							7,232	299,516
						39,493	134,515	354,199
							93,744	958,645
						165,000	868,970	918,970
						\$489,994	\$32,283,883	\$55,751,859
							\$2,479,459	\$7,299,507
							9,815	11,166
							253,759	69,199
							2,743,033	7,379,872
						\$165,000	868,970	918,970
							110,832	622,723
						324,994	28,561,048	46,830,294
						489,994	29,540,850	48,371,987
						\$489,994	\$32,283,883	\$55,751,859

CITY OF ROSEVILLE
 CAPITAL PROJECT FUNDS
 COMBINING STATEMENTS OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001
 WITH COMPARATIVE AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2000

	Community Facilities Districts	Building	General Capital Improvement Projects Rehabilitation	Foothills Boulevard	Foothills Boulevard Extension	Northwest Roseville Community Facilities District No. 1
REVENUES:						
Taxes						
Charges for services	\$25,634					
Use of money and property	2,133,789	\$721,416	\$231,924			
Miscellaneous revenue	507,959	12,781				
Total Revenues	2,667,382	734,197	231,924			
EXPENDITURES:						
Capital outlay	26,671,290	10,805,361				
Total Expenditures	26,671,290	10,805,361				
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(24,003,908)	(10,071,164)	231,924			
OTHER FINANCING SOURCES (USES)						
Contributions from property owners	8,224,249					
Contributions from developers	7,814					
Operating transfers in		4,397,719	3,057,000			
Operating transfers (out)	(266)		(715,776)			
Total Other Financing Sources (Uses)	8,231,797	4,397,719	2,341,224			
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES	(15,772,111)	(5,673,445)	2,573,148			
Fund balance (deficit) at beginning of year		13,260,059	1,960,856	\$186,173	(\$30,459)	\$940,334
Residual equity transfer in	32,732,808				30,459	
Residual equity transfer (out)	(30,459)			(186,173)		(940,334)
Fund balance (deficit) at end of year	\$16,930,238	\$7,586,614	\$4,534,004			

North Central Roseville Community Facilities District No. 1	North Roseville Community Facilities District No. 1	Woodcreek West Community Facilities District No. 1	Crocker Ranch Community Facilities District No. 1	Highland Reserve North Community Facilities District No. 1	Stoneridge Parcel 1 Community Facilities District No. 1	Roseville Finance Authority	TOTALS	
							2001	2000
							\$25,634	\$20,734
						\$41,271	3,128,400	2,639,408
							520,740	10,937
						41,271	3,674,774	2,671,079
							37,476,651	33,940,604
							37,476,651	33,940,604
						41,271	(33,801,877)	(31,269,525)
							8,224,249	44,982,789
							7,814	1,516,042
							7,454,719	9,589,080
							(716,042)	(364,748)
							14,970,740	55,723,163
						41,271	(18,831,137)	24,453,638
\$3,980,866	\$683,492	\$13,121,900	\$33	\$12,078,804	\$1,741,206	448,723	48,371,987	23,918,349
(3,980,866)	(683,492)	(13,121,900)	(33)	(12,078,804)	(1,741,206)		32,763,267	
							(32,763,267)	
						\$489,994	\$29,540,850	\$48,371,987

CITY OF ROSEVILLE
 CAPITAL PROJECTS FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	COMMUNITY FACILITIES DISTRICTS			BUILDING		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
Charges for services		\$25,634	\$25,634			
Use of money and property	\$1,287,870	2,133,789	845,919	\$462,930	\$721,416	\$258,486
Miscellaneous revenues		507,959	507,959		12,781	12,781
Total Revenues	<u>1,287,870</u>	<u>2,667,382</u>	<u>1,379,512</u>	<u>462,930</u>	<u>734,197</u>	<u>271,267</u>
EXPENDITURES						
Capital outlay	25,646,513	26,671,290	(1,024,777)	26,379,450	10,805,361	15,574,089
Total Expenditures	<u>25,646,513</u>	<u>26,671,290</u>	<u>(1,024,777)</u>	<u>26,379,450</u>	<u>10,805,361</u>	<u>15,574,089</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(24,358,643)</u>	<u>(24,003,908)</u>	<u>354,735</u>	<u>(25,916,520)</u>	<u>(10,071,164)</u>	<u>15,845,356</u>
OTHER FINANCING SOURCES (USES)						
Contributions from property owners	3,655,936	8,224,249	4,568,313			
Contributions from developers	15,000	7,814	(7,186)	150,000		(150,000)
Operating transfers in				15,244,328	4,397,719	(10,846,609)
Operating transfers (out)	(30,000)	(266)	29,734			
Total Other Financing Sources (Uses)	<u>3,640,936</u>	<u>8,231,797</u>	<u>4,590,861</u>	<u>15,394,328</u>	<u>4,397,719</u>	<u>(10,996,609)</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	<u>(\$20,717,707)</u>	<u>(15,772,111)</u>	<u>\$4,945,596</u>	<u>(\$10,522,192)</u>	<u>(5,673,445)</u>	<u>\$4,848,747</u>
Fund balance at beginning of year					13,260,059	
Residual equity transfer in		32,732,808				
Residual equity transfer (out)		(30,459)				
Fund not budgeted:						
Roseville Finance Authority						
Fund balance at end of year		<u>\$16,930,238</u>			<u>\$7,586,614</u>	

GENERAL CAPITAL IMPROVEMENT PROJECTS REHABILITATION			TOTALS		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
				\$25,634	\$25,634
\$86,590	\$231,924	\$145,334	\$1,837,390	3,087,129	1,249,739
				520,740	520,740
<u>86,590</u>	<u>231,924</u>	<u>145,334</u>	<u>1,837,390</u>	<u>3,633,503</u>	<u>1,796,113</u>
			<u>52,025,963</u>	<u>37,476,651</u>	<u>14,549,312</u>
			<u>52,025,963</u>	<u>37,476,651</u>	<u>14,549,312</u>
<u>86,590</u>	<u>231,924</u>	<u>145,334</u>	<u>(50,188,573)</u>	<u>(33,843,148)</u>	<u>16,345,425</u>
			3,655,936	8,224,249	4,568,313
			165,000	7,814	(157,186)
3,057,000	3,057,000		18,301,328	7,454,719	(10,846,609)
(2,126,470)	(715,776)	1,410,694	(2,156,470)	(716,042)	1,440,428
<u>930,530</u>	<u>2,341,224</u>	<u>1,410,694</u>	<u>19,965,794</u>	<u>14,970,740</u>	<u>(4,995,054)</u>
<u>\$1,017,120</u>	2,573,148	<u>\$1,556,028</u>	<u>(\$30,222,779)</u>	(18,872,408)	<u>\$11,350,371</u>
	1,960,856			15,220,915	
				32,732,808	
				(30,459)	
				<u>489,994</u>	
	<u>\$4,534,004</u>			<u>\$29,540,850</u>	

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ENTERPRISE FUNDS

These funds account for City operations financed and operated in a manner similar to a private business enterprise. The intent of the City is that the cost of providing goods and services be financed primarily through user charges.

CITY OF ROSEVILLE
ENTERPRISE FUNDS
COMBINING BALANCE SHEETS

JUNE 30, 2001

WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2000

	Electric	Water	Sewer	Refuse	Golf Course	Local Transportation
ASSETS						
Current Assets:						
Cash and investments in City Treasury	\$59,160,219	\$32,342,686	\$6,811,052	\$551,334	\$636,900	\$2,481,403
Restricted cash and investments with fiscal agents	7,642,070	2,692,290			755,395	
Receivables						
Taxes	22,975					
Accounts	18,823,016	1,302,561	1,099,711	1,490,417	48,212	5,214
Accrued interest	737,515	164,452	32,880	3,204	7,670	12,397
Due from other government agencies	2,004	6,029	671,397			409,132
Due from other funds		476,620		31,996		
Prepaid expenses	11,224,495					
Inventories	5,072,660	354,470	55,369	105,336		
Total Current Assets	102,684,954	37,339,108	8,670,409	2,182,287	1,448,177	2,908,146
Deferred receivables	619,171	1,080,881	327,179			
Prepaid purchased electricity	5,822,188					
Unamortized bond origination costs	782,180	761,796			142,806	
Investment in NCPA reserves	2,752,230					
Investment in SPWA reserves			131,405,267			
Fixed assets, net of accumulated depreciation	141,287,040	91,217,850	161,020,765	1,413,512	17,163,404	4,155,585
Total Assets	\$253,947,763	\$130,399,635	\$301,423,620	\$3,595,799	\$18,754,387	\$7,063,731
LIABILITIES						
Current Liabilities						
Accounts payable	\$4,178,162	\$2,002,645	\$407,688	\$530,543	\$145,633	\$408,777
Accrued liabilities	917,099	278,171	141,179	56,455	209,232	9,149
Due to other governments			607,584			
Due to other funds	8,163	167	20,133	322,562	95,244	
Current portion of long-term debt	685,000	1,133,470	1,037,356		190,900	
Deposits	349,829	39,420	123,178			
Deferred revenue	3,801,403				12,852	
Total Current Liabilities	9,939,656	3,453,873	2,337,118	909,560	652,961	417,926
Long-Term Liabilities						
Advances from other funds				863,128	3,220,000	
Notes		210,387				
Certificates of participation	26,980,000	29,750,000			8,385,000	
Revenue bonds			96,346,762			
Landfill closure and post closure liability				706,003		
Compensated absences	1,591,095	674,351	649,853	230,615		48,489
Total Long-Term Liabilities	28,571,095	30,634,738	96,996,615	1,799,746	11,605,000	48,489
Total Liabilities	38,510,751	34,088,611	99,333,733	2,709,306	12,257,961	466,415
FUND EQUITY						
Contributed capital:						
From subdividers	42,497,664	18,700,747	18,959,442		5,306,950	
From other government agencies	11,545	1,086,392	9,868,908			1,037,590
Net contributed capital	42,509,209	19,787,139	28,828,350		5,306,950	1,037,590
Equity in joint venture	2,752,230		54,775,380			
Retained earnings						
Reserved for debt service	2,696,763	2,612,320			690,713	
Unreserved	167,478,810	73,911,565	118,486,157	886,493	498,763	5,559,726
Total Retained Earnings (Deficit)	170,175,573	76,523,885	118,486,157	886,493	1,189,476	5,559,726
Total Fund Equity	215,437,012	96,311,024	202,089,887	886,493	6,496,426	6,597,316
Total Liabilities and Fund Equity	\$253,947,763	\$130,399,635	\$301,423,620	\$3,595,799	\$18,754,387	\$7,063,731

School-Age Child Care	TOTALS	
	2001	2000
\$705,579	\$102,689,173	\$165,029,800
	11,089,755	19,560,539
	22,975	27,834
316,353	23,085,484	15,724,185
3,335	961,453	2,168,996
	1,088,562	3,456,432
	508,616	436,031
	11,224,495	8,332
	5,587,835	5,420,845
<u>1,025,267</u>	<u>156,258,348</u>	<u>211,832,994</u>
	2,027,231	7,820,340
	5,822,188	5,893,463
	1,686,782	1,781,407
	2,752,230	2,287,352
	131,405,267	
453,292	416,711,448	337,621,033
<u>\$1,478,559</u>	<u>\$716,663,494</u>	<u>\$567,236,589</u>
\$47,679	\$7,721,127	\$8,000,791
89,180	1,700,465	1,695,261
	607,584	
	446,269	509,393
	3,045,826	2,783,066
	512,427	457,402
	3,814,255	3,689,225
<u>136,859</u>	<u>17,847,953</u>	<u>17,135,138</u>
	4,083,128	4,488,372
	210,387	218,858
	65,115,000	67,115,000
	96,346,762	
	706,003	911,558
125,974	3,320,377	2,839,822
<u>125,974</u>	<u>169,781,657</u>	<u>75,573,610</u>
<u>262,833</u>	<u>187,629,610</u>	<u>92,708,748</u>
	85,464,803	88,180,601
	12,004,435	12,387,655
	97,469,238	100,568,256
	57,527,610	2,287,352
	5,999,796	5,999,796
1,215,726	368,037,240	365,672,437
<u>1,215,726</u>	<u>374,037,036</u>	<u>371,672,233</u>
<u>1,215,726</u>	<u>529,033,884</u>	<u>474,527,841</u>
<u>\$1,478,559</u>	<u>\$716,663,494</u>	<u>\$567,236,589</u>

CITY OF ROSEVILLE
ENTERPRISE FUNDS
COMBINING STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN RETAINED EARNINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001
WITH COMPARATIVE AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2000

	Electric	Water	Sewer	Refuse
OPERATING REVENUES				
Charges for services	\$70,953,317	\$17,175,790	\$22,548,125	\$11,585,587
Subventions and grants	8,682	17,463		20,929
Sale of wholesale power	6,186,595			
Other	427,459	28,083	36,575	127,333
Total Operating Revenues	77,576,053	17,221,336	22,584,700	11,733,849
OPERATING EXPENSES				
Purchased power	44,974,174			
Distribution:				
Operations	11,550,763	5,229,721	6,912,080	8,931,242
Administration	670,570	1,782,182	264,451	321,617
Depreciation and amortization	4,523,355	1,930,893	3,259,472	94,474
Total Operating Expenses	61,718,862	8,942,796	10,436,003	9,347,333
Operating Income	15,857,191	8,278,540	12,148,697	2,386,516
NONOPERATING REVENUES (EXPENSES)				
Interest revenue	6,119,918	2,738,269	2,843,686	31,495
Interest and fiscal charges (expense)	(1,329,560)	(1,144,265)	(2,397,286)	
Net Nonoperating Revenues (Expenses)	4,790,358	1,594,004	446,400	31,495
Income (Loss) Before Contributions and Operating Transfers	20,647,549	9,872,544	12,595,097	2,418,011
Contribution in aid of construction	6,328,425			
Capital contributions from developers	9,973,655	1,951,078	1,960,072	
Capital contributions from SPWA member agencies			19,529,157	
Operating transfers in	250,000	849,093	6,073	666,604
Operating transfers (out)	(5,822,573)	(2,017,649)	(2,432,908)	(1,853,697)
Net Income (Loss)	31,377,056	10,655,066	31,657,491	1,230,918
ITEMS AFFECTING CONTRIBUTED CAPITAL				
Add depreciation on fixed assets	1,424,507	698,220	810,820	
Retained earnings (deficit) at beginning of year	137,374,010	65,170,599	163,998,149	(344,425)
Residual equity transfer (out)			(77,980,303)	
Retained earnings (deficit) at end of year	\$170,175,573	\$76,523,885	\$118,486,157	\$886,493

Golf Course	Local Transportation	School-Age Child Care	TOTALS	
			2001	2000
\$2,628,137	\$436,417	\$3,364,023	\$128,691,396	\$127,269,549
	3,739,384	192,549	3,979,007	3,215,077
	111,556	40,369	6,186,595	
			771,375	423,496
<u>2,628,137</u>	<u>4,287,357</u>	<u>3,596,941</u>	<u>139,628,373</u>	<u>130,908,122</u>
			44,974,174	42,231,342
1,632,399	1,835,428	2,755,433	38,847,066	33,035,200
350	323,629	1,037	3,363,836	3,933,592
<u>363,077</u>	<u>396,302</u>	<u>20,265</u>	<u>10,587,838</u>	<u>9,774,753</u>
<u>1,995,826</u>	<u>2,555,359</u>	<u>2,776,735</u>	<u>97,772,914</u>	<u>88,974,887</u>
<u>632,311</u>	<u>1,731,998</u>	<u>820,206</u>	<u>41,855,459</u>	<u>41,933,235</u>
127,637	161,652	47,415	12,070,072	9,627,368
(506,695)			(5,377,806)	(2,826,973)
<u>(379,058)</u>	<u>161,652</u>	<u>47,415</u>	<u>6,692,266</u>	<u>6,800,395</u>
253,253	1,893,650	867,621	48,547,725	48,733,630
			6,328,425	
			13,884,805	
			19,529,157	
	7,998		1,779,768	1,386,710
<u>(271,610)</u>	<u>(120,262)</u>	<u>(305,093)</u>	<u>(12,823,792)</u>	<u>(11,216,826)</u>
(18,357)	1,781,386	562,528	77,246,088	38,903,514
	165,471		3,099,018	2,994,234
1,207,833	3,612,869	653,198	371,672,233	329,774,485
			(77,980,303)	
<u>\$1,189,476</u>	<u>\$5,559,726</u>	<u>\$1,215,726</u>	<u>\$374,037,036</u>	<u>\$371,672,233</u>

CITY OF ROSEVILLE
ENTERPRISE FUNDS
COMBINING STATEMENTS OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001
WITH COMPARATIVE AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2000

	Electric	Water	Sewer	Refuse	Golf Course	Local Transportation
CASH FLOWS FROM OPERATING ACTIVITIES						
Operating income (loss)	\$15,857,191	\$8,278,540	\$12,148,697	\$2,386,516	\$632,311	\$1,731,998
Adjustments to reconcile operating income (loss) to cash flows from operating activities:						
Depreciation and amortization	4,523,355	1,930,893	3,259,472	94,474	363,077	396,302
Net change in:						
Accounts receivable	(7,996,607)	(40,747)	221,609	110,391	12,941	(4,993)
Accrued interest	235,067	280,493	669,097	(1,251)	(6,984)	26,628
Due from other government agencies	(2,004)	(6,029)	(375,271)			(164,577)
Prepaid expenses	(11,224,495)	8,332				
Deferred receivables		10,647	53,675			
Inventories	(56,126)	(5,705)	177	(105,336)		
Prepaid purchased electricity	(149,357)					
Accounts payable	815,498	(344,128)	(1,126,963)	42,792	107,783	264,080
Accrued liabilities	(18,026)	1,966	14,480	974	(3,825)	1,695
Due to other government agencies			607,584			
Deposits	36,999	8,770	9,256			
Deferred revenue	125,030					
Landfill closure and post closure liability				(205,555)		
Compensated absences	230,878	157,489	30,109	52,823		(340)
Net Cash Provided by Operating Activities	<u>2,377,403</u>	<u>10,280,521</u>	<u>15,511,922</u>	<u>2,375,828</u>	<u>1,105,303</u>	<u>2,250,793</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Net borrowings of amounts due from/to other funds	(25,042)	(52,858)	(21,733)	(41,320)	5,244	
Net borrowings (repayments) of advances from/ to other funds				(310,000)	(95,244)	
Operating transfers in	250,000	849,093	6,073	666,604		7,998
Operating transfers (out)	(5,822,573)	(2,017,649)	(2,432,908)	(1,853,697)	(271,610)	(120,262)
Residual equity transfer (out)			(52,733,766)			
Net Cash Used by Noncapital Financing Activities	<u>(5,597,615)</u>	<u>(1,221,414)</u>	<u>(55,182,334)</u>	<u>(1,538,413)</u>	<u>(361,610)</u>	<u>(112,264)</u>
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest received	6,119,918	2,738,269	2,843,686	31,495	127,637	161,652
Net change in restricted investments	8,358,720	(54,526)			131,590	
Cash Flows used by Investing Activities	<u>14,478,638</u>	<u>2,683,743</u>	<u>2,843,686</u>	<u>31,495</u>	<u>259,227</u>	<u>161,652</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Acquisition and construction of fixed assets	(19,850,470)	(19,734,395)	(18,563,207)	(396,188)	(560,827)	(3,275,209)
Transfer of connection fees to SPWA			(4,726,068)			
Principal paid on debt, bond maturities, special assessments, and equipment contracts	(1,510,000)	(1,093,067)			(180,000)	
Proceeds from long term debt						
Interest and fiscal charges paid	(1,329,560)	(1,144,265)			(506,695)	
Contribution in aid of construction	6,328,425					
Capital contributions from developers	9,973,655	1,951,078	1,960,072			
Contributed capital						
Cash Flows used by Capital Financing Activities	<u>(6,387,950)</u>	<u>(20,020,649)</u>	<u>(21,329,203)</u>	<u>(396,188)</u>	<u>(1,247,522)</u>	<u>(3,275,209)</u>
Net Cash Flows	4,870,476	(8,277,799)	(58,155,929)	472,722	(244,602)	(975,028)
Cash and investments at beginning of year	54,289,743	40,620,485	64,966,981	78,612	881,502	3,456,431
Cash and investments at end of year	<u>\$59,160,219</u>	<u>\$32,342,686</u>	<u>\$6,811,052</u>	<u>\$551,334</u>	<u>\$636,900</u>	<u>\$2,481,403</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES						
Transfer of SPWA fixed assets to City			\$42,612,170			
Transfer of accounts receivable to SPWA			(657,319)			
Transfer of due from other government agencies to SPWA			(2,915,751)			
Transfer of deferred receivables to SPWA			(5,728,787)			
Interest on SPWA Revenue Bonds			2,397,286			

School-Age Child Care	TOTALS	
	2001	2000
\$820,206	\$41,855,459	\$41,933,235
20,265	10,587,838	9,774,753
(316,353)	(8,013,759)	(2,310,984)
4,493	1,207,543	(568,685)
	(547,881)	(247,756)
	(11,216,163)	(8,332)
	64,322	(138,803)
	(166,990)	(970,721)
	(149,357)	397,934
(38,726)	(279,664)	1,489,596
7,940	5,204	725,699
	607,584	
	55,025	42,057
	125,030	722,909
	(205,555)	(210,505)
9,596	480,555	488,815
507,421	34,409,191	51,119,212
	(135,709)	560,556
	(405,244)	1,083,128
	1,779,768	1,386,710
(305,093)	(12,823,792)	(11,216,826)
	(52,733,766)	
(305,093)	(64,318,743)	(8,186,432)
47,415	12,070,072	9,627,368
	8,435,784	7,252,565
47,415	20,505,856	16,879,933
(280,210)	(62,660,506)	(51,829,533)
	(4,726,068)	
	(2,783,067)	(2,672,683)
		21,630,000
	(2,980,520)	(2,826,973)
	6,328,425	
	13,884,805	
		8,269,829
(280,210)	(52,936,931)	(27,429,360)
(30,467)	(62,340,627)	32,383,353
736,046	165,029,800	132,646,447
\$705,579	\$102,689,173	\$165,029,800

\$42,612,170
 (657,319)
 (2,915,751)
 (5,728,787)
 2,397,286

CITY OF ROSEVILLE
ENTERPRISE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN RETAINED EARNINGS
BUDGET (NON-GAAP LEGAL BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	ELECTRIC			WATER		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
OPERATING REVENUES						
Charges for services	\$69,274,410	\$70,953,317	\$1,678,907	\$14,950,400	\$17,175,790	\$2,225,390
Subventions and grants		8,682	8,682		17,463	17,463
Sale of wholesale power	6,100,000	6,186,595	86,595			
Other	56,700	427,459	370,759	219,563	28,083	(191,480)
Total Operating Revenues	75,431,110	77,576,053	2,144,943	15,169,963	17,221,336	2,051,373
OPERATING EXPENSES						
Purchased power	59,400,000	44,974,174	14,425,826			
Distribution:						
Operations	26,303,397	21,283,300	5,020,097	33,353,931	22,618,393	10,735,538
Administration	1,246,891	670,570	576,321	1,944,368	1,782,182	162,186
Total Operating Expenses	86,950,288	66,928,044	20,022,244	35,298,299	24,400,575	10,897,724
Operating Income (Loss)	(11,519,178)	10,648,009	22,167,187	(20,128,336)	(7,179,239)	12,949,097
NONOPERATING REVENUES (EXPENSES)						
Interest revenue	3,942,490	6,119,918	2,177,428	1,535,550	2,738,269	1,202,719
Interest and fiscal charges (expense)	(943,180)	(1,329,560)	(386,380)	(1,537,740)	(1,144,265)	393,475
Proceeds from bond issuance						
Debt service - principal	(1,510,000)	(1,510,000)		(1,093,070)	(1,093,067)	3
Net Nonoperating Revenues (Expenses)	1,489,310	3,280,358	1,791,048	(1,095,260)	500,937	1,596,197
Income (Loss) Before Operating Transfers	(10,029,868)	13,928,367	23,958,235	(21,223,596)	(6,678,302)	14,545,294
Contribution in aid of construction	4,352,000	6,328,425	1,976,425			
Capital contributions from developers		9,973,655	9,973,655		1,951,078	1,951,078
Capital contributions from SPWA member agencies						
Operating Transfers In	9,950,000	250,000	(9,700,000)	868,420	849,093	(19,327)
Operating Transfers (Out)	(17,397,738)	(5,822,573)	11,575,165	(1,913,331)	(2,017,649)	(104,318)
Net Income (Loss)	(\$13,125,606)	24,657,874	\$37,783,480	(\$22,268,507)	(5,895,780)	\$16,372,727
ITEMS AFFECTING CONTRIBUTED CAPITAL						
Depreciation on fixed assets		1,424,507			698,220	
Adjustment to budgetary basis:						
Depreciation and amortization		(4,523,355)			(1,930,893)	
Capital outlay		9,732,537			17,388,672	
Debt service-principal		1,510,000			1,093,067	
Retained earnings (deficit) at beginning of year		137,374,010			65,170,599	
Residual equity transfer (out)						
Retained earnings (deficit) at end of year		\$170,175,573			\$76,523,885	

SEWER			REFUSE			GOLF COURSE		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$20,142,500	\$22,548,125	\$2,405,625	\$10,672,470	\$11,585,587	\$913,117	\$2,849,000	\$2,628,137	(\$220,863)
	36,575	36,575	100,000	127,333	27,333			
<u>20,142,500</u>	<u>22,584,700</u>	<u>2,442,200</u>	<u>10,793,399</u>	<u>11,733,849</u>	<u>940,450</u>	<u>2,849,000</u>	<u>2,628,137</u>	<u>(220,863)</u>
133,138,190	23,515,216	109,622,974	10,088,829	9,327,429	761,400	2,534,628	2,193,225	341,403
349,178	264,451	84,727	337,324	321,617	15,707		350	(350)
<u>133,487,368</u>	<u>23,779,667</u>	<u>109,707,701</u>	<u>10,426,153</u>	<u>9,649,046</u>	<u>777,107</u>	<u>2,534,628</u>	<u>2,193,575</u>	<u>341,053</u>
<u>(113,344,868)</u>	<u>(1,194,967)</u>	<u>112,149,901</u>	<u>367,246</u>	<u>2,084,803</u>	<u>1,717,557</u>	<u>314,372</u>	<u>434,562</u>	<u>120,190</u>
2,201,216	2,843,686	642,470	2,200	31,495	29,295	3,330	127,637	124,307
90,000,000	(2,397,286)	(2,397,286)				(510,248)	(506,695)	3,553
		(90,000,000)				(180,000)	(180,000)	
<u>92,201,216</u>	<u>446,400</u>	<u>(91,754,816)</u>	<u>2,200</u>	<u>31,495</u>	<u>29,295</u>	<u>(686,918)</u>	<u>(559,058)</u>	<u>127,860</u>
(21,143,652)	(748,567)	20,395,085	369,446	2,116,298	1,746,852	(372,546)	(124,496)	248,050
	1,960,072	1,960,072						
	19,529,157	19,529,157						
574,440	6,073	(568,367)	810,130	666,604	(143,526)	27,400		(27,400)
(3,191,878)	(2,432,908)	758,970	(1,585,250)	(1,853,697)	(268,447)	(271,610)	(271,610)	
<u>(\$23,761,090)</u>	<u>18,313,827</u>	<u>\$42,074,917</u>	<u>(\$405,674)</u>	<u>929,205</u>	<u>\$1,334,879</u>	<u>(\$616,756)</u>	<u>(396,106)</u>	<u>\$220,650</u>
	810,820							
	(3,259,472)			(94,474)			(363,077)	
	16,603,136			396,187			560,826	
							180,000	
	163,998,149			(344,425)			1,207,833	
	(77,980,303)							
	<u>\$118,486,157</u>			<u>\$886,493</u>			<u>\$1,189,476</u>	

(Continued)

CITY OF ROSEVILLE
ENTERPRISE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN RETAINED EARNINGS
BUDGET (NON-GAAP LEGAL BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	LOCAL TRANSPORTATION			SCHOOL-AGE CHILD CARE		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
OPERATING REVENUES						
Charges for services	\$315,000	\$436,417	\$121,417	\$2,916,666	\$3,364,023	\$447,357
Subventions and grants	4,388,414	3,739,384	(649,030)	210,000	192,549	(17,451)
Sale of wholesale power						
Other	56,400	111,556	55,156	1,000	40,369	39,369
Total Operating Revenues	4,759,814	4,287,357	(472,457)	3,127,666	3,596,941	469,275
OPERATING EXPENSES						
Purchased power						
Distribution:						
Operations	9,235,237	5,250,908	3,984,329	3,036,003	3,035,642	361
Administration	392,665	323,629	69,036		1,037	(1,037)
Total Operating Expenses	9,627,902	5,574,537	4,053,365	3,036,003	3,036,679	(676)
Operating Income (Loss)	(4,868,088)	(1,287,180)	3,580,908	91,663	560,262	468,599
NONOPERATING REVENUES (EXPENSES)						
Interest revenue	70,200	161,652	91,452	23,100	47,415	24,315
Interest and fiscal charges (expense)						
Proceeds from bond issuance						
Debt service - principal						
Net Nonoperating Revenues (Expenses)	70,200	161,652	91,452	23,100	47,415	24,315
Income (Loss) Before Operating Transfers	(4,797,888)	(1,125,528)	3,672,360	114,763	607,677	492,914
Contribution in aid of construction						
Capital contributions from developers						
Capital contributions from SPWA member agencies						
Operating Transfers In	37,732	7,998	(29,734)			
Operating Transfers (Out)	(110,590)	(120,262)	(9,672)	(308,640)	(305,093)	3,547
Net Income (Loss)	(\$4,870,746)	(1,237,792)	\$3,632,954	(\$193,877)	302,584	\$496,461
ITEMS AFFECTING CONTRIBUTED CAPITAL						
Depreciation on fixed assets		165,471				
Adjustment to budgetary basis:						
Depreciation and amortization		(396,302)			(20,265)	
Capital outlay		3,415,480			280,209	
Debt service-principal						
Retained earnings (deficit) at beginning of year		3,612,869			653,198	
Residual equity transfer (out)						
Retained earnings (deficit) at end of year		\$5,559,726			\$1,215,726	

TOTALS		
Budget	Actual	Variance Favorable (Unfavorable)
\$121,120,446	\$128,691,396	\$7,570,950
4,619,343	3,979,007	(640,336)
6,100,000	6,186,595	86,595
433,663	771,375	337,712
<u>132,273,452</u>	<u>139,628,373</u>	<u>7,354,921</u>
59,400,000	44,974,174	14,425,826
217,690,215	87,224,113	130,466,102
4,270,426	3,363,836	906,590
<u>281,360,641</u>	<u>135,562,123</u>	<u>145,798,518</u>
<u>(149,087,189)</u>	<u>4,066,250</u>	<u>153,153,439</u>
7,778,086	12,070,072	4,291,986
(2,991,168)	(5,377,806)	(2,386,638)
90,000,000		(90,000,000)
(2,783,070)	(2,783,067)	3
<u>92,003,848</u>	<u>3,909,199</u>	<u>(88,094,649)</u>
(57,083,341)	7,975,449	65,058,790
4,352,000	6,328,425	1,976,425
	13,884,805	13,884,805
	19,529,157	19,529,157
12,268,122	1,779,768	(10,488,354)
(24,779,037)	(12,823,792)	11,955,245
<u>(\$65,242,256)</u>	<u>36,673,812</u>	<u>\$101,916,068</u>
	3,099,018	
	(10,587,838)	
	48,377,047	
	2,783,067	
	371,672,233	
	<u>(77,980,303)</u>	
	<u>\$374,037,036</u>	

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INTERNAL SERVICE FUNDS

Internal Service Funds are used to finance and account for special activities and services performed by a designated department for other departments within the same City on a cost reimbursement basis.

CITY OF ROSEVILLE
INTERNAL SERVICE FUNDS
COMBINING BALANCE SHEETS
JUNE 30, 2001
WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2000

	Automotive Services	Automotive Replacement	Self Insurance Funds		
			Worker's Compensation	General Liability	Unemployment Reserve
ASSETS					
Current Assets					
Cash and investments in City Treasury	\$12,474	\$5,914,897	\$5,024,459	\$4,962,426	\$70,908
Restricted cash and investments with fiscal agents			18,685	24,120	
Receivables:					
Accounts	19,981	106,914		43	
Accrued interest		666,573	24,132	23,750	331
Due from other government agencies	7,296				
Due from other funds		405,244			
Inventories	315,128				
Total Current Assets	354,879	7,093,628	5,067,276	5,010,339	71,239
Other Assets					
Advances to other funds		5,022,029			
Fixed Assets (net of accumulated depreciation)	40,469	11,024,506	73,785	7,973	
Total Other Assets	40,469	16,046,535	73,785	7,973	
Total Assets	\$395,348	\$23,140,163	\$5,141,061	\$5,018,312	\$71,239
LIABILITIES					
Current Liabilities					
Accounts payable	\$72,641	\$14,414	\$21,083	\$12,581	
Accrued liabilities	40,564				
Due to other funds		25,496			
Self-insurance claims payable			3,042,000	1,579,000	
Total Current Liabilities	113,205	39,910	3,063,083	1,591,581	
Long-term Liabilities					
Compensated absences	210,582				
Total Liabilities	323,787	39,910	3,063,083	1,591,581	
FUND EQUITY					
Retained earnings					
Unreserved	71,561	23,100,253	2,077,978	3,426,731	\$71,239
Total Retained Earnings	71,561	23,100,253	2,077,978	3,426,731	71,239
Total Fund Equity	71,561	23,100,253	2,077,978	3,426,731	71,239
Total Liabilities and Fund Equity	\$395,348	\$23,140,163	\$5,141,061	\$5,018,312	\$71,239

Self Insurance Funds					TOTALS	
Vision	Dental	Section 125	Post Retirement	Central Stores	2001	2000
\$195,189	\$310,907	\$28,244	\$1,419,680	\$91,194	\$18,030,378 42,805	\$12,369,880
23	249				127,210	22,127
933	1,611	151	6,605		724,086	720,759
					7,296	
					405,244	450,000
					315,128	293,228
<u>196,145</u>	<u>312,767</u>	<u>28,395</u>	<u>1,426,285</u>	<u>91,194</u>	<u>19,652,147</u>	<u>13,855,994</u>
					5,022,029	7,084,190
					11,146,733	8,954,074
					16,168,762	16,038,264
<u>\$196,145</u>	<u>\$312,767</u>	<u>\$28,395</u>	<u>\$1,426,285</u>	<u>\$91,194</u>	<u>\$35,820,909</u>	<u>\$29,894,258</u>
				\$59,105	\$179,824	\$383,599
			\$5,424		45,988	36,828
					25,496	
					4,621,000	4,507,000
			5,424	59,105	4,872,308	4,927,427
					210,582	197,508
			5,424	59,105	5,082,890	5,124,935
<u>\$196,145</u>	<u>\$312,767</u>	<u>\$28,395</u>	<u>1,420,861</u>	<u>32,089</u>	<u>30,738,019</u>	<u>24,769,323</u>
<u>196,145</u>	<u>312,767</u>	<u>28,395</u>	<u>1,420,861</u>	<u>32,089</u>	<u>30,738,019</u>	<u>24,769,323</u>
<u>196,145</u>	<u>312,767</u>	<u>28,395</u>	<u>1,420,861</u>	<u>32,089</u>	<u>30,738,019</u>	<u>24,769,323</u>
<u>\$196,145</u>	<u>\$312,767</u>	<u>\$28,395</u>	<u>\$1,426,285</u>	<u>\$91,194</u>	<u>\$35,820,909</u>	<u>\$29,894,258</u>

CITY OF ROSEVILLE
INTERNAL SERVICE FUNDS
COMBINING STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN RETAINED EARNINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001
WITH COMPARATIVE AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2000

	Automotive Services	Automotive Replacement	Self Insurance Funds		
			Worker's Compensation	General Liability	Unemployment Reserve
OPERATING REVENUES					
Charges for services	\$3,289,251	\$3,261,078	\$1,583,720	\$1,325,744	\$60,137
Other	104,789		5,019	210,799	
Total Operating Revenue	3,394,040	3,261,078	1,588,739	1,536,543	60,137
OPERATING EXPENSES					
Operations	2,967,719	830	987,217	690,942	
Depreciation and amortization	12,936	2,450,417	8,199	535	
Claims expense			471,997	342,508	21,929
Total Operating Expenses	2,980,655	2,451,247	1,467,413	1,033,985	21,929
Total Operating Income (Loss)	413,385	809,831	121,326	502,558	38,208
NONOPERATING REVENUES					
Interest revenue	354	954,154	313,512	284,547	3,648
Other		176,870			
Total Nonoperating Revenues (Expenses)	354	1,131,024	313,512	284,547	3,648
INCOME (LOSS) BEFORE OPERATING TRANSFERS					
	413,739	1,940,855	434,838	787,105	41,856
Operating transfers in		1,516,502			
Operating transfers out	(480,376)	(250,651)	(4,970)	(4,970)	(4,970)
Net Income (loss)	(66,637)	3,206,706	429,868	782,135	36,886
Retained earnings (deficit) at beginning of year	138,198	19,893,547	1,648,110	2,644,596	34,353
Retained earnings (deficit) at end of year	\$71,561	\$23,100,253	\$2,077,978	\$3,426,731	\$71,239

Self Insurance Funds					TOTALS	
Vision	Dental	Section 125	Post Retirement	Central Stores	2001	2000
\$93,320	\$848,153	\$231,709	\$1,434,822		\$12,127,934	\$9,958,855
				\$32,089	352,696	417,861
<u>93,320</u>	<u>848,153</u>	<u>231,709</u>	<u>1,434,822</u>	<u>32,089</u>	<u>12,480,630</u>	<u>10,376,716</u>
7,568	87,001		401,600		5,142,877	5,695,442
71,063	671,726	227,850			2,472,087	1,879,972
<u>78,631</u>	<u>758,727</u>	<u>227,850</u>	<u>401,600</u>		<u>9,422,037</u>	<u>7,944,185</u>
14,689	89,426	3,859	1,033,222	32,089	3,058,593	2,432,531
12,150	19,084	2,490	48,326		1,638,265	501,624
					176,870	111,109
<u>12,150</u>	<u>19,084</u>	<u>2,490</u>	<u>48,326</u>		<u>1,815,135</u>	<u>612,733</u>
26,839	108,510	6,349	1,081,548		4,841,639	3,045,264
(4,970)	(4,970)	(4,970)	339,313		1,855,815	1,531,578
					(760,847)	(536,360)
21,869	103,540	1,379	1,420,861	32,089	5,968,696	4,040,482
<u>174,276</u>	<u>209,227</u>	<u>27,016</u>			<u>24,769,323</u>	<u>20,728,841</u>
<u>\$196,145</u>	<u>\$312,767</u>	<u>\$28,395</u>	<u>\$1,420,861</u>	<u>\$32,089</u>	<u>\$30,738,019</u>	<u>\$24,769,323</u>

CITY OF ROSEVILLE
INTERNAL SERVICE FUNDS
COMBINING STATEMENTS OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2001
WITH COMPARATIVE AMOUNTS FISCAL YEAR ENDED JUNE 30, 2000

	Automotive Services	Automotive Replacement	Self Insurance Funds		
			Worker's Compensation	General Liability	Unemployment Reserve
CASH FLOWS FROM OPERATING ACTIVITIES					
Operating income (loss)	\$413,385	\$809,831	\$121,326	\$502,558	\$38,208
Adjustments to reconcile operating income (loss) to cash flows from operating activities:					
Depreciation and amortization	12,936	2,450,417	8,199	535	
Net change in:					
Accounts receivable	(17,169)	(97,879)		(43)	
Accrued interest		(43,647)	25,759	19,046	13
Due from other government agencies	(7,296)				
Inventories	(21,900)				
Accounts payable	24,299	(174,266)	6,924	6,043	
Accrued liabilities	3,736				
Self insurance claims payable			(43,000)	157,000	
Compensated absences	13,074				
Cash Flows from Operating Activities	421,065	2,944,456	119,208	685,139	38,221
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Net repayments of amounts due from/to other funds		70,252			
Net borrowings of advances from/to other funds		2,062,161			
Operating transfers in		1,516,502			
Operating transfers (out)	(480,376)	(250,651)	(4,970)	(4,970)	(4,970)
Net Cash Provided by Noncapital Financing Activities	(480,376)	3,398,264	(4,970)	(4,970)	(4,970)
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest received	354	954,154	313,512	284,547	3,648
Net Cash Provided from Investing Activities	354	954,154	313,512	284,547	3,648
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES					
Acquisition and construction of fixed assets	(2,867)	(4,600,645)	(54,656)	(6,578)	
Proceeds from sale of fixed assets		176,870			
Cash Flows from Capital Financing Activities	(2,867)	(4,423,775)	(54,656)	(6,578)	
Net Cash Flows	(61,824)	2,873,099	373,094	958,138	36,899
Cash and investments at beginning of year	74,298	3,041,798	4,670,050	4,028,408	34,009
Cash and investments at end of year	\$12,474	\$5,914,897	\$5,043,144	\$4,986,546	\$70,908

Self Insurance Funds					TOTALS	
Vision	Dental	Section 125	Post Retirement	Central Stores	2001	2000
\$14,689	\$89,426	\$3,859	\$1,033,222	\$32,089	\$3,058,593	\$2,432,531
					2,472,087	1,879,972
(12)	(93)			10,113	(105,083)	530,786
927	998	182	(6,605)		(3,327)	(614,434)
					(7,296)	15,164
					(21,900)	(53,991)
				(66,775)	(203,775)	71,405
			5,424		9,160	8,368
					114,000	(850,000)
					13,074	26,015
15,604	90,331	4,041	1,032,041	(24,573)	5,325,533	3,445,816
					70,252	(310,000)
					2,062,161	(1,033,128)
			339,313		1,855,815	1,531,578
(4,970)	(4,970)	(4,970)			(760,847)	(536,360)
(4,970)	(4,970)	(4,970)	339,313		3,227,381	(347,910)
12,150	19,084	2,490	48,326		1,638,265	501,624
12,150	19,084	2,490	48,326		1,638,265	501,624
					(4,664,746)	(4,185,091)
					176,870	111,109
					(4,487,876)	(4,073,982)
22,784	104,445	1,561	1,419,680	(24,573)	5,703,303	(474,452)
172,405	206,462	26,683		115,767	12,369,880	12,844,332
\$195,189	\$310,907	\$28,244	\$1,419,680	\$91,194	\$18,073,183	\$12,369,880

CITY OF ROSEVILLE
INTERNAL SERVICE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN RETAINED EARNINGS
BUDGET (NON-GAAP LEGAL BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	AUTOMOTIVE SERVICES			AUTOMOTIVE REPLACEMENT		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
OPERATING REVENUES						
Charges for services	\$3,179,000	\$3,289,251	\$110,251	\$2,860,000	\$3,261,078	\$401,078
Other	50,000	104,789	54,789			
Total Operating Revenue	<u>3,229,000</u>	<u>3,394,040</u>	<u>165,040</u>	<u>2,860,000</u>	<u>3,261,078</u>	<u>401,078</u>
OPERATING EXPENSES						
Operations	2,936,081	2,970,585	(34,504)	5,211,139	4,577,470	633,669
Claims expense						
Total Operating Expenses	<u>2,936,081</u>	<u>2,970,585</u>	<u>(34,504)</u>	<u>5,211,139</u>	<u>4,577,470</u>	<u>633,669</u>
Total Operating Income (Loss)	<u>292,919</u>	<u>423,455</u>	<u>130,536</u>	<u>(2,351,139)</u>	<u>(1,316,392)</u>	<u>1,034,747</u>
NONOPERATING REVENUES (EXPENSES)						
Interest revenue	1,000	354	(646)	707,503	954,154	246,651
Other					176,870	176,870
Total Nonoperating Revenues	<u>1,000</u>	<u>354</u>	<u>(646)</u>	<u>707,503</u>	<u>1,131,024</u>	<u>423,521</u>
INCOME (LOSS) BEFORE OPERATING TRANSFERS	<u>293,919</u>	<u>423,809</u>	<u>129,890</u>	<u>(1,643,636)</u>	<u>(185,368)</u>	<u>1,458,268</u>
Operating transfers in				2,398,170	1,516,502	(881,668)
Operating transfers out	(550,670)	(480,376)	70,294	(28,430)	(250,651)	(222,221)
Net income (loss)	<u>(\$256,751)</u>	<u>(56,567)</u>	<u>\$200,184</u>	<u>\$726,104</u>	<u>1,080,483</u>	<u>\$354,379</u>
Adjustment to budgetary basis:						
Capital outlay		2,866			4,576,640	
Depreciation and amortization		(12,936)			(2,450,417)	
Retained earnings at beginning of year		<u>138,198</u>			<u>19,893,547</u>	
Retained earnings at end of year		<u>\$71,561</u>			<u>\$23,100,253</u>	

SELF INSURANCE FUNDS

WORKER'S COMPENSATION			GENERAL LIABILITY			UNEMPLOYMENT RESERVE		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$1,500,000	\$1,583,720	\$83,720	\$1,312,000	\$1,325,744	\$13,744	\$48,100	\$60,137	\$12,037
	5,019	5,019		210,799	210,799			
1,500,000	1,588,739	88,739	1,312,000	1,536,543	224,543	48,100	60,137	12,037
1,218,029	1,041,872	176,157	900,000	697,520	202,480			
591,000	471,997	119,003	350,000	342,508	7,492	60,000	21,929	38,071
1,809,029	1,513,869	295,160	1,250,000	1,040,028	209,972	60,000	21,929	38,071
(309,029)	74,870	383,899	62,000	496,515	434,515	(11,900)	38,208	50,108
223,650	313,512	89,862	190,580	284,547	93,967	500	3,648	3,148
223,650	313,512	89,862	190,580	284,547	93,967	500	3,648	3,148
(85,379)	388,382	473,761	252,580	781,062	528,482	(11,400)	41,856	53,256
(4,970)	(4,970)		(4,970)	(4,970)		(4,970)	(4,970)	
(\$90,349)	383,412	\$473,761	\$247,610	776,092	\$528,482	(\$16,370)	36,886	\$53,256
	54,655			6,578				
	(8,199)			(535)				
	1,648,110			2,644,596			34,353	
	<u>\$2,077,978</u>			<u>\$3,426,731</u>			<u>\$71,239</u>	

(Continued)

CITY OF ROSEVILLE
INTERNAL SERVICE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN RETAINED EARNINGS
BUDGET (NON-GAAP LEGAL BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	SELF INSURANCE FUNDS					
	VISION			DENTAL		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
OPERATING REVENUES						
Charges for services	\$90,000	\$93,320	\$3,320	\$800,000	\$848,153	\$48,153
Other						
Total Operating Revenue	<u>90,000</u>	<u>93,320</u>	<u>3,320</u>	<u>800,000</u>	<u>848,153</u>	<u>48,153</u>
OPERATING EXPENSES						
Operations	10,000	7,568	2,432	60,000	87,001	(27,001)
Claims expense	70,000	71,063	(1,063)	708,000	671,726	36,274
Total Operating Expenses	<u>80,000</u>	<u>78,631</u>	<u>1,369</u>	<u>768,000</u>	<u>758,727</u>	<u>9,273</u>
Total Operating Income (Loss)	<u>10,000</u>	<u>14,689</u>	<u>4,689</u>	<u>32,000</u>	<u>89,426</u>	<u>57,426</u>
NONOPERATING REVENUES (EXPENSES)						
Interest revenue	8,000	12,150	4,150	6,710	19,084	12,374
Other						
Total Nonoperating Revenues	<u>8,000</u>	<u>12,150</u>	<u>4,150</u>	<u>6,710</u>	<u>19,084</u>	<u>12,374</u>
INCOME (LOSS) BEFORE OPERATING TRANSFERS	18,000	26,839	8,839	38,710	108,510	69,800
Operating transfers in						
Operating transfers out	(4,970)	(4,970)		(4,970)	(4,970)	
Net income (loss)	<u>\$13,030</u>	<u>21,869</u>	<u>\$8,839</u>	<u>\$33,740</u>	<u>103,540</u>	<u>\$69,800</u>
Adjustment to budgetary basis:						
Capital outlay						
Depreciation and amortization						
Retained earnings at beginning of year		<u>174,276</u>			<u>209,227</u>	
Retained earnings at end of year		<u>\$196,145</u>			<u>\$312,767</u>	

SECTION 125			POST RETIREMENT			TOTALS		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$250,000	\$231,709	(\$18,291)	\$1,804,650	\$1,434,822	(\$369,828)	\$11,843,750	\$12,127,934	\$284,184
						50,000	320,607	270,607
250,000	231,709	(18,291)	1,804,650	1,434,822	(369,828)	11,893,750	12,448,541	554,791
			314,330	401,600	(87,270)	10,649,579	9,783,616	865,963
250,000	227,850	22,150				2,029,000	1,807,073	221,927
250,000	227,850	22,150	314,330	401,600	(87,270)	12,678,579	11,590,689	1,087,890
	3,859	3,859	1,490,320	1,033,222	(457,098)	(784,829)	857,852	1,642,681
1,000	2,490	1,490		48,326	48,326	1,138,943	1,638,265	499,322
							176,870	176,870
1,000	2,490	1,490		48,326	48,326	1,138,943	1,815,135	676,192
1,000	6,349	5,349	1,490,320	1,081,548	(408,772)	354,114	2,672,987	2,318,873
			314,330	339,313	24,983	2,712,500	1,855,815	(856,685)
(4,970)	(4,970)					(608,920)	(760,847)	(151,927)
(\$3,970)	1,379	\$5,349	\$1,804,650	1,420,861	(\$383,789)	\$2,457,694	\$3,767,955	\$1,310,261
							4,640,739	
							(2,472,087)	
	27,016						24,769,323	
	\$28,395			\$1,420,861			\$30,705,930	

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AGENCY FUNDS

Agency Funds account for assets held by a governmental unit in the capacity of agent for individuals, governmental entities, and non-public organizations.

CITY OF ROSEVILLE
 AGENCY FUNDS
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Balance June 30, 2000	Additions	Reductions	Balance June 30, 2001
<hr/> Cirby Way West <hr/>				
Cash and investments in City Treasury	\$46,124			\$46,124
Due to bondholders	\$46,124			\$46,124
<hr/> Foothills Boulevard <hr/>				
Cash and investments in City Treasury	\$89,404	\$58		\$89,462
Due to bondholders	\$89,404	\$58		\$89,462
<hr/> Hilltop <hr/>				
Cash and investments in City Treasury	\$32,286	\$1,644		\$33,930
Accrued interest receivable	239	115	\$239	115
Total Assets	\$32,525	\$1,759	\$239	\$34,045
Due to bondholders	\$32,525	\$1,759	\$239	\$34,045
<hr/> North Roseville/Rocklin Sewer <hr/>				
Cash and investments in City Treasury	\$527,416	\$42,917	\$188,154	\$382,179
Accrued interest receivable	2,409	1,158	2,409	1,158
Total Assets	\$529,825	\$44,075	\$190,563	\$383,337
Accounts payable				
Due to bondholders	\$529,825	\$44,075	\$190,563	\$383,337
Total Liabilities	\$529,825	\$44,075	\$190,563	\$383,337
<hr/> Rocky Ridge/Harding <hr/>				
Cash and investments in City Treasury	\$537,219	\$158,530	\$242,672	\$453,077
Accrued interest receivable	2,058	990	2,058	990
Total Assets	\$539,277	\$159,520	\$244,730	\$454,067
Due to bondholders	\$539,277	\$159,520	\$244,730	\$454,067

CITY OF ROSEVILLE
 AGENCY FUNDS
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Balance June 30, 2000	Additions	Reductions	Balance June 30, 2001
<u>Champion Oaks</u>				
Cash and investments in City Treasury	\$21,138			\$21,138
Due to bondholders	\$21,138			\$21,138
<u>Foothills Boulevard Extension</u>				
Cash and investments in City Treasury	\$956,709	\$310,041	\$284,271	\$982,479
Accrued interest receivable	6,389	3,072	6,389	3,072
Total Assets	\$963,098	\$313,113	\$290,660	\$985,551
Accounts payable				
Due to bondholders	\$963,098	\$313,113	290,660	\$985,551
Total Liabilities	\$963,098	\$313,113	\$290,660	\$985,551
<u>Olympus Point Children's Art</u>				
Cash and investments in City Treasury	\$62,191	\$3,493	\$3,788	\$61,896
Accrued interest receivable	677	302	677	302
Total Assets	\$62,868	\$3,795	\$4,465	\$62,198
Accounts payable	\$1,172	\$189	\$1,172	\$189
Due to others	61,696	3,606	3,293	62,009
Total Liabilities	\$62,868	\$3,795	\$4,465	\$62,198
<u>Northeast Roseville Community Facilities District #1</u>				
Cash and investments in City Treasury	\$2,019,217	\$1,120,338	\$797,633	\$2,341,922
Restricted cash and investments with fiscal agents	1,492,766	91,422	144,415	1,439,773
Accrued interest receivable	57,372	11,590	57,372	11,590
Total Assets	\$3,569,355	\$1,223,350	\$999,420	\$3,793,285
Accounts payable	\$1,395	\$1,495	\$1,395	\$1,495
Due to bondholders	3,567,960	1,221,855	998,025	3,791,790
Total Liabilities	\$3,569,355	\$1,223,350	\$999,420	\$3,793,285

(Continued)

CITY OF ROSEVILLE
 AGENCY FUNDS
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Balance June 30, 2000	Additions	Reductions	Balance June 30, 2001
<u>Northwest Roseville Community Facilities District #1</u>				
Cash and investments in City Treasury	\$1,702,230	\$1,591,487	\$1,525,799	\$1,767,918
Restricted cash and investments with fiscal agents	2,297,957	122,981		2,420,938
Accrued interest receivable	66,530	57,392	66,530	57,392
Total Assets	\$4,066,717	\$1,771,860	\$1,592,329	\$4,246,248
Accounts payable	\$4,032	\$3,982	\$4,032	\$3,982
Due to bondholders	4,062,685	1,767,878	1,588,297	4,242,266
Total Liabilities	\$4,066,717	\$1,771,860	\$1,592,329	\$4,246,248
<u>SERSP Lighting & Landscaping</u>				
Cash and investments in City Treasury	\$60,625		\$60,625	
Accounts payable	\$789		\$789	
Due to bondholders	59,836		59,836	
Total Liabilities	\$60,625		\$60,625	
<u>Olympus Point Lighting and Landscaping</u>				
Cash and investments in City Treasury	\$231,854		\$231,854	
Accounts payable	\$5,210		\$5,210	
Due to bondholders	226,644		226,644	
Total Liabilities	\$231,854		\$231,854	
<u>Payroll Revolving</u>				
Cash and investments in City Treasury	\$506,496	\$594,124	\$506,496	\$594,124
Accounts payable	\$506,496	\$594,124	\$506,496	\$594,124

CITY OF ROSEVILLE
 AGENCY FUNDS
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Balance June 30, 2000	Additions	Reductions	Balance June 30, 2001
<u>Highway 65 JPA</u>				
Cash and investments in City Treasury	\$1,540,600	\$1,638,043	\$239,041	\$2,939,602
Accrued interest receivable	16,591	14,174	16,591	14,174
Due from other government agencies	265,295	159,835	265,295	159,835
Deferred receivable	141		141	
Total Assets	\$1,822,627	\$1,812,052	\$521,068	\$3,113,611
Accounts payable	\$466	\$52,913	\$466	\$52,913
Due to member agencies	1,822,161	1,759,139	520,602	3,060,698
Total Liabilities	\$1,822,627	\$1,812,052	\$521,068	\$3,113,611
<u>Northeast Roseville Community Facilities District #2</u>				
Cash and investments in City Treasury	\$715,748	\$728,652	\$671,412	\$772,988
Restricted cash and investments with fiscal agents	1,076,980	65,957	38,637	1,104,300
Accrued interest receivable	33,509	3,839	33,509	3,839
Total Assets	\$1,826,237	\$798,448	\$743,558	\$1,881,127
Accounts payable	\$1,388	\$1,484	\$1,388	\$1,484
Due to bondholders	1,824,849	796,964	742,170	1,879,643
Total Liabilities	\$1,826,237	\$798,448	\$743,558	\$1,881,127
<u>North Central Roseville Community Facilities District #1</u>				
Cash and investments in City Treasury	\$6,040,145	\$7,380,955	\$6,412,073	\$7,009,027
Restricted cash and investments with fiscal agents	5,452,387	75,725		5,528,112
Accrued interest receivable	188,296	76,281	188,296	76,281
Total Assets	\$11,680,828	\$7,532,961	\$6,600,369	\$12,613,420
Accounts payable	\$2,312	\$2,576	\$2,312	\$2,576
Accrued liabilities	31,684		31,684	
Due to bondholders	11,646,832	7,530,385	6,566,373	12,610,844
Total Liabilities	\$11,680,828	\$7,532,961	\$6,600,369	\$12,613,420

(Continued)

CITY OF ROSEVILLE
 AGENCY FUNDS
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Balance June 30, 2000	Additions	Reductions	Balance June 30, 2001
<u>Dry Creek Drainage Basin</u>				
Cash and investments in City Treasury	\$51,407	\$78,580		\$129,987
Accounts receivable	27		\$27	
Accrued interest receivable	491	540	491	540
Deferred receivable	7,046		2,172	4,874
Total Assets	\$58,971	\$79,120	\$2,690	\$135,401
Accounts Payable	\$19,389	\$79,373	\$19,389	\$79,373
Accrued liabilities	39,679	55,014	39,679	55,014
Due to bondholders	(97)	(55,267)	(56,378)	1,014
Total Liabilities	\$58,971	\$79,120	\$2,690	\$135,401
<u>North Roseville Community Facilities District #1</u>				
Cash and investments in City Treasury	\$1,702,697	\$1,969,030	\$1,792,253	\$1,879,474
Restricted cash and investments with fiscal agents	1,564,632	48,697	28,679	1,584,650
Accrued interest receivable	27,899	9,310	27,899	9,310
Total Assets	\$3,295,228	\$2,027,037	\$1,848,831	\$3,473,434
Accounts payable	\$753	\$792	\$753	\$792
Due to bondholders	3,294,475	2,026,245	\$1,848,078	3,472,642
Total Liabilities	\$3,295,228	\$2,027,037	\$1,848,831	\$3,473,434
<u>North Roseville Service District</u>				
Cash and investments in City Treasury	\$243,314		\$243,314	
Total Assets	\$243,314		\$243,314	
Accounts payable	\$754		\$754	
Due to other funds				
Due to bondholders	242,560		242,560	
Total Liabilities	\$243,314		\$243,314	

CITY OF ROSEVILLE
 AGENCY FUNDS
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Balance June 30, 2000	Additions	Reductions	Balance June 30, 2001
<u>Disaster Recovery JPA</u>				
Cash and investments in City Treasury	\$99,352	\$1,917		\$101,269
Accrued interest receivable	1,071	492	\$1,071	492
Due from other government agencies	2,956	3,000	2,956	3,000
Total Assets	\$103,379	\$5,409	\$4,027	\$104,761
Accounts payable		\$14,200		\$14,200
Due to member agencies	\$103,379	(8,791)	\$4,027	90,561
Total Liabilities	\$103,379	\$5,409	\$4,027	\$104,761
<u>Woodcreek West Community Facilities District #1</u>				
Cash and investments in City Treasury	\$614,716	\$1,794,753	\$1,210,076	\$1,199,393
Restricted cash and investments with fiscal agents	1,415,331	96,084	20,754	1,490,661
Accrued interest receivable	33,172	37,270	33,172	37,270
Total Assets	\$2,063,219	\$1,928,107	\$1,264,002	\$2,727,324
Accounts payable		\$1,455		\$1,455
Due to bondholders	\$2,063,219	1,926,652	1,264,002	2,725,869
Total Liabilities	\$2,063,219	\$1,928,107	\$1,264,002	\$2,727,324
<u>Highland Reserve North Community Facilities District #1</u>				
Cash and investments in City Treasury	\$162,298	\$2,435,940	\$467,449	\$2,130,789
Restricted cash and investments with fiscal agents	4,647,319		1,755,927	2,891,392
Accrued interest receivable	110,608	70,589	110,608	70,589
Total Assets	\$4,920,225	\$2,506,529	\$2,333,984	\$5,092,770
Accounts payable		\$1,547		\$1,547
Due to bondholders	\$4,920,225	2,504,982	\$2,333,984	5,091,223
Total Liabilities	\$4,920,225	\$2,506,529	\$2,333,984	\$5,092,770

(Continued)

CITY OF ROSEVILLE
 AGENCY FUNDS
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Balance June 30, 2000	Additions	Reductions	Balance June 30, 2001
<u>Stoneridge Parcel 1 Community Facilities District #1</u>				
Cash and investments in City Treasury	\$78,804	\$364,259	\$267,190	\$175,873
Restricted cash and investments with fiscal agents	251,508		54,229	197,279
Accrued interest receivable	874	861	874	861
Total Assets	\$331,186	\$365,120	\$322,293	\$374,013
Accounts payable		\$995		\$995
Due to bondholders	\$331,186	364,125	\$322,293	373,018
Total Liabilities	\$331,186	\$365,120	\$322,293	\$374,013
<u>Woodcreek East Community Facilities District #1</u>				
Cash and investments in City Treasury		\$382,777	\$382,777	
Restricted cash and investments with fiscal agents		807,455		\$807,455
Accrued interest receivable		871		871
Total Assets		\$1,191,103	\$382,777	\$808,326
Due to bondholders		\$1,191,103	\$382,777	\$808,326
<u>Stoneridge West Community Facilities District #1</u>				
Cash and investments in City Treasury		\$27,209	\$420	\$26,789
Accrued interest receivable		130		130
Total Assets		\$27,339	\$420	\$26,919
Due to bondholders		\$27,339	\$420	\$26,919
<u>County Capital Facilities Fee</u>				
Cash and investments in City Treasury	\$51,817	\$550,277		\$602,094
Accrued interest receivable	190	3,994	\$190	3,994
Total Assets	\$52,007	\$554,271	\$190	\$606,088
Accounts payable		\$1,380		\$1,380
Due to others	\$52,007	552,891	\$190	604,708
Total Liabilities	\$52,007	\$554,271	\$190	\$606,088

CITY OF ROSEVILLE
 AGENCY FUNDS
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Balance June 30, 2000	Additions	Reductions	Balance June 30, 2001
<u>South Placer Wastewater Authority</u>				
Cash and investments in City Treasury		\$98,238,301		\$98,238,301
Restricted cash and investments with fiscal agents		124,952,284		124,952,284
Accounts receivable		2,019,703		2,019,703
Accrued interest receivable		483,737		483,737
Due from other government agencies		1,523,433		1,523,433
Deferred receivables		3,452,529		3,452,529
Total Assets		\$230,669,987		\$230,669,987
Accounts payable		\$5,825,538		\$5,825,538
Accrued liabilities		1,063,088		1,063,088
Due to member agencies		223,781,361		223,781,361
Total Liabilities		\$230,669,987		\$230,669,987
<u>Other</u>				
Cash and investments in City Treasury	\$2,567,033	\$775,305	\$379,854	\$2,962,484
Accrued interest receivable	24,732	17,668	24,732	17,668
Total Assets	\$2,591,765	\$792,973	\$404,586	\$2,980,152
Accounts payable	\$175,461	\$995,104	\$175,461	\$995,104
Accrued liabilities	86,988		86,988	
Due to other government agencies	18,074	20		18,094
Due to other funds	53,604	710	53,604	710
Advance from other funds	753,970		753,970	
Deposits payable	613,843	13,083		626,926
Due to others	889,825	(215,944)	(665,437)	1,339,318
Total Liabilities	\$2,591,765	\$792,973	\$404,586	\$2,980,152

(Continued)

CITY OF ROSEVILLE
 AGENCY FUNDS
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Balance June 30, 2000	Additions	Reductions	Balance June 30, 2001
Total Agency Funds				
Cash and investments in City Treasury	\$20,660,840	\$120,188,630	\$15,907,151	\$124,942,319
Restricted cash and investments with fiscal agents	18,198,880	126,260,605	2,042,641	142,416,844
Accounts receivable	27	2,019,703	27	2,019,703
Accrued interest receivable	573,107	794,375	573,107	794,375
Due from other government agencies	268,251	1,686,268	268,251	1,686,268
Deferred receivable	7,187	3,452,529	2,313	3,457,403
Total Assets	\$39,708,292	\$254,402,110	\$18,793,490	\$275,316,912
Accounts payable	\$719,617	\$7,577,147	\$719,617	\$7,577,147
Accrued liabilities	158,351	1,118,102	158,351	1,118,102
Due to other government agencies	18,074	20		18,094
Due to other funds	53,604	710	53,604	710
Advance from other funds	753,970		753,970	
Deposits payable	613,843	13,083		626,926
Due to member agencies	1,925,540	225,531,709	524,629	226,932,620
Due to bondholders	34,461,765	19,820,786	17,245,273	37,037,278
Due to others	1,003,528	340,553	(661,954)	2,006,035
Total Liabilities	\$39,708,292	\$254,402,110	\$18,793,490	\$275,316,912