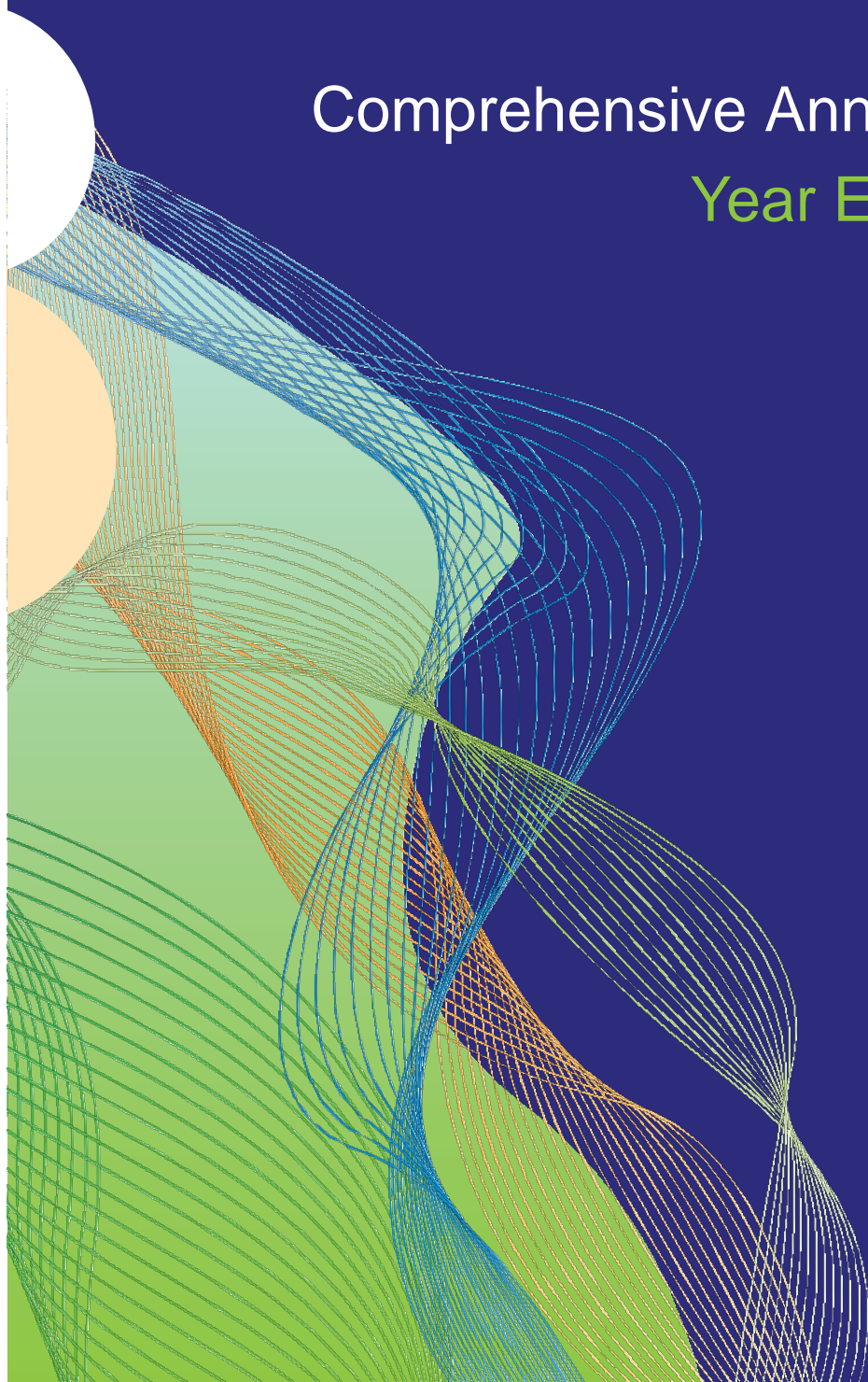




# Comprehensive Annual Financial Report

## Year Ended June 30, 2015



# CITY OF CARSON, CALIFORNIA

## COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED JUNE 30, 2015

PREPARED BY:  
FINANCE DEPARTMENT

BORIS SZTORCH  
ACTING DIRECTOR OF FINANCE  
COMPREHENSIVE ANNUAL FINANCIAL REPORT



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# **INTRODUCTORY SECTION**

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CITY OF CARSON, CALIFORNIA  
COMPREHENSIVE ANNUAL FINANCIAL REPORT







# CITY OF CARSON

December 22, 2015

Honorable Mayor and Council members  
of the City of Carson, California:

It is my pleasure to present to you the Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2015 of the City of Carson (City), California, which consists of management's representation concerning the finances of the City. Responsibility for the completeness and reliability of all the information included in the report rests with management. To provide a reasonable basis for making these representations, management has established an internal control system which is designed to achieve reasonable, but not absolute, assurances that the assets of the City are protected from loss, theft or misuse, and that sufficient, reliable information is compiled to aid in the preparation of the City's financial statements in accordance with accounting principles generally accepted in the United States of America. The concept of reasonable assurance recognizes that the costs of internal controls should not outweigh the benefits likely to be derived, and the valuation of costs and benefits requires estimates and judgment by management. To the best of our knowledge and belief, the financial report is complete and reliable in all material respects.

## **THE REPORTING ENTITY**

The financial reporting entity includes all the funds and capital assets of the primary government (i.e., the City of Carson as legally defined), as well as its component units that are legally separate entities for which the primary government is financially accountable. Component units are, in substance, part of the primary government's operations and are included as part of the primary government. The Carson Redevelopment Agency (Agency) was previously included within the reporting entity of the City as a blended component unit until June 30, 2011. However, on December 29, 2011, the California Supreme Court upheld Assembly Bill 1x 26 (the Bill) that provides for the dissolution of redevelopment agencies. In accordance with the provision of the Bill, the City elected to serve as the Successor Agency. Accordingly, beginning with fiscal year ending June 30, 2012, the dissolved Carson Redevelopment Agency was excluded from the City-wide financial statements and reported as fiduciary fund. The Carson Housing Authority, which was established to carry out the housing function of the dissolved Carson Redevelopment Agency, was reported as a blended component unit. The Carson Joint Powers Financing Authority, established to provide financing for public capital improvements constructed by the former Redevelopment Agency, was also reported as a blended component unit.

## **CITY PROFILE**

Carson was part of a Spanish Land Grant known as Rancho San Pedro deeded to Juan Jose Dominguez over 200 years ago. During the incorporation process, the community was named after George Henry Carson, a member of the Dominguez family. "Dominguez" finished a close second to "Carson" as the name for the newly incorporated city. The City adopted the motto of "Future Unlimited." Part of the reason for that statement is the City's unbridled optimism, its strategic location and abundant vacant land.

Located in the South Bay section of Los Angeles County, Carson has grown from a population of approximately 61,000 in 1968 to 92,636 in 2014. Over the years, three annexations have increased the City's size to 19.2 square miles. Steady and continued growth has enabled Carson to become a city of regional significance. Carson has been included in the top 20 highest valued cities in the county since 1998, according to the Annual Report of the Assessor's Office of the County of Los Angeles. For 2015, the City of Carson is ranked 12<sup>th</sup> highest in assessed value of all Los Angeles County cities, recording a total of \$14 billion. While Carson is well known as an industrial center with unparalleled access to transportation and the Pacific Rim, it is also a culturally diverse community that is an attractive place to live, work and play.

## **Form of Government**

The City of Carson was incorporated as a General Law city on February 20, 1968. The City operates under the Council-Manager form of government. Policymaking and legislative authority are vested in the governing council, which consists of an elected Mayor and four Councilmembers. The Council is elected on a nonpartisan basis. The Mayor is elected to a four-year term. Councilmembers are elected to four-year, staggered terms with two Councilmembers elected every two years. The City Council is responsible for, among other things, setting City policies, adopting ordinances and resolutions, adopting the budget, appointing committees and hiring the City Manager and the City Attorney. The City Manager is responsible for carrying out the policies and directives of the Council, for overseeing the day-to-day operations of the City, and for appointing the directors and officers of the City's departments.

The City provides a broad range of services, including construction and maintenance of highways, streets and infrastructure, planning and zoning activities, public transit, recreational activities and cultural events for all ages. The City contracts with the County of Los Angeles for law enforcement, building and safety services, library services, fire protection and sewer services. The City's educational needs are served by the Los Angeles Unified School District and some private schools. Solid waste collection and disposal, gas, water, electric and communication services are provided by private companies.

Of regional significance is the California State University, Dominguez Hills (CSUDH), which is located within the City. Established in 1960, CSUDH offers an impressive variety of bachelor's and master's degree programs. In 2015, CSUDH ranked second on the "100 Most Affordable Universities in America" by Best Value Schools. The campus includes a privately financed 85-acre national training center known as the StubHub Center (previously Home Depot Center). The center features a state-of-the-art 27,000-seat soccer stadium, a 13,000-seat professional tennis stadium, a 4,800-seat track and field facility (expandable to 20,000), 18 tennis courts, five soccer training fields, and an indoor cycling velodrome.

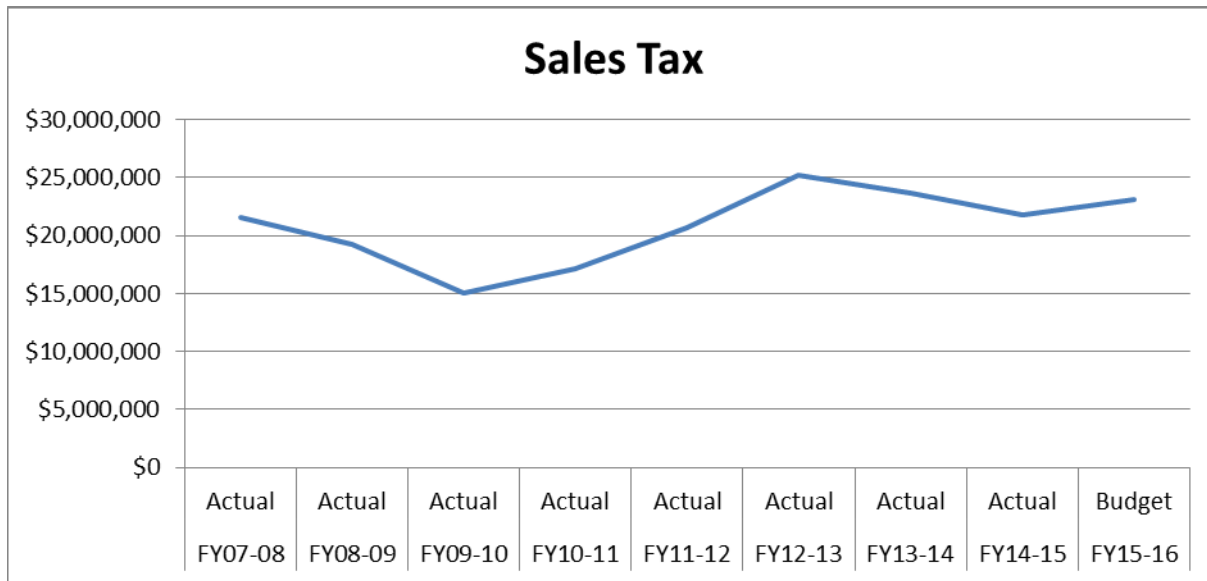
## **ECONOMIC CONDITION AND OUTLOOK**

### Primary Revenue Sources

The City's primary sources of revenue are sales tax, property tax, franchise tax and utility user tax; as summarized below.

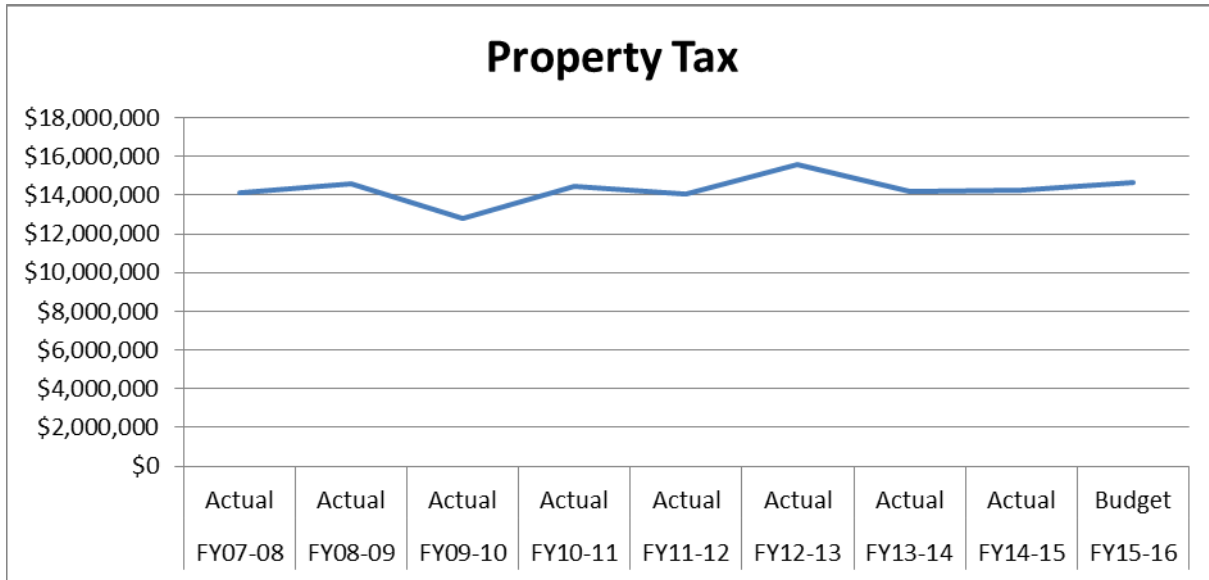
	FY14-15	Percentage
	in millions	of Total
Sales Tax	\$ 21.8	30%
Property Tax	14.3	20%
Franchise Tax	8.3	11%
Utility User Tax	8.1	11%
Other Sources	20.7	28%
<b>Total General Fund Revenue</b>	<b>\$ 73.2</b>	<b>100%</b>

Sales tax revenue fluctuates with the economy, and over the last 8 years has varied between \$15.1 million and \$25.2 million.

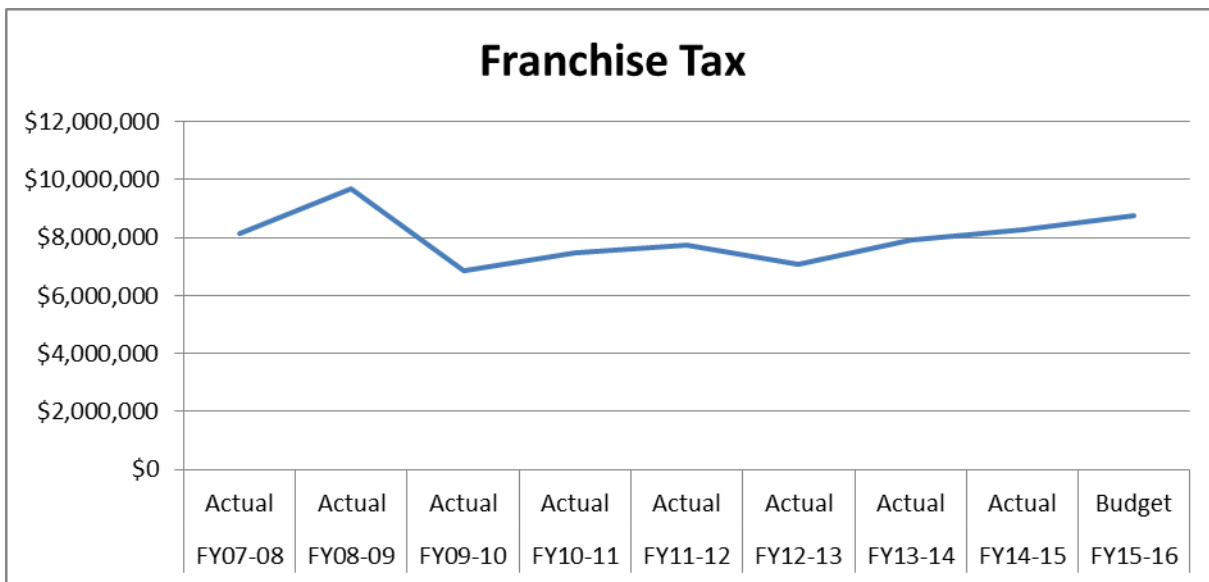


The sales tax decline over the last 2 years is primarily due to falling gas prices, auto sales, and sales of consumer goods. The City is expecting an increase in FY15-16 due to expected strong auto sales, the continued decline of unemployment, and the expected rebound of gasoline prices in the second half of FY15-16. Auto sales generate roughly one-quarter of the City's sales tax, and gasoline sales account for about 7% of the total.

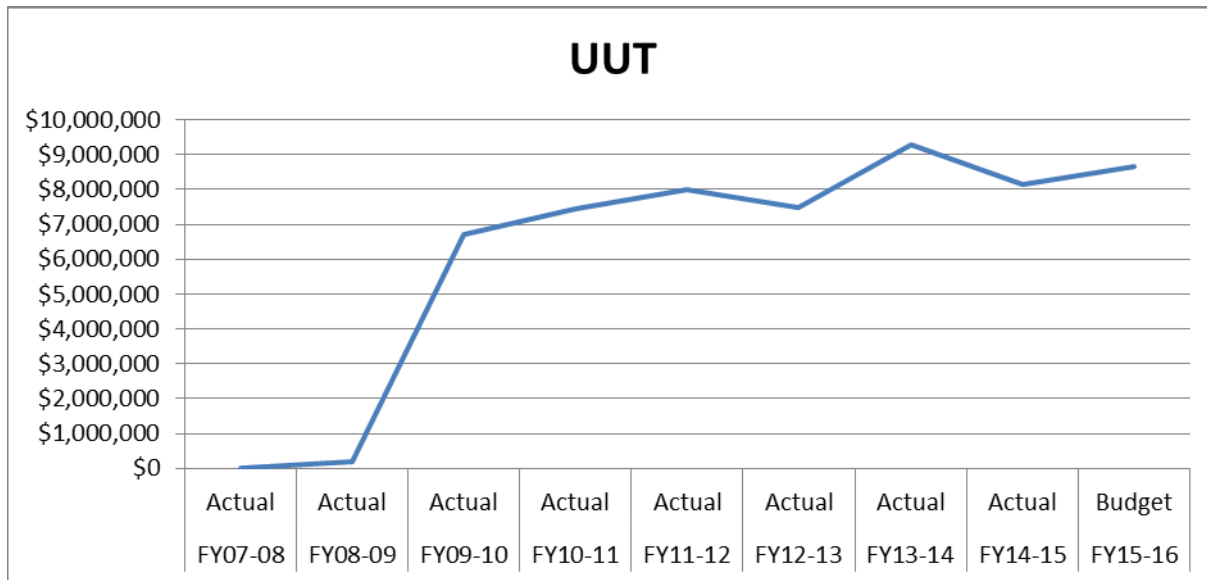
Property tax continues to be a stable revenue source for the City, as illustrated below. However after the 2008 recession, property values continued to decrease by an average of 0.6% over the following 5 years. The City's property assessments finally started growing in FY 14-15 by 2.3% (and 3.9% for FY 15-16), for an overall 8-year average annual growth of 0.5%. As a comparison, Torrance property values grew by an annual average of 2.1% during that same period, and Long Beach property values grew by 1.5%.



The City enters into franchise agreements with private utility companies and waste haulers to provide service to Carson’s residents. The franchise tax is based on a percentage of service provider revenue, and will fluctuate with customer usage and rates.



A two percent (2%) utility tax on natural gas and electricity was approved by the City’s voters in 2009; and has become essential to providing City services including public safety, transportation, recreation and social services.



The FY14-15 decline in utility user tax (UUT) revenue was due to decreased consumption of both natural gas and electricity. The tax sunsets in 2016; and on June 7, 2016, voters will be asked to extend it. Loss of more than \$8 million of General Fund revenue would significantly impact City service levels.

#### General Fund Balance

At June 30, 2013 and June 30, 2014, the General Fund balance was \$36.4 million. In FY 14-15, General Fund expenditures exceeded revenue by \$7.5 million; and the General Fund balance at June 30, 2015 decreased to \$27.6 million. This included a \$3.5 million purchase of land from the Successor Agency to the former Redevelopment Agency. The FY 15-16 budget was adopted November 17, 2015 with \$72.9 million of General Fund appropriations (\$1.4 million in excess of expected revenue of \$71.5 million); and an estimated ending fund balance of \$26.5 million at June 30, 2016. City Management expects to develop a proposal during 2016 to bring the City's budget into balance. This will be a challenge, as 32 vacant staff positions were not funded for FY 15-16; and the City will need to provide for large expenditures, such as a replacement system for the City's aged software (about \$1 million) and the City's contribution to employee retirement benefits.

#### Liability for Employee Pension and Other Post-Employment Benefits (OPEB)

New accounting standards required the City to begin reporting its liabilities for employee pension this year. At the measurement date of June 30, 2014, the net pension liability was \$61.4 million. The employee pension plan had a funded ratio of 73% (plan fiduciary net position as a percentage of total pension liability). The City made its required employer contribution of 23.726% of payroll in FY 14-15 (26.140% required for FY 15-16 and 28.127% for FY16-17). The City's plan provider, California Public Employees Retirement System made recent changes to its actuarial assumptions and methods to improve the plan's stability, resulting in increasing employer contributions. The employer contribution rate is expected to increase to 35.8% of payroll by FY 21-22.

The City provides a retiree health benefit to the City's employees based on years of service. The net obligation for this benefit at June 30, 2015 was \$15.3 million (City obligation of \$16.9 million and Successor Agency asset of \$1.6 million). The plan's most recent calculated funded ratio was 15% (actuarial value of assets as a percentage of the accrued liability at July 1, 2013). In 2013, the City Council adopted a resolution to pre-fund this obligation with an additional 1% (of payroll) contribution to the OPEB trust account. However, the 1% contribution was not budgeted for FY15-16.

## Funding for Infrastructure

Revenue from the Highway Users Tax Account (HUTA) is allocated to cities by the state, and is an important funding source to maintain the City's streets. About two-thirds of the City's HUTA revenue is based on a cents-per-gallon tax, which will fluctuate with usage. About one-third of the HUTA allocation is based on a percentage of gasoline sales, and subject to a "look-back" adjustment from the state; which amplifies the impact of falling gas prices. The City's FY 14-15 HUTA revenue was about \$2.8 million. The FY 15-16 revenue is expected to be about \$2.1 million. If gas prices rebound in FY 15-16, as discussed above, the City will not enjoy any corresponding increase to HUTA revenue until FY 17-18.

The economic downturn and dissolution of redevelopment agencies state-wide have created financial challenges to local governance. The dissolution of the redevelopment agency cut the City's revenue stream by approximately \$28 million per year in tax increment revenues, which was largely used to fund capital projects and certain development-related positions. Therefore, tough policy decisions remain, which will require that the City identify its highest priorities and make wise resource allocation choices.

## **MAJOR INITIATIVES AND ACCOMPLISHMENTS**

### **Public Safety**

One of the City Council's top priorities continues to be public safety. This is demonstrated by the City's goal to increase the actual and perceived level of public safety and to make our neighborhoods, businesses, and parks safer for all citizens. Cognizant of the fact that the City's continued growth and prosperity depends on the realization of this goal, the City Council approved a unique Park Safety Plan that calls for the deployment of Sheriff's deputies at City's parks.

The City's Code Enforcement program continues to respond to and resolve service requests on a daily basis in an effort to reduce urban blights and enhance quality of life. Emergency Services continues to respond to routine, minor, and major natural or manmade emergencies from chemical spills to winter storm emergencies. In addition to emergency response, Emergency Services continues emergency preparedness effort with Carson residents and business community through outreach and education. Youth Services continues to work in cooperation with the Sheriff's Department, Probation Department, District Attorney's Office, local community base organizations (CBO), and schools to address juvenile delinquency, prevention, intervention, and diversion. The Public Safety Services Center (PSSC) provides crime prevention support to the Sheriff's community relations office and coordinates the Block Captains and Community Emergency Response Team (CERT) programs. PSSC also coordinates crime prevention outreach effort with the Sheriff's Park Enforcement Team and residents living adjacent to City parks. The PSSC section also provides support for the Safety First Act Now (SFAN) program – crime survey, service improvement, and community outreach. Pedestrian Safety program continues its effort to improve safe routes to school and crossing guard service for elementary and middle school children in the community. Graffiti Apprehension Program continues coordination effort with the Sheriff's Department and Public Works Department to abate graffiti, prosecute vandals, and restitution recovery.

### **Parks and Recreation**

The Parks and Recreation Division operates 12 parks, 4 swimming pools, 3 mini-parks, and 1 indoor sports complex. Recent park and recreation improvements include the renovation of Del Amo Park and the redesign of the standardized irrigation system at City parks. The City has also undertaken a significant park-related capital improvement project known as the Carson Park Master Plan project. It is an 11-acre park and recreation facility, which will include a new recreation building, ball fields, a gymnasium and various activity rooms.

The Congresswoman Juanita Millender-McDonald Community Center renovated in 2003 is a 73,000 square-foot facility used as a meeting center for community and business sponsored events. The Community Center houses both the Senior Technology Center, which provides computer services for the senior populace, and the improved Early Childhood Educational Center. These park and facility improvement projects, coupled with park security efforts, demonstrate the City's continued commitment to provide its residents with an enhanced quality of life.

## **Infrastructure**

On a daily basis, approximately 400,000 cars travel through Carson's city limits via freeways and major thoroughfares. This significant amount of traffic provides great opportunities for community exposure, however, it also places an intense demand on the City's infrastructure. To respond to infrastructure demands and improve traffic operation and safety, the City has undertaken several major street and transportation projects including: extensive street improvements on Figueroa Street from the I-405 to Victoria Street, construction of a pedestrian bridge on 213th Street over the Dominguez Channel, modifications of the I-405 interchanges at Wilmington Avenue and Avalon Boulevard, and 1.75 miles of new and enhanced infrastructure on the Carson Corridor between the I-110 and I-405 freeways.

The gas tax and dedicated sales tax revenues for street maintenance projects, as well as available Federal, State and County grants are utilized for infrastructure improvements. The City is committed to employing a variety of assessment tools including a Pavement Management System, an annual concrete assessment, and a sidewalk assessment in order to maximize the utilization of infrastructure funds, and the City's Public Works Department continues to pursue alternate financing in order to dedicate general fund monies to the delivery of other essential public services.

## **Housing and Economic Development**

Continuing to be at the forefront of the City's economic development initiative is the former Cal Compact site, an approximately 157-acre property, proposed as the site of the professional football stadium or, alternatively, a development of up to two million square feet of commercial/retail space including a factory outlet mall, big box retail and hotels. Either project is expected to generate sales tax and other revenues to the City, and create job opportunities for the residents of the City.

The City has had a policy of adopting low local tax rates, which have contributed to the marketability of Carson to businesses. There are large modern petro-chemical facilities (e.g. Phillips 66, Tesoro Refining, Shell), electronics manufacturers (e.g. Sony, Kenwood, Pioneer, Sansui), automobile dealers (e.g. WIN Chevrolet/Hyundai, Car Pros Kia, Toyota, Honda, Nissan, Back In the Day Vintage Autos), aerospace companies (e.g. In-Eros Corporation, Northrop), trucking and logistics companies (e.g. Yusen, Southwest Trails, Proceed USA, USC Intermodal Services Inc.), retail stores (e.g. IKEA, Sears, JC Penney, Target, Home Depot, Old Navy, and Staples) and restaurants (e.g. Chili's, Panera Bread, Tony Roma's, Buffalo Wild Wings, Olive Garden) within the City. The City Council's emphasis on quality developments, both commercial and residential, along with a city-wide beautification effort, has had a positive impact on the City. In recent years, well-known builders have chosen Carson as a location for their projects. Residential developments include the following recently completed or ongoing projects:

1. 12 single-family houses – 2535-2569 E. Carson Street
2. 40 unit apartment complex – 21227 Figueroa Street
3. 65 unit apartments – 425 E. Carson Street
4. 152 for-sale homes – 616 E. Carson Street
5. 40 unit apartments – 407-409 E. Carson Street
6. 150 unit market rate luxury apartments – 21720-21814 Avalon Blvd.
7. 86 unit senior apartments– 708-724 E. Carson Street



Although the redevelopment agency was dissolved as of February 1, 2012, Carson continues the effort to sustain the demand for commercial development. The Carson Redevelopment Agency had been involved in purchasing land and facilitating development that increases the general fund revenue, creates shopping opportunities for residents, adds to the existing housing stock, and eliminates blighted and contaminated sites. The City and Agency accomplishments toward that goal are described below.

### Auto Row

The expansion of the Carson Auto Row on 223<sup>rd</sup> Street along the I-405 Freeway, formerly a Brownfields site, includes a new Nissan franchise with a state-of-the-art facility; a new Honda facility; the former Cormier Chevrolet dealership, now Win Chevrolet; Cruise America, a recreational vehicle rental business; the upgraded Carson Toyota dealership; and the former Altman's Winnebago recreational vehicle dealership, now the new site of Carson Car Pros Kia dealership, which shall be completed in early 2016.

### Porsche Experience Center – 19800 Main Street

In November 2011, Porsche announced that City of Carson will be the future home of the Porsche Experience Center (PEC), a specialized vehicle experience center, one of only two in the USA and only one of five in the world. The 53-acre will sit mostly on the now-closed Dominguez Hills Golf Course (by I-405 freeway), formerly a landfill area. The project is located next to the former Boulevards at South Bay project site, which is now proposed as either an NFL stadium for the San Diego Chargers and the Oakland Raiders, or a project with hotel, retail, and entertainment space. The PEC will feature a state-of-the-art driving test track, driving skills course, simulators, a Porsche showroom, a retail facility for high-performance auto parts, and a four-star restaurant, among others. Porsche will also move its North American offices from Santa Ana to the Carson site.

The Los Angeles County Economic Development Corporation estimated that the construction of the project will generate \$45.5 million in additional economic activity in Southern California, while the ongoing operations will generate \$22.5 million annually. The Porsche Experience Center is projected to be completed in early Spring 2016.

The following is a full account of ongoing activities geared at achieving economic gains for the City.

- The former Cal Compact Site (formerly The Boulevards at Southbay): In FY 2008/09, the Agency provided approximately \$39 million assistance for site remediation. Total financial assistance granted to the Developer as of June 30, 2015 amounted to \$69.5 million. As of same date, total assessed value of the property increased to \$47.2 million or a seven-fold increase compared to 2006's \$6.6 million. Remediation of the site, which is located on Del Amo Boulevard west of the I-405 freeway, is about 65% complete. The site is now being contemplated for development of a professional football stadium or a commercial/retail center.
- 17505 S. Main Street: After the State's dissolution of redevelopment in California, this property was transferred to the City's Successor Agency. State mandate requires that this property be sold, with the proceeds to be turned over to the Successor Agency account to be held for repayment of an enforceable obligation. The Successor Agency has received a number of inquiries about the site, but none has turned into a successful Purchase and Sale Agreement due to a number of challenging site constraints.
- 401, 425, 437 E. Carson Street: The Agency entered into a Disposition and Development Agreement (DDA) with The Related Companies for development of a 65-unit workforce housing apartment complex. The project was successfully completed in June of 2012. A second phase is adjacent to the site located at 401 E. Carson Street with a 40-unit affordable

apartment community. The second phase was completed in 2015 with a grand opening held on April 2, 2015.

- 20802 S. Main Street: After the State's dissolution of redevelopment in California, this property was transferred to the City's Successor Agency. State mandate requires that this property be sold, with the proceeds to be turned over to a Successor Agency account to be held for repayment of an enforceable obligation.
- 22020 Recreation Road. The Agency had a loan with the owner of this property, which was used for the sale of recreational vehicles. In the summer of 2011, when the owner defaulted on the Agency's loan, as well as two other loans with two different banks, in accordance with the terms of the Agency's loan agreement with the owner, the Agency foreclosed on the property. To do so meant that the Agency had to also acquire the other two bank loans first, which it did. At that time, the site became a Successor Agency property and acquisition of the property was in keeping with the law to maintain the value of such property prior to disposing of it.

Because the property is along the I-405 freeway it is well suited for operation as an auto dealership, the local KIA automobile dealership asked to purchase the site from the Agency at fair market value and the Agency sold the property to the dealership in September 2012 for the appraised fair market value. The site is now under construction and the dealership, Car Pros, will transition its operation from its existing off-freeway location to the new site which should substantially increase its exposure and sales. The project will be completed in early 2016.

- Cormier/Win Chevrolet: In 2009 the former Carson Redevelopment Agency acquired the property located at 2201 E. 223<sup>rd</sup> Street and leased it back to Cormier Chevrolet for dealership operations. Upon dissolution of redevelopment, the lease became an enforceable obligation of the Successor Agency. One of the lease provisions required that the Agency sell the site back to Cormier at fair market value upon Cormier's request to repurchase the site. In September of 2011, Cormier advised Agency staff that it desired to exercise its repurchase rights. During negotiations with the Agency, Cormier was approached by WIN Chevrolet with an offer to both assume the lease and create a new dealership. WIN assumed the lease and the property was sold to WIN in 2011 for continued operations of a Chevrolet dealership.
- 2254 E. 223<sup>rd</sup> Street: A seven-year purchase option on a remnant 5-acre property adjacent to the former BP Refinery (now Tesoro) with BP expired on November 15, 2012. After the State's dissolution of redevelopment in California, this property was transferred to the City's Successor Agency. State mandate requires that this property be sold with the proceeds to be turned over to a Successor Agency account to be held for repayment of an enforceable obligation. The property is currently in escrow to be sold for development of warehouse/office space.
- 2403 E. 223<sup>rd</sup> Street: After the State's dissolution of redevelopment in California, this property was transferred to the City's Successor Agency. State mandate requires that this property be sold, with the proceeds to be turned over to a Successor Agency account to be held for repayment of an enforceable obligation. The City of Carson acquired the property and currently leases a portion of the site to CALTRANS and Win Chevrolet.
- 616 E. Carson Street: The Agency entered into a DDA with CityView in February 2011. The project consists of mixed-use commercial/retail and residential uses including approximately 13,000 square feet of ground floor retail space and one hundred fifty-two (152) for-sale residential units. Fifteen percent (15%) of the residential units will be sold to qualified affordable buyers. The project is currently under construction with 60 homes having been

completed and 92 under construction. A number of buyers are in escrow pending completion of construction.

- 21208 Shearer Street: After receiving a No Further Action letter from the Regional Water Quality Control Board (RWQCB) to allow for the development of a passive park the Agency hired AHBE landscape architects to design a passive park for the site. The park was completed in January 2012. Once completed the park was transferred to the City of Carson. The transfer was formally approved by the Department of Finance on September 4, 2015.
- 21009 S. Prospect Avenue: The property was assembled with contiguous parcels for a site with a total developable area of 1.55 acres. Because the property was purchased with Agency low-mod housing set-aside funds and intended for residential development, it, along with the rest of the contiguous property, was transferred to the Carson Housing Authority rather than the Successor Agency. The property was sold to City Ventures in October 2014 for development of the Carson Collection, a 13-unit single-family market rate housing development, which was completed in 2015. Each unit is a three-bedroom, two-bathroom detached home with a 2-car garage. Funds received by the Authority from the sale of the property were set-aside for future development of affordable housing on a different location.
- 21521 Avalon Boulevard: After the State's dissolution of redevelopment in California, this property was transferred to the City's Housing Successor Agency, which is the Carson Housing Authority (Authority). Unlike property held by the Successor Agency, property transferred to the Authority is subject to Authority law and shall be developed in accordance thereto. Subsequent to the year end, the Authority sold the property to a developer for a mixed-use project which consists of 357 apartment units and 30,000 square feet of retail space.
- Carson City Center: Phase II (known as The Renaissance at City Center) completed construction in 2013 and includes: 150 market-rate rental housing units (1, 2 and 3 bedroom), 25,000 square feet of lifestyle-oriented shops, and subterranean parking. The former Redevelopment Agency assisted the development of this project by assembling the land and providing relocation assistance to displaced commercial tenants.

## **Community Awareness and Communication**

Recognizing that an informed citizenry is an asset to City government, the City of Carson has been proactive in providing public access to information. The Public Information Division of the City Manager's office provides a variety of information to Carson residents, including information on transit services, demographics, upcoming events, as well as the production and distribution of publications pertaining to Carson. Major publications include the quarterly issues of the Carson Report, which present both information about city government and the community. Additionally, the City maintains a website at <http://ci.carson.ca.us>, which contains a wealth of information about the City, including information on employment opportunities, job training, youth services, local events, Council and commission meetings, as well as providing links to other related websites. Moreover, through the website, the public can watch the live broadcast of City Council meetings on video stream, from practically anywhere in the world.

## **Beautification**

As no economy can thrive without an effective infrastructure, no community can continue to grow and prosper without continual efforts to imbue a sense of pride in its citizenry. To this end, the Public Works Department has been working diligently to improve the City's appearance. For example, street maintenance crews routinely replace street name signs, remove weeds on City property, maintain and monitor approximately 2,000 City trees, and strive to maintain zero potholes throughout the City. The Landscape and Building Maintenance Division is responsible for the City's graffiti abatement program,

as well as the maintenance of all of the City's buildings, facilities and landscaped grounds. These crews are out daily making sure that all City facilities and landscaped grounds are kept in tip-top shape. In FY 2014/15, they removed 199,307 square feet of graffiti. The Community Development Department also strives to create a more beautiful Carson by administering such programs as "Neighborhood Pride" and the "Business Beautification Program." Additionally, Public Works assists numerous developers and landowners to revitalize old, and/or build new, commercial, industrial and housing developments in the City.

## **Energy Efficiency**

The City has also formed a "Green Task Force" to identify "green" programs and create an environmental action plan in an effort to support the local and global environment. The following are examples of energy-saving projects completed in recent years:

- Utilized solar energy as an 85 Kilowatt contribution system to the Community Center, which produced renewable energy.
- Converted all lighting to LED at the Community Center parking and walk areas, which reduces energy usage and provides a cleaner and brighter light for patrons.
- Installed retro lighting throughout the City, which reduced energy consumption.
- Participated annually in the Southern California Edison Demand Bid program, which reduces energy consumption.
- Installed Cal-sense irrigation system in all City facilities with Smart Clocks and Smart Valves, which reduces water usage by approximately 26%.
- Upgraded exterior lighting at Dominguez Park
- Installed new pool pumps at Scott Park and Carson Park to reduce pump speed to 40% when pool is not in operation
- Installed LED lights at City facilities through a free Direct Install (DI) program by SCE

The City is currently working on more energy-saving projects including 1) installing an ocean-friendly garden system for aesthetics and reduction of water usage, 2) installing the "Cool" roofs for City facilities, and 3) implementing a turf reduction program throughout City facilities.

### **Upcoming energy-efficiency projects include:**

1. Carson Street median street lights – Upgrade to LED lights
2. City-wide median street lights – Upgrade to LED lights
3. City-wide safety lighting (on traffic signals) – Upgrade to LED or Induction Lighting
4. Lighting at City parks
5. Solar power projects
6. Carson Street Pedestrian Lights – Upgrade to LED lights

The City of Carson is a leader in the South Bay area in the Energy Conservation program.

## **FINANCIAL INFORMATION**

The officials having direct responsibility for the financial administration and management of the City are the City Manager, the City Treasurer and the Director of Finance. Fiscal operations include general accounting, financial reporting, treasury and investment management, business license, payroll, accounts payable, accounts receivable, procurement of supplies and services, budget preparation and monitoring and information technology.

### **Financial Report Preparation**

The City has presented its CAFR in accordance with Governmental Accounting Standards Board's (GASB) Statement No. 34 - Basic Financial Statements for State and Local Governments since June of 2003. The GASB is the authoritative body in establishing U.S. generally accepted accounting principles for state and local governments. GASB 34 financial reporting requirements for state and

local governments throughout the United States aim to make annual reports more comprehensive, easier to understand and more useful. In addition, this financial reporting model hopes to improve government's accountability in financial reporting and provide additional information for decision-making.

GASB also issued Statement No. 44 which applies to state and local governments preparing a statistical section accompanying basic financial statements. In compliance with this requirement, the City has included the following information categories in the Statistical Section of its CAFR: (1) financial trends, (2) revenue capacity, (3) debt capacity, (4) demographic and economic information, and (5) operating information. While the City was not able to present the 10-year historical information on some schedules, it was able to provide data extracted from government-wide financial statements retroactively from the City's year of GASB implementation in June 2003.

Beginning with FY 2008/09, the City was required to comply with another GASB pronouncement, GASB Statement No. 45, which requires accrual accounting for the expensing of other post-employment benefits (OPEB). The expense is generally accrued over the working career of employees, rather than on a pay-as-you-go basis. Based on the analysis prepared by an actuarial consultant, the City's net OPEB obligation increased by \$1,135,289 at June 30, 2015, after applying the contributions made during the fiscal year of \$3,281,346 from the annual OPEB cost of \$4,416,635. The net OPEB obligation at June 30, 2015, is \$16,893,859. Additional information can be found in Note 9 to the basic financial statements of this report. The Successor Agency has recorded a net OPEB asset of (\$1,568,684) at June 30, 2015.

Beginning with the fiscal year ended June 30, 2011, the City classified its fund balance components in accordance with GASB 54 - Fund Balance Reporting and Governmental Fund Type Definitions, segregating its fund balance into spendable and non-spendable resources.

Finally, beginning with the fiscal year ended June 30, 2015, the City implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27 and 50*; and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*.

### **Single Audit**

The City is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act, as amended, and the U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Information related to this single audit, including a schedule of Federal financial assistance, the independent auditors' reports on internal controls and compliance with applicable laws and regulations, and a schedule of findings are included in a separately issued single audit report.

As a recipient of Federal, State and local financial assistance, the City's internal control structure must also ensure, as well as document, compliance with applicable laws and regulations related to these programs. This internal control structure is subject to periodic evaluation by management, staff and the independent auditors.

### **Independent Audit**

The Carson Municipal Code requires an annual audit by independent certified public accountants. Through a selection process, the City awarded the audit contract to Vasquez & Company, LLP, beginning with the fiscal year ended June 30, 2010. The auditors' report on the government-wide financial statements, and individual fund statements and schedules, is included in the financial section of this Comprehensive Annual Financial Report. The report expresses the auditor's unqualified opinion as to the fair presentation, in all material respects, of the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of June 30, 2015, and the respective changes in

financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **AWARDS**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Carson for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2014. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principle and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

## **ACKNOWLEDGMENTS**

The staff of the Finance Department continuously strives to enhance the quality and ensure the integrity of the financial information provided to elected officials, management and staff, as well as to the citizens of the great City of Carson. I would also like to sincerely thank staff of the Finance Department especially the Accounting Division personnel for their diligent and dedicated work with Vasquez & Company, LLP staff, their technical expertise, their sage advice, and their assistance in the preparation of this document. Finally, I would like to express my gratitude to the Mayor, the members of the City Council, and the City Manager for their interest and support towards conducting the financial operations of the City in a fiscally responsible manner.

Respectfully submitted,



**Boris Sztorch**  
Acting Director of Finance

## CITY OF CARSON ELECTED OFFICIALS



Albert Robles  
Mayor



Elito M. Santarina  
Mayor Pro Tem



Lula Davis-Holmes  
Councilmember



Jawane Hilton  
Councilmember



Donesia L. Gause  
Councilmember



Jim Dear  
City Clerk



Monica Cooper  
City Treasurer

## CITY MANAGEMENT

Kenneth C. Farfsing  
City Manager

Cecil W. Rhambo, Jr.  
Assistant City Manager

Boris Sztorch  
Acting Director of Finance

Cedric L. Hicks, Sr.  
Director of Community Services

John S. Raymond  
Director of Community Development

Maria Williams-Slaughter  
Director of Public Works

Gail A. Dixon-McMahon  
Director of Human Resources & Risk Management

## City of Carson

# *Position Statement*

Carson is a vibrant city with a small town atmosphere where relationships are important. This is clearly visible throughout the community, from the stable single family neighborhoods, which make up nearly eighty percent of the City's residences, to the partnerships between businesses and volunteer-driven agencies, which strengthen the City's remarkable social fabric.

The social composition of Carson is California miniature. It is a city with a balanced ethnic and cultural mix living together in harmony and prosperity.

The community takes pride in the large percentage of Carson students who attend college, many to California State University, Dominguez Hills, a valuable asset to the City.

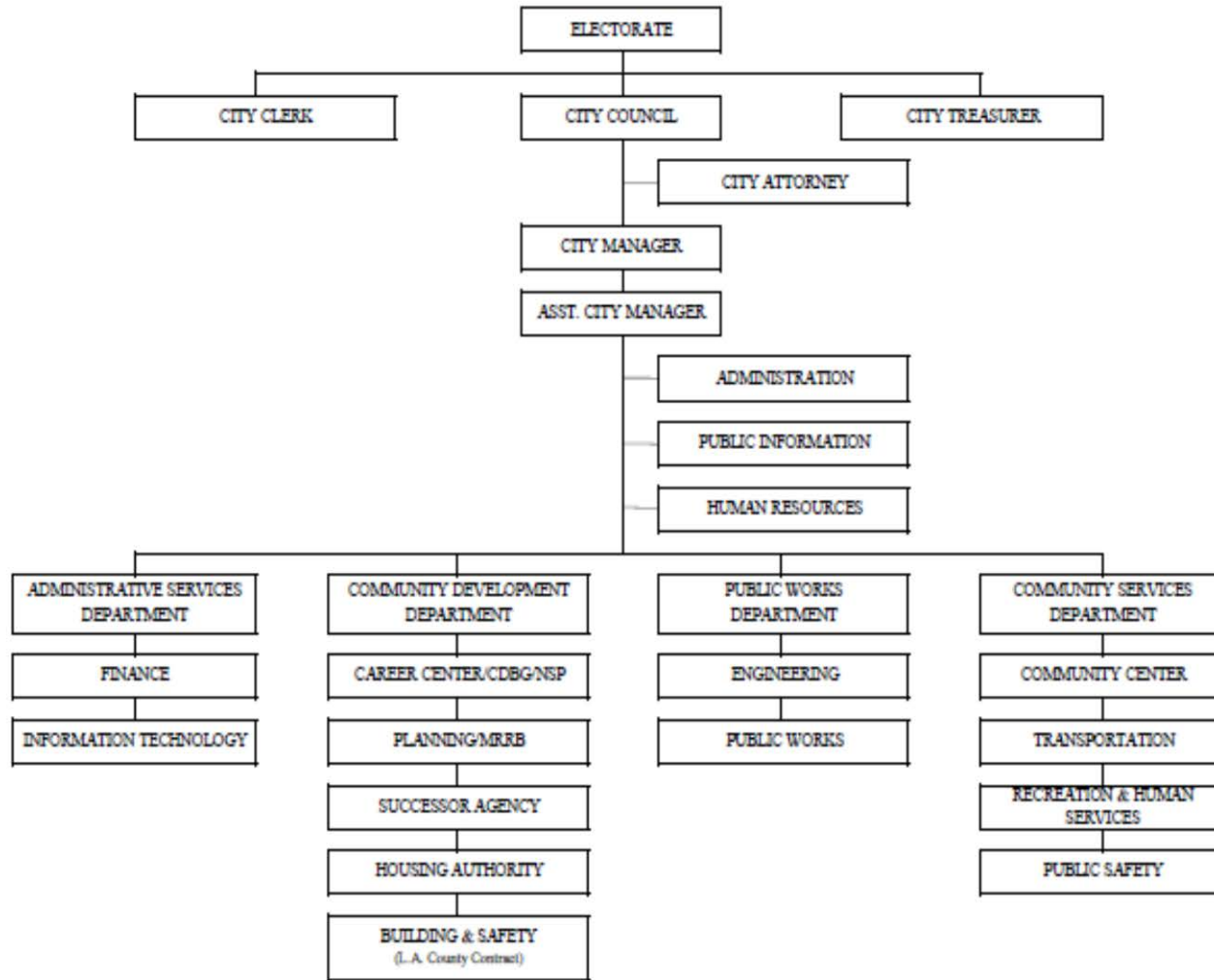
Carson's strategic position in the heart of the powerful economic engine that is Southern California attracts international corporations, which recognize the City's bright future. The City's proximity to the West Coast's two major ports, as well as its intersection by four Southland freeways, makes it a major gateway to the Pacific Rim.

We, the people who live and work in Carson, take pride in our City and will continue to build relationships which ensure that future.



# CITY OF CARSON

## ORGANIZATIONAL CHART





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Carson  
California**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2014**

Executive Director/CEO

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# **FINANCIAL SECTION**

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CITY OF CARSON, CALIFORNIA  
COMPREHENSIVE ANNUAL FINANCIAL REPORT



## REPORT OF INDEPENDENT AUDITORS

**The Honorable Mayor and the Members of the City Council  
City of Carson, California**

### ***Report on the Financial Statements***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Carson, California (the City), as of and for the year ended June 30, 2015, and the related notes to financial statements which collectively comprise the City's basic financial statements, as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



## ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Carson, California, as of June 30, 2015, and the respective changes in financial position, and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Other Matters***

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 16 and required supplementary information on pages 73 through 79 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Carson's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.



### *Implementation of New Accounting Standards*

As discussed in Note 1, City has implemented Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions* and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB Statement No. 68*, effective for the fiscal year ended June 30, 2015. As a result of this required implementation, the City's beginning net position was restated to retroactively report the net pension liability as of the beginning of the fiscal year. Our opinion is not modified with respect to this matter.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 22, 2015 on our consideration of the City of Carson's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Carson's internal control over financial reporting and compliance.

*Vasquez + Company LLP*

**Los Angeles, California  
December 22, 2015**





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# **MANAGEMENT'S DISCUSSION AND ANALYSIS**

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CITY OF CARSON, CALIFORNIA  
COMPREHENSIVE ANNUAL FINANCIAL REPORT



In accordance with Government Accounting Standards Board (GASB) Statement No. 34, the management of the City of Carson ("City"), offers readers of the City's financial statements this narrative overview and analysis of the financial activities and performance of the City for the fiscal year ended June 30, 2015. Please read it in conjunction with the accompanying transmittal letter at the front of this report, and the basic financial statements, which follow this section.

## **Financial Highlights**

### **Government-wide Financial Statements**

- The assets of the City exceeded its liabilities at June 30, 2015 by \$327.2 million. This amount is referred to as the net position of the City. Of this amount, \$295.8 million represents net investment in capital assets, \$95.6 million is restricted, and \$64.2 million is the deficit unrestricted net position.
- The City's net position increased by approximately \$33.5 million during the fiscal year as a result of total expenses exceeding total revenues by \$33.5 million. This is primarily due to transfer of unspent bond proceeds from the Successor Agency to the City amounting to \$40.3 million. Moreover, for FY 2014/15, revenues decreased by \$4.1 million while expenses decreased by \$4.2 million over the FY 2013/14 levels. The majority of the overall decreases in revenues are related to the decrease in utility users tax and property taxes. Grants and contributions increased during the year because of new grants received during the last fiscal year. Expenditures decreased during the year due to the elimination of reimbursements from the Redevelopment Agency to offset the cost of administering redevelopment activities.
- The City's total long-term liabilities increased by \$59 million for the fiscal year ended June 30, 2015, from \$27.28 million to \$86.74 because of the net pension liability reported during the year ended June 30, 2015 as a result of GASB Statement No. 68 implementation.

### **Fund Financial Statements**

- As of June 30, 2015, the City's governmental funds reported combined ending fund balances of \$103.1 million, an increase of \$28.2 million over the prior fiscal year's fund balances. Approximately \$77.4 million of the \$103.1 million balance is restricted by third parties or is nonexpendable by its nature. The City Council and management have chosen to commit or assign portions of fund balance amounting to \$20 million, while approximately \$5.8 million of the \$103.1 million balance is unassigned and is available for spending at the government's discretion.
- As of June 30, 2015, the total fund balance of the City's General Fund was \$27.6 million, a decrease of \$6.7 million from the prior year level of \$34.3 million.
- In the General Fund, expenditures exceeded revenues by \$7.5 million, before other financing sources/uses.

## **Overview of the Financial Statements**

This discussion and analysis are an introduction to the City's basic financial statements, which consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also consists of supplementary information in addition to the basic financial statements.

## Government-wide Financial Statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business. The Statement of Net Position and the Statement of Activities make up the government-wide financial statements. The focus of these statements is the primary government and they exclude information about the fiduciary funds.

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

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

All of the City's activities are considered to be governmental in nature and as a result, no business-type activities are reported in these statements. The *government-wide financial statements* distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*). The *governmental activities* of the City include general government, public services, public works, community development, capital maintenance programs, and interest and other charges.

The *government-wide financial statements* include the City itself (known as the primary government). The Successor Agency to the Dissolved Carson Redevelopment Agency is reported in the fiduciary fund financial statements.

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

## Fund Financial Statements

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

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City's near-term financial

decisions. Both the governmental fund balance sheet and the governmental fund statement of revenue, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains several individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund and the Carson Housing Authority Funds, are considered to be major funds. Data from the other remaining governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in the nonmajor governmental funds supplementary information section of this report.

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

The governmental fund financial statements can be found beginning on page 19 of this report.

The City adheres to Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Government Fund Type Definitions*. The Statement establishes fund balance classifications that comprise a hierarchy based on the extent to which a government is bound by constraints imposed upon the use of the resources reported in the governmental fund.

More details on these fund balance classification can be found on Note No. 1 in the Notes to the Basic Financial Statements.

*Fiduciary Funds*. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. These funds are custodial in nature and the measurement of operations is not appropriate. The fiduciary funds include the Successor Agency to the Dissolved Carson Redevelopment Agency and the agency funds listed on page 124.

The fiduciary fund financial statements can be found on page 23 of this report.

### **Notes to the Basic Financial Statements**

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

### **Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the City's progress in funding its obligation to provide pension and the postemployment medical benefits to its employees. A comparison of budgeted to actual results for the General Fund and Housing Authority Fund is likewise included. *Required supplementary information* can be found beginning on page 73 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following *the required supplementary information*. Combining and individual fund statements and schedules can be found beginning on page 83 of this report.

**Government-wide Financial Statements Analysis**

**Net position.** As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, net position was approximately \$327.2 million as of June 30, 2015. Net position increased by \$33.5 million, or 11.4%, for fiscal year 2014/15 as explained in the financial highlights at the beginning of the discussion. Assets and deferred outflows of resources increased by \$36.4 million (9%) and liabilities and deferred inflows of resources increased by \$73.5 million (199%) compared to June 30, 2014, mainly due to the net pension liability reported during the fiscal year 2014/15 as a result of implementing GASB Statement No. 68.

By far, the largest portion of the City's net position at June 30, 2015 (\$295.8 million, or 90% of total net position) reflects its net investment in capital assets (e.g., land, infrastructure, buildings, machinery and equipment) less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The following table presents a comparison of the net position as of June 30, 2015 and June 30, 2014.

**Summary of Net Position  
June 30, 2015 and 2014**

	<u>Governmental Activities</u>		<u>Increase (Decrease)</u>
	<u>2015</u>	<u>2014</u>	
<b>ASSETS</b>			
Cash and other assets	\$ 136,062,562	\$ 105,331,929	\$ 30,730,633
Capital assets net of accumulated depreciation	<u>295,848,031</u>	<u>293,712,678</u>	<u>2,135,353</u>
<b>Total assets</b>	<u>431,910,593</u>	<u>399,044,607</u>	<u>32,865,986</u>
Deferred outflows of resources	<u>5,728,251</u>	<u>2,158,520</u>	<u>3,569,731</u>
<b>Total deferred outflows of resources</b>	<u>5,728,251</u>	<u>2,158,520</u>	<u>3,569,731</u>
<b>LIABILITIES</b>			
Current and other liabilities	11,835,295	9,613,844	2,221,451
Long-term liabilities	<u>86,738,583</u>	<u>27,242,539</u>	<u>59,496,044</u>
<b>Total liabilities</b>	<u>98,573,878</u>	<u>36,856,383</u>	<u>61,717,495</u>
Deferred inflows of resources	<u>11,832,724</u>	-	<u>11,832,724</u>
<b>Total deferred inflows of resources</b>	<u>11,832,724</u>	-	<u>11,832,724</u>
<b>NET POSITION</b>			
Net investment in capital assets	295,848,031	293,712,678	2,135,353
Restricted	95,575,045	60,352,072	35,222,973
Unrestricted	<u>(64,190,834)</u>	<u>10,281,994</u>	<u>(74,472,828)</u>
<b>Total net position</b>	<u>\$ 327,232,242</u>	<u>\$ 364,346,744</u>	<u>\$ (37,114,502)</u>

**City of Carson  
Management's Discussion and Analysis  
Year ended June 30, 2015**

A portion of the City's net position, \$95.6 million (29%) represents resources that are subject to external restrictions on how they may be used. The City's unrestricted net position is a deficit of \$64.2 million as of June 30, 2015.

**Statement of Activities.** Governmental activities increased the City's net position by \$33.5 million for fiscal year 2014/15. The total revenue for the fiscal year is \$88.2 million, which is a decrease of \$4.1 million from the prior year. The total expenses decreased by \$4.3 million from \$99.3 million to \$95 million. The following table presents the comparative revenue and expenditure data for fiscal years ended June 30, 2015 and 2014.

**Statement of Activities  
For the Year Ended June 30, 2015 and 2014**

	Governmental Activities		Increase/ (Decrease)
	2015	2014	
<b>Program revenues</b>			
Charges for services	\$ 13,876,288	\$ 13,040,956	\$ 835,332
Grants and contributions	13,457,894	13,096,789	361,105
Capital grants and contributions	2,733,035	1,871,566	861,469
<b>General revenues</b>			
Taxes			
Sales taxes	21,820,128	23,668,795	(1,848,667)
Property taxes	14,720,272	17,381,673	(2,661,401)
Utility users taxes	8,135,144	9,284,071	(1,148,927)
Motor vehicle license fee, unrestricted	40,296	41,716	(1,420)
Transient occupancy tax	1,812,310	1,598,037	214,273
Franchise taxes	8,274,908	7,933,064	341,844
Other taxes	458,117	315,511	142,606
Use of money and property	748,051	3,295,319	(2,547,268)
Other revenue	2,161,737	768,416	1,393,321
Total general revenues	88,238,180	92,295,913	(4,057,733)
Transfers from Successor Agency	40,271,017	-	40,271,017
Total revenues and transfers	128,509,197	92,295,913	36,213,284
<b>Expenses</b>			
<b>Governmental activities</b>			
General government	21,573,509	23,721,702	(2,148,193)
Community development	11,951,040	19,125,990	(7,174,950)
Public works	22,492,218	18,349,893	4,142,325
Community services	38,696,281	37,649,609	1,046,672
Capital maintenance programs	301,315	426,219	(124,904)
Total expenses	95,014,363	99,273,413	(4,259,050)
Change in net position	33,494,834	(6,977,500)	40,472,334
Net position, beginning, as restated for 2015	293,737,408	371,324,244	(77,586,836)
Net position, ending	\$ 327,232,242	\$ 364,346,744	\$ (37,114,502)

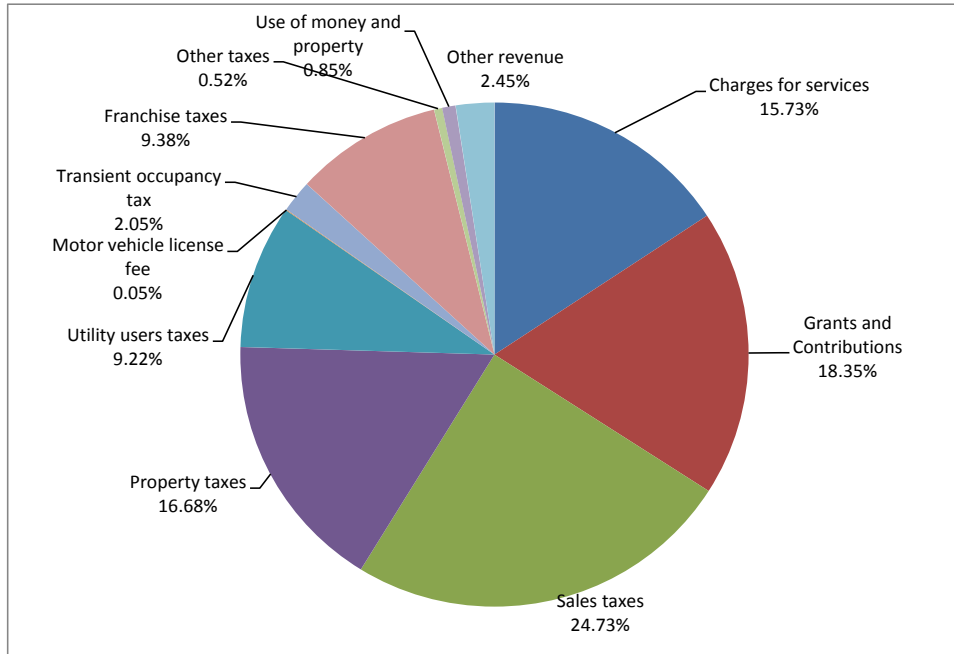
The City's net position balance at the beginning of fiscal year 2015 was restated to retroactively report the net pension liability as of the beginning of the fiscal year as a result of implementing GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. The net pension liability reported at the beginning of the fiscal year was \$68.5 million. For purposes of presenting the summarized comparative statement of activities in this section of the report, the 2014 financial statements were not restated due to lack of information.

Key elements of the significant changes in fiscal year 2014/15 revenues are as follows:

- Property taxes decreased by \$2.7 million. This resulted from a classification of a transfer from the Redevelopment Property Tax Trust Fund (RPTTF) to the Housing Authority to cover debt service in FY 2013/14. In FY 2014/15 the recordation of the debt service for the Housing Authority was properly moved the RPTTF fund as part of the Carson Successor Agency. Without this classification, the property tax went from \$14.4 million in FY 2013/14 to \$14.7 million in FY 2014/15 resulting in a \$300 thousand increase.
- Sales tax revenues decreased by \$1.8 million, a 7.8% decrease over FY 2013/14. This was mainly due to an adjustment to the City's sales tax by the California State Board of Equalization for a prior advance for the 2<sup>nd</sup> quarter of 2014.
- Utility users tax decreased by \$1.1 million due to an overall decrease in usage of gas and electricity.
- The \$341 thousand increase in franchise taxes, as compared to FY 2013/14 was on account of the increase in receipts from gas and electric franchise taxes.
- The \$861 thousand increase in capital grants and contributions was brought about by the increase in construction in progress.
- Charges for services increased by \$835 thousand. The increase resulted mainly from an increase in revenue from planning and zoning fees and from several park program fees.

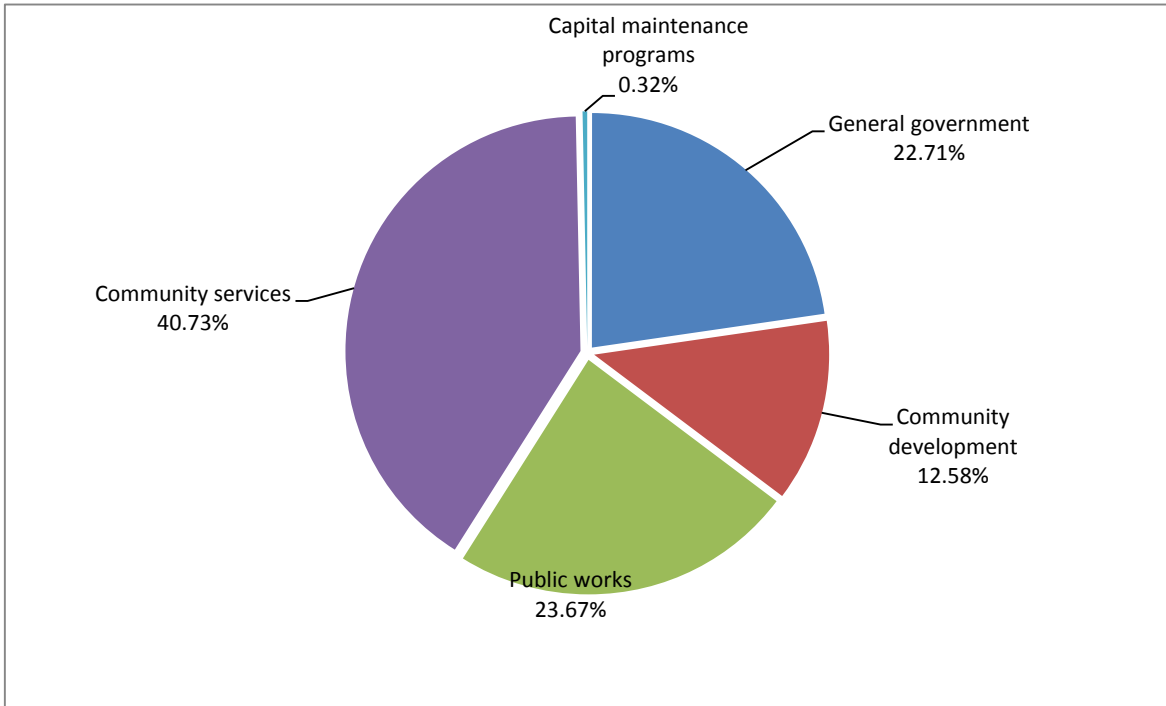


**Revenues by Source- Governmental Activities**



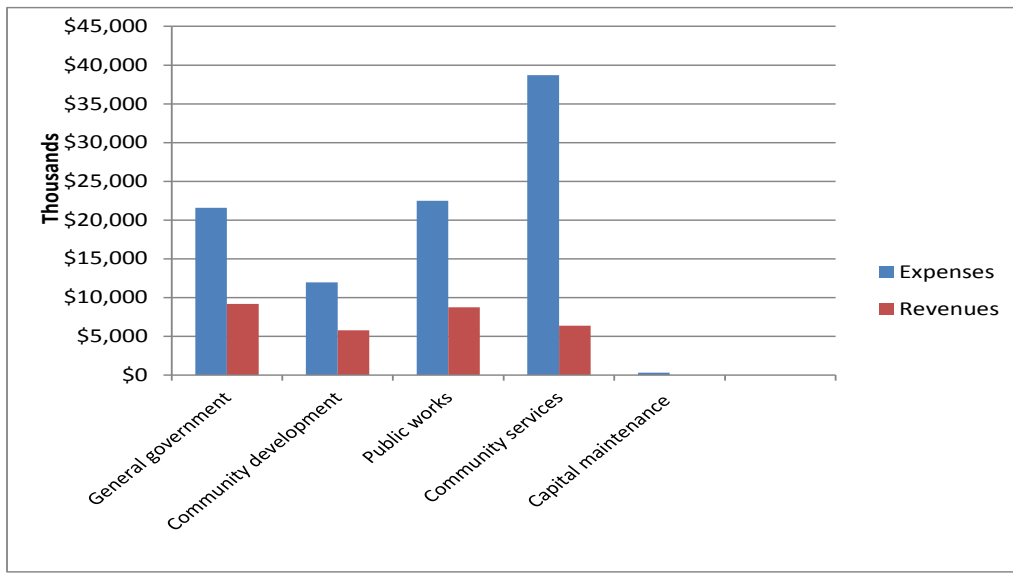
The top seven major revenue sources come from: 1) sales and use taxes - 25%, 2) No/low property taxes - 17%, 3) grants and contributions - 18%, 4) charges for services - 16%, 5) utility users taxes - 9%, 6) franchise taxes - 9%, and 7) transient occupancy tax - 2%. Charges for services, which increased 6% over prior year, are fees imposed on the user for public safety, public works, youth and adult services provided by the City. Examples of these services include business license application, charges for planning and zoning checks, building code assessments, public works inspections, filing fees, and various parks and recreation program fees.

**Expenses by Function**



Expenses of the governmental activities totaled \$95 million, which is a decrease of \$4.2 million or 4.2% from the prior year. Community services, which account for 40% of total expenses, include the cost of public safety, parks and recreation, transportation, and human services programs.

**Governmental Activities  
Expenses versus Program Revenues**



Program expenses exceed program revenues in all categories resulting in a \$64.9 million deficit for FY 2014/15. The City depends on general tax revenues to fund the operations and program activities.

### Financial Analysis of the City's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds.** The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows and balances of *spendable* resources. Such information may be useful in assessing the City's financing requirements. In particular, *restricted fund balance* may serve as a useful measure of the City's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$103.1 million. The City's governmental funds report a balance of \$5.8 million in its *unassigned fund balance*, which can be spent at the City's discretion. Assigned fund balance amounts to \$5.6 million which represents fund balance set aside for specific purposes. Restricted fund balance of \$69 million is subject to externally enforceable legal obligations which mainly include (1) General Fund - \$1.8 million, (2) Housing Authority - \$22.7 million, (3) Cooperation Agreement Bonds Proceeds Fund - \$40.1 million, and (4) other governmental funds of \$4.4 million.

Non-spendable fund balance of approximately \$8.4 million cannot be spent because the related assets are not in spendable form. These include (1) inventory and prepayments - \$344 thousand, and (2) land held for resale of \$8 million. Committed fund balance of \$14.4 million, which is set aside for economic uncertainties equates to 20% of the following year's adopted general fund budget, \$70 thousand for reward funds, \$3.8 million for budget stabilization funds and \$90 thousand for contributions to the OPEB Trust.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, the total fund balance is \$27.6 million, \$25.4 million of which is unrestricted and spendable. As a measure of General Fund liquidity, it may be useful to compare the unrestricted fund balance to total fund expenditures. General Fund unrestricted fund balance represents 32.2% of total general fund expenditures of \$79 million. The City's General Fund balance decreased by \$6.7 million during the current fiscal year. Key factor of this decrease was the additional capital improvement expenditures reported during the fiscal year of approximately \$4.6 million and the increase in public works and community services expenditures during the year by approximately \$2.3 million. The following table presents the comparative revenue and expenditure data of the General Fund for the fiscal years ended June 30, 2015 and 2014:

**City of Carson  
Management's Discussion and Analysis  
Year ended June 30, 2015**

**General Fund – Statement of Revenues, Expenditures and Changes in Fund Balance  
For the Year Ended June 30, 2015 and 2014**

	<b>General Fund</b>		Increase (Decrease)
	2015	2014	
<b>Revenues</b>			
Taxes	\$ 55,220,879	\$ 57,210,774	\$ (1,989,895)
Licenses and permits	6,306,253	6,157,526	148,727
Fines and forfeitures	1,779,226	1,824,128	(44,902)
Intergovernmental	577,075	272,325	304,750
Charges for services	2,411,556	2,190,085	221,471
Use of money and property	2,017,184	1,669,220	347,964
Miscellaneous	3,093,676	1,680,463	1,413,213
<b>Total revenues</b>	<b>71,405,849</b>	<b>71,004,521</b>	<b>401,328</b>
<b>Expenditures</b>			
Current:			
General government	21,922,895	22,042,126	(119,231)
Community development	4,422,659	4,188,655	234,004
Public works	14,922,925	13,797,470	1,125,455
Community services	31,867,128	30,670,545	1,196,583
Capital improvement programs	5,779,786	1,134,021	4,645,765
<b>Total expenditures</b>	<b>78,915,393</b>	<b>71,832,817</b>	<b>7,082,576</b>
Excess (deficiency) of revenues over expenditures	<b>(7,509,544)</b>	<b>(828,296)</b>	<b>(6,681,248)</b>
<b>Other financing sources (uses)</b>			
Transfers in (Note 5)	1,833,964	938,605	895,359
Transfers out (Note 5)	(1,019,060)	(100,000)	(919,060)
Net other financing sources (uses)	<b>814,904</b>	<b>838,605</b>	<b>(23,701)</b>
Change in fund balance	<b>(6,694,640)</b>	<b>10,309</b>	<b>(6,704,949)</b>
<b>Fund balance, beginning of year, as restated</b>	<b>34,261,832</b>	<b>34,251,523</b>	<b>10,309</b>
<b>Fund balance, end of year</b>	<b>\$ 27,567,192</b>	<b>\$ 34,261,832</b>	<b>\$ (6,694,640)</b>

**General Fund Budgetary Highlights**

In the General Fund, differences between the original budget and the final amended budget of \$9.3 million was primarily due to increases in appropriation for (1) capital improvement program of \$5 million, and (2) other financing uses of \$1 million.

**Capital Asset and Debt Administration**

**Capital Assets.** The City's investment in capital assets for its governmental activities amounts to \$295.8 million (net of accumulated depreciation of \$202 million) as of June 30, 2015. This investment in capital assets includes land, buildings, improvements other than building, infrastructure (roads, sidewalks, streetlights, etc.), and machinery and equipment.

**(Net of Accumulated Depreciation)  
June 30, 2015 and 2014**

		2015		2014
Land, land right and improvements	\$	92,936,028	\$	92,936,028
Buildings and improvements		19,872,379		18,566,036
Machineries and equipment		2,417,603		2,590,905
Infrastructure		155,114,233		160,341,944
Construction in progress		25,507,788		19,277,765
<b>Total</b>	<b>\$</b>	<b>295,848,031</b>	<b>\$</b>	<b>293,712,678</b>

Additional information on the City's capital assets can be found in Note 4 to the basic financial statements of this report.

**Debt Administration.** At the end of the current fiscal year, the City had no outstanding bonded debt as these are now part of the dissolved redevelopment agency reported in the fiduciary fund financial statements. The City has a net OPEB obligation of \$16.9 million and net pension liability of \$61.4 million as of June 30, 2015.

**Outstanding Debt  
June 30, 2015 and 2014**

		2015		2014
Other long-term debt:				
Other post-employment benefits	\$	16,893,859	\$	16,990,072
Self-insurance claims payable		3,194,910		5,022,904
Compensated absences		5,232,799		5,229,563
Net pension liability		61,417,016		-
<b>Total</b>	<b>\$</b>	<b>86,738,584</b>	<b>\$</b>	<b>27,242,539</b>

Additional information on the City's OPEB obligation can be found in Note 9 to the basic financial statements of this report. Additional information on the City's net pension liability can be found in note 8 to the basic financial statements of this report.

### **Economic Factors and Next Year's Budget**

The City is slowly recovering from the economic downturn, which impacted the entire nation and California. Like many other cities, our City has experienced the impact through the declines in our revenue sources; however, we have been able to successfully strategize on ways to combat and lessen the impact of these negative trends while also improving organizational effectiveness and program efficiencies. All major revenue sources are anticipated to be flat. Therefore, the city anticipates the continuance of lean budgets with very tight controls on the expenditures.

FY 2015/16 General Fund revenues are projected to be \$71,553,554, which is \$1.686 million less than the FY 2014/15 year-end actual revenues of \$73,239,813.

FY 2015/16 General Fund expenditures are projected to be \$72,805,291, which is \$7.129 million less than the actual expenditures for FY 2014/15 of \$79,934,453.

On November 4, 2015, the City Council approved the preparation of a resolution which calls and gives notice of a holding of a special election on June 7, 2016, and requesting consolidation with the County of Los Angeles, for the purpose of submitting to the voters a ballot measure to extend the Carson utility users tax for an additional seven years. The 2% tax shall be extended on electric and gas to continue essential services such as police, park safety enforcement teams, sidewalk and street repairs, senior service programs and youth recreation programs. The City will rely on this important revenue source to gap the growing discrepancy between revenue and expenditures of the City.

The following are issues that will impact the City in the near and long term future:

- GASB 45 – OPEB: With the implementation of the Governmental Accounting Standards Board Statement (GASB) No. 45, the City is now required to report its “other postemployment benefits” (OPEB) obligations for current and future retirees. The City has made it a priority to plan for this significant unfunded liability. During FY 2011/12, the City joined the California Employer's Retiree Benefit Trust (CERBT) and made contributions to the fund. Information on the unfunded OPEB liability is found in Note 9 to the basic financial statements of this report. In FY 2012/13, the City established a policy to fund CERBT annually. For FY 2015/16 the City is expected to rescind this policy.
- The full implementation of the Affordable Care Act and the enhanced government mandated sick leave benefit.
- Continuous spiking of the employer contribution rate to the California Public Employee Retirement System (CalPERS) which for FY 2014/15 is 23.726% and will rise to 26.140% in FY 2015/16 and is projected to be 28.2% for FY 2016/17.

The City continues to be mindful of ways to improve the level of services that it provides to the residents as well as to provide additional resources to the community. It is the staff's endeavor to continue to improve the overall City performance by continuing programs, which include public safety, public infrastructure maintenance, parks and recreation, youth outreach programs, and employment and business development programs. For example, the City, in conjunction with its Successor Agency to the Dissolved Redevelopment Agency, has implemented economic and housing development projects that will not only improve the aesthetic features of the City but will also generate revenues that will be used to enhance the quality of life of its residents. The City has plans for the implementation of various capital improvement projects that will improve the conditions of park facilities, City streets, and

overall architectural landscape. The City Council continues to demonstrate the high priority it places on public safety, its sensitivity to social issues, and other public safety programs. The City intends to continue these programs in line with its commitment to preserve and enhance the safety and welfare of the community.

**Request for Information**

This financial report is designed to provide a general overview of the City's finances for its readers of the financial statements. Questions concerning any of the information in this report or request for additional financial information should be addressed to Boris Sztorch, Acting Director of Finance, 701 E Carson St. Carson, CA 90745.

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# **BASIC FINANCIAL STATEMENTS**

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CITY OF CARSON, CALIFORNIA  
COMPREHENSIVE ANNUAL FINANCIAL REPORT





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# **GOVERNMENT-WIDE FINANCIAL STATEMENTS**

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CITY OF CARSON, CALIFORNIA  
COMPREHENSIVE ANNUAL FINANCIAL REPORT



**City of Carson**  
**Statement of Net Position**  
**June 30, 2015**

<b>ASSETS</b>	Governmental Activities
Cash and investments	\$ 58,607,121
Cash and investments with fiscal agents	39,591,056
Receivables	
Taxes	4,712,553
Accounts	423,455
Accrued interest - other	4,909,961
Loans, net of discount and allowance for uncollectible accounts	15,814,480
Due from government agencies	2,777,937
Due from Successor Agency	830,522
Inventory	291,966
Prepaid and other assets	56,817
Land held for resale	8,046,694
Capital assets not being depreciated	127,811,703
Capital assets, net of accumulated depreciation	168,036,328
<b>Total assets</b>	<b>431,910,593</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Pension contribution	5,728,251
<b>Total deferred outflows of resources</b>	<b>5,728,251</b>
<b>LIABILITIES</b>	
Accounts payable and accrued liabilities	9,865,215
Accrued payroll	1,148,694
Due to governmental agencies	693
Due to Successor Agency	92,062
Refundable deposits	22,236
Unearned revenues	638,973
Retentions payable	67,422
Noncurrent liabilities	
Due within one year	4,626,625
Due in more than one year	82,111,958
<b>Total liabilities</b>	<b>98,573,878</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Net Difference between Projected and Actual Earnings on Pension Plan Investments	11,832,724
<b>NET POSITION</b>	
Net position, investment in capital assets	295,848,031
Restricted for:	
Public works	2,021,219
Housing projects	51,058,195
Community services	42,495,631
Unrestricted	(64,190,834)
<b>Total net position \$</b>	<b>327,232,242</b>

**City of Carson  
Statement of Activities  
Year ended June 30, 2015**

	Program Revenues				Net Governmental Activities
	Expenses	Charges for Services	Operating Contributions and Grants	Capital Contributions and Grants	
Governmental Activities					
General government	\$ 21,573,509	\$ 9,188,353	\$ -	\$ -	\$ (12,385,156)
Community development	11,951,040	3,537,055	2,152,770	82,463	(6,178,752)
Public works	22,492,218	273,354	8,460,090	-	(13,758,774)
Community services	38,696,281	877,526	2,845,034	2,650,572	(32,323,149)
Capital maintenance programs	301,315	-	-	-	(301,315)
Total Governmental Activities	\$ 95,014,363	\$ 13,876,288	\$ 13,457,894	\$ 2,733,035	(64,947,146)
General revenues					
Taxes:					
					14,720,272
					21,820,128
					1,812,310
					8,274,908
					458,117
					8,135,144
					40,296
					748,051
					2,161,737
Total general revenues					58,170,963
Transfer from Successor Agency					40,271,017
Total general revenues and transfers					98,441,980
Change in net position					33,494,834
Net position - beginning, as restated					293,737,408
Net position - ending					\$ 327,232,242

*See notes to financial statements.*

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# **FUND FINANCIAL STATEMENTS**

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CITY OF CARSON, CALIFORNIA  
COMPREHENSIVE ANNUAL FINANCIAL REPORT



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# **GOVERNMENTAL FUND FINANCIAL STATEMENTS**

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CITY OF CARSON, CALIFORNIA  
COMPREHENSIVE ANNUAL FINANCIAL REPORT





**City of Carson  
Governmental Funds  
Balance Sheet  
June 30, 2015**

	General	Carson Housing Authority	Cooperation Agreement Bond Proceeds Fund	Nonmajor Governmental Funds	Total
<b>ASSETS</b>					
Cash and investments (Note 2)	\$ 24,324,155	\$ 6,756,773	\$ 21,500,000	\$ 6,026,193	\$ 58,607,121
Cash and investments with fiscal agents	4,486,228	16,546,942	18,557,886	-	39,591,056
Receivables:					
Taxes	4,712,553	-	-	-	4,712,553
Accounts	413,095	1,743	-	8,617	423,455
Accrued interest - other	8,886	4,866,500	34,575	-	4,909,961
Loans, net of allowance	31,746	15,485,105	-	297,629	15,814,480
Due from other funds (Note 5)	2,103,528	35,025	-	-	2,138,553
Due from Successor Agency	822,426	-	-	8,096	830,522
Due from government agencies	347,355	-	-	2,430,582	2,777,937
Inventory	291,966	-	-	-	291,966
Prepays and other assets	52,047	-	-	4,770	56,817
Land held for resale	-	8,046,694	-	-	8,046,694
<b>Total assets</b>	<b>\$ 37,593,985</b>	<b>\$ 51,738,782</b>	<b>\$ 40,092,461</b>	<b>\$ 8,775,887</b>	<b>\$ 138,201,115</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
	-	-	-	-	-
<b>Total assets and deferred outflows of resources</b>	<b>\$ 37,593,985</b>	<b>\$ 51,738,782</b>	<b>\$ 40,092,461</b>	<b>\$ 8,775,887</b>	<b>\$ 138,201,115</b>
<b>LIABILITIES</b>					
Accounts payable and accrued liabilities	\$ 7,934,057	50,544	-	1,880,614	\$ 9,865,215
Accrued payroll	1,032,286	13,385	-	103,023	1,148,694
Due to other funds (Note 5)	35,025	616,658	-	1,486,870	2,138,553
Due to Successor Agency	12,631	-	-	79,431	92,062
Due to government agencies	693	-	-	693	693
Retentions payable	16,386	-	-	51,036	67,422
Unearned revenue	177,924	-	-	461,049	638,973
Refundable deposits	22,236	-	-	-	22,236
Self insurance claims payable	795,555	-	-	-	795,555
<b>Total liabilities</b>	<b>10,026,793</b>	<b>680,587</b>	<b>-</b>	<b>4,062,023</b>	<b>14,769,403</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue	-	20,346,145	-	-	20,346,145
<b>FUND BALANCES</b>					
Nonspendable					
Loans receivable	31,746	-	-	-	31,746
Inventory	291,966	-	-	-	291,966
Prepays and other assets	52,047	-	-	-	52,047
Land held for resale	-	8,046,694	-	-	8,046,694
Restricted					
Housing projects	-	22,665,356	-	-	22,665,356
Special revenue funds	-	-	-	4,424,361	4,424,361
1% PEG fees	381,001	-	-	-	381,001
Alameda Corridor Projects	1,000,000	-	-	-	1,000,000
Capital projects	379,709	-	40,092,461	-	40,472,170
Committed					
Economic uncertainties	14,310,711	-	-	-	14,310,711
Reward funds	70,000	-	-	-	70,000
Assigned					
Raised median construction	233,114	-	-	-	233,114
Self-insurance	1,500,000	-	-	-	1,500,000
Special projects	1,000,000	-	-	-	1,000,000
Capital projects	1,000,000	-	-	-	1,000,000
Equipment replacement	-	-	-	494,123	494,123
Utility underground	998,110	-	-	-	998,110
Load shed program	158,693	-	-	-	158,693
Encumbrances and continuing appropriations	181,294	-	-	-	181,294
Unassigned	5,978,801	-	-	(204,620)	5,774,181
<b>Total fund balances</b>	<b>27,567,192</b>	<b>30,712,050</b>	<b>40,092,461</b>	<b>4,713,864</b>	<b>103,085,567</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 37,593,985</b>	<b>\$ 51,738,782</b>	<b>\$ 40,092,461</b>	<b>\$ 8,775,887</b>	<b>\$ 138,201,115</b>

See notes to financial statements.

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

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Fund balance of governmental funds		\$ 103,085,567
<p>Amounts reported for governmental activities in the Statement of Net Position are different because:</p>		
<p>Capital assets of governmental activities are not financial resources and are not reported in the governmental funds.</p>		
Capital assets		502,414,897
Accumulated depreciation		(206,566,866)
<p>Long-term liabilities are not due and payable in the current period and are not reported in the governmental funds.</p>		
Self insurance claims	\$ (2,399,355)	
Compensated absences	(5,232,798)	
Net pension liability	(61,417,016)	
Net OPEB liability	<u>(16,893,859)</u>	(85,943,028)
<p>Unavailable revenues are not available to pay for current period expenditures and therefore are deferred in the funds and recognized as revenue in the Statement of Activities.</p>		
		20,346,145
<p>Deferred outflows of resources related to pensions are not considered financial resources and are not reported in the governmental funds</p>		
		5,728,251
<p>Deferred inflows of resources related to pensions are not available to pay for current period expenses and are not reported in the governmental funds</p>		
		(11,832,724)
Net position of governmental activities		<u>\$ 327,232,242</u>

*See notes to financial statements.*

**City of Carson  
Governmental Funds**

**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Year ended June 30, 2015**

	General Fund	Carson Housing Authority	Cooperation Agreement Bond Proceeds Fund	Nonmajor Governmental Funds	Total
<b>Revenues</b>					
Taxes	\$ 55,220,879	\$ -	\$ -	\$ 2,985,771	\$ 58,206,650
Licenses and permits	6,306,253	-	-	-	6,306,253
Fines and forfeitures	1,779,226	-	-	208,492	1,987,718
Intergovernmental	577,075	-	-	11,152,750	11,729,825
Charges for services	2,411,556	-	-	927,150	3,338,706
Use of money and property	2,017,184	490,444	34,575	501,417	3,043,620
Charges to other funds	-	-	-	6,600	6,600
Miscellaneous	3,093,676	13,332	-	511,800	3,618,808
<b>Total revenues</b>	<u>71,405,849</u>	<u>503,776</u>	<u>34,575</u>	<u>16,293,980</u>	<u>88,238,180</u>
<b>Expenditures</b>					
Current:					
General government	21,922,895	-	-	-	21,922,895
Community development	4,422,659	2,573,532	-	1,476,713	8,472,904
Public works	14,922,925	-	-	6,203,308	21,126,233
Community services	31,867,128	-	-	5,259,072	37,126,200
Capital improvement programs	5,779,786	-	-	5,832,671	11,612,457
<b>Total expenditures</b>	<u>78,915,393</u>	<u>2,573,532</u>	<u>-</u>	<u>18,771,764</u>	<u>100,260,689</u>
Excess (deficiency) of revenues over expenditures	<u>(7,509,544)</u>	<u>(2,069,756)</u>	<u>34,575</u>	<u>(2,477,784)</u>	<u>(12,022,509)</u>
<b>Other financing sources (uses)</b>					
Transfers in (Note 5)	1,833,964	213,132	40,057,886	1,144,271	43,249,253
Transfers out (Note 5)	<u>(1,019,060)</u>	<u>-</u>	<u>-</u>	<u>(1,959,175)</u>	<u>(2,978,235)</u>
<b>Net other financing sources (uses)</b>	<u>814,904</u>	<u>213,132</u>	<u>40,057,886</u>	<u>(814,904)</u>	<u>40,271,018</u>
Change in fund balance	(6,694,640)	(1,856,624)	40,092,461	(3,292,688)	28,248,509
<b>Fund balance, beginning of year, as restated</b>	<u>34,261,832</u>	<u>32,568,674</u>	<u>-</u>	<u>8,006,552</u>	<u>74,837,058</u>
<b>Fund balance, end of year</b>	<u>\$ 27,567,192</u>	<u>\$ 30,712,050</u>	<u>\$ 40,092,461</u>	<u>\$ 4,713,864</u>	<u>\$ 103,085,567</u>

*See notes to financial statements.*

**City of Carson  
Governmental Funds**

**Reconciliation of the Statement of Revenues, Expenditures and  
Changes in Fund Balances of Governmental Funds to the Statement of Activities  
Year ended June 30, 2015**

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Change in Fund Balances - Governmental Funds	\$ 28,248,509
<p>Amounts reported for governmental activities in the Statement of Activities differ from the amounts reported in the Statement of Revenues, Expenditures, and Changes in Fund Balances because:</p>	
<p>Government funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense or are allocated to the appropriate functional expense when the cost is below the capitalization threshold. This activity is reconciled as follows:</p>	
Capital outlay	11,311,142
Depreciation expense	(9,175,789)
<p>Governmental funds do not report the unpaid balances of long-term debt. These debts are reported in the government-wide financial statements.</p>	
Claims and judgments	1,827,993
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds</p>	
Compensated absences	(3,235)
Other post-employment benefits	96,213
Pension expense	971,360
<p>Revenues that are measurable but not available are recorded as unavailable revenue under the modified accrual basis of accounting.</p>	
	218,641
Change in net position of governmental activities	\$ <u><u>33,494,834</u></u>

*See notes to financial statements.*

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# **FIDUCIARY FUND FINANCIAL STATEMENTS**

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CITY OF CARSON, CALIFORNIA  
COMPREHENSIVE ANNUAL FINANCIAL REPORT



**City of Carson  
Fiduciary Funds  
Statement of Fiduciary Net Position  
June 30, 2015**

	Successor Agency to the Dissolved Redevelopment Agency Private-purpose Trust Fund	Agency Fund
	<u>Trust Fund</u>	<u>Fund</u>
<b>Assets</b>		
Cash and investments	\$ 8,991,385	\$ 8,616,190
Cash and investments with fiscal agents	22,659,506	2,537,376
Receivables		
Accounts	1,438	28
Interest, loans	349,119	-
Loans, net	1,667,702	-
Due from the City of Carson	92,062	-
Due from other agency funds	-	-
Land held for resale	6,777,433	-
OPEB asset	1,568,684	-
Capital assets not being depreciated	17,283,520	-
Capital assets, net of accumulated depreciation	44,029,002	-
<b>Total assets</b>	<b>\$ <u>103,419,851</u></b>	<b>\$ <u>11,153,594</u></b>
<b>Liabilities</b>		
Accounts payable and accrued liabilities	\$ 1,317,592	\$ 389,906
Accrued interest payable	2,170,615	-
Retention and refundable deposits	853,852	2,608,259
Due to City of Carson	830,522	-
Due to assessed parties	-	729,161
Due to bondholders	-	5,975,268
Due to other government	-	1,451,000
Noncurrent liabilities		
Due within one year	6,915,000	-
Due in more than one year	161,452,944	-
<b>Total liabilities</b>	<b>\$ <u>173,540,525</u></b>	<b>\$ <u>11,153,594</u></b>
<b>Fiduciary Net Position</b>		
Net (Deficit) Position held in trust	<u>(70,120,674)</u>	
<b>Total net position</b>	<b>\$ <u><u>(70,120,674)</u></u></b>	

*See notes to financial statements.*



**City of Carson  
Fiduciary Funds  
Statement of Changes in Fiduciary Net Position  
For the fiscal year ended June 30, 2015**

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		Successor Agency to the Dissolved Redevelopment Agency Private-purpose Trust Fund
<hr/>		
<b>Revenues</b>		
Property taxes	\$	31,827,881
Use of money and property		877,140
		<hr/>
<b>Total revenues</b>		<b>32,705,021</b>
		<hr/>
<b>Expenses</b>		
Community Development		34,863,647
Debt service		
Interest and fiscal charges		542,546
		<hr/>
<b>Total expenses</b>		<b>35,406,193</b>
		<hr/>
Excess of expenses over revenues		(2,701,172)
Net transfers to the City of Carson		(40,271,018)
		<hr/>
<b>Change in net position</b>		<b>(42,972,190)</b>
<b>Net (deficit) position held in trust - beginning</b>		<b>(27,148,484)</b>
<b>Net (deficit) position held in trust - ending</b>	<b>\$</b>	<b>(70,120,674)</b>
		<hr/> <hr/>

*See notes to financial statements.*

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# **NOTES TO THE BASIC FINANCIAL STATEMENTS**

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CITY OF CARSON, CALIFORNIA  
COMPREHENSIVE ANNUAL FINANCIAL REPORT



**NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Reporting Entity**

As defined by generally accepted accounting principles established by the Governmental Accounting Standards Board (GASB), the financial reporting entity consists of the primary government, as well as its component financial reporting units, which are legally separate organizations for which the elected officials of the primary government are financially accountable.

The accompanying basic financial statements present the City of Carson (the primary government) and its component units, the Carson Joint Powers Financing Authority (Authority) and the Carson Housing Authority (Housing Authority). The financial activities of the Authority and the Housing Authority are blended with the financial activities of the City because of the operational responsibility the City has for both, as well as the significant financial relationship each has with the City.

The City was incorporated under the provisions of Act 279, P.A. 1909, as amended (Home Rule City Act). The City operates under a Council-Manager form of government and provides a full range of services, including city administration, economic development, public works, community development, transportation, public safety and recreational and cultural activities. The City contracts with the County of Los Angeles for police protection and building and safety services. Library services, fire protection and sewer services are provided by Special Districts of the County of Los Angeles.

The Carson Joint Powers Financing Authority was established pursuant to a Joint Exercise of Powers Agreement dated November 17, 1992, between the City and the former Carson Redevelopment Agency. The Authority was created for the purpose of providing financing for public capital improvements for the former Redevelopment Agency and the City. Even though it is legally separate, it is reported as if it were part of the City because the City Council also serves as the governing board of the Authority. Separate financial statements of the Financing Authority are not issued.

The Carson Housing Authority was established on March 8, 2011 to carry out the housing function of the former Carson Redevelopment Agency in accordance with the California Housing Authority Law and other applicable housing-related regulations.

**Basis of Accounting and Measurement Focus**

*Government-wide Financial Statements*

Government-wide financial statements display information about the reporting government as a whole, except for its fiduciary activities. These statements report the governmental activities of the primary government (including its blended component units). The City has no business-type activities or discretely presented component units.

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

Eliminations have been made in the Statement of Activities so that certain allocated expenses are recorded only once (by the function to which they were allocated). However, general government expenses have not been allocated as indirect expenses to the various functions of the City.

Government-wide financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Under the economic resources measurement focus, all (both current and long-term) economic resources and obligations of the reporting government are reported in the government-wide financial statements. Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Under the accrual basis of accounting, revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

Program revenues include charges for services and payments made by parties outside of the reporting government's citizenry if that money is restricted to a particular program. Program revenues are netted with program expenses in the statement of activities to present the net cost of each program.

Amounts paid to acquire capital assets are capitalized as assets in the government-wide financial statements, rather than reported as an expenditure. Proceeds of long-term debt are recorded as a liability in the government-wide financial statements, rather than as another financing source. Amounts paid to reduce long-term indebtedness of the reporting government are reported as a reduction of the related liability, rather than as an expenditure.

*Fund Financial Statements*

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

Fund financial statements for the primary government's governmental funds are presented after the government-wide financial statements. These statements display information about major funds individually and nonmajor funds in the aggregate for governmental funds.

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

Governmental Funds

In the fund financial statements, governmental funds and agency funds are presented using the modified-accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Measurable means that the amounts can be estimated, or otherwise determined. Available means that the amounts were collected during the reporting period or soon enough thereafter to be available to finance the expenditures accrued for the reporting period. The City uses an availability period of 60 days.

Sales taxes, property taxes, franchise fees, gas taxes, motor vehicle in-lieu, transient occupancy taxes, grants and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period to the extent normally collected within the availability period. Other revenue items are considered to be measurable and available when the related cash is received by the government.

Revenue recognition is subject to the *measurable* and *availability* criteria for the governmental funds in the fund financial statements. Exchange transactions are recognized as revenues in the period in which they are earned (i.e., the related goods or services are provided). *Locally imposed derived tax revenues* are recognized as revenues in the period in which the underlying exchange transaction upon which they are based takes place. *Imposed non-exchange* transactions are recognized as revenues in the period for which they were imposed. If the period of use is not specified, they are recognized as revenues when an enforceable legal claim to the revenues arises or when they are received, whichever occurs first.

*Government-mandated and voluntary non-exchange* transactions are recognized as revenues when all applicable eligibility requirements have been met.

In the fund financial statements, governmental funds are presented using the *current financial resources measurement focus*. This means that only current assets and current liabilities are generally included on their balance sheets. The reported fund balance (net current assets) is considered to be a measure of "available spendable resources." Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

Noncurrent portions of long-term receivables due to governmental funds are reported on their balance sheets in spite of their spending measurement focus. Special reporting treatments are used to indicate, however, that they should not be considered "available spendable resources," because they do not represent net current assets.

Because of their spending measurement focus, expenditure recognition for governmental fund types excludes amounts represented by noncurrent liabilities.

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

Because they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities.

Amounts expended to acquire capital assets are recorded as expenditures in the year that resources were expended, rather than as fund assets. The proceeds of long-term debt are recorded as other financing source rather than as a fund liability. Amounts paid to reduce long-term indebtedness are reported as fund expenditures.

When both restricted and unrestricted resources are combined in a fund, expenses are considered to be paid first from restricted resources, and then from unrestricted resources.

**Fund Classification**

The funds designated as major funds are determined by a mathematical calculation consistent with GASB No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments* and GASB No.63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. The City reports the following major governmental funds:

*General Fund*

The General Fund is the general operating fund of the City. All general tax revenues and other receipts that are not allocated by law or contractual agreement to a specific fund are accounted for in this fund. Expenditures of this fund include general operating costs and capital improvement costs that are not paid through other funds.

*Carson Housing Authority Fund*

The Carson Housing Authority Fund accounts for assets used for low and moderate income housing activities in accordance with the applicable housing-related regulations. The housing assets of the dissolved redevelopment agency's Low and Moderate Income Housing Fund were transferred to Carson Housing Authority.

*Cooperation Agreement Bond Proceeds Fund*

The Cooperation Agreement Bond Proceeds Fund accounts for unspent bond proceeds transferred to the City from the Successor Agency to the Dissolved Carson Redevelopment Agency (Successor Agency) in accordance with the Cooperation Agreement entered into by and between the City of Carson and the Successor Agency. Under this fund, the City will report the expenditures of the bond proceeds pursuant to the original bond covenants.

The City's fund structure also includes the following fund types:

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specific purposes.

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

Fiduciary Funds are used to account for assets held by the City as an agent for individuals, private organizations, other governmental units and/or other funds. The City has the following Fiduciary Funds:

- *Agency Fund* - This fund accounts for money and property held by the City as trustee or custodian. Among the activities are the disposition of funds, deposits made for the account of other governmental agencies, developers, and others under the terms of agreements for which the deposits were made.

Agency funds, which are custodial in nature, do not involve measurement of results of operations. Such funds have no equity accounts since all assets are due to individuals and entities at some future time.

- *Successor Agency Private-purpose Trust Fund* - Private-purpose Trust Fund is a fiduciary fund type used by the City to report trust arrangements under which principal and income benefit other governments. This fund reports the assets, liabilities and activities of the Successor Agency to the Dissolved Carson Redevelopment Agency. Unlike the limited reporting typically utilized for Agency Funds, the Private-purpose Trust Fund reports a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position.

**Use of Estimates**

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

**Fund Balance Reporting**

Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund-type Definitions*, establishes the following fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds:

Nonspendable fund balance includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The City's nonspendable fund balance represents inventory, prepaid expenses, land held for resale, and loans receivable.

Restricted fund balance includes resources that are subject to externally enforceable legal restrictions. It includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation. The City's restricted fund balances represent resources restricted for programs funded by grants and other restricted sources, capital projects and the low/moderate income housing program, and more.



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

Committed fund balance includes amounts that can be used only for the specific purposes determined by a formal action of the City's highest level of decision-making authority. The City Council, as the City's highest level of decision-making authority, may commit, through a resolution, fund balance for specific purposes pursuant to constraints imposed by such formal actions taken. Committed amounts cannot be used for any other purpose unless the City Council removes or changes the specific use through the same type of formal action taken to establish the commitment.

The City's fund balance amounting to \$14.4 million meets this classification as of June 30, 2015.

Assigned fund balance consists of funds that are set aside for specific purposes by the City's highest level of decision making authority or a body or official that has been given the authority to assign funds. The City Council delegates the authority to assign fund balance to the City Manager and the Administrative Services General Manager for purposes of reporting in the annual financial statements in accordance with Resolution No. 11-084, Classifying the Various Components of the Fund Balance of the City of Carson.

Unassigned fund balance is the residual classification for the City's fund balance and includes all spendable amounts not contained in the other classifications. This category also provides the resources necessary to meet unexpected expenditures and revenue shortfalls. The general fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds, if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

The City considers the restricted fund balances to have been spent when expenditure is incurred for purposes for which both unrestricted and restricted fund balance is available. The City considers unrestricted fund balances to have been spent when an expenditure is incurred for purposes for which amounts in any of the unrestricted classifications of fund balance could be used. When expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, it is the policy of the City to reduce the committed amounts first, followed by assigned amounts, and then unassigned amounts.

**Cash and Investments**

The City pools cash and investments of all funds, except for assets held by the Carson Successor Agency to the dissolved Carson Redevelopment Agency and assets held by fiscal agents. Each fund's share in this pool is displayed in the accompanying financial statements as *cash and investments*.

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

Changes in fair value that occur during a fiscal year are recognized as uses of money and property reported for that fiscal year. Uses of money and property also reports interest earnings, rental income, and any gains or losses realized upon the liquidation, maturity, or sale of investments. Interest income earned by the pooled investments is allocated to the various funds based on each fund's average cash and investment balance. Investments are reported in the accompanying balance sheet at fair value except for certain certificates of deposit and investment contracts that are reported at cost because they are not transferable and they have terms that are not affected by changes in market interest rates.

**Land Held for Resale**

Land held for resale in the Housing Authority Fund represents housing properties transferred to the Housing Authority from the former redevelopment agency. These properties were approved and reported as housing assets of the Low and Moderate Income Housing Fund of the former Redevelopment Agency.

Land held for resale in the Fiduciary Funds represents land purchased by the former Redevelopment Agency to further the Redevelopment Plan. Such land is recorded at the lower of acquisition cost or estimated net realizable value.

**Capital Assets**

Capital assets are recorded at cost where historical records are available and at an estimated historical cost where no historical records exist. Contributed capital assets are valued at their estimated fair value at the date of the contribution. Generally, capital asset purchases in excess of \$5,000 are capitalized if they have an expected useful life of one year or more.

Capital assets include additions to public domain (infrastructure) consisting of certain improvements including land rights, roads, streets, overpass, sidewalks, medians, trees and storm drains.

Depreciation has been provided using the straight-line method over the estimated useful life of the asset in the government-wide financial statements.

The following schedule summarizes capital assets' estimated useful lives:

Buildings and improvements	25-50 years
Equipment and machinery	5-20 years
Infrastructure:	
Roadways	7-100 years
Sewer	25-30 years
Storm drain	20-50 years

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

**Inventory**

Inventory is stated at cost on a first-in, first-out (FIFO) basis. Inventory in the General Fund consists principally of fuel, office supplies, recreational activity supplies and other miscellaneous materials and supplies. Materials and supplies are charged to inventories when purchased and treated as expenditure when issued. Inventory amounts are classified as nonspendable in the fund balance since they do not represent available spendable resources.

**Employee Compensated Absences**

It is the policy of the City to record the cost of employee compensated absences in the government-wide financial statements as earned. In accordance with GASB Statement No. 16, a liability is recorded for unused vacation and similar compensatory leave balances since the employees' entitlement to these balances are attributable to services already rendered and it is probable that virtually all of these balances will be liquidated by either paid time off or payments upon leave redemption, termination, or retirement.

Under GASB Statement No. 16, a liability is recorded for unused sick leave balances only to the extent that it is probable that the unused balances will result in termination payments. This is estimated by including in the liability the unused balances of employees currently entitled to receive termination payment, as well as those who are expected to become eligible to receive termination benefits as a result of continuing their employment with the City. Other amounts of unused sick leave are excluded from the liability since their payment is contingent solely upon the occurrence of a future event (illness), which is outside the control of the City and the employee.

**Deferred Outflows and Inflows of Resources**

Pursuant to GASB Statement Nos. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* and 65, *Items Previously Reported as Assets and Liabilities*, the City recognizes deferred outflows and deferred inflows of resources. A deferred outflow of resources is defined as a consumption of net position by the government that is applicable to a future reporting period. A deferred inflow of resources is defined as an acquisition of net position by the government that is applicable to a future reporting period. Refer to Note 13 for the list of deferred inflows of resources the City has recognized as of June 30, 2015.

**Property Taxes**

Property tax revenue is recognized in the fiscal year for which the taxes have been levied providing they become available. Available means due, or past due and receivable within the current period and collected within the current period or expected to be collected soon enough thereafter (not to exceed 60 days) to be used to pay liabilities in the current period.

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

The former Carson Redevelopment Agency receives annual property tax increment funds from the County of Los Angeles. In addition, the City receives funds from the State of California via the County, as the City is considered to be a "no and low" property tax City. The City's current year allocation of the "no and low" property tax of \$7,106,638 was included in the property tax revenues of \$14.7 million reported for the fiscal year 2014-2015.

Under California law, property taxes are assessed and collected by the counties up to 1% of assessed value plus other increases approved by the voters. Property taxes are assessed and collected each fiscal year according to the following property tax calendar:

Lien date	January 1
Levy date	July 1 to June 30
Due date	November 1 – first installment March 1 – second installment
Collection date	December 10 – first installment April 10 – second installment

**Implementation of New Accounting Pronouncements**

During the fiscal year ended June 30, 2015, the City adopted the following new Statements of the Governmental Accounting Standards Board (GASB):

- GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statements No. 27 and 50*. This statement establishes standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures of pensions that are provided by local governmental employers through pension plans that are administered through trusts that meet certain conditions. For defined benefit pensions, this statement identifies the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service.
- GASB Statement No. 71, *Pension Transition for Contributions made subsequent to the Measurement Date - an amendment of GASB Statement No. 68*. This statement amends paragraph 137 of Statement 68 to require that, at transition, a government recognize a beginning deferred outflow of resources for its pension contributions, if any, made subsequent to the measurement date of the beginning net pension liability.

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

***Pensions***

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

**NOTE 2      CASH AND INVESTMENTS**

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

	Government-wide Statement of Net Assets	Fiduciary Fund Statement of Net Assets		Total
		Successor Agency	Other Agency	
Unrestricted assets:				
Cash and investments	\$ 58,607,121	\$ 8,991,385	\$ 8,616,187	\$ 76,214,693
Restricted assets:				
Cash and investments with fiscal agents	<u>39,591,056</u>	<u>22,659,506</u>	<u>2,537,376</u>	<u>64,787,938</u>
Total cash and investments	<u>\$ 98,198,177</u>	<u>\$ 31,650,891</u>	<u>\$ 11,153,563</u>	<u>\$ 141,002,631</u>

Cash and investments as of June 30, 2015 consist of the following:

Cash on hand	\$ 4,050
Deposits with financial institutions	60,844,552
Investments	<u>80,154,029</u>
Total cash and investments	<u>\$ 141,002,631</u>

**NOTE 2 CASH AND INVESTMENTS (CONTINUED)**

**Investments Authorized by the California Government Code and the City's Investment Policy**

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

Authorized Investment Type	Authorized by Investment Policy	Maximum Maturity*	Maximum Percentage of Portfolio*	Maximum Investment In One Issuer
Local Agency Bonds	No	N/A	N/A	N/A
U.S. Treasury Obligations	Yes	5 years	None	None
U.S. Agency Securities	Yes	5 years	None	None
Banker's Acceptances	Yes	180 days	30%	30%
Commercial Paper	Yes	270 days	25%	10%
Certificates of Deposit	Yes	5 years	30%	None
Repurchase Agreements	No	N/A	N/A	N/A
Reverse Repurchase Agreements	No	N/A	N/A	N/A
Medium-Term Notes	No	N/A	N/A	N/A
Mutual Funds	No	N/A	N/A	N/A
Money Market Mutual Funds	Yes	N/A	20%	10%
Mortgage Pass-Through Securities	No	N/A	N/A	N/A
County Pooled Investment Funds	No	N/A	N/A	N/A
Local Agency Investment Fund	Yes	N/A	None	\$40 million per account
JPA Pools (other investment pools)	No	N/A	N/A	N/A

\* Based on state law requirements or investment policy requirements, whichever is more restrictive.

**Investments Authorized by Debt Agreements**

Investments of debt proceeds held by fiscal agent are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the City's investment policy. The table below identifies the investment types that are authorized for investments held by fiscal agent. The table also identifies certain provisions of these debt agreements that address interest rate risk, credit risk, and concentration of credit risk.

**NOTE 2 CASH AND INVESTMENTS (CONTINUED)**

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment In One Issuer</u>
Local Agency Bonds	None	None	None
U.S. Treasury Obligations	None	None	None
U.S. Agency Securities	None	None	None
Banker's Acceptances	1 year	None	None
Commercial Paper	270 days	None	None
Negotiable Certificates of Deposit	None	None	None
Repurchase Agreements	30 days	None	None
Money Market Mutual Funds	N/A	None	None
Local Agency Investment Fund	N/A	None	None
Investment Agreements	N/A	None	None

**Disclosures Relating to Interest Rate Risk**

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

Information about the sensitivity of the fair values of the City's investments (including investments held by fiscal agent) to market interest rate fluctuations is provided by the following table that shows the distribution of the City's investments by maturity:

Investment Type	<u>Total</u>	<u>Remaining maturity in Months</u>		
		<u>12 Months Or Less</u>	<u>13 to 24 Months</u>	<u>25-60 Months</u>
State investment pool	\$ 282,311	\$ 282,311	\$ -	\$ -
Money market funds	14,527,759	14,527,759	-	-
Bonds	556,020	556,020	-	-
Held by fiscal agent:				
Bonds	7,130,081	4,149,873	2,980,208	-
Federal agency securities	14,001,478	-	-	14,001,478
Money market funds	43,656,380	43,656,380	-	-
	<u>\$ 80,154,029</u>	<u>\$ 63,172,343</u>	<u>\$ 2,980,208</u>	<u>\$ 14,001,478</u>

**NOTE 2 CASH AND INVESTMENTS (CONTINUED)**

**Disclosures Relating to Credit Risk**

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

Investment Type	Amount	Minimum			
		Legal Rating	AA+/Aa2	AA-/A+	Not Rated
State investment pool	\$ 282,311	N/A	\$ -	\$ -	\$ 282,311
Money market funds	14,527,759	N/A	-	-	14,527,759
Bonds	556,020	Aaa	-	556,020	-
Held by fiscal agent:					
Bonds	7,130,081	N/A	-	7,130,081	-
Federal agency securities	14,001,478	N/A	14,001,478	-	-
Money market funds	43,656,380	N/A	-	-	43,656,380
Total	<u>\$ 80,154,029</u>		<u>\$ 14,001,478</u>	<u>\$ 7,686,101</u>	<u>\$ 58,466,450</u>

**Concentration of Credit Risk**

The investment policy of the City contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. Investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total City investments are as follows:

Investment Type	Investment Type	Reported Amount
Federal Home Loan Bank	Federal agency securities	\$ <u>13,540,788</u>



**NOTE 2 CASH AND INVESTMENTS (CONTINUED)**

**Custodial Credit Risk**

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

Investment Type	<u>Reported Amount</u>
Federal Agency Securities	\$ <u>14,001,478</u>

All of the above investments were held by a fiscal agent who selects the investment under the terms of the applicable trust agreement, acquires the investment, and holds the investment on behalf of the reporting government.

**Investment in State Investment Pool**

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the City's investment in this pool of approximately \$282 thousand reported in the accompanying financial statements at amounts based upon the City's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. LAIF's and the City's exposure to risk (credit, market or legal) is not currently available.

**NOTE 3      LOANS RECEIVABLE**

Details of the City's loans receivable as of June 30, 2015 are as follows:

Loans relative to development projects under various disposition and development agreements	\$ 43,667,391
First Time Homebuyer Loan Program	7,291,275
Computer loans receivable	31,746
CDBG loans	199,906
Neighborhood Stabilization Program loans	<u>165,000</u>
Total	51,355,318
Less: Allowance for uncollectible accounts	(21,640,838)
Discount on notes receivable	<u>(13,900,000)</u>
Loans receivable, net	<u>\$ 15,814,480</u>

Because of the nature of various loans receivable in relation to development projects under various disposition and development agreements, the City provides an allowance for uncollectibility against such loans. The City reports such loans as program costs. The City also discounted interest-free loans issued in relation to the Housing Authority's housing projects.

**NOTE 4      CAPITAL ASSETS**

Following is the summary of changes in capital assets for the year ended June 30, 2015:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases/ Transfers</u>	<u>Ending Balance</u>
Capital assets being depreciated:				
Buildings and improvements	\$ 38,239,857	\$ 660,806	\$ (780,589)	\$ 38,120,074
Machinery and equipment	14,927,436	494,106	(877,876)	14,543,666
Infrastructure				
Roadways	289,529,890	3,878,625	(2,531,116)	290,877,399
Sewer	20,123,476	-	-	20,123,476
Storm drain	<u>6,381,489</u>	<u>-</u>	<u>-</u>	<u>6,381,489</u>
Total capital assets, being depreciated	<u>369,202,148</u>	<u>5,033,537</u>	<u>(4,189,581)</u>	<u>370,046,104</u>
Less accumulated depreciation for:				
Buildings and Improvements	(19,673,821)	(1,614,710)	3,040,836	(18,247,695)
Machinery and equipment	(12,336,531)	(668,580)	879,048	(12,126,063)
Infrastructure				
Roadways	(145,878,186)	(6,423,954)	292,798	(152,009,342)
Sewer	(15,720,296)	(349,241)	-	(16,069,537)
Storm drain	<u>(3,437,836)</u>	<u>(119,303)</u>	<u>-</u>	<u>(3,557,139)</u>
Total accumulated depreciation	<u>(197,046,670)</u>	<u>(9,175,788)</u>	<u>4,212,682</u>	<u>(202,009,776)</u>
Total capital assets, being depreciated, net	<u>172,155,478</u>	<u>(4,142,251)</u>	<u>23,101</u>	<u>168,036,328</u>
Capital assets not being depreciated:				
Land	15,344,218	-	-	15,344,218
Land rights	75,285,334	-	-	75,285,334
Land improvements	2,306,476	-	-	2,306,476
Infrastructure-street trees	9,343,407	24,480	-	9,367,887
Construction in progress	<u>19,277,765</u>	<u>10,743,978</u>	<u>(4,513,955)</u>	<u>25,507,788</u>
Total capital assets not being depreciated	<u>121,557,200</u>	<u>10,768,458</u>	<u>(4,513,955)</u>	<u>127,811,703</u>
Governmental activities capital assets, net	<u>\$ 293,712,678</u>	<u>\$ 6,626,207</u>	<u>\$ (4,490,854)</u>	<u>\$ 295,848,031</u>

**NOTE 4 CAPITAL ASSETS (CONTINUED)**

Depreciation expense was charged in the following functions in the Statement of Activities:

	Amount
General Government	\$ 1,730,534
Community services	3,855,053
Public works	1,560,503
Community development	2,029,698
Total depreciation expense - governmental activities	\$ 9,175,788

In accordance with and as allowed by GASB Statement No. 34, the City capitalizes and reports general infrastructure assets acquired in the current year and prior years. Infrastructure assets recorded in prior years as part of implementing GASB Statement No. 34 included roadways, sewer, storm drain, land rights, land improvements, and infrastructure-street trees, which amounted to \$232,706,043 as of June 30, 2015.

**NOTE 5 INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS**

**Due From/Due to Other Funds**

Due from/due to other funds as of June 30, 2015 are as follows:

	Due to Other Funds			
	General Fund	Carson Housing Authority	Nonmajor Governmental Funds	Total
Due From Other Funds:				
General Fund	\$ -	\$ 616,658	\$ 1,486,870	\$ 2,103,528
Carson Housing Authority	35,025	-	-	35,025
	\$ 35,025	\$ 616,658	\$ 1,486,870	\$ 2,138,553

Current interfund receivables and payables were due to (1) short-term borrowings to eliminate negative cash, (2) reimbursement of certain administrative costs, and (3) short-term borrowing for project costs.

**NOTE 5 INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (CONTINUED)**

**Interfund Transfers**

Transfers in and out for the year ended June 30, 2015 were as follows:

	Transfers In				Total
	General Fund	Carson Housing Authority	Cooperation Agreement Bond Proceeds Fund	Nonmajor Governmental Funds	
Transfers Out:					
General fund	\$ 1,019,060	\$ -	\$ -	\$ -	\$ 1,019,060
Nonmajor Governmental Funds	814,904	-	-	1,144,271	1,959,175
Subtotals	1,833,964	-	-	1,144,271	2,978,235
Successor Agency Private Purpose Trust Fund	-	213,132	40,057,886	-	40,271,018
Totals	<u>\$ 1,833,964</u>	<u>\$ 213,132</u>	<u>\$ 40,057,886</u>	<u>\$ 1,144,271</u>	<u>\$ 43,249,253</u>

Interfund transfers were principally used to (1) to transfer monies to make debt service payments on outstanding bonds and (2) to transfer monies to reimburse the General Fund and other nonmajor governmental funds for street maintenance costs and other costs.

The Successor Agency Private Purpose Trust Fund transferred unspent bond proceeds to the City pursuant to the Cooperation Agreement entered into by and between the City and the Successor Agency. The Cooperation Agreement was approved by the Department of Finance in May 2015. The City will utilize the bond proceeds in a manner consistent with the original bond covenants.

**NOTE 6 LONG-TERM LIABILITIES**

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

	Balance at July 1, 2014	Additions	Retirements	Balance at June 30, 2015	Amount due within one year	Amount due after one year
Compensated absences	\$ 5,229,563	\$ 3,311,026	\$ 3,307,791	\$ 5,232,798	\$ 3,831,070	\$ 1,401,728
Net OPEB Obligation	16,990,072	4,416,636	4,512,849	16,893,859	-	16,893,859
Net Pension Liability	74,769,324	20,833,978	34,186,286	61,417,016	-	61,417,016
Self-insurance claims payable	5,022,904	973,009	2,801,003	3,194,910	795,555	2,399,355
	<u>\$ 102,011,863</u>	<u>\$ 29,534,649</u>	<u>\$ 44,807,929</u>	<u>\$ 86,738,583</u>	<u>\$ 4,626,625</u>	<u>\$ 82,111,958</u>

The City's policies relating to compensated absences are described in Note 1. The liability for Governmental Activities is primarily liquidated from the General Fund.

The OPEB Plan is described in Note 9. The OPEB obligation is primarily liquidated from the General Fund and the Successor Agency Fund. The Net Pension Liability is described in Note 8.

**NOTE 7      SELF-INSURANCE PROGRAMS**

The City is self-insured for dental and unemployment insurance. Additionally, the City is self-insured for the first \$250,000 per liability claim, including employment practices. The liability excess insurance carrier is Lloyds of London/BRIT. The City is self-insured for the first \$750,000 per workers' compensation claim. The workers' compensation excess insurance carrier is Arch Insurance Company. The City is self-insured for the first \$10,000 per property claim. The property insurance carrier is Affiliated FM Insurance Company. The City is self-insured for the first \$10,000 per crime claim. The crime insurance carrier is Fidelity and Deposit Company of Maryland.

At June 30, 2015, \$3,194,910 has been accrued for claims payable. Such amount represents estimates of amounts to be paid for reported claims as well as a provision for incurred but not reported claims, which amount is based upon the City's past experience, as modified for current trends and information of the total liability. A total of \$795,555 has been recorded in the General Fund as the City anticipates that such amount will be paid from current resources. While the ultimate amount of losses incurred through June 30, 2015 is dependent on future developments, based upon information from the independent claims administrators and others involved with the administration of the programs, City management believes that the aggregate accrual is adequate to cover such losses.

A summary of the City's claims activity for the two years through June 30, 2015 is as follows:

	Workers' Compensation Claims	General Liability Claims	Totals
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Balance at June 30, 2013	\$ 3,293,821	\$ 512,565	\$ 3,806,386
Additions	99,989	1,465,342	1,565,331
Payments	<u>(118,368)</u>	<u>(230,445)</u>	<u>(348,813)</u>
Balance at July 1, 2014	3,275,442	1,747,462	5,022,904
Additions	315,982	657,027	973,009
Payments	<u>(1,187,817)</u>	<u>(1,613,186)</u>	<u>(2,801,003)</u>
Balance at June 30, 2015	<u>\$ 2,403,607</u>	<u>\$ 791,303</u>	<u>\$ 3,194,910</u>

**NOTE 8      DEFINED BENEFIT PENSION PLAN**

**General information about the Pension Plan**

***Plan Descriptions***

All qualified permanent and probationary employees are eligible to participate in the City's Miscellaneous Plan, an agent multiple-employer defined benefit pension plan administered by the California Public Employees' Retirement System (CalPERS), which acts as a common investment and administrative agent for its participating member employers. Benefit provisions under the Plan are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

***Benefits Provided***

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

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

	<b>Miscellaneous</b>	
	Prior to 1-Jan-13	On or after 1-Jan-13
Hire date		
Benefit formula	2.7% @ 55	2% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50 - 55	52 - 67
Monthly benefits as a % of eligible compensation	2% to 2.7%	1.0% to 2.5%
Required employee contribution rates	8%	6.25%
Required employer contribution rates	23.73%	23.73%

**NOTE 8      DEFINED BENEFIT PENSION PLAN (CONTINUED)**

***Employees Covered***

At June 30, 2015, the following employees were covered by the benefit terms of the Plan:

	Miscellaneous Plan
Inactive employees or beneficiaries currently receiving benefits	217
Inactive employees entitled to but not yet receiving benefits	-
Active employees	303
Total	520

***Contributions***

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

***Net Pension Liability***

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

**NOTE 8      DEFINED BENEFIT PENSION PLAN (CONTINUED)**

***Actuarial Assumptions***

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

Valuation Date	30-Jun-13
Measurement Date	30-Jun-14
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.50%
Inflation	2.75%
Payroll Growth	3.00%
Projected Salary Increase	3.3% - 14.2% (1)
Investment Rate of Return	7.5% (2)
Mortality	(3)

(1) Varies by entry age and service

(2) Net of pension plan investment expenses, including inflation

(3) Derived using CalPERS' Membership Data for all funds

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

***Discount Rate***

The discount rate used to measure the total pension liability was 7.50% for each Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.50 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The stress test results are presented in a detailed report that can be obtained from the CalPERS website.



**NOTE 8      DEFINED BENEFIT PENSION PLAN (CONTINUED)**

***Discount Rate (Continued)***

According to Paragraph 30 of Statement No. 68, the long-term discount rate should be determined without reduction for pension plan administrative expenses. The 7.50% investment return assumption used in this accounting valuation is net of administrative expenses. Administrative expenses are assumed to be 15 basis points. An investment return excluding administrative expenses would have been 7.65%. Using this lower discount rate has resulted in a slightly higher Total Pension Liability and Net Pension Liability. CalPERS checked the materiality threshold for the difference in calculation and did not find it to be a material difference.

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

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

**NOTE 8      DEFINED BENEFIT PENSION PLAN (CONTINUED)**

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

Asset Class	New	Real Return Years 1 - 10(a)	Real Return Years 11+(b)
	Strategic Allocation		
Global Equity	47.00%	5.25%	5.71%
Global Fixed Income	19.00%	0.99%	2.43%
Inflation Sensitive	6.00%	0.45%	3.36%
Private Equity	12.00%	6.83%	6.95%
Real Estate	11.00%	4.50%	5.13%
Infrastructure and Forestland	3.00%	4.50%	5.09%
Liquidity	2.00%	-0.55%	-1.05%
Total	<u>100%</u>		

(a) An expected inflation of 2.5% used for this period.

(b) An expected inflation of 3.0% used for this period.

***Changes in the Net Pension Liability***

The following table shows the changes in net pension liability over the measurement period:

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balance, June 30, 2013	\$ 218,404,819	\$ 143,635,495	\$ 74,769,324
Changes recognized for the measurement period:			
Service cost	4,634,164	-	4,634,164
Interest on the total pension liability	16,199,814	-	16,199,814
Contributions from the employer	-	6,276,475	(6,276,475)
Contributions from the employee	-	2,460,111	(2,460,111)
Net Investment Income	-	25,449,700	(25,449,700)
Benefit payments, including refunds of employee contributions	(9,448,777)	(9,448,777)	-
Net changes during 2013-2014	<u>11,385,201</u>	<u>24,737,509</u>	<u>(13,352,308)</u>
Balance, June 30, 2014	<u>\$ 229,790,020</u>	<u>\$ 168,373,004</u>	<u>\$ 61,417,016</u>

**NOTE 8      DEFINED BENEFIT PENSION PLAN (CONTINUED)**

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

The following presents the net pension liability of the City, calculated using the accepted discount rate of 7.5% and also calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

		<u>Miscellaneous Plan</u>	
1% Decrease		6.50%	
Net Pension Liability	\$	90,942,311	
Current Discount Rate		7.50%	
Net Pension Liability	\$	61,417,016	
1% Increase		8.50%	
Net Pension Liability	\$	36,738,834	

**Pension Plan Fiduciary Net Position**

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

**Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions**

For the year ended June 30, 2015, the City recognized pension expense of \$4,756,891. At June 30, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to measurement date	\$ 5,728,251	\$ -
Differences between actual and expected experience	-	-
Changes in assumptions	-	-
Net differences between projected and actual earnings on plan investments	-	(11,832,724)
	<u>                    </u>	<u>                    </u>
Total	\$ <u>5,728,251</u>	\$ <u>(11,832,724)</u>

**NOTE 8      DEFINED BENEFIT PENSION PLAN (CONTINUED)**

Pension contribution made subsequent to the measurement date amounting to \$5,728,251 reported as deferred outflows of resources will be recognized as a reduction of the net pension liability in the year ended June 30, 2016.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30	Amount
2016	\$ (2,958,181)
2017	(2,958,181)
2018	(2,958,181)
2019	(2,958,181)
Thereafter	-

**Payable to the Pension Plan**

At June 30, 2015, the City did not have any outstanding amount of contributions to the pension plan required for the year ended June 30, 2015.

**NOTE 9      OTHER POSTEMPLOYMENT BENEFITS**

**Plan Description**

The City administers a defined benefit plan, which provides medical insurance benefits to eligible retirees and qualified family members.

An employee is eligible for the City contribution provided they are vested in their CalPERS pension benefit and commence payment of their pension benefit within 120 days of retirement with the City. Vesting requires at least 5 years of PERS eligible service. The surviving spouse of an eligible retiree who elected spouse coverage under CalPERS is eligible for the employer contribution upon the death of the retiree.

The City contributes to the retiree health coverage of eligible retirees and eligible surviving spouses. The City's financial obligation is to pay for the retiree and eligible dependent coverage up to a monthly maximum.

**NOTE 9 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

The following table shows the maximum annual benefit for eligible retirees, as well as for active employees:

	As of January 1	
	2015	2014
Full-Time	\$ 1,543	\$ 1,435
Part-Time with 8 yrs+	422	419
Part-Time Employees	122	119

**City's Funding Policy**

The Plan provisions and contribution requirements of plan members and the City are established and may be amended by City Council. The City joined the California Employer's Retiree Benefit Trust (CERBT) and has made a contribution of \$2,069,419 for the fiscal year 2014-2015 in addition to a direct contribution it paid for retiree benefits of \$1,589,240. The contribution of \$377,313 was for the benefit of the dissolved redevelopment agency employees. Total contribution during the fiscal year 2014-2015 amounted to \$3,658,659.

**Annual OPEB Cost and Net OPEB Obligation**

The City's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

The following table shows the components of the annual OPEB cost for the current fiscal year, the amount actually contributed to the Plan, and changes in the City and the Successor Agency's net OPEB obligation for these benefits:

	6/30/2015			6/30/2014
	City	Successor Agency	Total	Combined
Annual required contribution	\$ 4,861,118	\$ 205,714	\$ 5,066,832	\$ 4,961,927
Interest on net OPEB obligation	793,296	33,571	826,867	904,977
Adjustments to annual required contribution	(1,237,779)	(52,381)	(1,290,160)	(1,202,095)
Annual OPEB cost	4,416,635	186,904	4,603,539	4,664,809
Benefit payments and contributions made	(3,281,346)	(377,313)	(3,658,659)	(6,023,240)
Increase in net OPEB obligation	1,135,289	(190,409)	944,880	(1,358,431)
Net OPEB obligation, beginning of year	15,758,570	(1,378,275)	14,380,295	15,738,726
Net OPEB obligation (asset), end of year	\$ 16,893,859	\$ (1,568,684)	\$ 15,325,175	\$ 14,380,295

**NOTE 9 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

The City and the Successor Agency's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the fiscal year ended June 30, 2015 and the two preceding years were as follows:

<b>City</b>					
Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation (Asset)		
6/30/2013	\$ 5,699,172	88%	\$ 15,738,726		
6/30/2014	4,664,809	129%	14,380,295		
6/30/2015	4,603,539	79%	15,325,175		

<b>Successor Agency</b>					
Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation (Asset)		
6/30/2013	\$ 639,298	12%	\$ (1,179,204)		
6/30/2014	182,591	883%	(2,609,777)		
6/30/2015	186,904	202%	(1,568,684)		

**Actuarial Methods and Assumptions**

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

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

**NOTE 9 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

The actuarial cost method used for determining the benefit obligations is the Projected Unit Credit Method. The actuarial assumptions included a 5.75 percent discount rate, which reflects a blend between a pay-as-you-go discount rate of 5 percent and the 7.61 percent discount rate for invested assets, and annual cost trend rates of 8.5 percent for HMO and 9 percent for PPO initially, reduced by decrements of 0.5 percent per year to an ultimate rate of 5 percent after the eighth year. All the rates included a 3.25 percent inflation assumption. The UAAL is being amortized over 30 years using a level-dollar basis. It is assumed the City's payroll will increase 3.25% per year.

During the fiscal year 2011-2012, the City joined and contributed to the CalPERS California Employers' Retiree Benefit Trust (CERBT) Fund. Based on the latest Actuarial Study of the Plan as of July 1, 2013, the Unfunded Actuarial Accrued Liability (UAAL) was \$41 million while the actuarial value of plan assets was \$7,287,038.

Below is the funded status of the Plan as of July 1, 2013:

Actuarial Accrued Liability (AAL)	\$	48,365,461
Actuarial Value of Assets		<u>7,287,038</u>
Unfunded Actuarial Accrued Liability (UAAL)	\$	<u>41,078,423</u>
Funded Ratio		<u>15%</u>
Covered Payroll	\$	<u>23,621,000</u>
UAAL as of % of Payroll		<u>174%</u>

**NOTE 10 DEFICIT FUND BALANCES**

The following funds reported an accumulated deficit in fund balance as of June 30, 2015:

		<u>Accumulated Deficit</u>
Special Revenue Funds:		
Self Supporting Fund	\$	(89,494)
LA County Park District Fund		(44,607)
Proposition 1B Fund		(4)
Federal Highway Planning Grant Fund		(70,543)

Management expects that these deficits will be remedied after the related reimbursements from the grants are received.

**NOTE 11 EXPENDITURES EXCEEDING APPROPRIATIONS**

For the year ended June 30, 2015, expenditures by function exceeded appropriations of the following City funds:

	Final Budget	Actual	Amount Exceeding Appropriations
<b>Major Funds:</b>			
General Fund			
General government	\$ 21,709,024	\$ 21,922,895	\$ (213,871)
Capital improvement program	5,049,660	5,779,786	(730,126)
Other financing uses	1,018,204	1,019,060	(856)
<b>Nonmajor Funds:</b>			
Asset Forfeiture Fund			
Community development	-	13,961	(13,961)
TDA Article Fund			
Capital improvement program	90,389	91,045	(656)
Proposition C Local Return Fund			
Community development	-	45	(45)
Self Supporting Fund			
Community services	1,021,145	1,178,251	(157,106)
Capital improvement program	4,000	8,647	(4,647)
Capital Asset Replacement Fund			
Community services	229,283	268,482	(39,199)
Public works	39,505	134,976	(95,471)
Capital improvement program	40,000	302,201	(262,201)
Measure R			
Public works	2,386,865	2,971,667	(584,802)
Restricted Administrative Tow Fee Fund			
Community services	16,600	36,628	(20,028)
Proposition 1B Fund			
Capital improvement program	-	85,530	(85,530)

**NOTE 12 DEBT ISSUED WITHOUT GOVERNMENT COMMITMENT**

**Assessment District No. 2006**

In September 2006, the City of Carson issued \$25,000,000 and \$7,955,000 of Assessment District No. 2006-1 (Dominguez Technology Center West) Reassessment Revenue Bonds, Series A and Subordinate Series B, respectively. The Bonds were issued to finance the acquisition costs for improvements within the Assessment District, establish the Reserve Fund, pay the premium, and to pay the cost of issuing the bonds.



**NOTE 12 DEBT ISSUED WITHOUT GOVERNMENT COMMITMENT (CONTINUED)**

The City is not liable for repayment of this debt but is only acting as an agent for the property owners in collecting the assessments, forwarding the collections to bondholders, and initiating foreclosure proceedings for the benefit of the Bondholders.

For these reasons, neither the debt nor the related debt service transactions are recorded on the City's basic financial statements. The principal balance outstanding at June 30, 2015 is \$19,900,000 and \$6,430,000, for Series A and B, respectively.

**Assessment District No. 92-1**

In October 1992, the City of Carson issued \$13,100,000 of Assessment District No. 92-1 (Sepulveda Special District), Limited Obligation Improvement Bonds Series 1992 (collectively referred to as the "Bonds"). The Bonds were issued to finance a portion of the costs of the construction of certain street improvements, particularly the widening of a portion of Sepulveda Boulevard and included the reconstruction, removal, modification and relocation of pipelines, facilities, and the relocation of railroad tracks from the public right-of-way, storm drainage improvements, signaling and landscaping. Bond proceeds were also used to establish the Reserve Fund, and to pay the cost of issuing the bonds.

The City's obligation to transfer funds to the Redemption Fund in the event of delinquent installments is limited to the balance in the Reserve Fund. The City is in no way liable for repayment but is only acting as an agent for the property owners in collecting the assessments, forwarding the collections to bondholders, and initiating foreclosure proceedings for the benefit of the Bondholders. For these reasons, neither the debt nor the related debt service transactions are recorded on the City's basic financial statements. The principal balance outstanding at June 30, 2015 is \$1,140,000.

**NOTE 13 DEFERRED INFLOWS OF RESOURCES**

Pursuant to GASB Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position" and GASB Statement No. 65, "Items Previously Reported as Assets and Liabilities," the City recognized deferred inflows of resources in the governmental funds financial statements. The deferred inflow of resources pertains to unavailable revenues, which represent long-term receivables that are not considered "available spendable resources" in the governmental funds financial statements.

	Balance at
	June 30, 2015
<i>Governmental Activities</i>	
Deferred inflow of resources	
Unavailable revenue and	
Long-term receivables	\$ <u>20,346,145</u>

**NOTE 14      CONTINGENCIES – CLAIMS**

The City is a defendant in several general damage and personal injury lawsuits and claims. These claims arise primarily from injuries sustained by the claimants while on property owned or maintained by the City. In the opinion of outside counsel and the City Attorney, the potential liability of the City for such claims will not have a material adverse effect upon the financial position of the various funds of the City.

**NOTE 15      HOUSING AUTHORITY COMMITMENTS UNDER DEVELOPMENT AGREEMENTS**

Following are details of the Housing Authority's commitments under Development Agreements:

**East Carson Housing Partners, L.P.**

On June 15, 2010, the Carson Redevelopment Agency entered into a disposition and development agreement (DDA) with East Carson Housing Partners, L.P. (Developer) for the development of a 65-unit workforce housing community on a 1.75 acre Agency-owned property (Property) located at 425 E. Carson Street. The development was completed and fully leased by June 2012. The site provides housing for very-low, low and moderate income households. The product type ranges from one-bedroom to three-bedroom units.

The Agency provided assistance for the development of the project by selling the Property to the Developer for the fair market value of \$1,906,500 (Purchase Price). In addition, the Agency provided project assistance in the amount of \$6,888,000 towards Project development costs (Agency Assistance). The combined value of the land and set-aside funds are evidenced by a promissory note and secured by a Deed of Trust recorded on March 9, 2011. The Purchase Price and the Agency Assistance totals \$8,794,500. This amount is to be repaid by the Developer with residual receipts over a 55 year period, with interest accruing at 0.5% per annum (Note). Any balance on the Note is due and payable at the end of 55 years from commencement of their permanent loan. The permanent loan commenced March 1, 2013.

**East Carson II Housing Partners, L.P.**

On February 19, 2013 the Carson Housing Authority (Authority) entered into an Affordable Housing Agreement with East Carson II Housing Partners, L.P. (Developer) for development of a 40-unit workforce housing community on an approximately 1.0 acre Authority-owned property. On November 25, 2013 the Carson Housing Authority (Authority) closed escrow for the sale of the property and the developer began with construction. The project was completed with a grand opening ceremony held on April 2, 2015. The development serves as phase two to the East Carson Housing Partners, L.P. project at 425 E. Carson Street, which was completed in June 2012.

**NOTE 15      HOUSING AUTHORITY COMMITMENTS UNDER DEVELOPMENT AGREEMENTS  
(CONTINUED)**

The Authority's financial assistance for this project included a loan of \$3,320,000 for pre-development and construction costs and the property purchase price of \$1,565,446 for a total assistance amount of \$4,885,446. The total assistance amount was provided by a promissory note (Note) and secured by a Deed of Trust to be recorded at the time the Authority sells the property to Developer. The Note is to be repaid by Developer with residual receipts over a 55 year period, with interest accruing at 0.5% per annum. Any balance on the Note will be due and payable at the end of 55 years from issuance of certificate of occupancy.

**City View - 616 E. Carson St.**

On February 17, 2011, the Agency and City View 616 East Carson, LLC (Developer) entered into a Disposition and Development Agreement to develop a mixed-use commercial/retail and residential development on a 9.57 acre Agency-owned property located at 616, 542, and 550 East Carson Street (Property). The project will include 23 condominiums for moderate income households, 129 market rate homes and 13,000 square feet of commercial space. The Property was sold to the Developer on April 17, 2013. The project is currently under construction with 34 homes having been completed. Twenty homes have been sold and 51 buyers are in escrow pending completion of construction.

**Affirmed Housing Group - 21227 Figueroa St.**

On March 1, 2011, the Carson Redevelopment Agency entered into a disposition and development agreement (DDA) with Affirmed Housing Group, Inc. (Developer) for the development of a 40-unit workforce housing community on Agency-owned property located at 21227 Figueroa Street (Property). Construction began immediately after closing and is expected to be completed in December 2013.

The Agency financial assistance for this project included a loan of \$2,855,000 for pre-development and construction costs and the property purchase price of \$1,345,000 for a total assistance amount of \$4,200,000 (Agency Assistance). The Agency Assistance is evidenced by a promissory note and secured by a Deed of Trust recorded on December 24, 2012. The Agency Assistance is to be repaid by Developer with residual receipts over a 55 year period, with interest accruing at 0.5% per annum (Note). Any balance on the Note is due and payable at the end of 55 years from issuance of certificate of occupancy. The certificate of occupancy was issued on March 6, 2014.

**City Ventures – 2666 Dominguez St.**

On September 17, 2013 the Housing Authority (Authority) entered into a Purchase and Sale Agreement with City Ventures (Developer) for the sale of the approximately 0.5-acre Authority-owned property located at 2671 Tyler Street (Property). Escrow closed in October 2014. The sales price of the Property was \$238,000. The Developer is building a for-sale single family detached, market rate residential project in accordance with the Property's land use and zoning regulations. The homes will be on fee simple lots. There was no Authority assistance provided for this project. The sales proceeds will be used to assist future affordable housing developments.

**NOTE 15      HOUSING AUTHORITY COMMITMENTS UNDER DEVELOPMENT AGREEMENTS  
(CONTINUED)**

Concurrently with the sale of the Property, the Authority facilitated the sale, to the Developer, of a 1.0-acre parcel of contiguous land at 2666 Dominguez (Site), owned by the City of Carson. The Site was the former Dominguez Trailer Park, which the City acquired using \$1,162,261 of CDBG funds for an affordable housing development. The City eventually sold the Site and received sales proceeds of \$463,484. The market rate residential project is being built on both lots.

Since the property was not used for an affordable housing development, HUD required that the City reimburse its CDBG fund \$698,777 for the difference between the acquisition and the sales proceeds. Subsequent to the year end, the City reimbursed these funds. Construction of the Carson Collection, a 13-unit single-family market rate housing development is 90% complete. Each unit is a three-bedroom, two-bathroom detached home with a 2-car garage. The Carson Collection is designed with drought tolerant landscaping and all homes are "Green Key Solar," which means they are all electric homes powered by solar energy. Advanced energy-efficient appliances and other innovations allow these sustainable homes to significantly reduce utility bills. These are the most energy-efficient new homes on the market, and their technologies come standard at the Carson Collection. Eight units have been sold.

**Avalon Courtyard Senior Apartments**

In July 1992, the Agency entered into a Disposition & Development Agreement (DDA) with Thomas Safran & Associates (Developer) for development and operation of an affordable senior citizen housing project (Project). Pursuant to the DDA, the Developer executed a promissory note for a loan in the amount of \$2,681,000 with a simple interest rate of 5%. The amount of Developer loan repayments is equal to 50% of the positive cash flow generated by the Project. As of June 30, 2012, the outstanding loans receivable from the Developer is \$2,681,000. Pursuant to the DDA, as amended, the Agency is also required to provide the Developer a rent subsidy in the amount of \$160,524 per year for 30 years following the date of the certificate of occupancy for the Project (or until August 1, 2025).

**Carson Terrace, L.P.**

In June 1999, the Agency entered into an Owner Participation Agreement (OPA) with Carson Terrace, L.P. (Developer) for development and operation of an affordable senior citizen housing project (Project). Pursuant to the OPA, the Developer executed a promissory note for a short-term construction loan in the amount of \$2,205,000 with a simple interest rate of 3%. Subsequently, the Developer executed a promissory note for a long-term loan with a 5% simple interest rate for the purpose of retiring the construction loan. An amendment dated December 15, 2000 increased the amount of the long-term loan to \$2,243,587. The amount of Developer loan repayments are equal to 50% of the positive cash flow generated by the Project. Pursuant to the OPA, the Agency is also required to provide the Developer a rent subsidy in the amount of \$73,320 per year for 30 years following the date of the certificate of occupancy issued in 2001 (until December 26, 2030).

**NOTE 15 HOUSING AUTHORITY COMMITMENTS UNDER DEVELOPMENT AGREEMENTS (CONTINUED)**

**Gramercy Urban Housing, LLC. – 21521 Avalon Blvd.**

On January 21, 2014 the Authority entered into a purchase and sale agreement with Gramercy Urban Housing, LLC. for sale of the approximately 1.0-acre property located at 21521 Avalon Blvd., Carson, CA. Once purchased, the developer will build a mixed-use commercial/residential project generally consistent with the City's Carson Street Master Plan. Subsequent to the year end, the property was sold for the highest and best use fair market appraised value of \$1,000,000. The developer desires to assemble the property with its property at the northwest corner of Avalon Boulevard and Carson Street, and the Carson Successor Agency-owned property located at 615 E. Carson Street for the mixed-use development. There was no Authority assistance in connection with this sale. Escrow closed on August 12, 2015.

**NOTE 15 RESTATEMENTS**

***Fund Financial Statements***

The beginning fund balance of the General Fund has been restated to write off overpayment of pension contribution reported as prepayment in the prior years.

	General Fund
Fund balance beginning of year, as previously reported	\$ 36,378,319
Adjustment:	
Adjustment to write off overpayment of pension contribution	(2,116,487)
Fund balance beginning of year, as restated	\$ 34,261,832

***Government-Wide Statements***

The beginning balance of net position of governmental activities in the government-wide Statement of Activities has been restated to reflect the adjustment above.

Moreover, the beginning balance of net position of governmental activities in the government-wide Statement of Activities has been restated to retroactively report the net pension liability as of the beginning of the fiscal year as a result of implementing GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. The City made adjustments for these items as a cumulative effect of change in accounting principle in the current fiscal year. This change resulted in a decrease in the beginning balance of net position by \$68,492,849.

	Statement of Activities
Net position, beginning of year, as previously reported	\$ 364,346,744
Prior period adjustments:	
Adjustment to write off overpayment of pension contribution	(2,116,487)
Adjustment of record retroactive effect of implementing GASB Statement No. 68	(68,492,849)
Net position, beginning of year, as restated	\$ 293,737,408

**NOTE 16      SUCCESSOR AGENCY DISCLOSURES**

The accompanying financial statements also include the Private-purpose Trust Fund for the Successor Agency to the City's former Redevelopment Agency (Successor Agency). The City, as the Successor Agency, serves in a fiduciary capacity, as custodian for the assets and to wind down the affairs of the former Redevelopment Agency. Its assets are held in trust for the benefit of the taxing entities within the former Redevelopment Agency's boundaries and as such, are not available for the use of the City.

Disclosures related to the certain assets and long-term liabilities of the Successor Agency are as follows:

**Disclosure of Successor Agency Assets**

Notes Receivable

Details of the Successor Agency's loans receivable as of June 30, 2015 are as follows:

Loans relative to development projects under various disposition and development agreements	\$            22,858,140
Less: Allowance for uncollectible accounts	<u>(21,190,438)</u>
Loans receivable, net	\$ <u>          1,667,702</u>

Because of the nature of various loans receivable in relation to development projects under various disposition and development agreements, the Successor Agency provides an allowance for uncollectibility against such loans. The Successor Agency reports such loans as program costs.

**NOTE 16      SUCCESSOR AGENCY DISCLOSURES (CONTINUED)**

Capital assets

Following is the summary of changes in capital assets of the Successor Agency for the year ended June 30, 2015:

	<u>Beginning Balance, July 1, 2014</u>	<u>Increases</u>	<u>Decreases/ Transfers</u>	<u>Ending Balance, June 30, 2015</u>
Capital assets being depreciated:				
Buildings and improvements	\$ 42,549,207	\$ 16,744,000	\$ 140,335	\$ 59,152,872
Machinery and equipment	<u>134,823</u>	<u>-</u>	<u>-</u>	<u>134,823</u>
Total capital assets being depreciated	<u>42,684,030</u>	<u>16,744,000</u>	<u>140,335</u>	<u>59,287,695</u>
Less accumulated depreciation for:				
Buildings and Improvements	(14,256,044)	(891,458)	106	(15,147,608)
Machinery and equipment	<u>(108,505)</u>	<u>(1,608)</u>	<u>972</u>	<u>(111,085)</u>
Total accumulated depreciation	<u>(14,364,549)</u>	<u>(893,066)</u>	<u>1,078</u>	<u>(15,258,693)</u>
Total capital assets being depreciated, net	<u>28,319,481</u>	<u>15,850,934</u>	<u>141,413</u>	<u>44,029,002</u>
Capital assets not being depreciated:				
Construction in progress	<u>29,726,883</u>	<u>4,103,846</u>	<u>16,547,209</u>	<u>17,283,520</u>
Total capital assets not being depreciated	<u>29,726,883</u>	<u>4,103,846</u>	<u>16,547,209</u>	<u>17,283,520</u>
Capital assets, net	<u>\$ 58,046,364</u>	<u>\$ 19,954,780</u>	<u>\$ 16,688,622</u>	<u>\$ 61,312,522</u>

**Disclosure of Successor Agency Debts**

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

	<u>Balance July 1, 2014</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance June 30, 2015</u>	<u>Due Within One Year</u>	<u>Due After One Year</u>
Bonded debt - tax allocation bonds	\$ 168,245,863	\$ -	\$ 7,090,000	\$ 161,155,863	\$ 6,915,000	\$ 154,240,863
Accreted interest	4,106,237	537,134	-	4,643,371	-	4,643,371
County deferred loans	<u>2,568,710</u>	<u>-</u>	<u>-</u>	<u>2,568,710</u>	<u>-</u>	<u>2,568,710</u>
	<u>\$ 174,920,810</u>	<u>\$ 537,134</u>	<u>\$ 7,090,000</u>	<u>\$ 168,367,944</u>	<u>\$ 6,915,000</u>	<u>\$ 161,452,944</u>

**NOTE 16      SUCCESSOR AGENCY DISCLOSURES (CONTINUED)**

Balance at  
June 30, 2015

**Redevelopment Project Area 1:**

2003B Tax Allocation Bonds

In December 2003, the Carson Redevelopment Agency issued \$32,495,863 of Tax Allocation Bonds, Series 2003B for Redevelopment Project Area No. 1 to fund redevelopment projects within the project area. The first principal installment was due on October 1, 2004; and then on October 1, 2017 annually thereafter ranging from \$466,575 to \$3,940,000 plus interest at 2.0% to 5.25% through October 2034. In April 2014, this debt was defeased when the Successor Agency of the former Carson Redevelopment Agency issued the Tax Allocation Refunding Bonds, Series 2014A.

However, the capital appreciation bonds of \$5,410,863 that were issued as part of the bond issuance Tax Allocation Bonds, Series 2003B with maturity dates from October 1, 2023 through 2032 was not defeased. Prior to their applicable maturity dates, each capital appreciation bond will accrete interest on the principal component, with all interest accruing through the applicable maturity date and payable only upon the maturity or prior payment of the principal component. Accreted interest of \$4,643,371 has been reflected as long-term debt.

\$            5,410,863

2001 Tax Allocation Refunding Bonds

Of the 2001 series proceeds, \$31,174,303 were used to purchase U.S. Government securities to advance refund a portion of the 1992 series and advance refund in full the 1993B series. Those securities were placed in an irrevocable trust with an escrow agent to provide for all future debt service payments on \$14,160,000 of the 1992 series and the entire outstanding balance of the 1993B series in the amount of \$15,000,000. As a result, the portion of the 1992 series and the entire 1993B series tax allocation bonds are considered to be defeased. The corresponding liabilities for the \$14,160,000 and \$15,000,000, respectively, have been removed from the statement of net position.

The reserve for the bonds was fully funded in the form of a surety bond as of June 30, 2015.

5,410,000



**NOTE 16      SUCCESSOR AGENCY DISCLOSURES (CONTINUED)**

Balance at  
June 30, 2015

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**Redevelopment Project Area 1 (Continued):**

2009A Tax Allocation Bonds

On June 23, 2009, the Carson Redevelopment Agency issued \$22,810,000 of Tax Allocation Bonds, Series 2009A for Redevelopment Project Area No. 1 to fund redevelopment projects within the project area. Principal installments are due and begin October 1, 2010 annually ranging from \$290,000 to \$3,350,000 plus interest at 0.98% to 6.23% through October 2036. As of June 30, 2015, the reserve requirement for the bonds was \$2,071,911. The balance in the reserve account as of June 30, 2015 was \$1,774,320.

\$                    20,845,000

2009 Revenue Bonds

In July 2009, the Carson Redevelopment Agency issued \$12,165,000, of Revenue Bonds, Series 2009, for Redevelopment Project Area No.1 to fund redevelopment activities within the project area. Principal payments are due annually ranging from \$260,000 to \$375,000 plus interest at 3.75% to 5.5% through October 1, 2021. As of June 30, 2015, the reserve requirement for the bonds was \$990,837. The balance in the reserve account as of June 30, 2015 was \$990,837.

11,635,000

2014A Tax Allocation Refunding Bonds (Project Area 1)

In April 2014, the Successor Agency of the former Carson Redevelopment Agency issued \$26,190,000 Tax Allocation Refunding Bonds, Series 2014A, for Redevelopment Project Area No. 1 to advance refund \$1,540,000 of the outstanding 2003 Tax Allocation Refunding Bonds and \$26,850,000 of the outstanding 2003B Tax Allocation Bonds, establish a reserve account for the bonds, and to pay the cost of issuing the bonds. Principal installments are due annually ranging in amounts from \$245,000 to \$2,225,000 plus interest at 3.0% to 5.0% through October 1, 2034. The interest and principal of the bonds are payable from pledged tax increment revenues of the Redevelopment Obligation Retirement Fund.

**NOTE 16      SUCCESSOR AGENCY DISCLOSURES (CONTINUED)**

Balance at  
June 30, 2015

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**Redevelopment Project Area 1 (Continued):**

2014A Tax Allocation Refunding Bonds (Continued)

Of the Series 2014A proceeds, \$28,543,351 were used to purchase U.S. Government securities to refund in full the 2003 Tax Allocation Refunding Bonds and refund a portion of the Series 2003B Tax Allocation Bonds. Those securities were placed in an irrevocable trust with an escrow agent to provide for all future debt service payments on the entire balance of the of the 2003 Tax Allocation Refunding Bonds in the amount of \$1,540,000 and \$26,850,000 of the 2003B Tax Allocation Bonds. As a result, the entire 2003 Tax Allocation Refunding Bonds and a portion of 2003B Tax Allocation Bonds are considered to be defeased and the liability for these bonds has been removed from the statement of fiduciary net position in the accompanying fiduciary fund financial statements.

The advance refunding resulted in an economic gain (difference between the present value of the debt service payments on the new and old debt) of \$2,985,359 and a reduction of total debt service payments of \$4,380,422. As of June 30, 2015, the balance in the reserve account reserve requirement for the bonds was \$1,311,000.

\$      25,945,000

**Subtotal Redevelopment Project Area 1**

69,245,863

**Redevelopment Project Area 2:**

2007 A Tax Allocation Refunding Bonds

In October 2007, the Carson Redevelopment Agency issued \$16,845,000 of Tax Allocation Refunding Bonds, Series 2007A for Redevelopment Project Area No. 2 to advance refund \$14,925,000 of the outstanding 2003D Tax Allocation Refunding Bonds, establish a reserve account for the bonds and to pay the cost of issuing the bonds. Principal installments are due annually ranging in amounts from \$105,000 to \$1,655,000 plus interest at 0.5% to 5.3% through January 1, 2036.

Of the 2007A series proceeds, \$16,361,635 were used to purchase U.S. Government securities to advance refund in full the 2003D series. Those securities were placed in an irrevocable trust with an escrow agent to provide for all future debt service payments on the entire outstanding balance of \$14,925,000. As a result, the entire 2003D tax

**NOTE 16      SUCCESSOR AGENCY DISCLOSURES (CONTINUED)**

Balance at  
June 30, 2015

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**Redevelopment Project Area 2 (Continued):**

allocation bonds are considered to be defeased and were removed from the statement of net position. The advance refunding resulted in an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$611,384 and a reduction of total debt service payments of \$98,889. As of June 30, 2015, the reserve requirement for the bonds was \$1,459,134. The balance in the reserve account as of June 30, 2015 was \$1,501,267.

\$                    16,260,000

2014A Tax Allocation Refunding Bonds (Project Area 2)

In April 2014, the Successor Agency of the former Carson Redevelopment Agency issued \$17,040,000 Tax Allocation Refunding Bonds, Series 2014A, for Redevelopment Project Area No. 2 to advance refund \$10,720,000 of the outstanding 2003A Tax Allocation Refunding Bonds, \$2,455,000 of the outstanding 2003B Tax Allocation Refunding Bonds, \$7,885,000 of the outstanding 2003C Tax Allocation Bonds, and to pay the cost of issuing the bonds. To the \$17,040,000 principal amount was added \$2,507,463 representing refunded bonds available funds, \$2,085,073 of original issue premium and deducted \$68,620 in underwriter discount for a total of \$21,563,916. Principal installments are due annually ranging in amounts from \$1,660,000 to \$1,925,000 plus interest at 4.0% to 5.0% through October 1, 2024. The interest and principal of the bonds are payable from pledged tax increment revenues of the Redevelopment Obligation Retirement Fund.

Of the Series 2014A proceeds, \$21,563,916 were used to purchase U.S. Government securities to refund in full the 2003A Tax Allocation Refunding Bonds, partially refund the 2003B Tax Allocation Refunding Bonds and 2003C Tax Allocation Bonds. Those securities were placed in an irrevocable trust with an escrow agent as follows: \$10,875,744 for the Series 2003A Tax Allocation Refunding Bonds escrow fund; \$2,464,287 for the Series 2003B Tax Allocation Refunding Bonds escrow fund; \$7,918,643 for the Series 2003C Tax Allocation Bonds to provide for all future debt service payments on the entire balance of the of 2003A Tax Allocation Refunding Bonds in the amount of \$10,720,000, 2003B Tax Allocation Refunding Bonds in the amount of \$2,455,000 and 2003C Tax Allocation Bonds in the amount of \$7,885,000. The remaining proceeds of \$305,241 were used for the bond issuance cost.

**NOTE 16      SUCCESSOR AGENCY DISCLOSURES (CONTINUED)**

Balance at  
June 30, 2015

**Redevelopment Project Area 2 (Continued):**

As a result of the refunding, entire 2003A Tax Allocation Refunding Bonds, 2003B Tax Allocation Refunding Bonds and 2003C Tax Allocation Bonds are considered to be defeased and the liability for these bonds has been removed from the statement of fiduciary net position in the accompanying fiduciary fund financial statements.

\$ 15,380,000

**Subtotal Redevelopment Project Area 2**

31,640,000

**Redevelopment Project Area 4:**

2006 Tax Allocation Bonds

In December 2006, the Carson Redevelopment Agency issued \$28,000,000 of Tax Allocation Bonds, Series 2006 for Redevelopment Project Area No. 4 to fund redevelopment projects within the project area. Principal installments are due and begin October 1, 2007 annually ranging from \$385,000 to \$1,485,000 plus interest at 3.5% to 4.25% through October 2041. The reserve requirement for the bonds was satisfied in the form of a surety bond as of June 30, 2015.

24,335,000

**Subtotal Redevelopment Project Area 4**

24,335,000

**Low-and-Moderate Income Housing:**

2010A-T Tax Allocation Housing Bonds

In October 2010, the Carson Redevelopment Agency issued \$14,940,000 of Tax Allocation Housing Bonds Series 2010A-T to fund low and moderate income housing projects. Principal installments are due annually beginning on October 1, 2011 with interest rates ranging from 1.725% to 5.8%. The reserve requirement for the bonds was fully funded as of June 30, 2015. The balance in the reserve account as of June 30, 2015 was \$895,843.

10,315,000

**NOTE 16      SUCCESSOR AGENCY DISCLOSURES (CONTINUED)**

Balance at  
June 30, 2015

2010A Tax Allocation Housing Bonds

In October 2010, the Carson Redevelopment Agency issued \$25,620,000 of Tax Allocation Housing Bonds Series 2010A to fund low and moderate income housing projects. Principal installments are due annually beginning on October 1, 2011 with interest rates ranging from 4.25% to 5.35%. The reserve requirement for the bonds was fully funded as of June 30, 2015. The balance in the reserve account as of June 30, 2015 was \$2,377,348.

\$ 25,620,000

**Subtotal Low-and-Moderate Income Housing** 35,935,000

**Total Redevelopment Agency Tax Allocation  
Bonds Payable** \$ 161,155,863

Debt Service Requirements To Maturity

The following schedule summarizes the debt service to maturity requirements for bonds outstanding as of June 30, 2015:

Year Ending June 30,	Project Area 1 2003 B Tax Allocation Refunding Bonds		Project Area 1 2001 Tax Allocation Refunding Bonds	
	Principal	Interest	Principal	Interest
	2016	\$ -	\$ -	\$ 2,635,000
2017	-	-	2,775,000	76,313
2018	-	-	-	-
2019	-	-	-	-
2020	-	-	-	-
2021-2025	5,410,863	4,643,371	-	-
2026-2030	-	-	-	-
2031-2035	-	-	-	-
2036-2040	-	-	-	-
Total	\$ <u>5,410,863</u>	\$ <u>4,643,371</u>	\$ <u>5,410,000</u>	\$ <u>301,400</u>

Year Ending June 30,	Project Area 1 2009A Tax Allocation Refunding Bonds		Project Area 1 2009 Revenue Bonds		Project Area 1 2014A Tax Allocation Refunding Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
	2016	\$ 445,000	\$ 1,356,013	\$ 285,000	\$ 699,769	\$ 215,000
2017	470,000	1,332,550	295,000	687,075	225,000	1,218,788
2018	545,000	1,305,225	310,000	672,688	2,830,000	1,157,688
2019	575,000	1,272,988	325,000	656,813	2,950,000	1,027,338
2020	615,000	1,237,288	340,000	639,763	3,095,000	876,213
2021-2025	7,690,000	5,300,756	1,995,000	2,891,150	10,250,000	2,218,188
2026-2030	1,675,000	3,399,025	2,665,000	2,198,219	2,025,000	1,077,313
2031-2035	2,350,000	2,700,250	3,620,000	1,203,475	4,355,000	742,369
2036-2040	6,480,000	461,300	1,800,000	118,950	-	-
Total	\$ <u>20,845,000</u>	\$ <u>18,365,394</u>	\$ <u>11,635,000</u>	\$ <u>9,767,900</u>	\$ <u>25,945,000</u>	\$ <u>9,545,481</u>

**NOTE 16 SUCCESSOR AGENCY DISCLOSURES (CONTINUED)**

Debt Service Requirements To Maturity (Continued)

Year Ending June 30,	Project Area 2		Project Area 2		Project Area 4	
	2007A Tax Allocation		2014A Tax Allocation		2006 Tax Allocation	
	Refunding Bonds		Refunding Bonds		Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2016	\$ 130,000	\$ 741,700	\$ 1,255,000	\$ 704,850	\$ 510,000	\$ 1,024,885
2017	135,000	736,500	1,300,000	653,750	535,000	1,005,960
2018	145,000	731,100	1,350,000	600,750	550,000	986,698
2019	150,000	725,300	1,405,000	538,625	575,000	966,160
2020	150,000	719,300	1,475,000	466,625	590,000	944,460
2021-2025	875,000	3,496,281	8,595,000	1,120,125	3,330,000	4,347,487
2026-2030	5,790,000	2,880,813	-	-	4,070,000	3,582,995
2031-2035	7,230,000	1,444,013	-	-	5,035,000	2,595,734
2036-2040	1,655,000	78,613	-	-	6,240,000	1,366,275
2041-2045	-	-	-	-	2,900,000	132,075
Total	\$ 16,260,000	\$ 11,553,619	\$ 15,380,000	\$ 4,084,725	\$ 24,335,000	\$ 16,952,729

Year Ending June 30,	Low-and-Moderate Income Housing		Low-and-Moderate Income Housing	
	2010 A-T Tax Allocation		2010 A Tax Allocation	
	Housing Bonds		Housing Bonds	
	Principal	Interest	Principal	Interest
2016	\$ 1,440,000	\$ 505,720	\$ -	\$ 1,294,063
2017	1,505,000	439,295	-	1,294,063
2018	1,570,000	362,175	-	1,294,063
2019	1,655,000	273,488	-	1,294,063
2020	1,750,000	179,850	-	1,294,063
2021-2025	2,395,000	96,113	7,810,000	5,792,181
2026-2030	-	-	7,080,000	3,611,375
2031-2035	-	-	7,315,000	1,893,731
2036-2040	-	-	3,415,000	179,681
Total	\$ 10,315,000	\$ 1,856,640	\$ 25,620,000	\$ 17,947,281

The above outstanding debt issuances are collateralized by pledged tax increment revenue. The term of the commitment of pledged revenues and the purposes for which the proceeds of these debt issuances were utilized are disclosed in the debt descriptions provided herein. The amount of the remaining commitment of the pledge is equal to the amount of the remaining debt service to maturity of the related debt issuances as disclosed above.

As discussed above, certain bond reserve requirements were satisfied through surety bonds issued by MBIA Insurance Corporation, currently named National Public Finance Guarantee Corporation (NPFGC). In May 21, 2014, Moody's Investors Service upgraded the insurance financial strength rating of NPFGC from Baa1 to A3.

**NOTE 16      SUCCESSOR AGENCY DISCLOSURES (CONTINUED)**

**County Deferred Loans**

The former Carson Redevelopment Agency, the County of Los Angeles, and the Consolidated Fire Protection District entered into an Agreement of Reimbursement of Tax Increment Funds on February 15, 1983, upon the authority of Health and Safety Code Section 33401 and the provisions of Amendment No. 6 to the Carson Redevelopment Plan for the Project Area No. 2 (the "Project") as required by Health and Safety Code Section 33338.1, whereby the County agreed to loan tax increment up to \$200,000 annually not to exceed \$8 million dollars for the project.

As of June 30, 2015, the cumulative deferred loan balance payable to the County of Los Angeles was \$2,568,710.

**Disclosure of Successor Agency Commitments Under Development Agreements**

**Carson Real Estate Leasing, LLC**

On May 18, 2004, the Agency entered into a Disposition and Development Agreement (DDA) with the Carson Real Estate Leasing, LLC, a California limited liability company (Developer), for the development of approximately 92,000 square feet of a new and used car sales facility in the then Merged and Amended Project Area. The Agency agreed to sell the land to the Developer for a total purchase price of \$8,581,718. The purchase price consists of a \$4,666,848 cash payment and a promissory note of \$3,914,870 - the Agency's subsidy to the project. The term shall be for 20 years with an option to extend for an additional five years. Each year, an amount equal to 50% of the sales tax generated from the site in excess of the average sales tax amount generated in year 2002-2003 shall be credited towards the payment of the principal amount and any interest accrued. As of June 30, 2015, the balance of the loan from this developer is \$3,625,951.

**BP West Coast Products, LLC/Tesoro Corporation**

On November 15, 2005, the Agency entered into an agreement with BP West Coast Products, LLC, a Delaware limited liability company (Developer), for development of a new office/business park campus of up to 280,000 square feet in potentially three different phases. The first phase consisted of an office building of approximately 125,000 square feet.

The Agency agreed to sell the 4.5 acre development parcel, located at 2254 E. 223<sup>rd</sup> Street, to the Developer for the sum of one dollar (\$1.00) and a note amount equal to \$2,960,000 (Note). Each year, seventy-five percent (75%) of the site tax increment is credited against any amounts outstanding under the Note. The term is for 15 years and simple interest accrues at two (2) percent per annum. On June 1, 2013, the Developer sold the property and transferred all rights and responsibilities under the Note to Tesoro Corporation. As of June 30, 2015, the balance on the Note is \$1,934,285.

**NOTE 16      SUCCESSOR AGENCY DISCLOSURES (CONTINUED)**

**501 Albertoni, LLC - University Village**

On May 16, 2006, the Agency entered into a Disposition and Development Agreement (DDA) with 501 Albertoni, LLC, a Delaware limited liability company (Developer), for development of retail space as follows: new commercial retail center of approximately 40,000 square feet, a 6,500 square feet freestanding El Pescador restaurant, and an additional 33,500 square feet of commercial space. The Agency agreed to sell the land to the Developer in the amount of \$3,049,200. Upon the close of escrow, the Developer made a cash payment of \$750,000 to the Agency. A promissory note and deed of trust was issued for the remaining \$2,299,200. After the completion of the project, \$799,000 was forgiven. Repayment of the remaining \$1,500,000 is tied to the operation of the El Pescador restaurant - each year the restaurant is in operation, the amount of the note will be reduced by 20%. On September 20, 2014, the loan was fully amortized. On January 31, 2008, the Agency sold the property to 501 Albertoni, LLC. A dispute arose over the meaning of Attachment No. 9 to the DDA entitled "Purchase Price Adjustment" and whether Developer was required to pay the Agency an additional purchase price of \$586,654. On April 6, 2010, both parties entered into a settlement agreement whereby the Developer agreed to pay \$400,000 in full consideration.

Payment of the settlement was agreed as follows: \$50,000 to be paid in the form of a certified check and \$350,000 in the form of an unsecured promissory note at an interest rate of 3% per year. Specifically, the Developer is required to make an interest payment of \$2,625 per quarter for 10 years commencing on June 30, 2010 with the \$350,000 balance due at the earlier of March 20, 2020 or the date of the sale of the property. The property was sold by Primestor on July 18, 2014 and the Agency received the \$350,000 balance at closing.

**Carson Marketplace, LLC**

On July 25, 2006, the Agency entered into an Owner Participation Agreement (OPA) with Carson Marketplace LLC, a Delaware limited liability company (Developer), to effectuate the redevelopment plan for Redevelopment Project Area No. 1 by providing for public improvements and the remediation of the 157-acre portion of the total 168-acre property. Under the OPA, the Agency is committed to providing \$110 million in public financial assistance. In addition, the Agency committed to finance the improvements to the I-405/Avalon Boulevard on-off ramp system. Developer is obligated to contribute \$25 million toward this project. Total financial assistance granted to the Developer as of June 30, 2015 amounted to \$69.6 million. This project was cancelled and a settlement agreement between the Agency and the Developer was drafted and approved by the State Department of Finance on April 27, 2015. There are two new project proposals for the site. These proposals provide that the site will be developed as either a National Football League stadium or a regional shopping center. The proposals are still being evaluated and their terms are subject to negotiations.



**NOTE 16      SUCCESSOR AGENCY DISCLOSURES (CONTINUED)**

**The Gateway at City Center - 720 E. Carson St. & the Renaissance at City Center - 21800 S. Avalon**

On March 18, 2008, the Agency entered into three separate agreements with Thomas Safran (Developer), for a mixed-use development with two major components: an affordable senior housing component and a commercial component. This large scale development is located on a 4.5 acre site at the southeast corner of Carson Street and Avalon Boulevard.

On April 7, 2009, the Agency entered into an Owner Participation Agreement (OPA) with the Developer to develop a mixed-use project that includes 85 units of affordable senior rental housing plus one market-rate manager's unit, approximately 10,000 square foot of commercial space, and underground and surface-level parking (Phase I). On May 3, 2010, the Agency provided \$13,900,000 in financial assistance in the form of an interest-free loan for the senior housing component. Phase I was completed in April 2011.

On June 1, 2010, the Agency entered into a Disposition and Development Agreement (DDA) with Thomas Safran & Associates, Inc. and Carson City Center South LLC (Developer) for Phase II, a mixed-used project consisting of 150 new market-rate rental housing units, and approximately 25,000 square feet of commercial space, including subterranean and surface parking. The Agency sold three parcels to the developer immediately adjacent to the site for \$2,340,000 (fair market value). The Agency-owned properties together with the Developer's properties constitute the full development site.

On July 29, 2010, the Agency provided \$7,500,000 in financial assistance in the form of a grant to assist with the commercial component of the project.

**WIN Chevrolet, Properties, LLC - 2201 E. 223<sup>rd</sup> St.**

On April 21, 2009, the Agency approved the purchase of the C-P Land Company (Developer) property at 2201 E. 223<sup>rd</sup> Street (Property). The Agency then leased Property to the Cormier Chevrolet Company (Dealership) at the same address. In November 2011, after entering into a partnership with the Win Company (Win) with Win as majority interest partner, the Dealership exercised its repurchase rights of the Property under the DDA. The Agency sold the Property to the partnership, which renamed the new dealership Win Chevrolet. The Property was sold for \$12,000,000; there was a \$5,000,000 cash payment and a performance promissory note (Note) of \$7,000,000 which was carried back by the Agency. The Note amount will be reduced at a rate of 1/20 of the original principal balance each year that the dealership operates in compliance with the 20-year operating covenant. If the new dealership ceases to operate, the balance of the Note will become due and payable to the Agency.

**NOTE 16      SUCCESSOR AGENCY DISCLOSURES (CONTINUED)**

**WIN Chevrolet, Properties, LLC - 2201 E. 223<sup>rd</sup> St. (continued)**

A second note of \$500,000 is tied to the upgrade of the existing dealership through the building of a new Hyundai vehicle showroom. The loan is forgivable if the showroom is completed within 5 years of the effective date of the DDA. The showroom was completed within the 5-year period and the loan was reconveyed on November 20, 2014. As of June 30, 2015, WIN Chevrolet has a loan balance of \$5,950,000.

**Hilland - Nissan Real Estate - 1505 E. 223<sup>rd</sup> St.**

On July 6, 2010, the Agency and Hilland Nissan (Owner) entered into a Disposition and Development Agreement (DDA) pursuant to which the Agency provided the Owner with \$3,000,000 of financial assistance to facilitate the Owner's long-term operation of a new Nissan dealership at the property located at 1505 E. 223<sup>rd</sup> St. (Site). Pursuant to the terms of the DDA, the Agency provided the Owner with a \$3 million loan backed by a performance promissory note (Note), secured by a deed of trust on the Site. Principal due on the 15-year Note is reduced annually by an amount equal to 50% of the sales tax generated above a threshold gross sales amount defined in the Note. As of June 30, 2015, the loan balance is \$2,169,900.

**NOTE 17      SUBSEQUENT EVENTS**

The City has evaluated events subsequent to June 30, 2015 to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through December 22, 2015., the date the financial statements were available to be issued. Based upon this evaluation, it was determined that no subsequent events occurred that require recognition or additional disclosure in the financial statements.

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# **REQUIRED SUPPLEMENTARY INFORMATION**

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CITY OF CARSON, CALIFORNIA  
COMPREHENSIVE ANNUAL FINANCIAL REPORT



**GENERAL FUND**

The General Fund accounts for all financial resources that are not restricted as to their use or required to be accounted for in another fund. These resources include sales and use tax, property taxes, utility users tax, franchise taxes, business license fees, building permits, interest on investments, fines and forfeitures, charges for services, and other miscellaneous revenues.

General Fund resources are used to finance the general governmental operations of the City of Carson. The city departments that are listed below are supported by the General Fund. The list likewise shows the services that each department provides.

**City Council**

Local legislative policy

**City Attorney**

Legal advisor to City Council and departments  
Preparations of resolutions and ordinances  
Contract review  
Litigation

**City Clerk**

Records management  
Preparation of minutes  
Codification of municipal code  
Elections

**City Treasurer**

Investments  
Cash management  
Cashiering

**Community Development**

Employment development  
Business development  
Successor Agency  
Housing Authority  
Housing and neighborhood development  
Planning  
Building and safety

**Administrative Services**

Revenue collection  
Business license  
Budget preparation  
Financial reporting  
Grants accounting  
Accounts payable  
Payroll  
Purchasing  
Reproduction and mail services  
Warehouse operations  
Information technology

**Community Services**

Parks and recreation  
Special events  
Sherriff's contract  
Code enforcement and compliance  
Security services  
Youth services  
Safety and emergency services  
Pedestrian safety  
Senior services  
Fine Arts  
Transportation  
Community center

**City Manager**

Implementation of City Council policies  
Intergovernmental relations  
Public information  
Preparation of agendas  
Human resources  
Recruitment/training  
Worker's compensation  
Risk assessment and management  
Benefits administration

**Public Works**

General engineering  
Contract administration  
Construction engineering  
Public works  
Street and parkway maintenance  
Vehicle and equipment maintenance  
Median and tree maintenance  
Waste management  
Environmental  
Building and landscape maintenance

**Non-Departmental**

Retiree health insurance  
Program support

**City of Carson  
GENERAL FUND  
Schedule of Revenues –Budget and Actual  
Year ended June 30, 2015**

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
<b>Taxes</b>				
Sales and use tax	\$ 21,483,029	\$ 21,483,029	\$ 21,820,128	\$ 337,099
Franchise tax	7,913,779	7,913,779	8,274,908	361,129
Property tax allocation from state	14,569,366	14,569,366	14,290,374	(278,992)
Transient occupancy tax	1,589,504	1,589,504	1,812,310	222,806
Utility Users tax	8,524,298	8,524,298	8,135,144	(389,154)
Real property transfer tax	239,232	239,232	429,898	190,666
Admissions tax	330,325	330,325	458,117	127,792
Total taxes	<u>54,649,533</u>	<u>54,649,533</u>	<u>55,220,879</u>	<u>571,346</u>
<b>Licenses and permits</b>				
Business licenses	2,593,914	2,593,914	2,698,782	104,868
Building permits	2,778,462	2,778,462	2,903,621	125,159
Other licenses and permits	631,104	631,104	703,850	72,746
Total licenses and permits	<u>6,003,480</u>	<u>6,003,480</u>	<u>6,306,253</u>	<u>302,773</u>
<b>Fines, forfeitures and property:</b>				
Traffic and parking fines	1,610,843	1,610,843	1,294,515	(316,328)
Other fines, forfeitures and penalties	337,710	337,710	484,711	147,001
Total fines, forfeitures and penalties	<u>1,948,553</u>	<u>1,948,553</u>	<u>1,779,226</u>	<u>(169,327)</u>
<b>Use of money and property:</b>				
Interest on investments	286,512	286,512	247,026	(39,486)
Rents and commissions	637,499	686,499	1,036,854	350,355
Community Center revenue	771,217	771,217	733,304	(37,913)
Total use of money and property	<u>1,695,228</u>	<u>1,744,228</u>	<u>2,017,184</u>	<u>272,956</u>
<b>Intergovernmental:</b>				
Motor vehicle licenses	42,550	42,550	40,296	(2,254)
Other intergovernmental	258,558	258,558	536,779	278,221
Total intergovernmental	<u>301,108</u>	<u>301,108</u>	<u>577,075</u>	<u>275,967</u>
<b>Charges for services:</b>				
Planning and public works	395,542	395,542	439,362	43,820
Recreation	1,482,687	1,482,687	1,538,419	55,732
Other service charges	404,793	404,793	433,775	28,982
Total charges for services	<u>2,283,022</u>	<u>2,283,022</u>	<u>2,411,556</u>	<u>128,534</u>
Other revenues	1,756,668	2,388,625	3,093,676	705,051
Other financing sources	1,632,000	1,632,000	1,833,964	201,964
Total General Fund revenues	<u>\$ 70,269,592</u>	<u>\$ 70,950,549</u>	<u>\$ 73,239,813</u>	<u>\$ 2,289,264</u>

**City of Carson  
GENERAL FUND  
Schedule of Expenditures – Budget and Actual  
Year ended June 30, 2015**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
General Government:				
City Council	\$ 1,028,248	\$ 1,115,995	\$ 1,049,413	\$ 66,582
City Attorney	1,505,000	2,109,220	2,898,717	(789,497)
Non Departmental	4,251,925	6,003,300	5,991,854	11,446
City Clerk	916,727	1,200,527	1,224,636	(24,109)
City Treasurer	769,261	763,940	754,006	9,934
City Manager	3,802,087	3,810,055	3,761,499	48,556
Administrative Services	6,676,732	6,705,987	6,242,770	463,217
Total General Government	<u>18,949,980</u>	<u>21,709,024</u>	<u>21,922,895</u>	<u>(213,871)</u>
Community Development	5,029,070	5,043,764	4,422,659	621,105
Public Works	15,411,226	15,580,759	14,922,925	657,834
Community Services	31,788,499	32,083,566	31,867,128	216,438
Subtotal current expenditures	<u>71,178,775</u>	<u>74,417,113</u>	<u>73,135,607</u>	<u>1,281,506</u>
Capital Improvement Program	-	5,049,660	5,779,786	(730,126)
Other Financing Uses	-	1,018,204	1,019,060	(856)
Total General Fund expenditures	<u>71,178,775</u>	<u>80,484,977</u>	<u>79,934,453</u>	<u>550,524</u>
<b>Net General Fund expenditures</b>	<b>\$ <u>71,178,775</u></b>	<b>\$ <u>80,484,977</u></b>	<b>\$ <u>79,934,453</u></b>	<b>\$ <u>550,524</u></b>

City of Carson  
**CARSON HOUSING AUTHORITY**

**Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual  
Year ended June 30, 2015**

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	<u>Budgeted Amounts</u>		Variance with Final Budget Positive (Negative)
	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>			
Use of money and property	\$ 531,597	\$ 490,444	\$ (41,153)
Miscellaneous	1,238,000	13,332	(1,224,668)
<b>Total revenues</b>	<u>1,769,597</u>	<u>503,776</u>	<u>(1,265,821)</u>
<b>Expenditures</b>			
Current:			
Community development	<u>4,476,397</u>	<u>2,573,532</u>	<u>1,902,865</u>
<b>Total expenditures</b>	<u>4,476,397</u>	<u>2,573,532</u>	<u>1,902,865</u>
Excess (deficiency) of revenues over expenditures	(2,706,800)	(2,069,756)	637,044
<b>Other financing sources (uses)</b>			
Transfers in	<u>700,844</u>	<u>213,132</u>	<u>(487,712)</u>
Change in fund balance	<u>\$ (2,005,956)</u>	(1,856,624)	<u>\$ 149,332</u>
Fund balances, beginning of year		<u>32,568,674</u>	
Fund balances, end of year		<u>\$ 30,712,050</u>	



**City of Carson**  
**COOPERATION AGREEMENT BOND PROCEEDS FUND**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual**  
**Year ended June 30, 2015**

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	<u>Budgeted Amounts</u>		<u>Variance with</u>
	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u>
			<u>Positive</u>
			<u>(Negative)</u>
<b>Revenues</b>			
Use of money and property	\$ -	\$ 34,575	\$ 34,575
<b>Total revenues</b>	<u>-</u>	<u>34,575</u>	<u>34,575</u>
 <b>Expenditures</b>			
Current:			
Community development	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>
 Excess (deficiency) of revenues over expenditures	-	34,575	34,575
 <b>Other financing sources (uses)</b>			
Transfers in	-	40,057,886	40,057,886
 Change in fund balance	<u>\$ -</u>	<u>40,092,461</u>	<u>\$ 40,092,461</u>
 Fund balances, beginning of year		<u>-</u>	
 Fund balances, end of year		<u>\$ 40,092,461</u>	

**City of Carson**  
**Schedule of Funding Progress – Other Postemployment Benefit Plan**  
**June 30, 2015**

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Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll (c)/(b-a)
7/1/2010	\$ -	\$ 50,765,291	\$ 50,765,291	0%	\$ 27,107,068	187%
7/1/2011	-	48,138,659	48,138,659	0%	25,455,297	189%
7/1/2013	7,287,038	48,365,461	41,078,423	15%	23,621,000	174%

**City of Carson**  
**California Public employees' Retirement System – Miscellaneous Plan**  
**Schedule of Changes in the Net Pension Liability And Related Ratios**  
**Last Ten Years\***

<b>Measurement Period</b>	<b>2013-14</b>
<b>Total Pension Liability</b>	
Service Cost	\$ 4,634,164
Interest on total pension liability	16,199,814
Differences between expected and actual experience	—
Changes in assumptions	—
Changes in benefits	—
Benefit payments, including refunds of employee contributions	<u>(9,448,777)</u>
<b>Net change in total pension liability</b>	<b>11,385,201</b>
<b>Total pension liability - beginning</b>	<b>218,404,819</b>
<b>Total pension liability - ending (a)</b>	<b><u>\$ 229,790,020</u></b>
<b>Plan Fiduciary Net Position</b>	
Contributions - employer	\$ 6,276,475
Contributions - employee	2,460,111
Net investment income	25,449,700
Benefit payments	<u>(9,448,777)</u>
<b>Net change in plan fiduciary net position</b>	<b>24,737,509</b>
<b>Plan fiduciary net position - beginning</b>	<b>143,635,495</b>
<b>Plan fiduciary net position - ending (b)</b>	<b><u>\$ 168,373,004</u></b>
<b>Net pension liability - ending (a)-(b)</b>	<b><u>\$ 61,417,016</u></b>
Plan fiduciary net position as a percentage of the total pension liability	<u>73.27%</u>
Covered - employee payroll	<u>\$23,683,572</u>
Net pension liability as percentage of covered-employee payroll	<u>259.32%</u>

**Notes to Schedule:**

**Benefit changes** - The figures above do not include any liability impact that may have resulted from plan changes which occurred after June 30, 2013. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes)

**Changes in assumption** - There were no changes in assumptions as of the measurement date, June 30, 2014.

\* Fiscal year 2015 was the first year of implementation, therefore only one year is shown.

**City of Carson**  
**California Public employees' Retirement System – Miscellaneous Plan**  
**Schedule of Plan Contributions**  
**Last Ten Years\***

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	<b>2015</b>
Actually determined contributions	\$ 6,276,475
Contributions in relation to the actuarially determined contributions	<u>(6,276,475)</u>
Contribution deficiency / (excess)	<u>\$ -</u>
Covered-Employee Payroll	<u>\$23,683,572</u>
Contributions as a percentage of Covered-Employee Payroll	<u>26.50%</u>

**Notes to Schedule:**

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2013-14 were from the June 30, 2011 public agency valuations.

Actuarial Cost Method	Entry age normal
Amortization method / Period	Level percent of payroll
Asset valuation method	15 year Smoothed Market
Inflation	2.75%
Salary increases	Varies by Entry age and Service
Payroll Growth	3.00%
Investment rate of return	7.50%, net of pension plan investment expense and administrative expenses including inflation.
Retirement age	The probabilities of retirement are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007.
Mortality	The probabilities of mortality are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007. Pre-retirement and Post-retirement mortality rates include 5 years of projected mortality improvement using Scale AA published by the Society of Actuaries.

\* Fiscal year 2015 was the first year of implementation, therefore only one year is shown.

### **Budgetary Control and Accounting**

The following procedures are utilized by the City in formulating its annual budget:

- Early in the calendar year, the Directors prepare estimates of required appropriations for the following fiscal year. These estimates are compiled into a proposed operating budget.
- The City Manager submits the proposed budget to the City Council for the subsequent fiscal year. The operating budget includes both the sources and types of funds for the proposed expenditures. The City Council and staff meet in budget workshops in order to relate requests with available resources.
- Public hearings are conducted to obtain taxpayer comments on the proposed budget being adopted. Pursuant to provisions of the Carson Municipal Code, the General Fund budget must be adopted no later than July 20 of the new fiscal year. The budget is legally enacted through passage of a resolution.
- The City Manager is authorized to transfer budgeted amounts between departments within any fund; however, any revision that alters the total expenditures of any fund must be approved by the City Council. The budget is generally amended during the fiscal year to reflect adjustments, as authorized by the City Council. Expenditures may not legally exceed appropriations at the fund level.
- Formal budgetary integration is employed as a management control device during the year. Commitments for materials and services, such as purchase orders and contracts are recorded during the year as encumbrances in order to reserve that portion of the applicable appropriation. Encumbrances outstanding at year-end are treated as a reservation of fund balance since they do not constitute expenditures or liabilities.
- It is the practice of the City to give Finance staff some discretion with respect to budget amounts for year-end purposes.

Budgeted amounts are reported on the same basis of accounting as the fund types they relate to (modified-accrual) and adopted on a basis consistent with generally accepted accounting principles (GAAP). All unexpended appropriations expire at year-end and if warranted are reappropriated in the next budget cycle. Annual budgets are prepared for all governmental fund types expected to have activity during the fiscal year.

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# **SUPPLEMENTARY SCHEDULES**

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CITY OF CARSON, CALIFORNIA  
COMPREHENSIVE ANNUAL FINANCIAL REPORT



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# **GOVERNMENTAL FUNDS**

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CITY OF CARSON, CALIFORNIA  
COMPREHENSIVE ANNUAL FINANCIAL REPORT





### **SPECIAL REVENUE FUNDS**

Special Revenue funds are used to account for specific revenues that are legally restricted to expenditure for a particular purpose. All the Special Revenue funds of the City are nonmajor governmental funds.

The **Asset Forfeiture Fund** accounts for funds accumulated through seizure and forfeiture of properties, which are then used to supplement funds for public safety services.

The **State Gas Tax Fund** accounts for revenues apportioned under the Streets and Highway Code of the State of California. These funds can be expended for any street-related purpose.

The **TDA Article 3 Fund** accounts for Transportation Development Act grant monies received for building or improving bicycle paths and handicapped accesses.

The **Proposition A Local Return Fund** is used to account for the City's share of an additional one-half cent sales tax, which was approved by the electorate in November 1980. These funds must be used for local transportation programs.

The **Proposition C Local Return Fund** is used to account for the City's share of an additional one-half cent sales tax, which was approved by the electorate in November 1990. These funds must be used for local transportation programs.

The **Air Quality Improvement Fund** accounts for revenues and expenditures for clean air measures authorized by AB2766, which increased motor vehicle registration fees.

The **Self-Supporting Fund** accounts for the self-sustaining programs of the City.

The **Capital Asset Replacement Fund** is used to finance and account for the on-going replacement of the City's stock of vehicles, heavy equipment, specialized equipment, and office furniture and equipment. It is also used to renovate and construct City building and park facilities.

The **Measure R Fund** is used to account for the City's share of an additional half-cent sales tax that became effective on July 1, 2009. The fund is used for transportation and highway projects.

The **Restricted Administrative Tow Fee Fund** represents the \$56 out of the \$175 collected for administering the City's towing program, which is being exclusively used to address the public safety and code enforcement issues in the City.

The **Youth Services Program Fund** accounts for funds related to the implementation of the following youth services program: (a) Parent Project (b) Positive Choices (c) Anger Management (d) Youth and the Law and (e) Community Services.

The **MTA Call for Projects Fund** accounts for the Los Angeles County Metropolitan Transportation Authority (MTA) Call-for-Project programs. The fund is used to improve all modes of surface transportation.

The **Parks and Recreation Funds** are used to account for capital improvements at City parks and recreation facilities. Included in this category is the Park Development Fund, which accounts for monies used to implement capital improvements to various parks and the Los Angeles County Park District Grant Fund.

The **State Grant Funds** represent five funds used for specific community programs. The Beverage Container Recycling Fund is used for the effective disposal of recyclable containers while preserving the environment. The State COPS Grant Fund is used to provide a Community Oriented Policing program. The Used Oil State Grant Fund is used to increase public awareness of the benefits of recycling oil. The State Local Transportation Fund accounts for a variety of state transportation grant. The Proposition 1B passed in 2006, is also dedicated to the reduction of traffic congestion and increase in traffic safety. The State CIP Grants Fund accounts for all grants received from the State to fund the non-recurring CIP projects of the city.

The **Federal Grant Funds** account for six types of federal grant monies. The OJP/JAG Assistance Grant Fund accounts for monies required to be expended for public safety services that include anti-gang and community crime prevention activities. The Family Support Grant Fund provides funds for a Youth Enrichment Scholarship Program available to children ages 17 and under, who are local area residents and are in financial need. The Housing and Community Development Fund accounts for funds used for a variety of projects and programs primarily benefiting low-income residents. These funds were originally authorized under the Housing and Community Development Act of 1974 and their expenditure is approved by the Department of Housing and Urban Development (HUD). The Federal Highway Planning Grant Fund accounts for federal monies passed through the State of California Department of Transportation to local cities for the construction and repair of inter-connected Interstate highways and other public roads important to interstate commerce and travel. The Workforce Investment Act (WIA) Grant Fund provides assistance for youth employment, training efforts, and dislocated worker support services. The Neighborhood Stabilization Program Grant Fund accounts for monies received for the purpose of stabilizing communities that have suffered from foreclosures and abandonment. This grant was authorized under the American Recovery and Reinvestment Act (ARRA).





	Asset Forfeiture Fund	State Gas Tax Fund	TDA Article 3 Fund	Proposition A Local Return Fund
<b>ASSETS</b>				
Cash and investments	\$ 3,092	\$ 424,416	\$ -	\$ 710,716
Receivables:				
Accounts	-	-	-	3,409
Loans, interest and other	-	-	-	-
Due from Successor Agency	-	-	-	-
Due from governmental agencies	-	239,249	72,082	21,763
Prepays and other assets	-	-	-	-
<b>Total assets</b>	<u>\$ 3,092</u>	<u>\$ 663,665</u>	<u>\$ 72,082</u>	<u>\$ 735,888</u>
<b>LIABILITIES</b>				
Accounts payable and accrued liabilities	\$ 3,016	\$ 370,164	\$ 5,050	\$ 247,907
Accrued payroll	-	2,480	-	14,028
Due to other funds	-	-	60,132	-
Due to Successor Agency	-	7,227	-	-
Retentions payable	-	20,455	-	-
Unearned revenue	-	-	-	-
<b>Total liabilities</b>	<u>3,016</u>	<u>400,326</u>	<u>65,182</u>	<u>261,935</u>
<b>FUND BALANCES (DEFICIT)</b>				
Restricted	76	263,339	6,900	473,953
Assigned	-	-	-	-
Unassigned	-	-	-	-
<b>Total fund balances</b>	<u>76</u>	<u>263,339</u>	<u>6,900</u>	<u>473,953</u>
<b>Total liabilities and fund balances</b>	<u>\$ 3,092</u>	<u>\$ 663,665</u>	<u>\$ 72,082</u>	<u>\$ 735,888</u>

**City of Carson**  
**All Nonmajor Special Revenue Funds**  
**Combining Balance Sheet**  
**June 30, 2015**

Proposition C Local Return Fund	Air Quality Improvement Fund	Self- Supporting Fund	Capital Asset Replacement Fund	Measure R Fund	Restricted Administrative Tow Fee Fund	Youth Services Program Fund
\$ 928,037	\$ 233,946	\$ -	\$ 528,577	\$ 858,927	\$ 63,533	\$ 51,112
-	-	-	-	-	5,208	-
-	-	-	-	8,096	-	-
-	30,159	-	-	-	-	-
-	-	4,770	-	-	-	-
<u>\$ 928,037</u>	<u>\$ 264,105</u>	<u>\$ 4,770</u>	<u>\$ 528,577</u>	<u>\$ 867,023</u>	<u>\$ 68,741</u>	<u>\$ 51,112</u>
\$ 166,717	\$ 258	\$ 20,326	\$ 34,454	\$ 604,753	\$ 1,448	\$ -
917	-	69,438	-	-	-	-
-	-	4,500	-	-	-	-
-	-	-	-	9,493	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>167,634</u>	<u>258</u>	<u>94,264</u>	<u>34,454</u>	<u>614,246</u>	<u>1,448</u>	<u>-</u>
760,403	263,847	-	494,123	252,777	67,293	51,112
-	-	-	-	-	-	-
-	-	(89,494)	-	-	-	-
<u>760,403</u>	<u>263,847</u>	<u>(89,494)</u>	<u>494,123</u>	<u>252,777</u>	<u>67,293</u>	<u>51,112</u>
<u>\$ 928,037</u>	<u>\$ 264,105</u>	<u>\$ 4,770</u>	<u>\$ 528,577</u>	<u>\$ 867,023</u>	<u>\$ 68,741</u>	<u>\$ 51,112</u>

**City of Carson**  
**All Nonmajor Special Revenue Funds**  
**Combining Balance Sheet (Continued)**  
**June 30, 2015**

	MTA Call for Projects Fund	Parks and Recreation Funds	State Grant Funds	Federal Grant Funds	Totals
<b>ASSETS</b>					
Cash and investments	\$ -	\$ 1,254,162	\$ 209,827	\$ 759,848	\$ 6,026,193
Receivables:					
Accounts	-	-	-	-	8,617
Loans, interest and other	-	-	-	297,629	297,629
Due from Successor Agency	-	-	-	-	8,096
Due from governmental agencies	820,880	176,110	54,797	1,015,542	2,430,582
Prepays and other assets	-	-	-	-	4,770
<b>Total assets</b>	<b>\$ 820,880</b>	<b>\$ 1,430,272</b>	<b>\$ 264,624</b>	<b>\$ 2,073,019</b>	<b>\$ 8,775,887</b>
<b>LIABILITIES</b>					
Accounts payable and accrued liabilities	\$ -	\$ -	\$ 50,473	\$ 376,048	\$ 1,880,614
Accrued payroll	-	-	-	16,160	103,023
Due to other funds	629,527	27,036	19,350	746,325	1,486,870
Due to Successor Agency	62,711	-	-	-	79,431
Retentions payable	-	17,571	13,010	-	51,036
Unearned revenue	31,376	176,110	24,568	228,995	461,049
<b>Total liabilities</b>	<b>\$ 723,614</b>	<b>\$ 220,717</b>	<b>\$ 107,401</b>	<b>\$ 1,367,528</b>	<b>\$ 4,062,023</b>
<b>FUND BALANCES (DEFICIT)</b>					
Restricted	97,266	1,254,162	157,227	776,034	4,918,512
Assigned	-	-	-	-	-
Unassigned	-	(44,607)	(4)	(70,543)	(204,648)
<b>Total fund balances</b>	<b>\$ 97,266</b>	<b>\$ 1,209,555</b>	<b>\$ 157,223</b>	<b>\$ 705,491</b>	<b>\$ 4,713,864</b>
<b>Total liabilities and fund balances</b>	<b>\$ 820,880</b>	<b>\$ 1,430,272</b>	<b>\$ 264,624</b>	<b>\$ 2,073,019</b>	<b>\$ 8,775,887</b>



**City of Carson**  
**Nonmajor Special Revenue Funds**  
**Combining Balance Sheet – Parks and Recreation Funds**  
**June 30, 2015**

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	Park Development Fund	LA County Park District Fund	Totals
<b>ASSETS</b>			
Cash and investments	\$ 1,254,162	\$ -	\$ 1,254,162
Due from governmental agencies	-	176,110	176,110
<b>Total assets</b>	<b>\$ 1,254,162</b>	<b>\$ 176,110</b>	<b>\$ 1,430,272</b>
<b>LIABILITIES</b>			
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -
Due to other funds	-	27,036	27,036
Retentions payable	-	17,571	17,571
Unearned revenue	-	176,110	176,110
<b>Total liabilities</b>	<b>-</b>	<b>220,717</b>	<b>220,717</b>
<b>FUND BALANCES (DEFICIT)</b>			
Restricted	1,254,162	-	1,254,162
Unassigned	-	(44,607)	(44,607)
<b>Total fund balances</b>	<b>1,254,162</b>	<b>(44,607)</b>	<b>1,209,555</b>
<b>Total liabilities and fund balances</b>	<b>\$ 1,254,162</b>	<b>\$ 176,110</b>	<b>\$ 1,430,272</b>

**City of Carson  
Nonmajor Special Revenue Funds  
Combining Balance Sheet – State Grant Funds  
June 30, 2015**

	Beverage Container Recycling Fund	State COPS Grant Fund	Used Oil State Grant Fund	State Local Transportation Fund	Proposition 1B Fund	State CIP Grants Fund	Totals
<b>ASSETS</b>							
Cash and investments	\$ 95,579	\$ 101,210	\$ -	\$ -	\$ -	\$ 13,038	\$ 209,827
Due from governmental agencies	24,568	-	-	-	30,229	-	54,797
<b>Total assets</b>	<b>\$ 120,147</b>	<b>\$ 101,210</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 30,229</b>	<b>\$ 13,038</b>	<b>\$ 264,624</b>
<b>LIABILITIES</b>							
Accounts payable and accrued liabilities	\$ 21,090	\$ 18,500	\$ -	\$ -	\$ 10,883	\$ -	\$ 50,473
Due to other funds	-	-	-	-	19,350	-	19,350
Retentions payable	-	-	-	-	-	13,010	13,010
Unearned revenue	24,568	-	-	-	-	-	24,568
<b>Total liabilities</b>	<b>45,658</b>	<b>18,500</b>	<b>-</b>	<b>-</b>	<b>30,233</b>	<b>13,010</b>	<b>107,401</b>
<b>FUND BALANCES (DEFICIT)</b>							
Restricted	74,489	82,710	-	-	-	28	157,227
Unassigned	-	-	-	-	(4)	-	(4)
<b>Total fund balances</b>	<b>74,489</b>	<b>82,710</b>	<b>-</b>	<b>-</b>	<b>(4)</b>	<b>28</b>	<b>157,223</b>
<b>Total liabilities and fund balances</b>	<b>\$ 120,147</b>	<b>\$ 101,210</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 30,229</b>	<b>\$ 13,038</b>	<b>\$ 264,624</b>



	Department of Justice/ OJP Grant Fund	Family Support Grant Fund	HOME Fund
<b>ASSETS</b>			
Cash and investments	\$ -	\$ 10,221	\$ -
Receivables:			
Loans, interest and other	-	-	63,995
Due from governmental agencies	-	12,840	67,277
<b>Total assets</b>	<b>\$ -</b>	<b>\$ 23,061</b>	<b>\$ 131,272</b>
<b>LIABILITIES</b>			
Accounts payable and accrued liabilities	\$ -	\$ 909	\$ 160
Accrued payroll	-	2,064	-
Due to other funds	-	-	67,117
Deferred revenue	-	-	63,995
<b>Total liabilities</b>	<b>-</b>	<b>2,973</b>	<b>131,272</b>
<b>FUND BALANCES (DEFICIT)</b>			
Restricted	-	20,088	-
Unassigned	-	-	-
<b>Total fund balances</b>	<b>-</b>	<b>20,088</b>	<b>-</b>
<b>Total liabilities and fund balances</b>	<b>\$ -</b>	<b>\$ 23,061</b>	<b>\$ 131,272</b>

**City of Carson  
Nonmajor Special Revenue Funds  
Combining Balance Sheet – Federal Grant Funds  
June 30, 2015**

Community Development Block Grant Fund	Federal Highway Planning Grant Fund	WIA Grant Fund	Neighborhood Stabilization Grant Fund	Totals
\$ 455,599	\$ -	\$ -	\$ 294,028	\$ 759,848
68,634	-	-	165,000	297,629
40,832	848,272	46,321	-	1,015,542
<u>\$ 565,065</u>	<u>\$ 848,272</u>	<u>\$ 46,321</u>	<u>\$ 459,028</u>	<u>\$ 2,073,019</u>
\$ 97,730	\$ 274,274	\$ 1,977	\$ 998	\$ 376,048
3,851	-	9,577	668	16,160
-	644,541	34,667	-	746,325
-	-	-	165,000	228,995
<u>101,581</u>	<u>918,815</u>	<u>46,221</u>	<u>166,666</u>	<u>1,367,528</u>
463,484	-	100	292,362	776,034
-	(70,543)	-	-	(70,543)
<u>463,484</u>	<u>(70,543)</u>	<u>100</u>	<u>292,362</u>	<u>705,491</u>
<u>\$ 565,065</u>	<u>\$ 848,272</u>	<u>\$ 46,321</u>	<u>\$ 459,028</u>	<u>\$ 2,073,019</u>

	Asset Forfeiture Fund	State Gas Tax Fund	TDA Arcticle 3 Fund	Proposition A Local Return Fund
<b>Revenues</b>				
Taxes	\$ -	\$ -	\$ -	\$ 1,630,512
Fines and forfeitures	7,912	-	-	-
Charges for services	-	-	-	-
Charges to other funds	-	-	-	-
Intergovernmental	-	2,690,593	72,082	244,703
Use of money and property	75	541	-	5,348
Miscellaneous	-	14,646	-	168,100
<b>Total revenues</b>	<u>7,987</u>	<u>2,705,780</u>	<u>72,082</u>	<u>2,048,663</u>
<b>Expenditures</b>				
Current:				
Community services	-	-	-	2,367,758
Public works	-	-	-	-
Community development	13,961	-	-	-
Capital improvement programs	-	2,160,418	91,045	-
<b>Total expenditures</b>	<u>13,961</u>	<u>2,160,418</u>	<u>91,045</u>	<u>2,367,758</u>
Excess (deficiency) of revenues over expenditures	<u>(5,974)</u>	<u>545,362</u>	<u>(18,963)</u>	<u>(319,095)</u>
<b>Other financing sources (uses)</b>				
Transfers in	-	122,033	-	-
Transfers out	-	(1,025,000)	-	-
<b>Net other financing sources (uses)</b>	<u>-</u>	<u>(902,967)</u>	<u>-</u>	<u>-</u>
Change in fund balance	(5,974)	(357,605)	(18,963)	(319,095)
<b>Fund balances, beginning of year</b>	<u>6,050</u>	<u>620,944</u>	<u>25,863</u>	<u>793,048</u>
<b>Fund balances, end of year</b>	<u>\$ 76</u>	<u>\$ 263,339</u>	<u>\$ 6,900</u>	<u>\$ 473,953</u>

**City of Carson**  
**All Nonmajor Special Revenue Funds**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Year ended June 30, 2015**

Proposition C Local Return Fund	Air Quality Improvement Fund	Self Supporting Fund	Capital Asset Replacement Fund	Measure R Fund	Restricted Administrative Tow Fee Fund	Youth Services Program Fund
1,355,259	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	141,164	-	-	59,416	-
-	-	923,275	-	-	-	3,875
-	-	-	6,600	-	-	-
-	114,935	-	-	1,014,581	-	-
6,054	1,408	-	-	9,517	433	-
90,606	-	-	56,037	-	-	-
<u>1,451,919</u>	<u>116,343</u>	<u>1,064,439</u>	<u>62,637</u>	<u>1,024,098</u>	<u>59,849</u>	<u>3,875</u>
1,148,300	19,210	1,178,251	268,482	-	36,628	1,097
-	-	-	134,976	2,971,667	-	-
45	-	-	-	-	-	-
-	-	8,647	302,201	132,608	-	-
<u>1,148,345</u>	<u>19,210</u>	<u>1,186,898</u>	<u>705,659</u>	<u>3,104,275</u>	<u>36,628</u>	<u>1,097</u>
303,574	97,133	(122,459)	(643,022)	(2,080,177)	23,221	2,778
-	-	-	1,018,204	-	-	-
-	-	-	(575,000)	-	-	-
-	-	-	443,204	-	-	-
303,574	97,133	(122,459)	(199,818)	(2,080,177)	23,221	2,778
456,829	166,714	32,965	693,941	2,332,954	44,072	48,334
<u>760,403</u>	<u>263,847</u>	<u>(89,494)</u>	<u>494,123</u>	<u>252,777</u>	<u>67,293</u>	<u>51,112</u>

**City of Carson**  
**All Nonmajor Special Revenue Funds**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**(Continued)**  
**Year ended June 30, 2015**

	MTA Call for Projects Fund	Parks and Recreation Funds	State Grant Funds	Federal Grant Funds	Totals
<b>Revenues</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 2,985,771
Fines and forfeitures	-	-	-	-	208,492
Charges for services	-	-	-	-	927,150
Charges to other funds	-	-	-	-	6,600
Intergovernmental	2,216,996	342,624	511,804	3,944,432	11,152,750
Use of money and property	-	10,479	1,514	466,048	501,417
Miscellaneous	-	71,188	-	111,223	511,800
<b>Total revenues</b>	<u>2,216,996</u>	<u>424,291</u>	<u>513,318</u>	<u>4,521,703</u>	<u>16,293,980</u>
<b>Expenditures</b>					
Current:					
Community services	-	-	164,027	75,319	5,259,072
Public works	3,053,718	6,868	36,079	-	6,203,308
Community development	-	-	-	1,462,707	1,476,713
Capital improvement programs	-	360,834	145,534	2,631,384	5,832,671
<b>Total expenditures</b>	<u>3,053,718</u>	<u>367,702</u>	<u>345,640</u>	<u>4,169,410</u>	<u>18,771,764</u>
Excess (deficiency) of revenues over expenditures	<u>(836,722)</u>	<u>56,589</u>	<u>167,678</u>	<u>352,293</u>	<u>(2,477,784)</u>
<b>Other financing sources (uses)</b>					
Transfers in	-	-	856	3,178	1,144,271
Transfers out	-	-	(150,455)	(208,720)	(1,959,175)
<b>Net other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>(149,599)</u>	<u>(205,542)</u>	<u>(814,904)</u>
Change in fund balance	(836,722)	56,589	18,079	146,751	(3,292,688)
<b>Fund balances, beginning of year</b>	<u>933,988</u>	<u>1,152,966</u>	<u>139,144</u>	<u>558,740</u>	<u>8,006,552</u>
<b>Fund balances, end of year</b>	<u>\$ 97,266</u>	<u>\$ 1,209,555</u>	<u>\$ 157,223</u>	<u>\$ 705,491</u>	<u>\$ 4,713,864</u>



**City of Carson**  
**Nonmajor Special Revenue Funds**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances –**  
**Parks and Recreation Funds**  
**Year ended June 30, 2015**

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	Park Development Fund	LA County Park District Fund	Totals
<b>Revenues</b>			
Intergovernmental	\$ -	\$ 342,624	\$ 342,624
Use of money and property	10,479	\$ -	10,479
Miscellaneous	71,188	-	71,188
<b>Total revenues</b>	<u>81,667</u>	<u>342,624</u>	<u>424,291</u>
<b>Expenditures</b>			
Current:			
Public works	-	6,868	6,868
Capital improvement programs	179,494	181,340	360,834
<b>Total expenditures</b>	<u>179,494</u>	<u>188,208</u>	<u>367,702</u>
Change in fund balance	(97,827)	154,416	56,589
<b>Fund balances, beginning of year</b>	<u>1,351,989</u>	<u>(199,023)</u>	<u>1,152,966</u>
<b>Fund balances, end of year</b>	<u>\$ 1,254,162</u>	<u>\$ (44,607)</u>	<u>\$ 1,209,555</u>

**City of Carson**  
**Nonmajor Special Revenue Funds**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances –**  
**State Grant Funds**  
**Year ended June 30, 2015**

	Beverage Container Recycling Fund	State COPS Grant Fund	Used Oil State Grant Fund	State Local Transportation Fund	Proposition 1B Fund	State CIP Grants Fund	Totals
<b>Revenues</b>							
Intergovernmental	\$ -	\$ 162,941	\$ 25,752	\$ -	\$ 89,161	\$ 233,950	\$ 511,804
Use of money and property	795	633	58	-	-	28	1,514
<b>Total revenues</b>	<u>795</u>	<u>163,574</u>	<u>25,810</u>	<u>-</u>	<u>89,161</u>	<u>233,978</u>	<u>513,318</u>
<b>Expenditures</b>							
Current:							
Community services	-	164,027	-	-	-	-	164,027
Public works	21,243	-	14,836	-	-	-	36,079
Capital improvement programs	-	-	-	-	85,530	60,004	145,534
<b>Total expenditures</b>	<u>21,243</u>	<u>164,027</u>	<u>14,836</u>	<u>-</u>	<u>85,530</u>	<u>60,004</u>	<u>345,640</u>
Excess (deficiency) of revenues over expenditures	<u>(20,448)</u>	<u>(453)</u>	<u>10,974</u>	<u>-</u>	<u>3,631</u>	<u>173,974</u>	<u>167,678</u>
<b>Other financing sources (uses)</b>							
Transfers in	-	-	856	-	-	-	856
Transfers out	(9,204)	-	(11,935)	(125,211)	-	(4,105)	(150,455)
<b>Net other financing sources (uses)</b>	<u>(9,204)</u>	<u>-</u>	<u>(11,079)</u>	<u>(125,211)</u>	<u>-</u>	<u>(4,105)</u>	<u>(149,599)</u>
Change in fund balance	(29,652)	(453)	(105)	(125,211)	3,631	169,869	18,079
<b>Fund balances, beginning of year</b>	<u>104,141</u>	<u>83,163</u>	<u>105</u>	<u>125,211</u>	<u>(3,635)</u>	<u>(169,841)</u>	<u>139,144</u>
<b>Fund balances, end of year</b>	<u>\$ 74,489</u>	<u>\$ 82,710</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (4)</u>	<u>\$ 28</u>	<u>\$ 157,223</u>



	Department of Justice/ OJP Grant Fund	Family Support Grant Fund	HOME Fund
<b>Revenues</b>			
Intergovernmental	\$ 39,973	\$ 34,840	\$ 67,277
Use of money and property	-	112	-
Miscellaneous	-	-	-
<b>Total revenues</b>	<u>39,973</u>	<u>34,952</u>	<u>67,277</u>
<b>Expenditures</b>			
Current:			
Community services	39,973	35,346	-
Community development	-	-	67,277
Capital improvement programs	-	-	-
<b>Total expenditures</b>	<u>39,973</u>	<u>35,346</u>	<u>67,277</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>(394)</u>	<u>-</u>
<b>Other financing sources (uses)</b>			
Transfers in	-	-	-
Transfers out	-	-	-
<b>Net other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>
Change in fund balance	-	(394)	-
<b>Fund balances, beginning of year</b>	<u>-</u>	<u>20,482</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ -</u>	<u>\$ 20,088</u>	<u>\$ -</u>

**City of Carson**  
**Nonmajor Special Revenue Funds**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances –**  
**Federal Grant Funds**  
**Year ended June 30, 2015**

Community Development Block Grant Fund	Federal Highway Planning Grant Fund	WIA Grant Fund	Neighborhood Stabilization Grant Fund	Totals
\$ 675,029	\$ 2,561,411	\$ 565,902	\$ -	\$ 3,944,432
463,484	-	-	2,452	466,048
111,223	-	-	-	111,223
<u>1,249,736</u>	<u>2,561,411</u>	<u>565,902</u>	<u>2,452</u>	<u>4,521,703</u>
-	-	-	-	75,319
786,253	-	565,902	43,275	1,462,707
-	2,631,384	-	-	2,631,384
<u>786,253</u>	<u>2,631,384</u>	<u>565,902</u>	<u>43,275</u>	<u>4,169,410</u>
<u>463,483</u>	<u>(69,973)</u>	<u>-</u>	<u>(40,823)</u>	<u>352,293</u>
-	3,178	-	-	3,178
(208,720)	-	-	-	(208,720)
<u>(208,720)</u>	<u>3,178</u>	<u>-</u>	<u>-</u>	<u>(205,542)</u>
254,763	(66,795)	-	(40,823)	146,751
208,721	(3,748)	100	333,185	558,740
<u>\$ 463,484</u>	<u>\$ (70,543)</u>	<u>\$ 100</u>	<u>\$ 292,362</u>	<u>\$ 705,491</u>

City of Carson  
 Nonmajor Special Revenue Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
**ASSET FORFEITURE FUND**  
 Year ended June 30, 2015

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	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Revenues</b>			
Fines and forfeitures	\$ -	\$ 7,912	\$ 7,912
Use of money and property	<u>-</u>	<u>75</u>	<u>75</u>
<b>Total revenues</b>	<u>-</u>	<u>7,987</u>	<u>7,987</u>
 <b>Expenditures</b>			
Current:			
Community development	<u>-</u>	<u>13,961</u>	<u>(13,961)</u>
<b>Total expenditures</b>	<u>-</u>	<u>13,961</u>	<u>(13,961)</u>
 <b>Change in fund balance</b>	 <u>\$ -</u>	 <u>(5,974)</u>	 <u>\$ (5,974)</u>
 <b>Fund balances, beginning of year</b>		 <u>6,050</u>	
 <b>Fund balances, end of year</b>		 <u>\$ 76</u>	

**City of Carson**  
**Nonmajor Special Revenue Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**  
**STATE GAS TAX FUND**  
**Year ended June 30, 2015**

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	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>Revenues</b>			
Intergovernmental	\$ 2,815,712	\$ 2,690,593	\$ (125,119)
Use of money and property	-	541	541
Miscellaneous	-	14,646	14,646
<b>Total revenues</b>	<u>2,815,712</u>	<u>2,705,780</u>	<u>(109,932)</u>
<b>Expenditures</b>			
Capital improvement programs	<u>2,223,167</u>	<u>2,160,418</u>	<u>62,749</u>
<b>Total expenditures</b>	<u>2,223,167</u>	<u>2,160,418</u>	<u>62,749</u>
Excess (deficiency) of revenues over expenditures	<u>592,545</u>	<u>545,362</u>	<u>(47,183)</u>
<b>Other financing sources (uses)</b>			
Transfers in	-	122,033	122,033
Transfers out	<u>(1,025,000)</u>	<u>(1,025,000)</u>	<u>-</u>
<b>Change in fund balance</b>	<u>\$ (432,455)</u>	<u>(357,605)</u>	<u>\$ 74,850</u>
<b>Fund balances, beginning of year</b>		<u>620,944</u>	
<b>Fund balances, end of year</b>		<u>\$ 263,339</u>	

City of Carson  
**Nonmajor Special Revenue Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**  
**TDA ARTICLE 3 FUND**  
**Year ended June 30, 2015**

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	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$ 168,826	\$ 72,082	\$ (96,744)
Use of money and property	-	-	-
<b>Total revenues</b>	168,826	72,082	(96,744)
<b>Expenditures</b>			
Capital improvement programs	90,389	91,045	(656)
<b>Total expenditures</b>	90,389	91,045	(656)
Excess (deficiency) of revenues over expenditures	78,437	(18,963)	(97,400)
<b>Other financing sources (uses)</b>			
Transfers in	-	-	-
<b>Change in fund balance</b>	\$ 78,437	(18,963)	\$ (97,400)
<b>Fund balances, beginning of year</b>		25,863	
<b>Fund balances, end of year</b>		\$ 6,900	



**City of Carson**  
**Nonmajor Special Revenue Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**  
**PROPOSITION A LOCAL RETURN FUND**  
**Year ended June 30, 2015**

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	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>Revenues</b>			
Taxes	\$ 1,614,411	\$ 1,630,512	\$ 16,101
Intergovernmental	246,387	244,703	(1,684)
Use of money and property	5,475	5,348	(127)
Miscellaneous	<u>214,056</u>	<u>168,100</u>	<u>(45,956)</u>
<b>Total revenues</b>	<u>2,080,329</u>	<u>2,048,663</u>	<u>(31,666)</u>
<b>Expenditures</b>			
Current:			
Community services	<u>2,532,024</u>	<u>2,367,758</u>	<u>164,266</u>
<b>Total expenditures</b>	<u>2,532,024</u>	<u>2,367,758</u>	<u>164,266</u>
Excess (deficiency) of revenues over expenditures	<u>(451,695)</u>	<u>(319,095)</u>	<u>132,600</u>
<b>Change in fund balance</b>	<u>\$ (451,695)</u>	<u>(319,095)</u>	<u>\$ 132,600</u>
<b>Fund balances, beginning of year</b>		<u>793,048</u>	
<b>Fund balances, end of year</b>		<u>\$ 473,953</u>	

City of Carson  
**Nonmajor Special Revenue Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**  
**PROPOSITION C LOCAL RETURN FUND**  
**Year ended June 30, 2015**

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	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>Revenues</b>			
Taxes	\$ 1,339,111	\$ 1,355,259	\$ 16,148
Use of money and property	3,379	6,054	2,675
Miscellaneous	111,600	90,606	(20,994)
<b>Total revenues</b>	1,454,090	1,451,919	(2,171)
 <b>Expenditures</b>			
Current:			
Community services	1,369,205	1,148,300	220,905
Community development	-	45	(45)
Capital improvement programs	-	-	-
<b>Total expenditures</b>	1,369,205	1,148,345	220,860
 <b>Change in fund balance</b>	<b>\$ 84,885</b>	303,574	<b>\$ 218,689</b>
 <b>Fund balances, beginning of year</b>		456,829	
 <b>Fund balances, end of year</b>		<b>\$ 760,403</b>	

City of Carson  
**Nonmajor Special Revenue Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**  
**AIR QUALITY IMPROVEMENT FUND**  
**Year ended June 30, 2015**

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	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>Revenues</b>			
Intergovernmental	\$ 113,847	\$ 114,935	\$ 1,088
Use of money and property	-	1,408	1,408
<b>Total revenues</b>	<u>113,847</u>	<u>116,343</u>	<u>2,496</u>
<b>Expenditures</b>			
Current:			
Community services	<u>243,427</u>	<u>19,210</u>	<u>224,217</u>
<b>Total expenditures</b>	<u>243,427</u>	<u>19,210</u>	<u>224,217</u>
<b>Change in fund balance</b>	<u>\$ (129,580)</u>	97,133	<u>\$ 226,713</u>
<b>Fund balances, beginning of year</b>		<u>166,714</u>	
<b>Fund balances, end of year</b>		<u>\$ 263,847</u>	

**City of Carson**  
**Nonmajor Special Revenue Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**  
**SELF-SUPPORTING FUND**  
**Year ended June 30, 2015**

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	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>Revenues</b>			
Charges for services	\$ 787,651	\$ 923,275	\$ 135,624
Fines and forfeitures	68,088	141,164	73,076
Miscellaneous	-	-	-
<b>Total revenues</b>	<u>855,739</u>	<u>1,064,439</u>	<u>208,700</u>
<b>Expenditures</b>			
Current:			
Community services	1,021,145	1,178,251	(157,106)
Capital improvement program	4,000	8,647	(4,647)
<b>Total expenditures</b>	<u>1,025,145</u>	<u>1,186,898</u>	<u>(161,753)</u>
<b>Change in fund balance</b>	<u>\$ (169,406)</u>	(122,459)	<u>\$ 46,947</u>
<b>Fund balances, beginning of year</b>		<u>32,965</u>	
<b>Fund balances, end of year</b>		<u>\$ (89,494)</u>	

**City of Carson**  
**Nonmajor Special Revenue Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**  
**CAPITAL ASSET REPLACEMENT FUND**  
**Year ended June 30, 2015**

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	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Revenues</b>			
Charges to other funds	\$ 89,279	\$ 6,600	\$ (82,679)
Miscellaneous	-	56,037	56,037
<b>Total revenues</b>	<u>89,279</u>	<u>62,637</u>	<u>(26,642)</u>
<b>Expenditures</b>			
Current:			
Community services	229,283	268,482	(39,199)
Public works	39,505	134,976	(95,471)
Capital improvement programs	40,000	302,201	(262,201)
<b>Total expenditures</b>	<u>308,788</u>	<u>705,659</u>	<u>(396,871)</u>
Excess (deficiency) of revenues over expenditures	<u>(219,509)</u>	<u>(643,022)</u>	<u>(423,513)</u>
<b>Other financing sources (uses)</b>			
Transfers in	-	1,018,204	1,018,204
Transfers out	<u>(575,000)</u>	<u>(575,000)</u>	<u>-</u>
<b>Change in fund balance</b>	<u>\$ (794,509)</u>	(199,818)	<u>\$ 594,691</u>
<b>Fund balances, beginning of year</b>		<u>693,941</u>	
<b>Fund balances, end of year</b>		<u>\$ 494,123</u>	

City of Carson  
**Nonmajor Special Revenue Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**  
**MEASURE R FUND**  
**Year ended June 30, 2015**

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	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>Revenues</b>			
Intergovernmental	\$ 1,020,626	\$ 1,014,581	\$ (6,045)
Use of money and property	-	9,517	9,517
<b>Total revenues</b>	<u>1,020,626</u>	<u>1,024,098</u>	<u>3,472</u>
 <b>Expenditures</b>			
Current:			
Public works	2,386,865	2,971,667	(584,802)
Capital improvement programs	<u>284,877</u>	<u>132,608</u>	<u>152,269</u>
<b>Total expenditures</b>	<u>2,671,742</u>	<u>3,104,275</u>	<u>(432,533)</u>
 <b>Change in fund balance</b>	 \$ <u><u>(1,651,116)</u></u>	 (2,080,177)	 \$ <u><u>(429,061)</u></u>
 <b>Fund balances, beginning of year</b>		 <u>2,332,954</u>	
 <b>Fund balances, end of year</b>		 \$ <u><u>252,777</u></u>	

City of Carson  
 Nonmajor Special Revenue Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
 RESTRICTED ADMINISTRATIVE TOW FEE FUND  
 Year ended June 30, 2015

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	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>Revenues</b>			
Fines and forfeitures	\$ 59,596	\$ 59,416	\$ (180)
Use of money and property	<u>-</u>	<u>433</u>	<u>433</u>
<b>Total revenues</b>	<u>59,596</u>	<u>59,849</u>	<u>253</u>
<b>Expenditures</b>			
Current:			
Community services	<u>16,600</u>	<u>36,628</u>	<u>(20,028)</u>
<b>Total expenditures</b>	<u>16,600</u>	<u>36,628</u>	<u>(20,028)</u>
<b>Change in fund balance</b>	<u>\$ 42,996</u>	23,221	<u>\$ (19,775)</u>
<b>Fund balances, beginning of year</b>		<u>44,072</u>	
<b>Fund balances, end of year</b>		<u>\$ 67,293</u>	

City of Carson  
 Nonmajor Special Revenue Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
 YOUTH SERVICES PROGRAM FUND  
 Year ended June 30, 2015

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	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>Revenues</b>			
Charges for services	\$ 5,475	\$ 3,875	\$ (1,600)
<b>Total revenues</b>	<u>5,475</u>	<u>3,875</u>	<u>(1,600)</u>
<b>Expenditures</b>			
Current:			
Community services	44,100	1,097	43,003
<b>Total expenditures</b>	<u>44,100</u>	<u>1,097</u>	<u>43,003</u>
<b>Change in fund balance</b>	<u>\$ (38,625)</u>	2,778	<u>\$ 41,403</u>
<b>Fund balances, beginning of year</b>		<u>48,334</u>	
<b>Fund balances, end of year</b>		<u>\$ 51,112</u>	



City of Carson  
**Nonmajor Special Revenue Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**  
**MTA CALL FOR PROJECTS FUND**  
**Year ended June 30, 2015**

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	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Final Budget - Positive (Negative)</u>
<b>Revenues</b>			
Intergovernmental	\$ 8,319,737	\$ 2,216,996	\$ (6,102,741)
Use of money and property	-	-	-
<b>Total revenues</b>	<u>8,319,737</u>	<u>2,216,996</u>	<u>(6,102,741)</u>
<b>Expenditures</b>			
Current:			
Public works	<u>8,530,896</u>	<u>3,053,718</u>	<u>5,477,178</u>
<b>Total expenditures</b>	<u>8,530,896</u>	<u>3,053,718</u>	<u>5,477,178</u>
<b>Change in fund balance</b>	<u>\$ (211,159)</u>	(836,722)	<u>\$ (625,563)</u>
<b>Fund balances, beginning of year</b>		<u>933,988</u>	
<b>Fund balances, end of year</b>		<u>\$ 97,266</u>	

City of Carson  
Parks and Recreation Nonmajor Special Revenue Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
**PARK DEVELOPMENT FUND**  
Year ended June 30, 2015

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	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>Revenues</b>			
Use of money and property	\$ -	\$ 10,479	\$ 10,479
Miscellaneous	<u>9,535</u>	<u>71,188</u>	<u>61,653</u>
<b>Total revenues</b>	<u>9,535</u>	<u>81,667</u>	<u>72,132</u>
 <b>Expenditures</b>			
Capital improvement programs	<u>1,065,081</u>	<u>179,494</u>	<u>885,587</u>
<b>Total expenditures</b>	<u>1,065,081</u>	<u>179,494</u>	<u>885,587</u>
 <b>Change in fund balance</b>	 <u>\$ (1,055,546)</u>	 (97,827)	 <u>\$ 957,719</u>
 <b>Fund balances, beginning of year</b>		 <u>1,351,989</u>	
<b>Fund balances, end of year</b>		 <u>\$ 1,254,162</u>	

**City of Carson**  
**Parks and Recreation Nonmajor Special Revenue Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**  
**LOS ANGELES COUNTY PARK DISTRICT FUND**  
**Year ended June 30, 2015**

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	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>Revenues</b>			
Intergovernmental	\$ 693,238	\$ 342,624	\$ (350,614)
Use of money and property	-	-	-
<b>Total revenues</b>	<u>693,238</u>	<u>342,624</u>	<u>(350,614)</u>
<b>Expenditures</b>			
Current:			
Public works	13,780	6,868	6,912
Capital improvement programs	<u>679,458</u>	<u>181,340</u>	<u>498,118</u>
<b>Total expenditures</b>	<u>693,238</u>	<u>188,208</u>	<u>505,030</u>
<b>Change in fund balance</b>	<u>\$ -</u>	154,416	<u>\$ 154,416</u>
<b>Fund balances, beginning of year</b>		<u>(199,023)</u>	
<b>Fund balances, end of year</b>		<u>\$ (44,607)</u>	

City of Carson  
 State Grants Nonmajor Special Revenue Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
**BEVERAGE CONTAINER RECYCLING FUND**  
 Year ended June 30, 2015

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	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$ 25,734	\$ -	\$ (25,734)
Use of money and property	<u>-</u>	<u>795</u>	<u>795</u>
<b>Total revenues</b>	<u>25,734</u>	<u>795</u>	<u>(24,939)</u>
<b>Expenditures</b>			
Current:			
Public works	<u>85,000</u>	<u>21,243</u>	<u>63,757</u>
<b>Total expenditures</b>	<u>85,000</u>	<u>21,243</u>	<u>63,757</u>
Other financing uses			
Transfer out	<u>(10,000)</u>	<u>(9,204)</u>	<u>796</u>
<b>Change in fund balance</b>	<u>\$ (69,266)</u>	<u>(29,652)</u>	<u>\$ 39,614</u>
<b>Fund balances, beginning of year</b>		<u>104,141</u>	
<b>Fund balances, end of year</b>		<u>\$ 74,489</u>	

City of Carson  
State Grants Nonmajor Special Revenue Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
**STATE COPS GRANT FUND**  
Year ended June 30, 2015

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	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$ 147,000	\$ 162,941	\$ 15,941
Use of money and property	511	633	122
<b>Total revenues</b>	147,511	163,574	16,063
<b>Expenditures</b>			
Current:			
Community services	214,027	164,027	50,000
<b>Total expenditures</b>	214,027	164,027	50,000
<b>Change in fund balance</b>	\$ (66,516)	(453)	\$ 66,063
<b>Fund balances, beginning of year</b>		83,163	
<b>Fund balances, end of year</b>		\$ 82,710	

City of Carson  
**State Grants Nonmajor Special Revenue Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**  
**USED OIL STATE GRANT FUND**  
**Year ended June 30, 2015**

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	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>Revenues</b>			
Intergovernmental	\$ 26,000	\$ 25,752	\$ (248)
Use of money and property	-	58	\$ 58
<b>Total revenues</b>	<u>26,000</u>	<u>25,810</u>	<u>(190)</u>
 <b>Expenditures</b>			
Current:			
Public works	20,000	14,836	5,164
<b>Total expenditures</b>	<u>20,000</u>	<u>14,836</u>	<u>5,164</u>
Excess (deficiency) of revenues over expenditures	6,000	10,974	4,974
<b>Other financing sources</b>			
Transfers in	-	856	856
Transfers out	<u>(2,000)</u>	<u>(11,935)</u>	<u>(9,935)</u>
<b>Change in fund balance</b>	<u>\$ 4,000</u>	<u>(105)</u>	<u>\$ (4,105)</u>
 <b>Fund balances, beginning of year</b>		<u>105</u>	
 <b>Fund balances, end of year</b>		<u>\$ -</u>	

City of Carson  
State Grants Nonmajor Special Revenue Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
STATE LOCAL TRANSPORTATION FUND  
Year ended June 30, 2015

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	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>Revenues</b>			
Intergovernmental	\$ -	\$ -	\$ -
Use of money and property	-	-	-
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures</b>			
Current:	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	-	-	-
<b>Other financing sources</b>			
Transfers out	-	(125,212)	(125,212)
<b>Change in fund balance</b>	<u>\$ -</u>	(125,212)	<u>\$ (125,212)</u>
<b>Fund balances, beginning of year</b>		<u>125,212</u>	
<b>Fund balances, end of year</b>		<u>\$ -</u>	

City of Carson  
State Grants Nonmajor Special Revenue Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
**PROPOSITION 1B FUND**  
Year ended June 30, 2015

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	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>Revenues</b>			
Intergovernmental	\$ -	\$ 89,161	\$ 89,161
Use of money and property	-	-	-
<b>Total revenues</b>	<u>-</u>	<u>89,161</u>	<u>89,161</u>
<b>Expenditures</b>			
Capital improvement programs	-	85,530	(85,530)
<b>Total expenditures</b>	<u>-</u>	<u>85,530</u>	<u>(85,530)</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>3,631</u>	<u>3,631</u>
<b>Change in fund balance</b>	<u>\$ -</u>	<u>3,631</u>	<u>\$ 3,631</u>
<b>Fund balances, beginning of year</b>		<u>(3,635)</u>	
<b>Fund balances, end of year</b>		<u>\$ (4)</u>	



City of Carson  
State Grants Nonmajor Special Revenue Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
**STATE CIP GRANTS FUND**  
Year ended June 30, 2015

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	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>Revenues</b>			
Intergovernmental	\$ 610,150	\$ 233,950	\$ (376,200)
Use of money and property	-	28	28
<b>Total revenues</b>	<u>610,150</u>	<u>233,978</u>	<u>(376,172)</u>
<b>Expenditures</b>			
Capital improvement programs	<u>610,150</u>	<u>60,004</u>	<u>550,146</u>
<b>Total expenditures</b>	<u>610,150</u>	<u>60,004</u>	<u>550,146</u>
Excess (deficiency) of revenues over expenditures	-	173,974	173,974
<b>Other financing sources</b>			
Transfers out	<u>-</u>	<u>(4,105)</u>	<u>(4,105)</u>
<b>Change in fund balance</b>	<u>\$ -</u>	<u>169,869</u>	<u>\$ 169,869</u>
<b>Fund balances, beginning of year</b>		<u>(169,841)</u>	
<b>Fund balances, end of year</b>		<u>\$ 28</u>	

City of Carson  
**Federal Grants Nonmajor Special Revenue Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**  
**DEPARTMENT OF JUSTICE / OJP GRANT FUND**  
**Year ended June 30, 2015**

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	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$ 39,973	\$ 39,973	\$ -
<b>Total revenues</b>	39,973	39,973	-
<b>Expenditures</b>			
Current:			
Community services	39,973	39,973	-
<b>Total expenditures</b>	39,973	39,973	-
<b>Change in fund balance</b>	\$ -	-	\$ -
<b>Fund balances, beginning of year</b>		-	
<b>Fund balances, end of year</b>		\$ -	

City of Carson  
**Federal Grants Nonmajor Special Revenue Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**  
**FAMILY SUPPORT GRANT FUND**  
**Year ended June 30, 2015**

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	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$ 60,000	\$ 34,840	\$ (25,160)
Use of money and property	155	112	(43)
<b>Total revenues</b>	60,155	34,952	(25,203)
 <b>Expenditures</b>			
Current:			
Community services	100,500	35,346	65,154
<b>Total expenditures</b>	100,500	35,346	65,154
 <b>Change in fund balance</b>	\$ (40,345)	(394)	\$ 39,951
 <b>Fund balances, beginning of year</b>		20,482	
<b>Fund balances, end of year</b>		\$ 20,088	

City of Carson  
**Federal Grants Nonmajor Special Revenue Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**  
**HOME GRANT FUND**  
**Year ended June 30, 2015**

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	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$ 700,000	\$ 67,277	\$ (632,723)
<b>Total revenues</b>	700,000	67,277	(632,723)
<b>Expenditures</b>			
Current:			
Community development	700,000	67,277	632,723
<b>Total expenditures</b>	700,000	67,277	632,723
<b>Change in fund balance</b>	\$ -	-	\$ -
<b>Fund balances, beginning of year</b>		-	
<b>Fund balances, end of year</b>		\$ -	

City of Carson  
**Federal Grants Nonmajor Special Revenue Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**  
**COMMUNITY DEVELOPMENT BLOCK GRANT FUND**  
**Year ended June 30, 2015**

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	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Revenues</b>			
Intergovernmental	\$ 1,055,536	\$ 675,029	\$ (380,507)
Use of money and property	-	463,484	463,484
Miscellaneous	-	111,223	111,223
<b>Total revenues</b>	<u>1,055,536</u>	<u>1,249,736</u>	<u>194,200</u>
 <b>Expenditures</b>			
Current:			
Community development	<u>1,085,537</u>	<u>786,253</u>	<u>299,284</u>
<b>Total expenditures</b>	<u>1,085,537</u>	<u>786,253</u>	<u>299,284</u>
 Excess (deficiency) of revenues over expenditures	(30,001)	463,483	493,484
 <b>Other financing sources (uses)</b>			
Transfers out	<u>-</u>	<u>(208,720)</u>	<u>(208,720)</u>
 <b>Change in fund balance</b>	<u>\$ (30,001)</u>	254,763	<u>\$ 284,764</u>
 <b>Fund balances, beginning of year</b>		<u>208,721</u>	
 <b>Fund balances, end of year</b>		<u>\$ 463,484</u>	

**City of Carson**  
**Federal Grants Nonmajor Special Revenue Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**  
**FEDERAL HIGHWAY PLANNING GRANT FUND**  
**Year ended June 30, 2015**

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	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>Revenues</b>			
Intergovernmental	\$ 11,135,345	\$ 2,561,411	\$ (8,573,934)
<b>Total revenues</b>	<u>11,135,345</u>	<u>2,561,411</u>	<u>(8,573,934)</u>
<b>Expenditures</b>			
Capital improvement programs	<u>10,509,231</u>	<u>2,631,384</u>	<u>7,877,847</u>
<b>Total expenditures</b>	<u>10,509,231</u>	<u>2,631,384</u>	<u>7,877,847</u>
Excess (deficiency) of revenues over expenditures	626,114	(69,973)	(696,087)
<b>Other financing sources</b>			
Transfers in	<u>-</u>	<u>3,178</u>	<u>3,178</u>
<b>Change in fund balance</b>	<u>\$ 626,114</u>	<u>(66,795)</u>	<u>\$ (692,909)</u>
<b>Fund balances, beginning of year</b>		<u>(3,748)</u>	
<b>Fund balances, end of year</b>		<u>\$ (70,543)</u>	

City of Carson  
**Federal Grants Nonmajor Special Revenue Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**  
**WORKFORCE INVESTMENT ACT (WIA) GRANT FUND**  
**Year ended June 30, 2015**

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	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Revenues</b>			
Intergovernmental	\$ 680,692	\$ 565,902	\$ (114,790)
Use of money and property	-	-	-
<b>Total revenues</b>	<u>680,692</u>	<u>565,902</u>	<u>(114,790)</u>
 <b>Expenditures</b>			
Current:			
Community development	<u>657,902</u>	<u>565,902</u>	<u>92,000</u>
<b>Total expenditures</b>	<u>657,902</u>	<u>565,902</u>	<u>92,000</u>
 <b>Change in fund balance</b>	<u>\$ 22,790</u>	-	<u>\$ (22,790)</u>
 <b>Fund balances, beginning of year</b>		<u>100</u>	
<b>Fund balances, end of year</b>		<u>\$ 100</u>	

City of Carson  
**Federal Grants Nonmajor Special Revenue Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**  
**NEIGHBORHOOD STABILIZATION PROGRAM FUND**  
**Year ended June 30, 2015**

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	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>Revenues</b>			
Use of money and property	\$ -	\$ 2,452	\$ 2,452
<b>Total expenditures</b>	<u>-</u>	<u>2,452</u>	<u>2,452</u>
<b>Expenditures</b>			
Current:			
Community development	<u>175,000</u>	<u>43,275</u>	<u>131,725</u>
<b>Total expenditures</b>	<u>175,000</u>	<u>43,275</u>	<u>131,725</u>
<b>Change in fund balance</b>	<u>\$ (175,000)</u>	(40,823)	<u>\$ (134,177)</u>
<b>Fund balances, beginning of year</b>		<u>333,185</u>	
<b>Fund balances, end of year</b>		<u>\$ 292,362</u>	





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# **FIDUCIARY FUNDS**

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CITY OF CARSON, CALIFORNIA  
COMPREHENSIVE ANNUAL FINANCIAL REPORT



The Fiduciary funds are used to account for assets held by the City as an agent for individuals, private organizations and/or other governmental units. The City has two types of Fiduciary funds: Agency Fund and Private-Purpose Trust Fund.

An agency fund is accounted for in essentially the same manner as governmental funds; however, its purpose is custodial in nature (assets equal liabilities); therefore, the measurement of results is not appropriate. The following Trust and Agency Funds are funds deposited with the City by various individuals and private organization:

The **Wilmington Assessment District Fund** is used to account for the \$2.2 million Assessment District Limited Obligation Refunding Improvement Bonds, Series 1995. The bonds were used to finance the installations and construction of certain public improvements within the boundaries of the District. The City is in no way liable for the repayment of the bonds but is only acting as an agent for the property owners in collecting the assessments, forwarding the collections to bondholders and initiating foreclosure proceedings for the benefit of the bondholders.

The **Sepulveda Blvd. Assessment District Fund** is used to account for the \$13.1 million Limited Obligation Improvement Bonds, Series 1992. The bonds were used to finance the cost of certain street improvements. The City is in no way liable for repayment of the bonds but is only acting as an agent for the property owners in collecting the assessments, forwarding the collections to bondholders and initiating foreclosure proceedings for the benefit of the bondholders.

The **Dominquez Technology Center West Assessment District Fund** is used to account for the \$32.2 million Limited Obligation Improvement Bonds, Series 2001. The bonds were used to finance the acquisition costs for improvements within the Assessment District, to establish the Reserve Fund and to pay the cost of issuing the bonds. The City is in no way liable for repayment of the bonds but is only acting as an agent for the property owners in collecting the assessments, forwarding the collections to bondholders and initiating foreclosure proceedings for the benefit of the bondholders.

A Private-Purpose Trust Fund accounts is a fiduciary fund type used by the City to report trust arrangements under which principal and income benefit other governments. The City has the following private-purpose trust fund:

**Successor Agency Private-Purpose Trust Fund** reports the assets, liabilities and activities of the Successor Agency to the Dissolved Carson Redevelopment Agency. Unlike the limited reporting typically utilized for Agency Fund, Private-purpose Trust Fund reports a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position.

**City of Carson  
Fiduciary Funds  
Combining Statement of Fiduciary Assets and Liabilities  
June 30, 2015**

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	Trust and Agency	Wilmington Ave. Assessment District	Sepulveda Blvd Assessment District	Dominguez Tech Center Assessment District	Totals
<b>ASSETS</b>					
Cash and investments	\$ 4,449,165	\$ 729,161	\$ 1,146,524	\$ 2,291,340	\$ 8,616,190
Cash and investments with fiscal agent	-	-	-	2,537,376	2,537,376
Receivables:					
Taxes	-	-	-	28	28
Total assets	\$ 4,449,165	\$ 729,161	\$ 1,146,524	\$ 4,828,744	\$ 11,153,594
<b>LIABILITIES</b>					
Accounts payable and accrued liabilities	\$ 389,906	\$ -	\$ -	\$ -	\$ 389,906
Refundable deposits	2,608,259	-	-	-	2,608,259
Due to assessed parties	-	729,161	-	-	729,161
Due to other government	1,451,000	-	-	-	1,451,000
Due to bondholders	-	-	1,146,524	4,828,744	5,975,268
Total liabilities	\$ 4,449,165	\$ 729,161	\$ 1,146,524	\$ 4,828,744	\$ 11,153,594

**City of Carson  
Fiduciary Funds  
Statement of Changes in Fiduciary Assets and Liabilities  
Year ended June 30, 2015**

	<u>Balance at July 1, 2014</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance at June 30, 2015</u>
<b><u>Trust and Agency</u></b>				
<b>ASSETS</b>				
Cash and investments	\$ 3,237,021	\$ 3,462,746	\$ 2,250,602	\$ 4,449,165
Due from other funds	-	1,959	1,959	-
Total assets	<u>\$ 3,237,021</u>	<u>\$ 3,464,705</u>	<u>\$ 2,252,561</u>	<u>\$ 4,449,165</u>
<b>LIABILITIES</b>				
Accounts payable and accrued liabilities	\$ 188,400	\$ 2,313,521	\$ 2,112,016	\$ 389,906
Refundable deposits	3,048,621	3,489,734	3,930,096	2,608,259
Due to other governments	-	1,451,000	-	1,451,000
Total liabilities	<u>\$ 3,237,021</u>	<u>\$ 7,254,255</u>	<u>\$ 6,042,112</u>	<u>\$ 4,449,165</u>
 <b><u>Wilmington Ave Assessment District</u></b>				
<b>ASSETS</b>				
Cash and investments	\$ 723,432	\$ 5,729	\$ -	\$ 729,161
Total assets	<u>\$ 723,432</u>	<u>\$ 5,729</u>	<u>\$ -</u>	<u>\$ 729,161</u>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Due to assessed parties	\$ 723,432	\$ 5,729	\$ -	\$ 729,161
Total liabilities	<u>\$ 723,432</u>	<u>\$ 5,729</u>	<u>\$ -</u>	<u>\$ 729,161</u>
 <b><u>Sepulveda Blvd Assessment District</u></b>				
<b>ASSETS</b>				
Cash and investments	\$ 1,127,813	\$ 216,251	\$ 197,540	\$ 1,146,524
Total assets	<u>\$ 1,127,813</u>	<u>\$ 216,251</u>	<u>\$ 197,540</u>	<u>\$ 1,146,524</u>
<b>LIABILITIES</b>				
Accounts payable and accrued liabilities	\$ -	\$ 9,777	\$ 9,777	\$ -
Due to bondholders	\$ 1,127,813	\$ 216,251	\$ 197,540	\$ 1,146,524
Total liabilities	<u>\$ 1,127,813</u>	<u>\$ 226,028</u>	<u>\$ 207,317</u>	<u>\$ 1,146,524</u>

**City of Carson  
Fiduciary Funds**

**Statement of Changes in Fiduciary Assets and Liabilities (Continued)**  
**Year ended June 30, 2015**

	Balance at July 1, 2014	Additions	Reductions	Balance at June 30, 2015
<b><u>Dominguez Tech Center Assessment District</u></b>				
<b>ASSETS</b>				
Cash and investments	\$ 2,215,114	\$ 2,353,887	\$ 2,277,662	\$ 2,291,340
Cash and investments with fiscal agent	2,537,069	3,080,784	3,080,477	2,537,376
Receivables:				
Taxes	-	28	-	28
Total assets	\$ 4,752,183	\$ 5,434,700	\$ 5,358,139	\$ 4,828,744
<b>LIABILITIES</b>				
Accounts payable and accrued liabilities	\$ 1,050	\$ 11,186	\$ 12,236	\$ -
Due to bondholders	4,751,133	5,434,700	5,357,089	4,828,744
Total liabilities	\$ 4,752,183	\$ 5,445,885	\$ 5,369,324	\$ 4,828,744
 <b><u>Totals - All Fiduciary Funds</u></b>				
<b>ASSETS</b>				
Cash and investments	\$ 7,303,380	\$ 6,038,613	\$ 4,725,803	\$ 8,616,190
Cash and investments with fiscal agent	2,537,069	3,080,784	3,080,477	2,537,376
Receivables:				
Taxes	-	28	-	28
Due from other funds	-	1,959	1,959	-
Total assets	\$ 9,840,449	\$ 9,121,385	\$ 7,808,240	\$ 11,153,594
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Accounts payable and accrued liabilities	\$ 189,450	\$ 2,334,484	\$ 2,134,029	\$ 389,906
Refundable deposits	3,048,621	3,489,734	3,930,096	2,608,259
Due to other governments	-	1,451,000	-	1,451,000
Due to assessees	723,432	5,729	-	729,161
Due to bondholders	5,878,946	5,650,951	5,554,628	5,975,268
Total liabilities	\$ 9,840,449	\$ 12,931,898	\$ 11,618,753	\$ 11,153,594

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# **STATISTICAL SECTION**

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(Not covered by Independent Auditors' Report)

CITY OF CARSON, CALIFORNIA  
COMPREHENSIVE ANNUAL FINANCIAL REPORT





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

## **Contents**

### **Financial Trends**

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

### **Revenue Capacity**

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

### **Debt Capacity**

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

### **Demographic and Economic Information**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

### **Operating Information**

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

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

**City of Carson  
Net Position by Component  
Last Ten Fiscal Years**

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Governmental activities</b>										
Invested in capital assets, net of accumulated depreciation and related debt	\$ 347,867,446	\$ 338,831,073	\$ 339,173,885	\$ 343,401,921	\$ 339,117,408	\$ 339,193,971	\$ 302,392,752	\$ 296,900,646	\$ 293,712,678	\$ 295,848,031
Restricted for:										
Community services	5,043,426	7,266,284	7,955,782	365,563	437,501	1,351,533	6,228,534	1,874,973	3,259,542	42,495,631
Public works	-	-	-	5,163,559	6,218,413	5,462,293	4,606,521	3,379,453	4,396,352	2,021,219
Community development	198,110,054	16,876,793	14,883,468	66,747,912	58,194,306	21,030,464	207,323	-	-	-
Housing projects	-	44,076,682	47,791,190	57,703,840	56,547,299	33,212,090	47,104,277	56,811,390	52,696,178	51,058,195
Unrestricted	<u>(68,817,297)</u>	<u>90,795,828</u>	<u>96,062,533</u>	<u>(13,874,931)</u>	<u>(41,228,567)</u>	<u>(20,605,772)</u>	<u>2,571,341</u>	<u>12,357,782</u>	<u>10,281,994</u>	<u>(64,190,834)</u>
<b>Total governmental activities net position</b>	<b>\$ <u>482,203,629</u></b>	<b>\$ <u>497,846,660</u></b>	<b>\$ <u>505,866,858</u></b>	<b>\$ <u>459,507,864</u></b>	<b>\$ <u>419,286,360</u></b>	<b>\$ <u>379,644,579</u></b>	<b>\$ <u>363,110,748</u></b>	<b>\$ <u>371,324,244</u></b>	<b>\$ <u>364,346,744</u></b>	<b>\$ <u>327,232,242</u></b>

Source: City of Carson

**City of Carson  
Change in Net Position  
Last Ten Fiscal Years**

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Expenses</b>										
Governmental activities:										
General government	\$ 16,767,939	\$ 19,469,561	\$ 20,809,981	\$ 27,028,260	\$ 20,353,648	\$ 20,578,498	\$ 22,940,199	\$ 22,049,082	\$ 23,721,702	\$ 21,573,509
Community services	32,697,684	36,489,941	39,934,036	40,435,251	42,720,043	36,479,106	41,684,670	35,247,843	37,689,223	38,696,261
Public works	14,397,933	15,041,177	14,393,790	13,221,772	16,439,029	11,742,451	14,060,876	15,799,718	18,736,498	22,492,218
Community development	13,106,094	18,252,691	14,418,785	70,810,907	56,847,899	53,957,318	14,469,115	32,878,975	19,125,990	11,951,040
Interest and other charges	4,819,483	5,689,403	6,820,184	6,429,807	7,858,690	15,535,108	5,350,108	-	-	-
Capital maintenance programs	-	-	-	-	-	2,921,050	-	2,031,237	-	301,315
Interfund reimbursement	-	-	-	-	-	8,615,980	-	-	-	-
Total governmental activities expenses	\$ 81,789,133	\$ 94,942,773	\$ 96,376,776	\$ 157,925,997	\$ 144,219,309	\$ 149,829,511	\$ 98,504,968	\$ 108,006,855	\$ 99,273,413	\$ 95,014,343
<b>Program Revenues:</b>										
Governmental activities:										
Charges for services	\$ 11,709,299	\$ 11,823,146	\$ 11,942,829	\$ 11,976,952	\$ 12,061,204	\$ 15,100,971	\$ 14,690,950	\$ 12,137,769	\$ 13,040,956	\$ 13,876,288
Operating contributions and grants	8,396,046	17,071,652	12,623,073	7,767,632	12,193,258	10,963,981	13,483,809	12,895,134	13,096,789	13,457,894
Capital contributions and grants	996,437	77,327	78,098	1,890,354	4,067,208	5,322,016	3,148,874	489,800	1,871,566	2,733,035
Total governmental activities program revenues	\$ 21,101,782	\$ 28,972,125	\$ 24,644,000	\$ 21,634,938	\$ 28,321,670	\$ 31,386,968	\$ 31,323,633	\$ 25,522,703	\$ 28,009,311	\$ 30,067,217
Net (expense) revenues-governmental activities/primary government	\$ (60,687,351)	\$ (65,970,648)	\$ (71,732,776)	\$ (136,291,059)	\$ (115,897,639)	\$ (118,442,543)	\$ (67,181,335)	\$ (82,484,152)	\$ (71,264,102)	\$ (64,947,126)
<b>General Revenues and Other Changes in Net Assets</b>										
Governmental activities:										
Taxes										
Property taxes	\$ 29,157,856	\$ 31,005,842	\$ 32,202,400	\$ 34,892,648	\$ 32,874,557	\$ 32,977,590	\$ 28,206,102	\$ 19,247,084	\$ 17,381,673	\$ 14,720,272
Sales taxes	20,133,009	21,066,579	21,648,681	19,262,212	15,051,658	17,195,450	20,688,872	25,187,734	23,668,795	21,820,128
Transient occupancy taxes	1,329,497	1,392,123	1,564,083	1,244,543	1,121,092	1,197,800	1,307,732	1,462,174	1,598,037	1,812,310
Franchise taxes	8,433,494	8,120,849	8,159,269	9,686,804	6,876,484	7,483,227	7,746,907	7,090,887	7,933,064	8,274,908
Admissions Tax	-	-	-	105,019	362,105	266,446	390,600	463,116	315,511	458,117
Utility users tax	-	-	-	1,028	6,722,319	7,439,521	8,016,141	7,495,997	9,284,071	8,135,144
Motor vehicle license fee	677,746	531,114	435,813	334,137	288,398	242,811	256,016	50,405	41,716	40,296
Motor vehicle in lieu	6,594,965	6,395,360	6,780,952	7,235,463	7,153,876	7,104,861	-	-	-	-
Other tax	3,698	-	-	-	-	-	-	-	-	-
Use of money and property	7,840,437	10,288,832	9,209,215	8,488,288	4,842,082	3,062,757	1,763,424	2,568,878	3,295,319	748,051
Transfer from Successor Agency	-	-	-	-	-	-	-	-	-	40,271,017
Other revenue	995,775	956,734	533,503	638,428	5,212,274	1,830,299	195,425	938,422	768,416	2,161,737
Total governmental activities	\$ 75,166,477	\$ 79,757,433	\$ 80,533,916	\$ 81,888,570	\$ 80,504,845	\$ 78,800,762	\$ 68,571,219	\$ 64,504,697	\$ 64,286,602	\$ 98,441,980
<b>Change in Net Position</b>										
Governmental activities	\$ 14,479,126	\$ 13,786,785	\$ 8,801,140	\$ (54,402,489)	\$ (35,392,794)	\$ (39,641,781)	\$ 1,389,884	\$ (17,979,455)	\$ (6,977,500)	\$ 33,494,854
Total primary government	\$ 14,479,126	\$ 13,786,785	\$ 8,801,140	\$ (54,402,489)	\$ (35,392,794)	\$ (39,641,781)	\$ 1,389,884	\$ (17,979,455)	\$ (6,977,500)	\$ 33,494,854

Source: City of Carson

N/A - Not Available. The City implemented GASB 34 reporting for the fiscal year ended June 30, 2003.

\* Includes Motor vehicle in lieu

**City of Carson  
Fund Balances of Governmental Funds  
Last Ten Fiscal Years**

	2006	2007	2008	2009	2010	2011 **	2012	2013	2014	2015
<b>General fund</b>										
Reserved	\$ 2,936,079	\$ 1,158,240	\$ 2,705,353	\$ 3,114,747	\$ 944,838					
Unreserved, reported in:										
Designated for special purpose	20,418,185	-	-	1,269,181	1,245,972					
Undesignated	4,477,779	26,679,476	21,679,654	16,405,465	15,991,314					
Total general fund	27,832,043	27,837,716	24,385,007	20,789,393	18,182,124					
<b>Special Revenue</b>										
Reserved	3,130,368	15,737,951	14,792,547	17,073,294	17,526,281					
Unreserved, reported in:										
Designated	-	8,034,288	11,962,175	6,724,222	7,045,587					
Undesignated	13,291,655	-	-	-	-					
Total special revenue fund	16,422,023	23,772,239	26,754,722	23,797,516	24,571,868					
<b>Capital projects</b>										
Reserved	86,791,251	89,585,120	81,160,740	79,754,221	51,338,721					
Unreserved, reported in:										
Designated	-	142,140,637	156,640,705	116,298,202	109,182,006					
Undesignated	112,382,042	-	-	-	-					
Total capital projects	199,173,293	231,725,757	237,801,445	196,052,423	160,520,727					
<b>Total governmental funds</b>	<b>\$ 243,427,359</b>	<b>\$ 283,335,712</b>	<b>\$ 288,941,174</b>	<b>\$ 240,639,332</b>	<b>\$ 203,274,719</b>					
<b>General fund</b>										
Nonspendable						\$ 677,922	\$ 739,877	\$ 1,632,266	\$ 2,507,687	\$ 375,759
Restricted						2,321,416	2,410,033	2,484,398	1,760,551	1,760,710
Committed						6,198,067	6,705,685	20,409,123	20,957,808	18,583,716
Assigned						3,712,276	3,792,000	5,102,225	5,276,764	5,071,211
Unassigned						10,591,610	15,971,310	6,739,998	5,875,509	1,775,796
						23,501,291	29,618,905	36,368,010	36,378,319	27,567,192
<b>Housing Authority</b>										
Nonspendable						7,650,948	16,218,201	8,146,939	6,640,174	8,046,694
Restricted						51,868,370	8,832,728	28,598,803	25,928,500	22,665,356
						59,519,318	25,050,929	36,745,742	32,568,674	30,712,050
<b>Cooperation Agreement Bond Proceeds Fund</b>										
Restricted										40,092,461
<b>Capital projects</b>										
Nonspendable						24,660,162	-	-	-	-
Restricted						99,021,335	-	-	-	-
						123,681,497	-	-	-	-
<b>Proposition C Local Return Fund</b>										
Restricted							134,090	-	-	-
<b>Federal Highway Planning Grant Fund</b>										
Unassigned							(549,702)	-	-	-
<b>Nonmajor governmental funds</b>										
Restricted						28,208,276	6,221,890	5,206,026	7,655,894	4,424,361
Assigned						589,883	608,662	1,015,107	693,941	494,123
Unassigned						(3,363,044)	(540,012)	(81,767)	(343,282)	(204,620)
						25,435,115	6,290,540	6,139,366	8,006,553	4,713,864
<b>Total governmental funds</b>						<b>\$ 232,137,221</b>	<b>\$ 60,544,762</b>	<b>\$ 79,253,118</b>	<b>\$ 76,953,546</b>	<b>\$ 103,085,567</b>

\*\* Beginning Fiscal Year 2010-2011, The City adopted GASB 54, Fund Balance Reporting, which changes the fund balance classification in the governmental funds.

Source: City of Carson

**City of Carson**  
**Changes in Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2014	2015
<b>Revenues</b>											
Taxes	\$ 69,505,481	\$ 73,210,445	\$ 76,416,838	\$ 80,907,303	\$ 74,168,970	\$ 79,015,236	\$ 68,978,607	\$ 63,743,453	\$ 63,049,509	\$ 63,049,509	\$58,206,650
Licenses and permits	5,402,462	5,293,969	5,385,637	5,643,875	4,766,767	6,472,150	6,240,419	5,733,199	6,157,526	6,157,526	6,306,253
Fines, forfeitures and penalties	1,754,645	1,727,612	1,609,321	1,701,748	1,789,500	2,187,730	2,789,268	2,013,571	1,976,961	1,976,961	1,987,718
Use of money and property	9,354,791	11,007,795	11,433,529	10,557,318	4,604,809	3,184,744	1,763,424	2,259,942	2,950,912	2,950,912	3,043,620
Intergovernmental	6,215,326	12,207,289	9,067,678	5,443,708	13,027,869	10,746,260	8,361,928	7,794,867	10,688,245	10,688,245	11,729,825
Charges for services	3,077,369	2,985,352	2,985,224	2,559,121	2,662,335	3,062,757	8,967,821	2,907,197	3,070,807	3,070,807	3,338,706
Charges to other funds	902,500	372,000	869,400	32,697	145,057	-	-	567,509	646,647	646,647	6,600
Miscellaneous	2,757,222	3,453,703	1,192,004	1,304,603	6,450,369	2,180,221	2,729,580	4,698,626	3,755,306	3,755,306	3,618,808
<b>Total revenues</b>	<b>98,969,796</b>	<b>110,258,165</b>	<b>108,959,631</b>	<b>108,150,373</b>	<b>107,615,676</b>	<b>106,849,098</b>	<b>99,831,047</b>	<b>89,718,364</b>	<b>92,295,913</b>	<b>92,295,913</b>	<b>88,238,180</b>
<b>Expenditures</b>											
General government	16,666,041	18,071,092	19,130,574	20,139,083	20,686,885	18,136,954	20,690,955	20,120,174	22,042,126	22,042,126	21,922,895
Community services	31,849,780	34,324,469	36,385,981	36,577,270	36,679,991	34,477,002	36,366,232	33,994,074	35,461,405	35,461,405	37,126,200
Public works	14,310,213	14,600,846	15,243,991	12,786,280	13,695,643	14,145,645	16,711,058	14,294,060	16,701,191	16,701,191	21,126,233
Community development	16,522,830	27,983,987	18,219,462	67,156,790	27,037,959	15,249,106	27,466,234	23,606,994	15,139,783	15,139,783	8,472,904
Debt Service											
Bond principal	2,930,000	3,105,000	3,795,000	3,610,000	3,765,000	4,390,000	5,735,000	-	-	-	-
Bond interest	4,958,655	5,223,017	7,634,458	5,985,058	7,181,131	8,592,640	5,096,767	-	-	-	-
Other bond financing costs	-	947,786	1,033,973	234,980	334,120	577,740	-	-	-	-	-
Capital improvement programs	4,302,986	5,709,591	8,053,836	32,557,557	51,262,569	27,221,615	17,402,989	5,187,757	5,250,980	5,250,980	11,612,457
Interfund reimbursement	(2,951,561)	(3,196,983)	(3,617,653)	(3,995,295)	(3,770,394)	(3,464,606)	(5,198,738)	-	-	-	-
<b>Total expenditures</b>	<b>88,588,944</b>	<b>106,768,805</b>	<b>105,879,622</b>	<b>175,051,723</b>	<b>156,872,904</b>	<b>119,326,096</b>	<b>124,270,497</b>	<b>97,203,059</b>	<b>94,595,485</b>	<b>94,595,485</b>	<b>100,260,689</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>10,380,852</b>	<b>3,489,360</b>	<b>3,080,009</b>	<b>(66,901,350)</b>	<b>(49,257,228)</b>	<b>(12,476,998)</b>	<b>(24,439,450)</b>	<b>(7,484,695)</b>	<b>(2,299,572)</b>	<b>(2,299,572)</b>	<b>(12,022,509)</b>
<b>Other financing sources (uses)</b>											
Transfers in	12,894,333	13,623,464	23,638,979	26,673,638	18,589,935	22,838,526	25,766,146	1,566,581	1,063,673	1,063,673	43,249,253
Transfers out	(12,894,333)	(13,623,464)	(23,638,979)	(26,673,638)	(18,589,935)	(22,838,526)	(25,766,146)	(1,566,581)	(1,063,673)	(1,063,673)	(2,978,236)
Loan Proceeds	-	-	-	-	-	-	-	-	-	-	-
Bond Proceeds	-	28,000,000	16,845,000	22,810,000	12,165,000	40,560,000	-	-	-	-	-
Payment to escrow agent	-	-	(14,319,547)	(390,683)	(272,385)	-	-	-	-	-	-
Loss on sale of land	-	-	-	-	-	779,500	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>28,000,000</b>	<b>2,525,453</b>	<b>22,419,317</b>	<b>11,892,615</b>	<b>41,339,500</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>40,271,017</b>
<b>Net change in fund balances</b>	<b>\$ 10,380,852</b>	<b>\$ 31,489,360</b>	<b>\$ 5,605,462</b>	<b>\$ (44,482,033)</b>	<b>\$ (37,364,613)</b>	<b>\$ 28,862,502</b>	<b>\$ (24,439,450)</b>	<b>\$ (7,484,695)</b>	<b>\$ (2,299,572)</b>	<b>\$ (2,299,572)</b>	<b>\$ 28,248,508</b>
<b>Debt service as a percentage of noncapital expenditures</b>	9.94%	9.77%	14.01%	7.19%	11.50%	16.54%	11%	0%	0%	0%	0%

Source: City of Carson

**City of Carson  
General Governmental Revenues by Source  
Last Ten Fiscal Years**

Year Ended 30-Jun	Property Tax	Sales Tax	Franchise Tax	Interest Income on Investments	Building Construction Permits	Business License Fees	Federal Grants	Motor Vehicle License Fees	Utility Users Tax
2006	\$ 36,319,089 *	\$ 20,124,304 **	\$ 8,433,494	\$ 5,662,143	\$ 2,798,971	\$ 2,323,767	\$ 1,763,153	\$ 677,846	\$ -
2007	39,148,797 *	21,053,363 **	8,120,846	8,458,027	2,195,205	2,538,674	8,303,199	531,114	-
2008	41,960,439 *	21,615,227 **	8,159,269	9,442,128	2,291,416	2,567,338	2,449,439	435,813	-
2009	47,831,937 *	19,262,212 **	9,686,804	8,347,727	2,422,053	2,681,222	1,597,640	334,137	-
2010	41,519,865 *	15,051,658 **	6,876,484	2,849,583	1,901,201	2,282,081	12,607,160	288,398	6,722,319
2011	42,753,339 *	17,195,450 **	7,483,227	1,808,934	3,053,450	2,650,060	5,769,445	242,811	7,439,521
2012	19,355,360 #	20,688,872 **	7,746,907	937,338	2,789,592	2,649,097	2,056,551	256,016	7,980,683
2013	15,611,394	25,187,734 **	7,090,887	341,557	2,379,027	2,628,905	3,043,040	50,405	7,495,997
2014	14,182,112	23,668,795	7,936,242	716,643	2,899,460	2,546,608	3,269,370	41,716	9,284,071
2015	14,290,374	21,820,128	8,274,908	544,103	2,903,621	2,698,782	3,944,432	40,296	8,135,144

\* - Includes property taxes received in lieu of motor vehicles license fees.

\*\* - Includes property taxes received in lieu of sales taxes.

^ - Utility Users tax is a new revenue source beginning in fiscal year 2009-10.

# Redevelopment Agency was dissolved on 2/1/2012 due to ABx1 26. Property Tax allocation to the dissolved agency is limited to the State's approved Redevelopment Property Tax Trust Fund (RPTTF) money.

Source: City of Carson

**City of Carson**  
**Assessed Value and Estimated Actual Value of Taxable Property**  
**Last Ten Fiscal Years**  
**(in thousands of dollars)**

Fiscal Year Ended June 30	Entire City				Redevelopment Agency				Total Direct Tax Rate
	Secured	Unsecured	Less: Exemptions	Taxable Assessed Value	Secured	Unsecured	Less: Exemptions	Taxable Assessed Value	
2006	\$ 10,298,564	\$ 1,384,761	\$ (92,939)	\$ 11,590,386	\$ 2,797,669	\$ 561,889	\$ (14,343)	\$ 3,345,215	1.000%
2007	10,563,712	1,449,239	(93,186)	11,919,765	3,029,193	608,572	(14,785)	3,622,979	1.000%
2008	11,312,601	1,416,880	(94,094)	12,635,387	3,230,043	557,471	(15,449)	3,772,064	1.000%
2009	12,037,843	1,544,502	(95,059)	13,487,286	3,386,534	642,531	(15,853)	4,013,211	1.000%
2010	11,949,059	1,480,135	(95,424)	13,333,770	3,436,787	649,248	(16,065)	4,069,970	1.000%
2011	11,897,501	1,439,918	(95,196)	13,242,223	3,405,081	632,562	(16,197)	4,021,446	1.000%
2012	11,857,196	1,327,723	(93,911)	13,091,009	3,451,606	562,904	(16,037)	3,998,473	1.000%
2013	11,959,163	1,211,622	(92,535)	13,078,250	3,496,537	578,477	(16,017)	4,058,997	1.000%
2014	11,973,053	1,210,090	(91,719)	13,091,424	3,655,473	565,268	(15,913)	4,204,829	1.000%
2015	12,197,821	1,287,142	(90,395)	13,394,567	3,729,983	589,858	(15,825)	4,304,015	1.000%

Note:

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

Source: Los Angeles County Assessor's Office



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

	Fiscal Year										
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	
City Direct Rates:											
City basic rate	<u>1.0000</u>	<u>1.0000</u>	<u>1.0000</u>	<u>1.0000</u>	<u>1.0000</u>	<u>1.0000</u>	<u>1.0000</u>	<u>1.0000</u>	<u>1.0000</u>	<u>1.0000</u>	<u>1.0000</u>
Total City Direct Rate	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Overlapping Rates:											
County of Los Angeles	0.0008	0.0007	-	-	-	-	-	-	-	-	-
Community College	0.0143	0.0215	0.0088	0.0221	0.0231	0.0403	0.0353	0.0376	0.0445	0.0402	0.0402
Unified Schools	0.0843	0.1068	0.1233	0.1248	0.1518	0.1870	0.1682	0.1756	0.1464	0.1469	0.1469
Flood Control	0.0000	0.0001	-	-	-	-	-	-	-	-	-
Metropolitan Water District	<u>0.0052</u>	<u>0.0047</u>	<u>0.0045</u>	<u>0.0043</u>	<u>0.0043</u>	<u>0.0037</u>	<u>0.0037</u>	<u>0.0035</u>	<u>0.0035</u>	<u>0.0035</u>	<u>0.0035</u>
Total Direct Rate	<u>1.1047</u>	<u>1.1337</u>	<u>1.1366</u>	<u>1.1512</u>	<u>1.1792</u>	<u>1.2310</u>	<u>1.2072</u>	<u>1.2167</u>	<u>1.1944</u>	<u>1.1906</u>	<u>1.1906</u>

Note:  
 In 1978, California voters passed Proposition 13 which sets the property tax rate at a 1% fixed amount. This 1% is shared by all taxing agencies for which the subject property resides within. In addition to the 1% fixed amount, property owners are charged taxes as a percentage of assessed property values for the payment of various inter-governmental overlapping debt.

Source: Los Angeles County Assessor's Office

**City of Carson  
Principal Property Taxpayers  
Current Year and Ten Years Ago**

Taxpayer	2015		2006	
	Taxable Assessed Value*	Percent of Total City Taxable Assessed Value	Taxable Assessed Value	Percent of Total City Taxable Assessed Value
Tesoro Refining and Marketing Co.	\$ 1,783,399,656	13.23%	\$ -	0.00%
Phillips 66	542,953,178	4.03%	-	0.00%
Watson Land Co	499,045,590	3.70%	317,213,729	2.72%
Gatx Tank Storage Terminals Corp.	298,197,286	2.21%	-	0.00%
Watson Cogeneration Co.	238,501,000	1.77%	520,485,029	4.45%
General Mills Operations Inc.	151,114,334	1.12%	74,115,212	0.63%
Equilon Enterprises LLC	140,074,067	1.04%	241,187,945	2.06%
Home Depot Center Anschutz So. Cal. Sports	124,863,906	0.93%	144,474,921	1.24%
Ineos Polypropylene, LLC	115,993,268	0.86%	-	0.00%
Carson Dominguez Properties LP	112,852,557	0.84%	85,330,864	0.73%
BP West Coast Products	-	0.00%	2,583,230,062	22.11%
ConocoPhillips Co	-	0.00%	452,500,981	3.87%
Air Products and Chemicals	-	0.00%	81,112,701	0.69%
Nissan Motor Corp.	-	0.00%	91,159,871	0.78%
	<u>\$ 4,006,994,842</u>	<u>29.71%</u>	<u>\$ 4,590,811,315</u>	<u>39.29%</u>

\*The amounts shown include assessed value data for both the City and the Redevelopment Agency.  
Source: Los Angeles County Assessor's Office  
N/A - Not Available

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

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percent of Levy		Amount	Percent of Levy
2006	N/A	N/A	N/A	N/A	N/A	N/A
2007	\$ 26,878,008	\$ 24,577,979	91.44%	\$ 2,300,029	\$ 26,878,008	100.00%
2008	\$ 31,165,050	\$ 28,498,357	91.44%	\$ 2,666,694	\$ 31,165,051	100.00%
2009	\$ 34,030,650	\$ 31,368,244	92.18%	\$ 2,662,406	\$ 34,030,650	100.00%
2010	\$ 33,890,362	\$ 31,630,105	93.33%	\$ 2,260,257	\$ 33,890,362	100.00%
2011	\$ 33,155,535	\$ 30,977,690	93.43%	\$ 2,177,845	\$ 33,155,535	100.00%
2012	\$ 33,313,250	\$ 31,337,722	94.07%	\$ 1,975,528	\$ 33,313,250	100.00%
2013	\$ 33,825,963	\$ 32,062,885	94.79%	\$ 1,763,078	\$ 33,825,963	100.00%
2014	\$ 35,269,741	\$ 33,567,707	95.17%	\$ 1,702,032	\$ 35,269,740	100.00%
2015	\$ 36,104,610	\$ 35,622,156	98.66%	\$ 482,454	\$ 36,104,610	100.00%

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

Source: Los Angeles County Auditor-Controller  
N/A - Not Available

**City of Carson**  
**Direct and Overlapping Governmental Activities Debt**  
**June 30, 2015**

	Gross Bonded Debt	Exclusions	Net Bonded Debt City Share
Direct Debt			
City of Carson - 1915 Act Bonds	\$ 27,470,000	\$ 27,470,000	\$ -
Carson Redevelopment Agency	161,155,863	161,155,863	-
Total Direct Debt	<u>\$ 188,625,863</u>	<u>\$ 188,625,863</u>	<u>\$ -</u>
Overlapping Debt-Repaid with Property Taxes			
Tax and Assessment Debt			\$ 344,110,789
General Fund Debt (Net)			35,901,723
Total Overlapping Debt-Repaid with Property Taxes			<u>380,012,512</u>
Total Direct and Overlapping Debt			<u><u>\$ 380,012,512</u></u>

Notes:

- (1) Direct debt exclusions represent bonds which are not general obligation bonds of the City and do not represent a claim against the General Fund revenues of the City.
- (2) Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. The net bonded debt estimates the portion of the outstanding debt of the overlapping governments that is borne by the residents and businesses of the City.

Source: California Municipal Statistics, Inc. and the City of Carson, Finance Division.

**City of Carson  
Legal Debt Margin Information  
Last Ten Fiscal Years**

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Debt limit - 15% of Total Assessed Value	\$ 1,763,874,804	\$ 1,813,984,397	\$ 1,923,741,099	\$ 2,052,719,396	\$ 2,029,465,128	\$ 2,016,431,540	\$ 1,994,163,608	\$ 1,993,415,963	\$ 1,997,340,573	\$ 2,041,875,290
Amount of debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	\$ 1,763,874,804	\$ 1,813,984,397	\$ 1,923,741,099	\$ 2,052,719,396	\$ 2,029,465,128	\$ 2,016,431,540	\$ 1,994,163,608	\$ 1,993,415,963	\$ 1,997,340,573	\$ 2,041,875,290
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Legal Debt Margin Calculation</b>										
Assessed value	\$ 11,590,385,815	\$ 11,919,765,292	\$ 12,635,386,881	\$ 13,487,285,911	13,333,770,032	13,242,222,532	13,091,008,795	13,078,249,995	13,091,423,898	13,394,567,248
Add back: exempt real property	168,779,548	173,464,020	189,553,778	197,510,065	195,997,487	200,654,403	203,415,257	211,189,755	224,179,924	217,934,686
Total assessed value	\$ 11,759,165,363	\$ 12,093,229,312	\$ 12,824,940,659	\$ 13,684,795,976	\$ 13,529,767,519	\$ 13,442,876,935	\$ 13,294,424,052	\$ 13,289,439,750	\$ 13,315,603,822	\$ 13,612,501,934
Debt limit (15% of total assessed value)	\$ 1,763,874,804	\$ 1,813,984,397	\$ 1,923,741,099	\$ 2,052,719,396	\$ 2,029,465,128	\$ 2,016,431,540	\$ 1,994,163,608	\$ 1,993,415,963	\$ 1,997,340,573	\$ 2,041,875,290
Debt applicable to limit:										
General obligation bonds	-	-	-	-	-	-	-	-	-	-
Less: Amount set aside for repayment of general obligation debt	-	-	-	-	-	-	-	-	-	-
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	\$ 1,763,874,804	\$ 1,813,984,397	\$ 1,923,741,099	\$ 2,052,719,396	\$ 2,029,465,128	\$ 2,016,431,540	\$ 1,994,163,608	\$ 1,993,415,963	\$ 1,997,340,573	\$ 2,041,875,290

Note:  
 The City of Carson has no bonded debt.  
 The Carson Redevelopment Agency  
 has bonded debt (Tax Allocation)   \$ 105,470,863   \$ 130,365,863   \$ 128,570,863   \$ 147,770,863   \$ 156,170,863   \$ 192,340,863   \$ 186,605,863   \$ 180,870,863   \$ 168,245,863   \$ 161,155,863

Source: County of Los Angeles, Auditor-Controller/Disbursements/Tax Division and City of Carson, Finance Department.

**City of Carson  
Pledged-Revenue Coverage  
Last Ten Fiscal Years**

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Gross tax increment	\$22,819,093	\$25,682,282	\$27,856,482	\$33,249,076	\$28,706,556	\$28,307,079	\$24,310,311	\$31,286,630	\$32,204,166	\$31,827,881
Less Mandatory Costs:										
Admin & Pass-Thru	N/A	N/A	2,079,662	2,761,636	1,989,657	1,715,027	6,023,672	10,961,661	14,721,942	21,699,942
20% Housing Set aside	N/A	N/A	5,571,297	6,649,815	5,741,311	5,661,416	-	-	-	-
Total	-	-	7,650,959	9,411,451	7,730,968	7,376,443	6,023,672	10,961,661	14,721,942	21,699,942
Net tax increment	\$22,819,093	\$25,682,282	\$20,205,523	\$23,837,625	\$20,975,588	\$20,930,635	\$18,286,639	\$20,324,969	\$17,482,224	\$10,127,939
Debt service										
Principal	\$ 2,930,000	\$ 3,105,000	\$ 3,795,000	\$ 3,610,000	\$ 3,765,000	\$ 4,390,000	\$ 5,735,000	\$ 5,735,000	\$ 6,405,000	\$ 7,090,000
Interest	4,958,655	4,870,555	5,931,620	5,848,966	7,175,236	8,394,118	9,320,356	9,083,631	8,813,997	8,119,584
	\$ 7,888,655	\$ 7,975,555	\$ 9,726,620	\$ 9,458,966	\$10,940,236	\$12,784,118	\$15,055,356	\$14,818,631	\$15,218,997	\$15,209,584
Coverage	2.89	3.22	2.86	3.52	2.62	2.21	1.61	2.11	2.12	2.09

Note: The pledged tax increment revenues and the debt service payments refer to the City of Carson Redevelopment Agency.

Source: City of Carson

**City of Carson  
Demographic and Economic Statistics  
Last Ten Fiscal Years**

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Calendar Year	Population (1)	Personal Income (in thousands) (2)	Per Capita Personal Income (2)	Unemployment Rate (3)
2006	97,981	\$ 373,322,192	\$ 37,362	4.7%
2007	98,110	\$ 390,295,865	\$ 39,794	5.0%
2008	98,178	\$ 413,317,000	\$ 42,195	7.2%
2009	98,159	\$ 394,980,563	\$ 40,867	11.7%
2010	98,047	\$ 410,674,615	\$ 41,791	12.3%
2011	91,548	\$ 420,913,463	\$ 42,564	12.4%
2012	91,828	\$ 455,788,782	\$ 45,800	11.6%
2013	92,196	\$ 466,098,988	\$ 46,530	10.2%
2014	92,636	N/A	N/A	8.8%
2015	93,148	N/A	N/A	7.9%

Sources: (1) State Department of Finance  
(2) U.S. Bureau of Economic Analysis (data shown is for Los Angeles, CA)  
(3) State of California Employment Development Department

N/A - Not Available

**City of Carson  
Principal Employers  
Current Year and Ten Years Ago**

<u>Employer</u>	<u>2015</u>			<u>2006</u>		
	<u>Number of Employees (1)</u>	<u>Rank</u>	<u>Percent of Total City Employment</u>	<u>Number of Employees</u>	<u>Rank</u>	<u>Percent of Total City Employment</u>
Tesoro Refining & Marketing Company LLC	1,081	1	2.59%	N/A	N/A	N/A
Prime Wheel Corporation	478	2	1.15%	N/A	N/A	N/A
Lakeshore Learning	458	3	1.10%	N/A	N/A	N/A
Cedarlane Natural Foods Inc.	435	4	1.04%	N/A	N/A	N/A
Select Staffing	425	5	1.02%	N/A	N/A	N/A
See's Candy Shops Inc.	400	6	0.96%	N/A	N/A	N/A
Huck International Inc.	396	7	0.95%	N/A	N/A	N/A
Mag Aerospace Industries	365	8	0.88%	N/A	N/A	N/A
The Children's Clinic	323	9	0.78%	N/A	N/A	N/A
The Pepsi Bottling Group	278	10	0.67%	N/A	N/A	N/A
Total	<u>4,639</u>		<u>11.14%</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Total City Employment <sup>(1)</sup>	41,675					

Sources: (1) City of Carson

(2) State of California Employment Development Department  
(data shown is not seasonally adjusted - 43,200)

N/A - Not Available. Data on city employment for 2006 is not available.



**City of Carson**  
**Full-Time-Equivalent City Government Employees**  
**By Function/Workgroup**  
**Last Ten Fiscal Years**

Function/Workgroup	Full-time-Equivalent Employees as of June 30									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General government										
City Council	3.09	2.99	4.06	4.00	4.00	4.00	4.00	3.00	5.00	5.00
City Attorney	-	-	-	-	-	-	-	-	-	-
City Clerk	6.00	6.00	6.00	6.00	6.00	6.00	6.00	4.00	4.00	4.00
City Treasurer	5.00	5.00	5.00	5.00	5.00	5.00	4.94	5.00	5.00	5.00
City Manager	48.67	48.93	46.95	47.00	47.00	47.00	45.65	20.00	20.00	21.00
Administrative services	52.00	52.00	52.00	52.00	52.00	52.00	50.24	46.00	44.00	44.00
Public Works	97.00	94.90	96.00	95.80	82.00	82.00	71.15	136.00	131.00	133.00
Community Development	29.00	29.18	28.99	30.20	41.00	41.00	12.03	32.00	31.00	30.00
Community Services	<u>158.16</u>	<u>158.00</u>	<u>159.00</u>	<u>158.00</u>	<u>158.00</u>	<u>158.00</u>	<u>154.00</u>	<u>84.00</u>	<u>88.00</u>	<u>88.00</u>
Total	<u>398.92</u>	<u>397.00</u>	<u>398.00</u>	<u>398.00</u>	<u>395.00</u>	<u>395.00</u>	<u>348.01</u>	<u>330.00</u>	<u>328.00</u>	<u>330.00</u>

Source: City of Carson

**City of Carson**  
**Operating Indicators by Workgroup**  
**Last Ten Fiscal Years**

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b><u>Economic Development</u></b>										
Housing and Block Grant Division:										
Mobile home rehab grant applications received	79	75	28	49	38	55	21	35	23	30
Mobile home rehab grants (qualified)	66	51	33	17	24	32	18	23	20	21
Mobile home rehab grants (dollar value)	\$330,000	\$255,000	\$140,000	\$85,000	\$115,389	\$137,705	\$85,000	\$172,500	\$125,065	\$166,710
Single family rehab loan applications received	82	89	60	63	64	35	36	30	35	15
Single family rehab loans granted	69	69	36	16	2	22	13	20	23	8
Single family rehab loans granted (dollar value)	\$885,000	\$885,000	\$355,000	\$125,000	\$50,000	\$139,185	\$17,500	\$230,000	\$89,550	\$139,275
Mobile home rent control increases processed	6	6	9	11	11	13	9	11	7	6
Employment Development Division:										
Job applicants processed	1,146	N/A	654	1,545	1,274	16,810	18,442	25,232	35,035	35,261
Summer youth employees hired	96	100	90	181	100	27	11	13	125	120
Business Development Division:										
Business visitations conducted	15	6	19	25	60	280	140	12	30	25
Redevelopment Division:										
Development agreements negotiated	6	12	10	4	5	17	0	0	2	0
<b><u>Public Services</u></b>										
Graffiti Abatement Division:										
Service request completed	1,555	2,228	2,939	2,321	2,050	1,882	1,412	817	932	869
Square feet of graffiti removed by waterblast	94,270	93,697	33,620	69,293	43,013	49,996	14,343	26,156	23,243	19,862
Square feet of graffiti removed by painting over	626,341	685,605	572,347	553,654	646,754	291,507	85,768	153,734	178,017	179,445
Building and Landscape Maintenance Division:										
Service request completed	1,286	1,521	1,886	1,712	1,719	1,715	1,672	N/A	1,520	602
Vouchers issued	55	57	56	27	18	0	1	N/A	N/A	1

Source: City of Carson  
N/A - Not Available

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

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Public Services:</b>										
City square miles	19.2	19.2	19.2	19.2	19.2	19.2	19.2	19.2	19.2	19.2
Parks acreage	147.8	147.8	147.8	147.8	147.8	147.8	147.8	147.8	147.8	147.8
Facilities square footage	320,004	320,004	320,004	320,004	320,004	320,004	320,004	320,004	320,004	320,004
Parks	12	12	12	12	12	12	12	12	12	12
Parks - mini	3	3	3	3	3	3	3	3	3	3
Sports Complex	1	1	1	1	1	1	1	1	1	1
Swimming pools	3	3	3	4	4	4	4	4	4	4
City Hall	1	1	1	1	1	1	1	1	1	1
Corporate yard	1	1	1	1	1	1	1	1	1	1
Public Safety Services Center	1	1	1	1	1	1	1	1	1	1
Gymnasiums	3	3	3	3	3	3	3	3	3	3
Tennis courts	18	18	18	18	18	18	18	18	18	18
Basketball courts	18	18	18	18	28	28	28	28	28	28
Racquetball courts	8	8	8	8	8	8	8	8	8	8
Volleyball courts	2	2	2	2	4	4	4	4	4	4
Snack bars	14	14	14	14	10	10	10	10	10	10
Ornamental fountains	3	3	3	3	3	3	3	3	3	3
Flagpoles	17	17	17	17	17	17	17	17	17	17
Wading pools	7	7	7	7	5	4	4	4	4	4
Parking lots	23	23	23	23	23	23	23	23	23	23

Source: City of Carson  
N/A - Not Available.



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