

BUENA PARK COMMUNITY CENTER

Comprehensive Annual Financial Report

FOR THE YEAR ENDED JUNE 30, 2012

CAFD



City of Buena Park, California

Comprehensive Annual Financial Report

With Report on Audit by
Independent Certified Public Accountants

For the Year Ended
June 30, 2012



Prepared by:
Finance Department
Sung Hyun, Director

**City of Buena Park
Comprehensive Annual Financial Report
Year Ended June 30, 2012**

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CITY OF BUENA PARK

DEPARTMENT OF FINANCE

December 17, 2012

Honorable Mayor and Members of the City Council
City of Buena Park
Buena Park, California

It is my pleasure to submit the Comprehensive Annual Finance Report (CAFR) of the City of Buena Park (the City) for the fiscal year ended June 30, 2012.

This report consists of management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management has established a comprehensive internal control framework that is designed both to protect the City's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with generally accepted accounting principles (GAAP). Because the cost of internal controls should not outweigh their benefits, internal controls have been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatements.

The City's financial statements have been audited by Teaman, Ramirez & Smith, Inc., a firm of certified public accountants. The independent auditor concluded, based on the audit, that there was a reasonable basis for rendering an unqualified opinion on the City's financial statements for the fiscal year ended June 30, 2012. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City was part of a broader, federally mandated "Single Audit" designed to meet the specific needs of the federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on internal controls and legal requirements involving the administration of federal awards. These reports are available in the City's separately issued Single Audit Report.

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to compliment the MD&A

and should be read in conjunction with it. The City of Buena Park's MD&A can be found immediately following the report of the independent auditors.

City of Buena Park Profile

The City of Buena Park was incorporated on January 27, 1953, as a General Law City. In November 2008, voters adopted a City Charter. The City of Buena Park is located at the northwest edge of Orange County, which is located in the southwestern part of the State of California. It occupies a land area of 10.27 square miles and provides a full range of services, including police protection, street and other infrastructure construction and maintenance, and recreational activities to its population of 81,460.

The City of Buena Park operates under the council-manager form of government. The City Council's five members are elected at large to provide the policy-setting and legislative functions of the City for four-year overlapping terms. Elections are held in November of even-numbered years, with either two or three seats to be filled. The mayor is elected by City Council for a one-year term and is the presiding officer of the Council. The City Council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring the City Manager, City Clerk, and City Attorney. The City Manager is responsible for carrying out the policies and ordinances of the Council, for overseeing the day-to-day operations of the City, and for appointing the heads of the various departments.

The annual budget serves as the foundation for the City's financial planning and policy making. The City Manager presents the proposed budget to the City Council for review prior to the beginning of each fiscal year. The budget is prepared according to fund, function (e.g., public safety), and department (e.g., police). The City Manager or Department Heads may make certain transfers of appropriations within a department. However, the City Manager's approval is required to transfer resources from an operating account to a capital account and to transfer appropriations between departments. Starting in fiscal year 2008-09, the City went to a two year budget process with the goals of saving staff resources and providing a longer term financial plan. The City adopted two separate annual budgets for each respective fiscal year. The items for consideration for the second fiscal year were limited to an exception basis.

The financial activities of the two legally separate entities for which the City serves as the governing body are also included in this report; the Buena Park Foundation and the Buena Park Public Financing Authority.

Local Economy

Buena Park is home to the world-famous Knott's Berry Farm, one of the nation's most popular and largest theme amusement parks. Also located in Buena Park are the Medieval Times Dinner and Tournament, Pirate's Dinner Adventure, and Knott's Soak City. These attractions drive the tourism industry in the City.

In addition to the entertainment-type businesses, Buena Park also offers a complete selection of hotels, restaurants, commercial centers, office complexes, business parks, and the Buena Park Mall. Major nationally recognized employers in the City of Buena Park include Nutrilite, Yamaha, and Georgia Pacific. The City's Auto Center includes dealers of BMW, Buick/GMC, Chevrolet, Ford, Honda, Mercedes-Benz, Nissan, and Toyota vehicles, as well as a CarMax Auto Superstore.

Much like the rest of the nation, Buena Park continues to experience a slow and modest recovery to the local economy from the great recession. Some revenues have shown modest gains, while others have remained static. Sales tax and transient occupancy tax have increased but still remain considerably below pre-recession levels. Full recovery to pre-recession revenue levels are not anticipated in the near future.

Major Initiatives

The City continues to operate under on a budget reduction action plan to address the decreased revenues while maintaining essential services. A major component of this plan is a 5% employee furlough that began on January 1, 2010. Additionally, in a cooperative effort with the City, all the employee labor groups have agreed to a further 3% reduction in compensation. The City has also held a number of vacant positions, resulting in an approximate 10% reduction in the laborforce.

The City suffered a major setback with the passage of AB1x 26, which eliminated redevelopment agencies in California effective February 1, 2012. Redevelopment had been the City's main tool for economic development. Now, many of the pending projects that were anticipated to provide a long-term economic stimulus remain at a standstill as the City continues to work with the State on the nature of enforceable obligations. Going forward, the City will have to find other options to spur economic development. The City assumed the role of successor agency to manage the winding down of the redevelopment agency's activities. Unfortunately, AB1x 26 created an additional budget shortfall for the City requiring further cost reductions. As a result, the City had to layoff certain positions and privatize certain functions.

Long-term Financial Planning

The City's 2035 General Plan establishes policy direction for the long-range planning and growth of the City. As a part of the General Plan, the City adopted the following economic principles and goals:

- *FISCAL STABILITY*
 - The City of Buena Park seeks fiscal stability and continued financial growth. Stability will enhance opportunity for economic growth sectors of the community.

- *TAX BASE REVENUE GROWTH*
 - Economic growth can bring many benefits to the community, including jobs, housing, and new revenue. New growth will lead to higher tax revenue, thus benefiting residents and the community directly by enhancing many of the public services the City provides. The City will continue to collaborate with the business community to facilitate growth, development, and infrastructure improvements that benefit residents and businesses alike.
- *DIVERSITY*
 - Buena Park understands that part of its economic stronghold stems from its employment diversity of office, retail, manufacturing, and industrial businesses. Retaining and expanding these businesses will continue the economic benefits the City maintains, as well as those seeking employment opportunities in Buena Park.
- *BUSINESS RETENTION AND ATTRACTION*
 - Business retention and attraction are top priorities for Buena Park. The City takes great pride in the long, established history of the many business establishments in the City.
- *JOBS-HOUSING BALANCE*
 - Future mixed-use development in focus areas of the City will provide greater opportunity for jobs-housing balancing.
- *ENTERTAINMENT CORRIDOR AND TOURISM*
 - The Entertainment Corridor along Beach Boulevard provides multiple attractions and destinations for visitors to Buena Park. The City will continue to seek opportunities to grow and expand the experience for tourists who visit Buena Park.
- *REVITALIZATION OF AGING CENTERS*
 - Buena Park recognizes the need to revitalize its older commercial areas and support reinvestment and business growth in these areas. Encouraging economic growth can also help meet identified community needs.
- *RETAIL SECTOR*
 - The stability and growth of the retail sector is vital to the economic well being of the City. Retail opportunities need to respond to both the residents and visitors of Buena Park.
- *MIX OF INDUSTRIAL AND OFFICE USES*
 - A primary factor in identifying focus areas in the City is the need to revitalize and reinvent industrial and office uses to respond to the needs and interests that seek these uses.

There are policies within each principle and goal that provide direction for decision making that encourages economic growth while also maintaining and improving the quality of life in the community.

Government Finance Officers Association of the United States and Canada (GFOA) Certificate of Achievement Award

The GFOA awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Buena Park for its comprehensive annual financial report for the year ended June 30, 2011. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. I believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and I am submitting it to the GFOA to determine its eligibility.

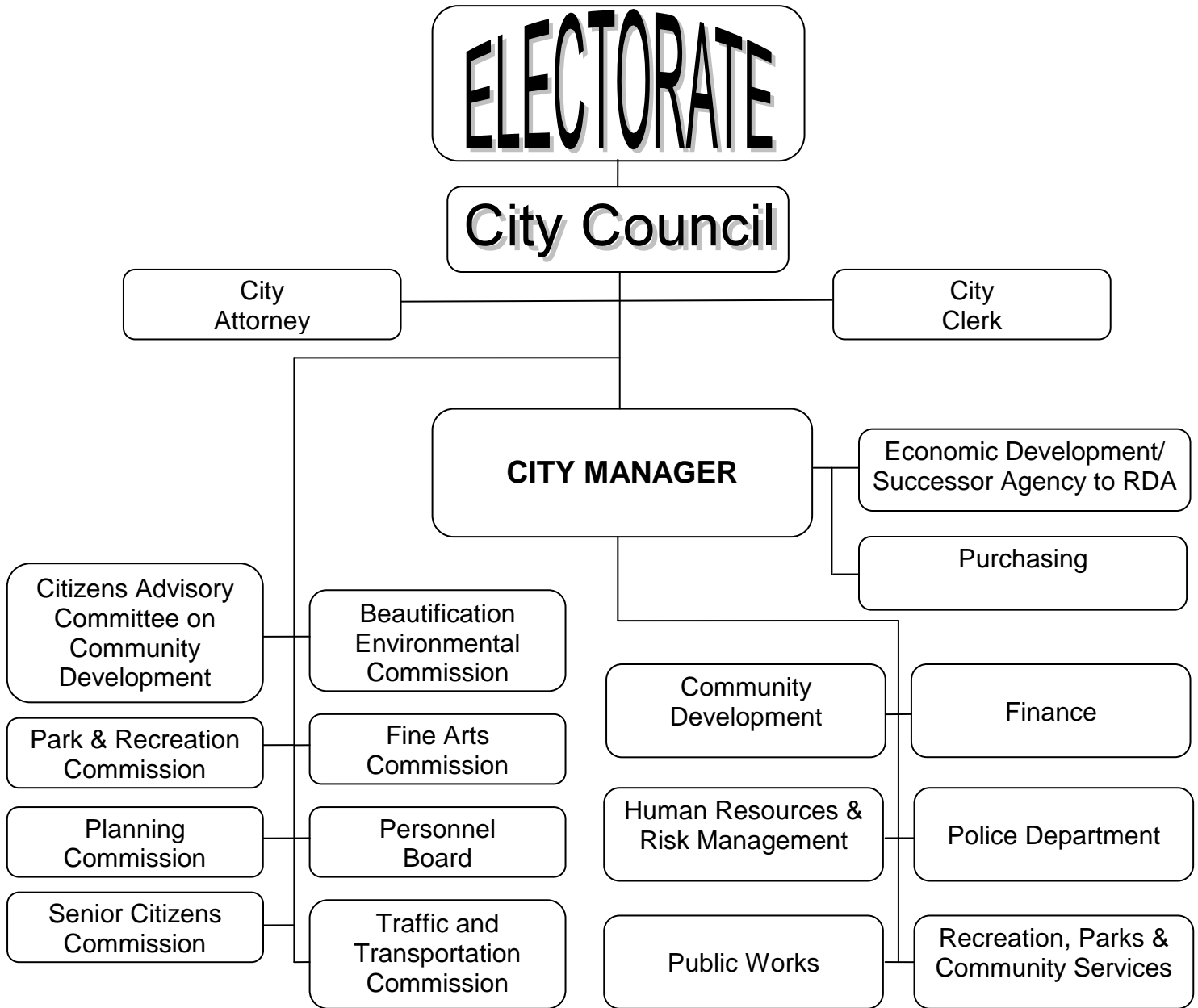
Acknowledgments

The preparation and publication of this report could not be accomplished without the dedication, professionalism, and teamwork of the Finance Department staff. I would like to express my sincere appreciation to all members of the Finance Department. In addition, I want to acknowledge the efforts of the City's independent auditors, Teaman, Ramirez & Smith, Inc., who assisted in the preparation of this report. Finally, I would like to thank the City Manager and the City Council for their support in planning and conducting the financial operations of the City in a responsible and progressive manner.

Respectfully submitted,

Sung Hyun
Director of Finance

CITY OF BUENA PARK
Organizational Chart



CITY OF BUENA PARK
List of Principal Officials

CITY COUNCIL

Mayor James A. Dow
Mayor Pro-Tem Elizabeth Swift, Ed.D.
Council Member Steve Berry
Council Member Miller Oh
Council Member Fred R. Smith

ADMINISTRATION AND DEPARTMENT HEADS

City Manager James B. Vanderpool
City Attorney Steven Dorsey
City Clerk Shalice Tilton
Director of Community Development Joel Rosen
Director of Finance Sung Hyun
Director of Human Resources and Risk Management Eddie Fenton
Police Chief Corey Sianez
Director of Public Works/City Engineer James Biery
Director of Recreation, Parks and Community Services Margaret Riley

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Buena Park
California

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

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



Linda C. Danison

President

Jeffrey R. Emer

Executive Director

FINANCIAL SECTION

Independent Auditors' Report

The Honorable Members of the
City Council of the
City of Buena Park
Buena Park, California

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 Buena Park, California, as of and for the year ended June 30, 2012, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Buena Park's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 2012, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

As explained in Note 17, the Redevelopment Agency previously reported as a blended component unit was dissolved by legislation from the California State Legislature and a decision by the California Supreme Court.

Accounting principles generally accepted in the United States of America require that the *management's discussion and analysis* and required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our

inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

Teaman Ramirez & Smith, L.L.C.

December 18, 2012

CITY OF BUENA PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2012

The following discussion and analysis of the financial performance of the City of Buena Park provides an overview of the City's financial activities for the fiscal year ended June 30, 2012. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

Financial Highlights

- On February 1, 2012, as a result of AB1x 26, California redevelopment agencies were dissolved by the California legislature with the State's intent to consume all available redevelopment assets and revenues (see Note 17). However, the dissolution of the Buena Park Redevelopment Agency did not relieve its debt service obligations. Buena Park created a Successor Agency to handle the ongoing obligations of the former Redevelopment Agency. In previous years, the Redevelopment Agency was incorporated into the government-wide financial statements. Because the activities of the Successor Agency were determined to be fiduciary in nature, their financial activities were separated from the government-wide financial statements. As a result of the dissolution of the Redevelopment Agency and the exclusion of the Successor Agency from the government-wide financial statements, large differences in revenues and expenditures will be evident when comparing the current year data with the previous year.
- The total assets of the City exceeded its liabilities at the close of fiscal year 2011-12 by \$300,282,000. Net assets represent the difference between all of the City's assets and liabilities, including infrastructure (roads, bridges, storm drains, sewers, traffic signals, and water system mains and lines) and other capital assets (buildings and improvements, vehicles, furniture, and equipment). Of this amount, \$40,282,000 may be utilized for the City's ongoing obligations to its citizens and creditors.
- The City's total net assets decreased by \$25,996,000. Although there was a \$16,635,000 increase in net assets attributable to general governmental activities, this increase was offset by \$42,631,000, due to the exclusion of the Successor Agency from the Statement of Activities. An increase of \$3,580,000 is attributable to the water enterprise activity in the business-type activities.
- As of June 30, 2012, the City's governmental funds reported combined ending fund balances of \$47,172,000, a decrease of \$133,845,000 in comparison with the prior fiscal year. This decrease is due to the elimination of the Redevelopment Agency. Approximately 61% of the fund balance, or \$28,971,000 is unassigned and available for use at the government's discretion. The General Fund's portion of the unassigned fund balance is \$29,302,000. The unassigned fund balance for Special Revenue Funds is (\$289,000) and (\$42,000) for other governmental funds.

See independent auditors' report.

CITY OF BUENA PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

June 30, 2012

Using the Accompanying Financial Statements

This annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities provide information about the activities of the City as a whole and present a longer-term view of the City's finances. Also included in the accompanying report are fund financial statements. For governmental activities, the fund financial statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds.

Overview of the Financial Statements

The annual report consists of four parts – *management's discussion and analysis* (this section), the *basic financial statements*, *required supplementary information*, and an optional section that presents *combining statements* for non-major governmental funds and internal service funds. The basic financial statements comprise three components:

- *Government-wide financial statements.* These statements provide both *long-term* and *short-term* information about the City's overall financial status.
- *Fund financial statements.* These statements focus on *individual parts* of the City government, reporting the City's operations in *more detail* than the government-wide statements.
 - The *governmental funds* statements tell how *general government* services like public safety were financed in the *short-term* as well as what remains for future spending.
 - *Proprietary fund* statements offer *short-term* and *long-term* financial information about the activity the City operates like a business, i.e., the Water Enterprise Fund.
- *Notes to financial statements.* - Explains some of the information in the financial statements and provides more detailed data.

The statements are followed by a section of *required supplementary information* that provides additional financial and budgetary information.

Figure A-1 summarizes the major features of the City's financial statements, including the portion of the City government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

See independent auditors' report.

CITY OF BUENA PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)

June 30, 2012

Overview of the Financial Statements (Continued)

Figure A-1

Major Features of the City's Government-wide and Fund Financial Statements

	<u>Government-wide Statements</u>	<u>Fund Statements</u>	
		<u>Governmental Funds</u>	<u>Proprietary Funds</u>
Scope	Entire City government and the City's component units	The activities of the City that are not proprietary	Activities the City operates similar to private businesses
Required financial statements	<ul style="list-style-type: none"> • Statement of net assets • Statement of activities 	<ul style="list-style-type: none"> • Balance sheet • Statement of revenues, expenditures and changes in fund balances 	<ul style="list-style-type: none"> • Statement of net assets • Statement of revenues, expenses and changes in net assets • Statement of cash flows
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term debt included	All assets and liabilities, both financial and capital, and short-term and long-term
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during the year, regardless of when cash is received or paid

See independent auditors' report.

CITY OF BUENA PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)

June 30, 2012

Reporting the City as a Whole

The accompanying **government-wide financial statements** include the Statement of Net Assets and the Statement of Activities that present financial data for the City as a whole and are designed to provide readers with a broad overview of the City's financial condition. These statements include all assets and liabilities using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the City's net assets and changes in them. The City's net assets – the difference between assets and liabilities – is one way to measure the City's financial health, or financial position. Over time, increases and decreases in the City's net assets are one indicator of whether its financial health is improving or deteriorating. Other nonfinancial factors, however, should be considered, such as changes in the City's property tax base and the condition of the City's roads, to assess the overall health of the City.

In the Statement of Net Assets and the Statement of Activities, we divide the City into two kinds of activities:

- **Governmental activities** – Most of the City's basic services are reported in this category, such as general government, development, public protection, transportation, environmental, health, and leisure. Sales taxes, property taxes, state subventions, charges for services and other revenues finance most of these activities.
- **Business-type activity** – The City charges a fee to customers to help it cover all or most of the cost of the services accounted for in the Water Enterprise Fund.

See independent auditors' report.

CITY OF BUENA PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

June 30, 2012

Reporting the City's Major Funds

The **fund financial statements** provide detailed information about the City's most significant funds – not the City as a whole. Some funds are required to be established by State law or by bond covenants. However, City Council establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting administrative responsibilities for utilizing certain taxes, grants, or other money. The City's two fund types – *governmental and proprietary*, utilize two different accounting approaches.

- *Governmental funds* – Most of the City's basic services are reported in governmental funds, which focus on near-term inflows and outflows of resources available for spending, as well as balances of resources available for expenditure at the end of the fiscal year. These funds are reported using the *modified accrual* basis of accounting, which measures cash and all other *current financial* assets that can readily be converted to cash. The governmental fund statements provide a detailed *short-term view* of the City's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. The relationship or differences between *governmental activities* (reported in the Statement of Net Assets and the Statement of Activities) and *governmental funds* is described in a reconciliation following the fund financial statements.

The City maintains 19 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, the State Gas Tax Fund, the Residential Rehabilitation Fund, the HOME Deferred Loans Fund, and the Park In-Lieu Capital Projects Fund, all of which are considered to be major funds. Data from the other 13 funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in a combining statement elsewhere in this report.

- *Proprietary funds* – When the City charges customers for the services it provides – whether to outside customers or to other units of the City – these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Assets and the Statement of Activities. In fact, the City's enterprise fund (a component of proprietary funds) is the same as the business-type activities we report in the government-wide statements but provides more detail and additional information, such as cash flows, for proprietary funds. The City's one enterprise fund, the Water Enterprise Fund, is considered to be a major fund of the City. The City uses internal service funds (the other component of proprietary funds) to account for its self-insurance, equipment replacement and maintenance, building maintenance, employee benefits, and information technology support. Because these services predominantly benefit governmental rather than business-type functions, they have been included with governmental activities in the government-wide financial statements.

See independent auditors' report.

CITY OF BUENA PARK
MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)

June 30, 2012

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Below is a summary of the City's government-wide financial information (in thousands):

	<u>Total Governmental and Business-type Activities</u>			
	<u>June 30, 2012</u>	<u>June 30, 2011</u>	<u>Amount Increase (Decrease)</u>	<u>Percent Increase (Decrease)</u>
Assets	\$ 340,712	\$ 464,491	\$ (123,779)	(26.65)%
Liabilities	<u>40,430</u>	<u>141,794</u>	<u>(101,364)</u>	(71.49)%
Total Net Assets	<u>\$ 300,282</u>	<u>\$ 322,697</u>	<u>\$ (22,415)</u>	(6.95)%
Unrestricted net assets	<u>\$ 40,282</u>	<u>\$ 36,107</u>	<u>\$ 4,175</u>	11.56%
Long-term obligations	<u>\$ 23,204</u>	<u>\$ 123,569</u>	<u>\$ (100,365)</u>	(81.22)%
Program revenues	<u>\$ 36,240</u>	<u>\$ 30,613</u>	<u>\$ 5,627</u>	18.38%
Taxes	<u>\$ 60,117</u>	<u>\$ 68,669</u>	<u>\$ (8,552)</u>	(12.45)%
Other general revenues	<u>\$ 1,348</u>	<u>\$ 1,834</u>	<u>\$ (486)</u>	(26.50)%
Expenses	<u>\$ 77,443</u>	<u>\$ 89,794</u>	<u>\$ (12,351)</u>	(13.75)%

See independent auditors' report.

CITY OF BUENA PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)

June 30, 2012

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. A summary of the government-wide *statement of net assets (in thousands)* at June 30, 2012 and 2011 are as follows:

Governmental Activities:

	<u>June 30, 2012</u>	<u>June 30, 2011</u>	<u>Increase (Decrease)</u>	<u>Percent Increase (Decrease)</u>
Assets:				
Current and other assets	\$ 85,203	\$ 225,845	\$ (140,642)	(62.27)%
Capital assets	<u>214,554</u>	<u>200,978</u>	<u>13,576</u>	6.75%
Total Assets	<u>299,757</u>	<u>426,823</u>	<u>(127,066)</u>	(29.77)%
Liabilities:				
Current liabilities	15,049	16,050	(1,001)	(6.65)%
Long-term liabilities	<u>22,756</u>	<u>122,824</u>	<u>(100,068)</u>	(81.47)%
Total Liabilities	<u>37,805</u>	<u>138,874</u>	<u>(101,069)</u>	(72.78)%
Net Assets:				
Invested in capital assets, net of related debt	214,554	200,780	13,774	6.86%
Restricted	25,378	66,102	(40,724)	(61.61)%
Unrestricted	<u>22,020</u>	<u>21,066</u>	<u>954</u>	4.53%
Total Net Assets	<u>\$ 261,952</u>	<u>\$ 287,948</u>	<u>\$ (25,996)</u>	(9.03)%

See independent auditors' report.

CITY OF BUENA PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)

June 30, 2012

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Business-type Activities:

	June 30, 2012	June 30, 2011	Amount Increase (Decrease)	Percent Increase (Decrease)
Assets:				
Current and other assets	\$ 20,596	\$ 17,380	\$ 3,216	18.50%
Capital assets	<u>20,359</u>	<u>20,289</u>	<u>70</u>	.35%
Total Assets	<u>40,955</u>	<u>37,669</u>	<u>3,286</u>	8.72%
Liabilities:				
Current liabilities	2,177	2,174	3	.14%
Long-term liabilities	<u>448</u>	<u>746</u>	<u>(298)</u>	(39.95)%
Total Liabilities	<u>2,625</u>	<u>2,920</u>	<u>(295)</u>	(10.10)%
Net Assets:				
Invested in capital assets, net of related debt	20,068	19,708	360	1.83%
Unrestricted	<u>18,261</u>	<u>15,041</u>	<u>3,220</u>	21.41%
Total Net Assets	<u>\$ 38,329</u>	<u>\$ 34,749</u>	<u>\$ 3,580</u>	10.30%

The largest portion of the City's net assets reflects its investment in capital assets (i.e., land, buildings, machinery, equipment, and infrastructure) less any related debt utilized to acquire those assets that is still outstanding. The City uses these capital assets to provide services to its citizens; consequently, these assets are not available for future expenditure. Although the City's investment in its capital assets is reported net of related debt, the resources needed to repay this debt must be provided from other sources, since capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net assets represents resources that are subject to external (legally imposed or statutory) restrictions (\$25,378,000 for governmental activities) on how they may be used. This amount represents 9.7% of net assets for governmental activities. The unrestricted portion (\$22,020,000 for governmental activities and \$18,261,000 for business-type activities), the part of net assets that can be used to finance day-to-day operations without constraints, represents 8.4% and 47.6% of net assets for governmental and business-type activities, respectively.

See independent auditors' report.

CITY OF BUENA PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)

June 30, 2012

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

For governmental and business-type activities, net assets decreased overall by \$22,415,000. The elimination of the Redevelopment Agency was the major factor in the reduction of net assets, however, this reduction was partially offset by an increase of \$13,647,000 in capital improvements (less any dispositions and replacements of assets and the accumulated depreciation related to all assets currently in use).

Restricted net assets total \$25,378,000. These assets are committed for special programs or projects, and for contractor and vendor obligations. Unrestricted net assets increased by \$4,175,000.

CITY OF BUENA PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)

June 30, 2012

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Change in net assets of Governmental Activities (in thousands) is as follows:

	June 30, 2012	June 30, 2011	Amount Increase (Decrease)	Percent Increase (Decrease)
Revenues:				
Program Revenues:				
Charges for services	\$ 9,317	\$ 8,020	\$ 1,297	16.17%
Operating grants and contributions	7,032	5,594	1,438	25.71%
Capital grants and contributions	<u>3,668</u>	<u>2,095</u>	<u>1,573</u>	75.08%
Total Program Revenues	<u>20,017</u>	<u>15,709</u>	<u>4,308</u>	27.42%
General Revenues:				
Property taxes	21,564	33,351	(11,787)	(35.34)%
Sales and use taxes	18,520	14,892	3,628	24.36%
Property taxes in lieu of sales and use taxes	4,956	4,956	-	-
Transient occupancy taxes	4,050	3,816	234	6.13%
Franchise taxes	1,697	1,757	(60)	(3.41)%
Other taxes	9,329	9,896	(567)	(5.73)%
Investment income	963	1,545	(582)	(37.67)%
Other revenue	<u>97</u>	<u>42</u>	<u>55</u>	130.95%
Total General Revenues	<u>61,176</u>	<u>70,255</u>	<u>(9,079)</u>	(12.92)%
Total Revenues	<u>81,193</u>	<u>85,964</u>	<u>(4,771)</u>	(5.55)%
Expenses:				
General government	6,145	7,161	(1,016)	(14.19)%
Leisure	2,626	2,514	112	4.46%
Transportation	8,041	8,295	(254)	(3.06)%
Public protection	29,780	29,074	706	2.43%
Development	9,217	19,530	(10,313)	(52.81)%
Environmental	2,724	2,832	(108)	(3.81)%
Health	2,777	2,776	1	(.04)%
Interest expense	<u>3,537</u>	<u>6,271</u>	<u>(2,734)</u>	(43.60)%
Total Expenses	<u>64,847</u>	<u>78,453</u>	<u>(13,606)</u>	(17.34)%
Increase in Net Assets before transfers and extraordinary item	<u>16,346</u>	<u>7,511</u>	<u>8,835</u>	117.63%
Transfers	289	849	(560)	(65.96)%
Extraordinary item	<u>(42,631)</u>	<u>-</u>	<u>(42,631)</u>	-
Change in Net Assets	<u>(25,996)</u>	<u>8,360</u>	<u>(34,356)</u>	(410.96)%
Net Assets - Beginning of Year	<u>287,948</u>	<u>279,588</u>	<u>8,360</u>	2.99%
Net Assets - End of Year	<u>\$ 261,952</u>	<u>\$ 287,948</u>	<u>\$ (25,996)</u>	(9.03)%

See independent auditors' report.

CITY OF BUENA PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)

June 30, 2012

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

The cost of all governmental activities for fiscal year 2011-12 was \$64,847,000. However, as shown in the Statement of Activities, the amount that the taxpayers ultimately financed for these activities was only \$44,830,000, because some of the cost was paid by those who directly benefited from the programs (\$9,317,000), or by other governments and organizations that subsidized certain programs with operating grants and contributions (\$7,032,000), and capital grants and contributions (\$3,668,000). The City's governmental program revenues were \$20,017,000. The City paid for the remaining "public benefit" portion of governmental activities with \$61,465,000 in taxes and general revenue (some of which could only be used for certain programs) and with other revenues, such as interest and general entitlements.

Total resources available during the year to finance governmental operations were \$369,430,000, consisting of net assets at July 1, 2011 of \$287,948,000, program revenues of \$20,017,000, general revenues of \$61,176,000, and transfers of \$289,000. Total expenses for governmental activities during the year were \$64,847,000, and the elimination of the Redevelopment Agency, costing \$42,631,000 decreased net assets by \$25,996,000, to \$261,952,000.

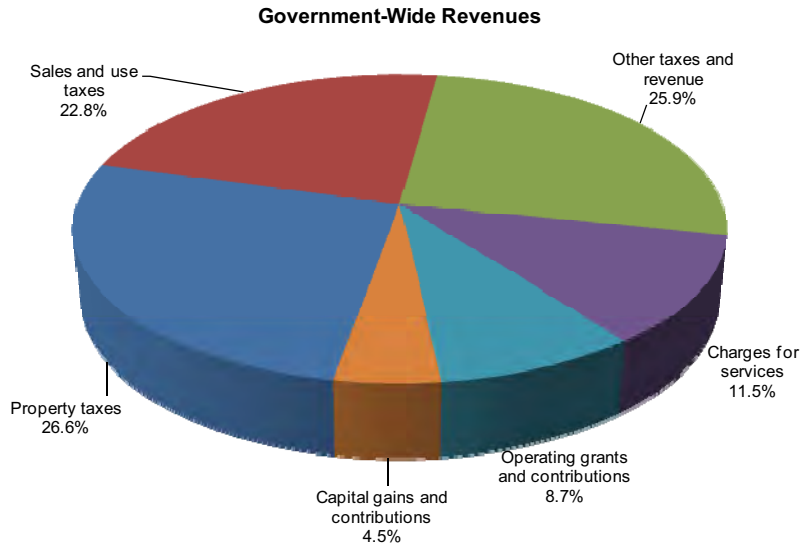
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CITY OF BUENA PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)

June 30, 2012

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)



Program revenues increased \$4,308,000, a 27% change from the prior year. This is due to increases in state and federal housing programs and transportation grants.

Total general revenues decreased by \$9,000,000, a 13% decline from the previous year. This is a direct effect of the loss of property tax increment due to the State of California's abolishment of the redevelopment agencies. The total loss in property taxes was \$11,787,000, a drop of 35% from the previous fiscal year. This loss was partially offset by a \$3,629,000 gain in sales taxes due to a slowly improving economy. There was also a small increase in transient occupancy taxes. Investment income decreased by \$582,000, a 37% decline from the previous fiscal year, due to the exclusion of the Successor Agency's interest income from February 1 through June 30, 2012.

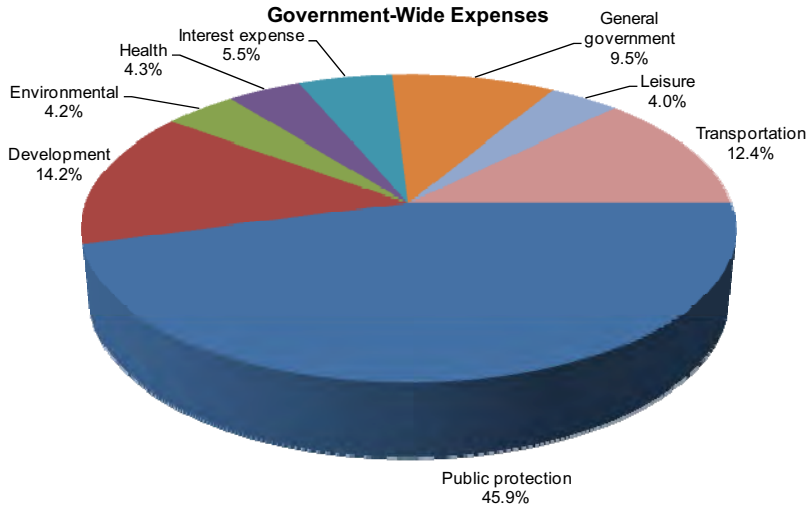
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CITY OF BUENA PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)

June 30, 2012

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)



Expenses for the governmental activities decreased \$13,606,000, or 17.3%. This is from a decrease of \$10,312,000 in development costs and \$2,734,000 in interest expense due to the termination of the Redevelopment Agency's activities and the exclusion of the Successor Agency's debt service payments from the financial statements.

See independent auditors' report.

CITY OF BUENA PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)

June 30, 2012

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Change in net assets of Business-type Activities (in thousands) is as follows:

	<u>June 30, 2012</u>	<u>June 30, 2011</u>	<u>Amount Increase (Decrease)</u>	<u>Percent Increase (Decrease)</u>
Revenues:				
Program Revenues:				
Charges for services	\$ 16,223	\$ 14,904	\$ 1,319	8.85%
Total Program Revenues	<u>16,223</u>	<u>14,904</u>	<u>1,319</u>	8.85%
General Revenues:				
Investment income	<u>242</u>	<u>247</u>	<u>(5)</u>	(2.02)%
Total General Revenues	<u>242</u>	<u>247</u>	<u>(5)</u>	(2.02)%
Total Revenues	<u>16,465</u>	<u>15,151</u>	<u>1,314</u>	8.67%
Expenses:				
Water utility	<u>12,595</u>	<u>11,340</u>	<u>1,255</u>	11.07%
Total Expenses	<u>12,595</u>	<u>11,340</u>	<u>1,255</u>	11.07%
Increase in Net Assets before transfers	<u>3,870</u>	<u>3,814</u>	<u>56</u>	1.47%
Transfers	<u>(289)</u>	<u>(849)</u>	<u>560</u>	(65.96)%
Change in Net Assets	3,581	2,962	619	20.90%
Net Assets - Beginning of Year	<u>34,748</u>	<u>31,786</u>	<u>2,962</u>	9.32%
Net Assets - End of Year	<u>\$ 38,329</u>	<u>\$ 34,748</u>	<u>\$ 3,581</u>	10.31%

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CITY OF BUENA PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)

June 30, 2012

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Business-type Activities (Continued):

The cost of all proprietary (business-type) activities in 2011-12 was \$12,595,000. As shown in the Statement of Activities and Changes in Net Assets, the amount paid by users of the systems was \$16,223,000, investment income totaled \$242,000, and transfers were \$289,000. Beginning net assets were \$34,748,000 and ending net assets were \$38,329,000. Of the ending net assets amount, \$20,068,000, or 52%, was invested in capital assets and \$18,261,000, or 48%, was unrestricted.

Total water revenues increased by \$1,314,000, or 8.7% in 2011-12 as compared to 2010-11. This was due to a water rate increase to cover the increase in water utility costs.

Water utility costs increased by \$1,255,000, or 11%. Water utility costs include all the costs to provide water to the public. These costs include labor, materials and supplies, water production and water distribution charges. There are two methods of water production: Pumping water from the ground, and purchasing water from the Metropolitan Water District. Pumping water is 40% cheaper than purchasing water. However, there are restrictions that limit the amount of water that can be pumped. These restrictions take into account various factors including water demand, drought, rainfall, levels of groundwater, and conservation demands.

Interfund transfers decreased by \$560,000, or 66% compared to the previous fiscal year. The previous fiscal year included a transfer from the water fund into a capital improvement fund for a water main replacement. Activity for the 2011-12 fiscal year increased net assets by \$3,581,000. This was an increase of \$619,000 in comparison to the previous fiscal year primarily because of the increase in total revenues and the decrease in interfund transfers.

See independent auditors' report.

CITY OF BUENA PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)

June 30, 2012

Financial Analysis of the City's Governmental Funds

Below is an analysis of the City's governmental fund activities for the year (in thousands):

	<u>June 30, 2012</u>	<u>June 30, 2011</u>	<u>Amount Increase (Decrease)</u>	<u>Percent Increase (Decrease)</u>
Total Fund Balances:				
General Fund	\$ 29,581	\$ 34,459	\$ (4,878)	(14.16)%
State Gas Tax Fund	4,616	6,093	(1,477)	(24.24)%
Residential Rehabilitation Fund	(289)	88	(377)	(428.41)%
HOME Deferred Loan Fund	171	(503)	674	(134.00)%
Redevelopment Agency Debt Service Fund	-	44,666	(44,666)	-
Park In-lieu Capital Projects Fund	7,493	8,150	(657)	(8.06) %
Other Governmental Funds	<u>5,602</u>	<u>88,066</u>	<u>(82,464)</u>	(93.64)%
 Total Fund Balances	 <u>\$ 47,175</u>	 <u>\$ 181,019</u>	 <u>\$ (133,847)</u>	 (73.94)%

As of the close of the current fiscal year, the City's governmental fund balances reported a combined ending balance of \$47,172,000, a decrease of \$133,847,000, or 73.9% in comparison to the prior year. This extreme decrease in fund balance is because of the dissolution of the Redevelopment Agency.

The total fund balance at year-end for the City's General Fund was \$29,581,000, a decrease of \$4,878,000, or 14.2% from the previous year. Although the City recognized an increase in sales tax revenues, this increase was offset by a transfer out of \$9,861,000 from the General Fund to the Redevelopment Agency Debt Service fund (see Note 5). The unassigned fund balance is \$29,302,000 or 60% of General Fund expenditures. The State Gas Tax Fund has a fund balance of \$4,616,000, a \$1,477,000 decrease from the previous fiscal year. The State Gas Tax Fund operates with revenues collected from a supplemental tax on gasoline sales and is used to maintain and improve streets and highways. The balance of this fund will vary from year to year depending on the amount spent on street projects. The HOME Deferred Loan Fund balance is \$171,000, an increase of \$674,000 from the previous year, due to grants received from the state of California, and from program income from residential loan repayments. The Park In-lieu Fund balance is \$7,493,000, a decrease of \$657,000 from the previous fiscal year. The Park In-lieu Fund operates on the collection

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CITY OF BUENA PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)

June 30, 2012

of developer fees that are used to improve the City's public parks, and the balance of this fund varies each year depending upon the amount of developer fees collected and park project development activities. The Redevelopment Agency Debt Service Fund and the Other Governmental Funds show a combined decrease in fund balance of \$127,130,000. This decrease is due to the dissolution of the Redevelopment Agency.

Financial Analysis of the City's Proprietary Funds

Below is an analysis of the fund equity of the City's proprietary funds (in thousands):

	<u>June 30 2012</u>	<u>June 30, 2011</u>	<u>Amount Increase (Decrease)</u>	<u>Percent Increase (Decrease)</u>
Net Assets:				
Water Fund	\$ 38,329	\$ 34,749	\$ 3,580	10.30 %
Internal Service Funds	<u>8,776</u>	<u>8,821</u>	<u>(45)</u>	(.51)%
Total Net Assets	<u>\$ 47,105</u>	<u>\$ 43,570</u>	<u>\$ 3,535</u>	8.11 %

	<u>June 30, 2012</u>	<u>June 30, 2011</u>	<u>Amount Increase (Decrease)</u>	<u>Percent Increase (Decrease)</u>
Unrestricted Net Assets:				
Water Fund	\$ 18,261	\$ 15,041	\$ 3,220	21.41 %
Internal Service Funds	<u>6,680</u>	<u>7,253</u>	<u>(573)</u>	(7.90) %
Total Unrestricted Net Assets	<u>\$ 24,941</u>	<u>\$ 22,294</u>	<u>\$ 2,647</u>	11.87 %

Total net assets of the Water Enterprise Fund increased \$3,580,000, and unrestricted net assets increased \$3,220,000. The increase in net assets is because of an increase in charges for services.

The Internal Service Funds total net assets decreased by \$45,000, and unrestricted net assets decreased by \$573,000. The decrease in net assets from the prior year was due to an increase in public liability and worker's compensation claims expense. The function of the Internal Service Funds is to provide services to other City departments. These services include the following: equipment and vehicle maintenance and replacement, worker's compensation, public liability, employee benefits, building and grounds maintenance, and information technology support.

See independent auditors' report.

CITY OF BUENA PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)

June 30, 2012

Debt Administration

Below is a schedule of the changes to the City's long-term debt (in thousands). Additional information on the City's long-term debt is shown in note 7 to the financial statements.

	Balance at July 1, 2011	Additions	Deletions	Balance at June 30, 2012
Governmental Activities:				
Tax allocation bonds	\$ 94,030	\$ -	\$ (94,030)	\$ -
Loans payable	4,319	-	(4,319)	-
Revenue bonds payable	198	-	(198)	-
Note Payable	13,960	-	(1,502)	12,458
Claims payable	6,950	1,115	(915)	7,150
Employee leave benefits	3,008	535	(664)	2,879
Termination benefits	<u>359</u>	<u>-</u>	<u>(90)</u>	<u>269</u>
 Total Governmental Activities	 <u>122,824</u>	 <u>1,650</u>	 <u>(101,718)</u>	 <u>22,756</u>
 Business-type Activities:				
Loans payable	50	-	(8)	42
Revenue bonds payable	122	-	(122)	-
Notes payable	408	-	(159)	249
Employee leave benefits	76	55	(41)	90
Employee leave benefits	<u>89</u>	<u>-</u>	<u>(22)</u>	<u>67</u>
 Total Business-type Activities	 <u>745</u>	 <u>55</u>	 <u>(352)</u>	 <u>448</u>
 Total Long-Term Obligations	 <u>\$ 123,569</u>	 <u>\$ 1,705</u>	 <u>\$ (102,070)</u>	 <u>\$ 23,204</u>

At the beginning of the current fiscal year, the City had bonded debt outstanding of \$94,350,000. Due to the elimination of the Redevelopment Agency, bonded debt is no longer reflected in the government-wide financial statements, but instead is included in the Successor Agency's Statement of Fiduciary Net Assets. As of June 30, 2012 the City's total debt (principal and interest) decreased by \$100,365,000.

See independent auditors' report.

CITY OF BUENA PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)

June 30, 2012

Capital Assets

The capital assets of the City are the assets having a historic cost of more than \$1,000 and a useful life of greater than two years that are used in the performance of the City's functions, including infrastructure assets. The City has elected to use the "Basic Approach" as defined by GASB Statement No. 34 for infrastructure reporting. The following infrastructure networks are recorded as capital assets in the government-wide financial statements:

- Road system, which includes street and alley rights-of-way, pavement, alleys, medians, curbs, gutters, sidewalks, traffic signals, interconnect cables, and bridges.
- Storm drain system, which includes storm drain lines and storm drain catch basins.
- Sewer system, which includes sewer lines.
- Water system, which includes water lines, water wells, and booster pump stations.

Below is a schedule of the City's capital assets, net of accumulated depreciation (in thousands):

	June 30, 2012	June 30, 2011	Amount Increase (Decrease)	Percent Increase (Decrease)
Governmental Activities:				
Rights-of-Way	\$ 48,582	\$ 48,582	\$ -	-
Land	11,784	11,784	-	-
Construction in progress	7,434	10,503	(3,069)	(29.22)%
Buildings	75,757	64,586	11,171	17.30%
Improvements	5,910	5,848	62	1.06%
Machinery and equipment	5,956	4,237	1,719	40.57%
Furniture and fixtures	865	928	(63)	6.79%
Infrastructure:				
Road system	55,967	52,160	3,807	7.29%
Storm drain system	2,299	2,350	(51)	2.17%
 Total Governmental Activities	 <u>214,554</u>	 <u>200,978</u>	 <u>13,576</u>	 6.76%

See independent auditors' report.

CITY OF BUENA PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)

June 30, 2012

Capital Assets (Continued)

	June 30, 2012	June 30, 2011	Amount Increase (Decrease)	Percent Increase (Decrease)
Business-type Activities:				
Land	\$ 2	\$ 2	\$ -	-
Construction in progress	2,093	1,353	740	(54.69)%
Buildings	6	8	(2)	(25.00)%
Improvements	88	94	(6)	(6.38)%
Pumps and reservoirs	693	730	(37)	(5.07)%
Hydrants, meters and connections	687	728	(41)	(5.63)%
Machinery and equipment	500	439	61	13.89%
Infrastructure:				
Wells	2,865	2,974	(109)	(3.66)%
Water and sewer lines	<u>13,425</u>	<u>13,961</u>	<u>(536)</u>	3.84%
 Total Business-type Activities	 <u>20,359</u>	 <u>20,289</u>	 <u>70</u>	 .35%
 Total Capital Assets	 <u>\$ 234,913</u>	 <u>\$ 221,267</u>	 <u>\$ 13,646</u>	 6.17%

Capital assets from governmental activities increased \$13,576,000, or 6.76%, and business-type activities increased \$70,000, or .35%. The increase in governmental activities capital assets was primarily due to the completion of the new Community Center and City Yard buildings. For business-type activities the increase was due to the installation of the Interactive Voice Response System to aid in customer service. Further information on the City's capital assets can be found in note 6 of the financial statements.

Capital asset and infrastructure projects completed in 2011-12 totaled \$19,626,000. These improvements include:

- Community Center Building.
- City Yard Building.
- Knott Avenue Rehabilitation from La Palma to Crescent.
- 91 Freeway On Ramp Improvements at Beach Boulevard.
- Western Avenue Rehabilitation from Orangethorpe to Crescent.
- Firestone Boulevard Improvements.
- Various Wheelchair Ramp Improvements.

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CITY OF BUENA PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

June 30, 2012

General Fund Budgetary Highlights

Actual General Fund revenues were \$316,000 higher than the \$54,310,000 budgeted for 2011-12. This increase is due to sales tax revenues. The original budget for the General Fund increased from \$53,960,000 to \$54,310,000. This increase of \$350,000 was from a combination of new grant awards and the carry-over of unspent awards from the previous fiscal year.

Actual expenditures for the General Fund were \$3,790,000 below budget. \$3,160,000 of the savings was due to a decrease in labor costs because of a 5% furlough and a 3% contribution by employees towards the cost of their benefits. The remaining savings of \$630,000 are temporary, as they were budgeted for professional services and capital improvement costs which were not spent in the 2011-12 fiscal year but will be carried forward into the next fiscal year. Comparing the fiscal year 2011-12 General Fund original budget for expenditures and transfers amount of \$52,856,000 to the final budgeted amount of \$53,635,000 shows a net increase of \$779,000. The net increase from the total original budgeted expenditures to the final budget can be summarized as follows:

- Appropriations of \$108,000 for general government
- Appropriations of \$145,000 for transportation
- Appropriations of \$425,000 for public protection
- Appropriations of (\$19,000) for development
- Appropriations of \$4,000 for environmental
- Appropriations of \$132,000 for capital outlay
- Appropriations of \$6,000 for debt service
- Appropriations of (\$22,000) for other financing sources

The changes between the original and the amended budget were due to budget carryovers for contractual fees and services. In addition, there were increases and adjustments for capital improvement projects, police protection programs and other public work projects.

Economic Factors and Next Year's Budgets and Rates

The key assumptions in the General Fund forecast for fiscal year 2012-13 were:

- Moderate improvement in economic activity
- Moderate increase in Sales Tax
- Static Property Tax revenues
- Static development activity

See independent auditors' report.

CITY OF BUENA PARK

MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)

June 30, 2012

Contacting the City's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report, separate reports of the City's component units or need additional financial information, contact the Finance Director's Office, at City of Buena Park, 6650 Beach Boulevard, Buena Park, California 90622.

**City of Buena Park
Statement of Net Assets
June 30, 2012**

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Investments	\$ 67,584,696	\$ 18,014,312	\$ 85,599,008
Cash and Investments with Fiscal Agent	234,802	-	234,802
Accounts Receivable	5,033,946	2,515,623	7,549,569
Interest Receivable	388,499	55,507	444,006
Taxes Receivable	145,607	-	145,607
Loans Receivable, Net	6,277,481	-	6,277,481
Due from Other Governments	4,299,612	-	4,299,612
OPEB Asset	277,192	-	277,192
Prepaid Items	267,868	10,000	277,868
Property Held for Resale	610,948	-	610,948
Inventory	81,747	-	81,747
Capital Assets, Not Depreciated	67,799,674	2,095,757	69,895,431
Capital Assets, Depreciated, Net	146,754,795	18,263,448	165,018,243
	<u>299,756,867</u>	<u>40,954,647</u>	<u>340,711,514</u>
Total Assets			
LIABILITIES			
Accounts Payable	2,396,085	1,734,672	4,130,757
Accrued Liabilities	726,226	36,650	762,876
Interest Payable	42,476	4,355	46,831
Deposits Payable	1,217,526	401,402	1,618,928
Retentions Payable	374,575	-	374,575
Due to Fiduciary Fund	9,860,594	-	9,860,594
Unearned Revenue	430,887	-	430,887
Long-term Liabilities:			
Due Within One Year	2,257,484	238,103	2,495,587
Due in More Than One Year	20,498,780	210,081	20,708,861
	<u>37,804,633</u>	<u>2,625,263</u>	<u>40,429,896</u>
Total Liabilities			
NET ASSETS			
Invested in Capital Assets, Net of Related Debt	214,554,469	20,067,977	234,622,446
Restricted for:			
Residential Housing	6,886,747	-	6,886,747
Transportation	9,599,197	-	9,599,197
Development	7,492,657	-	7,492,657
Environmental	250,717	-	250,717
Public Protection	1,147,780	-	1,147,780
Unrestricted	22,020,667	18,261,407	40,282,074
	<u>261,952,234</u>	<u>38,329,384</u>	<u>300,281,618</u>
Total Net Assets			

The accompanying notes are an integral part of this statement.

**City of Buena Park
Statement of Activities
Year Ended June 30, 2012**

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
General Government	\$ 6,145,149	\$ 221,316	\$ -	\$ -
Leisure	2,625,669	1,334,363	22,971	-
Transportation	8,040,897	412,509	2,941,700	3,667,747
Public Protection	29,779,616	2,650,137	1,246,735	-
Development	9,217,358	1,682,934	2,820,681	-
Environmental	2,723,902	-	-	-
Health	2,777,457	3,015,939	-	-
Interest Expense	3,536,713	-	-	-
Total Governmental Activities	64,846,761	9,317,198	7,032,087	3,667,747
Business-type Activities:				
Water	12,595,774	16,223,148	-	-
Total Business-type Activities	12,595,774	16,223,148	-	-
Total Primary Government	\$ 77,442,535	\$ 25,540,346	\$ 7,032,087	\$ 3,667,747

General Revenues:

Taxes:

Property

Sales and Use

Property Taxes in Lieu of Sales and Use Taxes

Transient Occupancy Taxes

Franchise

Other

Investment Income

Other

Transfers

Total General Revenues and Transfers

Extraordinary Item

Change in Net Assets

Net Assets - Beginning of Year

Net Assets - End of Year

The accompanying notes are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Assets

<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
\$ (5,923,833)	\$ -	\$ (5,923,833)
(1,268,335)	-	(1,268,335)
(1,018,941)	-	(1,018,941)
(25,882,744)	-	(25,882,744)
(4,713,743)	-	(4,713,743)
(2,723,902)	-	(2,723,902)
238,482	-	238,482
(3,536,713)	-	(3,536,713)
<u>(44,829,729)</u>	<u>-</u>	<u>(44,829,729)</u>
-	3,627,374	3,627,374
<u>-</u>	<u>3,627,374</u>	<u>3,627,374</u>
(44,829,729)	3,627,374	(41,202,355)
21,564,258	-	21,564,258
18,520,480	-	18,520,480
4,956,159	-	4,956,159
4,049,636	-	4,049,636
1,696,709	-	1,696,709
9,329,553	-	9,329,553
962,657	241,739	1,204,396
96,523	-	96,523
288,720	(288,720)	-
<u>61,464,695</u>	<u>(46,981)</u>	<u>61,417,714</u>
<u>(42,631,166)</u>	<u>-</u>	<u>(42,631,166)</u>
(25,996,200)	3,580,393	(22,415,807)
<u>287,948,434</u>	<u>34,748,991</u>	<u>322,697,425</u>
<u>\$ 261,952,234</u>	<u>\$ 38,329,384</u>	<u>\$ 300,281,618</u>

The accompanying notes are an integral part of this statement.

**City of Buena Park
Balance Sheet
Governmental Funds
June 30, 2012**

	General	Special Revenue	
		State Gas Tax	Residential Rehabilitation
ASSETS			
Cash and Investments	\$ 36,570,492	\$ 4,055,153	\$ -
Cash and Investments with Fiscal Agent	-	234,802	-
Accounts Receivable	2,186,052	2,323,705	-
Interest Receivable	114,195	11,853	-
Taxes Receivable	145,607	-	-
Loans Receivable	-	-	2,145,058
Due from Other Governments	3,657,068	234,319	-
Prepaid Items	197,346	-	-
Inventory	81,747	-	-
Property Held for Resale	-	-	-
Due from Other Funds	371,190	-	-
Total Assets	\$ 43,323,697	\$ 6,859,832	\$ 2,145,058
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts Payable	\$ 1,263,802	\$ 643,628	\$ 71,860
Accrued Liabilities	697,568	1,392	-
Deposits Payable	1,104,064	-	-
Retentions Payable	-	324,029	-
Due to Other Funds	-	-	217,550
Due to Fiduciary Fund	9,860,594	-	-
Deferred Revenue	817,018	1,275,214	2,145,058
Total Liabilities	13,743,046	2,244,263	2,434,468
Fund Balances:			
Nonspendable	279,093	-	-
Restricted	-	4,615,569	-
Assigned	-	-	-
Unassigned	29,301,558	-	(289,410)
Total Fund Balances	29,580,651	4,615,569	(289,410)
Total Liabilities and Fund Balances	\$ 43,323,697	\$ 6,859,832	\$ 2,145,058

The accompanying notes are an integral part of this statement.

<u>Special Revenue</u>					
<u>HOME Deferred Loans</u>	<u>RDA Debt Service</u>	<u>Park In-lieu Capital Projects</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>	
\$ 177,666	\$ -	\$ 7,493,697	\$ 5,202,445	\$ 53,499,453	
-	-	-	-	234,802	
-	-	-	512,160	5,021,917	
546	-	23,024	15,839	165,457	
-	-	-	-	145,607	
4,013,439	-	-	68,290	6,226,787	
-	-	-	408,225	4,299,612	
-	-	-	1,450	198,796	
-	-	-	-	81,747	
-	-	-	610,948	610,948	
-	-	-	-	371,190	
<u>\$ 4,191,651</u>	<u>\$ -</u>	<u>\$ 7,516,721</u>	<u>\$ 6,819,357</u>	<u>\$ 70,856,316</u>	
\$ -	\$ -	\$ 23,070	\$ 53,434	\$ 2,055,794	
-	-	-	12,105	711,065	
-	-	-	113,462	1,217,526	
6,778	-	994	42,774	374,575	
-	-	-	153,640	371,190	
-	-	-	-	9,860,594	
4,013,439	-	-	842,374	9,093,103	
<u>4,020,217</u>	<u>-</u>	<u>24,064</u>	<u>1,217,789</u>	<u>23,683,847</u>	
-	-	-	612,398	891,491	
171,434	-	7,492,657	4,660,565	16,940,225	
-	-	-	370,127	370,127	
-	-	-	(41,522)	28,970,626	
<u>171,434</u>	<u>-</u>	<u>7,492,657</u>	<u>5,601,568</u>	<u>47,172,469</u>	
<u>\$ 4,191,651</u>	<u>\$ -</u>	<u>\$ 7,516,721</u>	<u>\$ 6,819,357</u>	<u>\$ 70,856,316</u>	

The accompanying notes are an integral part of this statement.

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

Fund Balances of Governmental Funds \$ 47,172,469

Amounts reported for governmental activities in the Statement of Net Assets are different because:

Capital assets, net of depreciation, have not been included as financial resources in governmental fund activity: 212,458,524

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

Note payable	(12,457,533)
Compensated Absences	(2,804,786)
Termination benefits payable	(269,169)

Accrued interest payable from the current portion of interest due on bonds payable has not been reported in the governmental funds. (42,476)

Long-term assets that are not available for current use. Amounts are recorded as deferred revenue under the modified accrual basis of accounting. 8,662,216

Governmental Funds report all contributions in relation to the Annual Required Contribution (ARC) for OPEB as expenditures, but in the Statement of Net Assets any excess or deficiencies in relation to the ARC are recorded as an asset or a liability. 277,192

Interest receivable which is not considered available to finance current expenditures is not reported in the governmental funds. For the Statement of Net Assets, this amount is accrued as it pertains to the current fiscal year. 179,685

Internal service funds are used by management to charge the costs of equipment, management, self insurance, accrued leave benefits, buildings and grounds maintenance and management information systems to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Assets. 8,776,112

Net Assets of Governmental Activities \$ 261,952,234

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

	General	Special Revenue	
		State Gas Tax	Residential Rehabilitation
REVENUES			
Taxes	\$ 39,381,384	\$ -	\$ -
Licenses and Permits	545,545	-	-
Fines and Forfeitures	874,265	-	-
Intergovernmental	6,474,552	3,960,918	-
Charges for Services	6,718,626	-	-
Investment Income	496,674	45,895	180,561
Miscellaneous	135,354	-	-
Total Revenues	54,626,400	4,006,813	180,561
EXPENDITURES			
Current:			
General Government	4,943,166	-	-
Leisure	2,131,919	-	-
Health	2,777,457	-	-
Transportation	4,977,718	225,794	-
Public Protection	27,705,642	-	-
Development	1,316,545	-	557,496
Environmental	2,723,902	-	-
Capital Outlay	386	6,438,383	-
Debt Service:			
Principal Retirement	1,700,630	-	-
Interest and Other Charges	525,656	-	-
Total Expenditures	48,803,021	6,664,177	557,496
Excess of Revenues Over (Under) Expenditures	5,823,379	(2,657,364)	(376,935)
OTHER FINANCING SOURCES (USES)			
Transfers In	179,670	1,536,828	-
Transfers Out	(10,881,183)	(357,223)	-
Total Other Financing Sources (Uses)	(10,701,513)	1,179,605	-
Extraordinary Item	-	-	-
Net Change in Fund Balances	(4,878,134)	(1,477,759)	(376,935)
Fund Balances, Beginning of Year	34,458,785	6,093,328	87,525
Fund Balances, End of Year	\$ 29,580,651	\$ 4,615,569	\$ (289,410)

The accompanying notes are an integral part of this statement.

Special Revenue				
HOME Deferred Loans	RDA Debt Service	Park In-lieu Capital Projects	Other Governmental Funds	Total Governmental Funds
\$ -	\$ 11,687,144	\$ -	\$ 3,353,232	\$ 54,421,760
-	-	-	-	545,545
-	-	-	-	874,265
1,026,500	-	-	3,832,871	15,294,841
-	-	-	-	6,718,626
116,959	1,920	101,493	442,189	1,385,691
-	-	414,015	1,598,193	2,147,562
<u>1,143,459</u>	<u>11,689,064</u>	<u>515,508</u>	<u>9,226,485</u>	<u>81,388,290</u>
-	-	-	98,182	5,041,348
-	-	-	-	2,131,919
-	-	-	-	2,777,457
-	-	-	165,281	5,368,793
-	-	-	989,006	28,694,648
468,640	2,128,727	961,256	7,352,984	12,785,648
-	-	-	-	2,723,902
-	-	211,096	7,013,393	13,663,258
-	2,566,873	-	213,127	4,480,630
-	2,456,113	-	48,822	3,030,591
<u>468,640</u>	<u>7,151,713</u>	<u>1,172,352</u>	<u>15,880,795</u>	<u>80,698,194</u>
<u>674,819</u>	<u>4,537,351</u>	<u>(656,844)</u>	<u>(6,654,310)</u>	<u>690,096</u>
-	9,860,594	-	8,960,366	20,537,458
-	(7,667,334)	-	(2,225,608)	(21,131,348)
-	2,193,260	-	6,734,758	(593,890)
-	(51,396,506)	-	(82,545,142)	(133,941,648)
674,819	(44,665,895)	(656,844)	(82,464,694)	(133,845,442)
(503,385)	44,665,895	8,149,501	88,066,262	181,017,911
<u>\$ 171,434</u>	<u>\$ -</u>	<u>\$ 7,492,657</u>	<u>\$ 5,601,568</u>	<u>\$ 47,172,469</u>

The accompanying notes are an integral part of this statement.

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

Net Changes in Fund Balances - Total Governmental Funds \$ (133,845,442)

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

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

Capital expenditures	18,122,178
Disposition of capital assets	(318,983)
Depreciation expense	(4,755,442)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds.

4,280,577

Governmental funds report all contributions in relation to the Annual Required Contribution (ARC) for OPEB as expenditures, however in the Statement of Activities on the ARC is an expense.

277,192

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 government funds:

Interest expense	(306,069)
Compensated absences	102,488
Termination benefits payable	89,723

Governmental funds report long-term rehabilitation loans made as expenditures and repayments of those loans as revenues. However, these transactions have no effect in the Statement of Activities. The loan activity for the current period is as follows:

Loans made	484,283
Loans repaid	(1,047,524)

Some revenues reported in the Statement of Activities are not considered to be available to finance current expenditures and therefore are not reported as revenues in the governmental funds:

Intergovernmental income	(117,311)
Property tax	(134,075)
Investment income	(93,647)

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

91,310,482

Internal service funds are used by management to charge the costs of equipment management, self insurance, accrued leave benefits, buildings and grounds maintenance, and management information systems to individual funds. The net revenues (expenses) of the internal service funds are reported with governmental activities.

(44,630)

Change in Net Assets of Governmental Activities

\$ (25,996,200)

**City of Buena Park
Statement of Net Assets
Proprietary Funds
June 30, 2012**

	Business-type Activities Water Enterprise Fund	Governmental Activities Internal Service Funds
ASSETS		
Current Assets:		
Cash and Investments	\$ 18,014,312	\$ 14,085,243
Accounts Receivable, Net	2,515,623	12,029
Interest Receivable	55,507	43,357
Loans Receivable	-	50,694
Prepaid Items	10,000	69,072
Total Current Assets	20,595,442	14,260,395
Noncurrent Assets:		
Capital Assets, Not Being Depreciated	2,095,757	-
Capital Assets, Net of Accumulated Depreciation	18,263,448	2,095,945
Total Assets	40,954,647	16,356,340
LIABILITIES		
Current Liabilities:		
Accounts Payable	1,734,672	340,291
Accrued Liabilities	36,650	15,161
Deposits Payable	401,402	-
Employee Leave Benefits	42,000	21,000
Loans Payable	8,831	-
Notes Payable	164,940	-
Claims Payable	-	100,000
Interest Payable	4,355	-
Termination Benefits Payable	22,332	-
Total Current Liabilities	2,415,182	476,452
Noncurrent Liabilities:		
Loans Payable	33,567	-
Notes Payable	83,890	-
Employee Leave Benefits	47,960	53,400
Termination Benefits Payable	44,664	-
Claims Payable	-	7,050,376
Total Noncurrent Liabilities	210,081	7,103,776
Total Liabilities	2,625,263	7,580,228
NET ASSETS		
Invested in Capital Assets, Net of Related Debt	20,067,977	2,095,945
Unrestricted	18,261,407	6,680,167
Total Net Assets	\$ 38,329,384	\$ 8,776,112

The accompanying notes are an integral part of this statement.

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

	<u>Business-Type Activities</u> Water Enterprise Fund	<u>Governmental Activities</u> Internal Service Funds
OPERATING REVENUES		
Charges for Services	\$ 16,223,148	\$ 5,665,324
Total Operating Revenues	<u>16,223,148</u>	<u>5,665,324</u>
OPERATING EXPENSES		
Self-Insurance	-	3,069,045
Employee Benefits	-	86,479
Maintenance and Supplies	-	3,246,284
Information Systems	-	374,399
Water Services	11,278,822	-
Health Services	542,562	-
Depreciation	774,390	358,452
Total Operating Expenses	<u>12,595,774</u>	<u>7,134,659</u>
Operating Income (Loss)	<u>3,627,374</u>	<u>(1,469,335)</u>
NONOPERATING REVENUES (EXPENSES)		
Investment Income	241,739	172,132
Gain (Loss) on Disposal of Property	-	6,787
Total Nonoperating Revenues (Expenses)	<u>241,739</u>	<u>178,919</u>
Income (Loss) Before Operating Transfers	3,869,113	(1,290,416)
Transfers In	100,000	1,097,610
Transfers Out	<u>(388,720)</u>	<u>(215,000)</u>
Change in Net Assets	3,580,393	(407,806)
Net Assets - Beginning of Year	34,748,991	8,820,742
Prior Period Adjustment	<u>-</u>	<u>363,176</u>
Net Assets - End of Year	<u>\$ 38,329,384</u>	<u>\$ 8,776,112</u>

The accompanying notes are an integral part of this statement.

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**City of Buena Park
Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2012**

	Business-type Activities	Governmental Fund
	Water	Internal
	Enterprise Fund	Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from User Departments	\$ -	\$ 5,568,607
Receipts from Customers	16,087,654	-
Payments to Suppliers for goods and services	(9,480,989)	(5,081,935)
Payments to Employees for Services	(2,219,685)	(1,049,717)
	<u>4,386,980</u>	<u>(563,045)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Cash Received from Other Funds	100,000	1,097,610
Cash Paid to Other Funds	(388,720)	(215,000)
	<u>(288,720)</u>	<u>882,610</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and Construction of Capital Assets	(844,816)	(887,067)
Proceeds from Sale of Capital Assets	-	6,787
Principal Paid	(289,351)	-
Interest Paid	(5,993)	-
	<u>(1,140,160)</u>	<u>(880,280)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Received	229,509	171,927
	<u>229,509</u>	<u>171,927</u>
Net Increase (Decrease) in Cash and Cash Equivalents	3,187,609	(388,788)
Cash and Cash Equivalents, Beginning of the Year	14,826,703	14,474,031
Cash and Cash Equivalents, End of the Year	<u>\$ 18,014,312</u>	<u>\$ 14,085,243</u>

(Continued)

The accompanying notes are an integral part of this statement.

City of Buena Park
Statement of Cash Flows
Proprietary Funds - Continued
Year Ended June 30, 2012

	Business-type Activities	Governmental Fund
	Water	Internal
	Enterprise Fund	Service Funds
Reconciliation of Operating Income (Loss) to		
Net Cash Provided (Used) by Operating Activities:		
Operating Income (Loss)	\$ 3,627,374	\$ (1,469,335)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Depreciation	774,390	358,452
Changes in Operating Assets and Liabilities:		
(Increase) Decrease in Accounts Receivables	(98,369)	(10,238)
(Increase) Decrease in Loan Receivables	-	9,228
(Increase) Decrease in Prepaid Items	82,788	(7,740)
Increase (Decrease) in Accounts Payable	107,147	50,857
Increase (Decrease) in Accrued Liabilities	(61,186)	(31,884)
Increase (Decrease) in Deposits Payable	(37,125)	-
Increase (Decrease) in Employee Leave Benefits	14,293	(26,082)
Increase (Decrease) in Termination Benefits Payable	(22,332)	-
Increase (Decrease) in Claims Payable	-	563,697
	-	563,697
TOTAL CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 4,386,980	\$ (563,045)

The accompanying notes are an integral part of this statement.

City of Buena Park
Statement of Fiduciary Net Assets
Fiduciary Fund
June 30, 2012

	Successor Agency Private-purpose Trust Fund
ASSETS	
Cash and Investments	\$ 37,408,042
Restricted Cash and Investments	8,261,766
Due from Other Governments	1,625,884
Interest Receivable	134,295
Due from City of Buena Park	9,860,594
Loans Receivable	9,354,498
Deferred Charges	2,329,535
Property Held for Resale	72,354,850
Total Assets	141,329,464
 LIABILITIES	
Accounts Payable	138,301
Accrued Liabilities	12,345
Interest Payable	3,050,465
Deposits Payable	157,002
Bonds Payable	91,288,325
Loans Payable	4,318,718
Total Liabilities	98,965,156
 NET ASSETS	
Net assets held in trust for Successor Agency	\$ 42,364,308

The accompanying notes are an integral part of this statement.

City of Buena Park
Statement of Changes in Fiduciary Net Assets
Fiduciary Fund
Year Ended June 30, 2012

	<u>Successor Agency Private-purpose Trust Fund</u>
ADDITIONS	
Taxes	\$ 4,610,523
Interest Income	385,443
Miscellaneous Income	104,245
Gain on Sale of Land	<u>93,124</u>
Total Additions	<u>5,193,335</u>
DEDUCTIONS	
Administrative Costs	2,765,363
Pass-through Payments	653,153
Interest on Bonds	<u>2,041,677</u>
Total Deductions	<u>5,460,193</u>
Change in Net Assets before Extraordinary Items	(266,858)
Extraordinary Gain	<u>42,631,166</u>
Change in Net Assets	42,364,308
Net Assets - Beginning of Year	<u>-</u>
Net Assets - End of Year	<u><u>\$ 42,364,308</u></u>

The accompanying notes are an integral part of this statement.

**City of Buena Park
Notes to Financial Statements
June 30, 2012**

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City of Buena Park
Notes to Financial Statements
June 30, 2012

1) DESCRIPTION OF REPORTING ENTITY

The City of Buena Park was incorporated January 27, 1953 under the general laws of the State of California. The City became a charter City in November 2008.

The accounting policies of the City of Buena Park (the "City") conform to accounting principles generally accepted in the United States of America as applicable to governments. As required by accounting principles generally accepted in the United States of America, these financial statements present the City and its component units, entities for which the City is considered to be financially accountable. The City is considered to be financially accountable for an organization if the City appoints a voting majority of that organization's governing body and the City is able to impose its will on that organization or there is a potential for that organization to provide specific financial benefits to or impose specific financial burdens on the City. The City is also considered to be financially accountable for an organization if that organization is fiscally dependent upon the City (i.e., it is unable to adopt its budget, levy taxes, set rates or charges, or issue bonded debt without approval from the City). In certain cases, other organizations are included as component units if the nature and significance of their relationship with the City are such that their exclusion would cause the City's financial statements to be misleading or incomplete.

Included within the City of Buena Park financial reporting entity are: the Redevelopment Agency of the City of Buena Park (the Agency) and the Buena Park Foundation (the Foundation). The Agency and the Foundation are separate legal entities which are included in the City's report because the City Council serves as the governing body for these component units. On September 6, 1988, the City Council of Buena Park approved Resolution No. 8729 which created the Buena Park Public Financing Authority (the Authority). As of June 30, 2012, the Authority has had no financial activity.

Since the City Council serves as the governing board for its component units, all of the City's component units are considered to be blended component units. Blended component units, although legally separate entities, are in substance, part of the City's operations and so data from these units are reported with the primary government. Upon their completion, financial statements of the component units can be obtained at City Hall.

Redevelopment Agency of the City of Buena Park

The Redevelopment Agency of the City of Buena Park was established April 20, 1972 pursuant to the State of California Health and Safety Code, Section 33000 entitled, "Community Redevelopment Law". Its purpose is to prepare and carry out plans for improvement, rehabilitation and redevelopment of blighted areas within the territorial limits of the City of Buena Park. The activities of the Agency are presented in the accompanying financial statements in a special revenue fund, a debt service fund and a capital projects fund. Redevelopment Agency's were dissolved in the State of California as a result of the courts upholding AB XI 26 on December 29, 2011. These financial statements include the activity of the former Redevelopment Agency's funds through January 31, 2012. The Fiduciary Successor Agency Private Purpose Trust Fund accounts for the activity from February 1, 2012 through June 30, 2012. See Note 17 to these financial statements for more information.

The Buena Park Foundation

The Buena Park Foundation was created September 10, 1982 and has been awarded tax-exempt status under Section 501(c)(3) of the Internal Revenue Code. Its purpose is to produce access programming to independent civic organizations and to award scholarships to students in the communications field. The activities of the Foundation are presented in the accompanying financial statements in a special revenue fund.

City of Buena Park
Notes to Financial Statements
June 30, 2012

2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A) Government-wide and Fund Financial Statements

The basic financial statements of the City are composed of the following:

- Government-wide financial statements
- Fund financial statements
- Notes to financial statements

The City's basic financial statements are prepared in accordance with accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board is the acknowledged standard setting body for establishing accounting and financial reporting standards followed by governmental entities in the United States of America.

Government-wide Financial Statements

The government-wide financial statements (i.e., the Statement of Net Assets and the Statement of Activities) report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

Fund Financial Statements

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds. Major governmental funds are reported as separate columns in the fund financial statements.

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

Governmental Accounting Standards Board Statement No. 57

In December of 2009, GASB issued Statement No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*. The objective of this Statement is to address issues related to the use of the alternative measurement method and the frequency and timing of measurements by employers that participate in agent multiple-employer other postemployment benefit (OPEB) plans (that is, agent employers). This Statement clarifies that when actuarially determined OPEB measures are reported by an agent multiple-employer OPEB plan and its participating employers those measures should be determined

City of Buena Park
Notes to Financial Statements
June 30, 2012

2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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

Governmental Accounting Standards Board Statement No. 57 - Continued

as of a common date and at a minimum frequency to satisfy the agent multiple- employer OPEB plan's financial reporting requirements. The provisions related to the frequency and timing of measurements for actuarial valuations first used to report funded status information in OPEB plan financial statements for periods beginning after June 15, 2011. Currently, this statement has no effect on the City's financial statements.

Governmental Accounting Standards Board Statement No. 61

In November of 2010, GASB issued Statement No. 61, *The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34*. The objective of this Statement is to improve financial reporting for a governmental financial reporting entity. The requirements of Statement No. 14, *The Financial Reporting Entity*, and the related financial reporting requirements of Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, were amended to better meet user needs and to address reporting entity issues that have arisen since the issuance of those Statements. This Statement also amends the criteria for reporting component units as if they were part of the primary government (that is, blending) in certain circumstances. The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2011. Currently, this statement has no effect on the City's financial statements.

Governmental Accounting Standards Board Statement No. 63

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

Governmental Accounting Standards Board Statement No. 65

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

City of Buena Park
Notes to Financial Statements
June 30, 2012

2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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

Governmental Accounting Standards Board Statement No. 67

In June of 2012, GASB issued Statement No. 67, *Financial Reporting for Pension Plans - an Amendment of GASB Statement No. 25*. This statement was issued to improve the financial reporting by state and local governmental pension plans. The statement replaces the requirements of Statements No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans*, and No. 50, *Pension Disclosures*, as they relate to pension plans that are administered through trust or equivalent arrangements that meet certain criteria. The requirements of Statements 25 and 50 remain applicable to pension plans that are not administered through trust covered by the scope of this statement and to defined contribution plans that provide postemployment benefits other than pensions. Statement No. 67 is effective for periods beginning after June 15, 2013. The City has elected not to early implement GASB No. 67 and has not determined its effect on the City's financial statements.

Governmental Accounting Standards Board Statement No. 68

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

C) Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar programs are recognized as revenue as soon as all eligibility requirements imposed by providers have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized when they are both measurable and available. Amounts are considered measurable when they can be estimated, or otherwise determined. Revenues are considered to be available if they are collected within the current period or soon

City of Buena Park
Notes to Financial Statements
June 30, 2012

2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

C) Measurement Focus and Basis of Accounting - Continued

enough thereafter to pay for liabilities in the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Sales taxes, property taxes, franchise taxes, 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 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 cash is received by the City.

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

The City's internal service funds are presented in the proprietary funds financial statements. Because the principal users of the internal services are the City's governmental activities, the financial statements of the internal service fund are consolidated in the governmental activities column when presented in the government-wide financial statements. To the extent possible, the cost of these services is reported in the appropriate functional activity (general government, public protection, development, etc.).

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

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Interfund services provided and used are not eliminated in the process of consolidation.

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

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

City of Buena Park
Notes to Financial Statements
June 30, 2012

2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

D) Fund Classifications

The City reports the following major governmental funds:

The *General Fund* - is the general operating fund of the City. This fund is used to account for all financial resources of the City, except for those required to be accounted for in another fund.

The *State Gasoline Tax Fund* is used to account for street and maintenance projects of the public works department. Financing is provided by the City's allocation of State gasoline taxes.

The *Residential Rehabilitation Fund* - is used to account for revenue received from Department of Housing and Urban Development for housing improvement projects of the planning and public works departments.

The *HOME Deferred Loans Fund* - is used to account for grant monies received from the first-time homebuyer down payment assistance program.

The *Redevelopment Agency Debt Service Fund* - is used to account for that portion of tax increment revenue that is set aside for repayment of long-term debt of the Redevelopment Agency.

The *Park-in-Lieu Fund* - is used to account for recreational development projects financed by developer fees paid in-lieu of park development.

The City reports the following major proprietary fund:

The *Water Enterprise Fund* - is used to account for the costs (including depreciation) of providing water services to the general public and to account for the user charges by which these costs are recovered.

Additionally, the City reports the following fund types:

The *Internal Service Funds* - are used to finance and account for activities involved in rendering management information, equipment replacement and maintenance, building maintenance, employee benefits and self-insurance services to departments within the City. Costs of materials and services used are accumulated in these funds and charged to the user departments as such goods are delivered or services are rendered.

The *Fiduciary Fund* - is used to account for the balances and transactions of the Successor Agency to the Buena Park Redevelopment Agency.

E) Cash and Investments

Investments are reported in the accompanying balance sheet at fair value, except for certain 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.

City of Buena Park
Notes to Financial Statements
June 30, 2012

2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

E) Cash and Investments - Continued

Changes in fair value that occur during a fiscal year are recognized as investment income reported for that fiscal year. Investment income includes interest earnings, changes in fair value, and any gains or losses realized upon the liquidation, maturity, or sale of investments.

The City pools cash and investments of all funds except for the assets held by fiscal agent. Each fund's share in this pool is displayed in the accompanying financial statements as cash and investments. Investment income earned by the pooled investments is allocated to the various funds based on each fund's average cash and investment balance.

For purposes of the statement of cash flows, cash equivalents represents demand deposits of proprietary funds held in financial institutions or in cash management pools where funds can be added or withdrawn at any time without prior notice or penalty and cash equivalents are highly liquid investments with a maturity of three months or less from the date of purchase.

F) Inventories

Inventories held by the General Fund are stated at cost on a first-in, first-out basis. The General Fund inventories are recorded as an expenditure when used (consumption method).

G) Property Held for Resale

Property held for resale held in the Fiduciary Fund represents land, structures and their related improvements that were acquired for resale in accordance with the objectives of the Central Business District Redevelopment Project. Property held for resale is also reported in the Housing and Community Development special revenue fund. Property held for resale is valued at the lower of cost or expected net realizable value.

H) Capital Assets

Capital assets (including infrastructure) are recorded at historical cost at the time of purchase. Assets acquired from gifts or contributions are recorded at fair value on the date received. Generally, capital asset purchases in excess of \$1,000 are capitalized if they have an expected useful life of two years or more.

Capital assets include public domain (infrastructure) capital assets such as roads, bridges, curbs and gutters, pavement, alleys, traffic signals, interconnect cables, streets, sidewalks, medians, sewers and storm drains.

Capital assets used in operations are depreciated over their estimated useful lives using the straight-line method in the government-wide financial statements and in the fund financial statements of the proprietary funds. Depreciation is charged as an expense against operations and accumulated depreciation is reported on the respective balance sheet.

City of Buena Park
Notes to Financial Statements
June 30, 2012

2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

H) Capital Assets - Continued

The ranges of lives used for computing depreciation for each capital asset class are as follows:

Buildings	25 to 45 years
Pumping Plant, Reservoir, Wells	15 to 50 years
Distribution System	25 to 50 years
Sewer Lines	75 years
Water System	20 to 75 years
Improvements	10 to 40 years
Machinery and Equipment	2 to 20 years
Furniture and Fixtures	2 to 20 years
Infrastructure:	
Road System	25 to 75 years
Storm Drain System	75 years

I) Employee Leave Benefits

A liability is recorded for unused vacation and similar compensatory leave balances since the employees' entitlement to these balances is 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 termination or retirement.

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 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.

Permanent general City employees earn from 80 to 160 vacation hours a year, depending upon their length of employment, and 96 sick leave hours a year. Employees can carry forward up to 320 hours in earned but unused vacation hours and an unlimited number of sick hours for use in subsequent years.

Upon termination or retirement, permanent employees are entitled to receive compensation at their current base salary for all unused vacation leave, except for those employees that have not completed twelve months of continuous service. Non-management employees are not eligible for sick leave benefits upon termination if appointed on or after October 4, 1982. Other employees retiring with a minimum of 5 years of service (or terminating with a minimum of 10 years of service) are entitled to receive from 20% to 50% of the value of unused sick leave up to 960 hours.

If material, a proprietary fund liability is accrued for all earned but unused leave benefits relating to the operations of the proprietary funds.

**City of Buena Park
Notes to Financial Statements
June 30, 2012**

2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

J) Claims and Judgments

The City records a liability for litigation, judgments and claims when it is probable that an asset has been impaired or a liability has been incurred prior to year-end and the probable amount of loss (net of any insurance coverage) can be reasonably estimated. This liability is recorded in the internal service funds which account for the City's self-insurance activities.

K) Use of Estimates

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

3) RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A) Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-wide Statement of Activities

The difference between the extraordinary loss recognized in the fund financial statements and the extraordinary loss recognized in the government-wide financial statements is reconciled as follows:

Deferred charges reported in government-wide financial statements	\$ (2,329,535)
Deferred revenue in fund financial statements is not deferred in the government-wide financial statements	(5,425,283)
Accrued bond interest reported in the government-wide financial statements	3,458,257
Long-term debt reported in the government-wide financial statements	<u>95,607,043</u>
 Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes to net assets of governmental activities.	 <u>\$ 91,310,482</u>

Another element of that reconciliation states "the issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of long-term debt principal consumes the current financial resources of governmental funds." The details of this \$4,280,577 are:

Principal Repayments	\$ 4,480,630
Amortization of Bond Premium	6,612
Amortization of Debt Issuance Costs	(162,265)
Amortization of Deferred Charges on Refunding	<u>(44,400)</u>
 Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	 <u>\$ 4,280,577</u>

**City of Buena Park
Notes to Financial Statements
June 30, 2012**

4) CASH AND INVESTMENTS

Cash and investments at June 30, 2012, are classified in the accompanying financial statements as follows:

Governmental Activities:	
Cash and Investments	\$ 67,584,696
Cash and Investments with Fiscal Agent	234,802
Business-Type Activities:	
Cash and Investments	18,014,312
Fiduciary Funds:	
Cash and Investments	37,408,042
Restricted Cash and Investments	8,261,766
	<hr/>
Total	\$ 131,503,618
	<hr/> <hr/>

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

Demand Accounts	\$ 563,074
Petty Cash	24,448
Escrow Deposits	234,802
Investments	130,681,294
	<hr/>
Total Cash and Investments	\$ 131,503,618
	<hr/> <hr/>

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

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

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage Of Portfolio</u>	<u>Maximum Investment In One Issuer</u>
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Banker's Acceptances	180 days	20%	30%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase Agreements	10 days	15%	None
Medium-Term Notes	5 years	30%	None
Commercial Paper	270 days	20%	10%
Local Agency Investment Fund (LAIF)	N/A	35%	None
Mutual Funds	5 years	15%	None

City of Buena Park
Notes to Financial Statements
June 30, 2012

4) CASH AND INVESTMENTS - Continued

Investments Authorized by Debt Agreements

Investments of debt proceeds held by bond trustees are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the City's investment policy. Investments authorized for funds held by bond trustee include, United States Treasury Obligations, United States Government Sponsored Enterprise Securities, Certificates of Deposits, Commercial Paper, Local Agency Bonds, Banker's Acceptance, Money Market Mutual Funds, Investment Contracts and Repurchase Agreements. There were no limitations on the maximum amount that can be invested in one issuer, maximum percentage allowed or the maximum maturity of an investment, except for the maturity of Banker's Acceptance and Certificates of Deposits which are limited to one year.

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the City manages its exposure to interest rate risk is by purchasing a combination of shorter 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 evenly over time as necessary to provide the cash flow and liquidity needed for operations.

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

Investment Type	Remaining Maturity (in Months)			Total
	12 Month or Less	13 - 36 Months	37 - 60 Months	
United States Treasury Securities	\$ 6,456,538	\$ 6,570,584	\$ 5,988,160	\$ 19,015,282
United States Government Sponsored Enterprise Securities	15,129,739	18,983,250	20,315,045	54,428,034
Medium-Term Corporate Notes (MTN)	7,711,353	13,223,703	1,887,537	22,822,593
Money Market Mutual Funds	56,117	-	-	56,117
Local Agency Investment Fund (LAIF)	24,905,038	-	-	24,905,038
Commercial Paper	1,192,464	-	-	1,192,464
Held by Bond Trustee:				
Money Market Mutual Funds	8,261,766	-	-	8,261,766
Total	\$ 63,713,015	\$ 38,777,537	\$ 28,190,742	\$ 130,681,294

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligations 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

City of Buena Park
Notes to Financial Statements
June 30, 2012

4) CASH AND INVESTMENTS - Continued

Disclosures Relating to Credit Risk - Continued

Government Code, the City's investment policy, or debt agreements, and the Standard and Poor's rating as of year end for each investment type.

Investment Type	Total as of June 30, 2012	Minimum Legal Rating	AAA	AA	A	P-1	Unrated
United States Treasury Securities	\$ 19,015,282	N/A	\$ -	\$19,015,282	\$ -	\$ -	\$ -
Unites States Government Sponsored Enterprise Securities	54,428,034	N/A	-	54,428,034	-	-	-
MTN	22,822,593	A	2,911,525	10,528,522	9,382,546	-	-
Money Market Mutual Funds	56,117	N/A	56,117	-	-	-	-
LAIF	24,905,038	N/A	-	-	-	-	24,905,038
Commercial Paper	1,192,464	P-1	-	-	-	1,192,464	-
Held by Bond Trustee: Money Market Mutual Funds	8,261,766	N/A	8,261,766	-	-	-	-
Total	\$ 130,681,294		\$ 11,229,408	\$83,971,838	\$ 9,382,546	\$ 1,192,464	\$ 24,905,038

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 that represent 5% or more of total City's investments (excluding held by bond trustee) are as follows:

Issuer	Investment Type	Reported Amount	Percent of Investment
Federal Home Loan Bank	United States Government Sponsored Enterprise Securities	\$ 12,464,908	9.53%
Federal Home Loan Mortgage Corporation	United States Government Sponsored Enterprise Securities	\$ 14,258,594	10.91%
Federal National Mortgage Association	United States Government Sponsored Enterprise Securities	\$ 15,040,470	11.51%
Federal Farm Credit Bank	United States Government Sponsored Enterprise Securities	\$ 11,484,556	8.79%

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

City of Buena Park
Notes to Financial Statements
June 30, 2012

4) CASH AND INVESTMENTS - Continued

Custodial Credit Risk - Continued

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 public agencies. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. At June 30, 2012, the City deposits (bank balances) were insured by the Federal Depository Insurance Corporation up to \$250,000 and the remaining balances were collateralized under California law.

Investment in State Investment Pool

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

5) INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Due To/From Other Funds

Current interfund receivables and payables as of June 30, 2012 are as follows:

Due to General Fund from:	
Residential Rehabilitation	\$ 217,550
Other Governmental Funds	<u>153,640</u>
	<u>\$ 371,190</u>

Interfund balances are a result of short-term interfund borrowings to manage cash flows.

Due to Fiduciary Fund

In the prior year, the Buena Park Redevelopment Agency paid off an advance plus accrued interest to the General Fund, however, due to the dissolution of redevelopment agencies in the State, and recent legislation, the City may have to return the advance payoffs to the Successor Agency Private-purpose Trust Fund. Therefore, this amount is shown as a liability in the General Fund and the Governmental Activities Statement of Net Assets.

City of Buena Park
Notes to Financial Statements
June 30, 2012

5) INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS - Continued

Transfers In and Out

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

Transfer From	Transfer To	Amount
General Fund	Other Governmental Funds (1)	\$ 269,529
	Redevelopment Agency Debt Service Fund *	9,860,594
	Internal Service Funds (2)	751,060
State Gasoline Tax Fund	General Fund (1)	7,500
	Internal Service Funds (2)	15,000
	Other Governmental Funds (1)	334,723
Redevelopment Agency Debt Service Fund	Other Governmental Funds (1)	7,667,334
Other Governmental Funds	State Gasoline Tax Fund (1)	1,536,828
	Other Governmental Funds (1)	688,780
Water Enterprise Fund	General Fund (1)	72,170
	Internal Service Funds (2)	316,550
Internal Service Funds	General Fund (3)	100,000
	Internal Service Funds (2)	15,000
	Water Enterprise Fund (3)	100,000
		<u>\$ 21,735,068</u>

Interfund transfers were principally used to (1) provide funds with the funding necessary to accomplish those projects approved by City Council, (2) to cover workers' compensation claims and/or liability claims and fund accrued leave liability, and (3) to cover anticipated operating deficits. * The General Fund transferred \$9,860,594 to the Redevelopment Agency Debt Service Fund. The amount was originally classified as an interfund advance, however, due to recent State Legislation, (see Note 17) there is legal uncertainty regarding this issue.

City of Buena Park
Notes to Financial Statements
June 30, 2012

6) CAPITAL ASSETS

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

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Rights-of-Way	\$ 48,581,693	\$ -	\$ -	\$ 48,581,693
Land	11,783,793	-	-	11,783,793
Construction in Progress	10,503,279	18,342,464	(21,411,555)	7,434,188
Total Capital Assets Not Being Depreciated	<u>70,868,765</u>	<u>18,342,464</u>	<u>(21,411,555)</u>	<u>67,799,674</u>
Capital Assets Being Depreciated:				
Buildings	70,105,715	12,594,752	-	82,700,467
Improvements	12,481,017	536,025	-	13,017,042
Machinery and Equipment	13,282,865	2,534,154	(70,162)	15,746,857
Furniture and Fixtures	1,299,396	-	-	1,299,396
Infrastructure:				
Road System	86,353,703	6,413,405	(778,100)	91,989,008
Storm Drain System	3,880,883	-	-	3,880,883
Total Capital Assets Being Depreciated	<u>187,403,579</u>	<u>22,078,336</u>	<u>(848,262)</u>	<u>208,633,653</u>
Less Accumulated Depreciation:				
Buildings	(5,519,442)	(1,423,314)	-	(6,942,756)
Improvements	(6,632,984)	(474,158)	-	(7,107,142)
Machinery and Equipment	(9,045,636)	(808,922)	64,901	(9,789,657)
Furniture and Fixtures	(371,819)	(62,922)	-	(434,741)
Infrastructure				
Road System	(34,194,016)	(2,292,833)	464,378	(36,022,471)
Storm Drain System	(1,530,346)	(51,745)	-	(1,582,091)
Total Accumulated Depreciation	<u>(57,294,243)</u>	<u>(5,113,894)</u>	<u>529,279</u>	<u>(61,878,858)</u>
Total Capital Assets Being Depreciated, Net	<u>130,109,336</u>	<u>16,964,442</u>	<u>(318,983)</u>	<u>146,754,795</u>
Government Activities Capital Assets, Net of Depreciation	<u>\$ 200,978,101</u>	<u>\$ 35,306,906</u>	<u>\$ (21,730,538)</u>	<u>\$ 214,554,469</u>

City of Buena Park
Notes to Financial Statements
June 30, 2012

6) CAPITAL ASSETS - Continued

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

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-Type Activities:				
Capital Assets, Not Being Depreciated:				
Land	\$ 2,500	\$ -	\$ -	\$ 2,500
Construction in Progress	1,353,077	822,448	(82,268)	2,093,257
Total Capital Assets Not Being Depreciated	<u>1,355,577</u>	<u>822,448</u>	<u>(82,268)</u>	<u>2,095,757</u>
Capital Assets Being Depreciated:				
Buildings	43,672	-	-	43,672
Improvements	116,608	-	-	116,608
Pumps and Reservoirs	2,043,238	-	-	2,043,238
Hydrants, Meters, and Connections	4,889,534	-	-	4,889,534
Machinery and Equipment	1,145,214	104,636	-	1,249,850
Wells	4,691,845	-	-	4,691,845
Water and Sewer Lines	27,893,222	-	-	27,893,222
Total Capital Assets Being Depreciated	<u>40,823,333</u>	<u>104,636</u>	<u>-</u>	<u>40,927,969</u>
Less Accumulated Depreciation:				
Buildings	(35,830)	(1,457)	-	(37,287)
Improvements	(22,821)	(5,831)	-	(28,652)
Pumps and Reservoirs	(1,312,903)	(37,628)	-	(1,350,531)
Hydrants, Meters, and Connections	(4,161,603)	(40,817)	-	(4,202,420)
Machinery and Equipment	(706,508)	(43,195)	-	(749,703)
Wells	(1,717,918)	(108,484)	-	(1,826,402)
Water and Sewer Lines	(13,932,548)	(536,978)	-	(14,469,526)
Total Accumulated Depreciation	<u>(21,890,131)</u>	<u>(774,390)</u>	<u>-</u>	<u>(22,664,521)</u>
Total Capital Assets Being Depreciated, Net	<u>18,933,202</u>	<u>(669,754)</u>	<u>-</u>	<u>18,263,448</u>
Business-Type Activities Capital Assets, Net of Depreciation	<u>\$ 20,288,779</u>	<u>\$ 152,694</u>	<u>\$ (82,268)</u>	<u>\$ 20,359,205</u>

City of Buena Park
Notes to Financial Statements
June 30, 2012

6) CAPITAL ASSETS - Continued

Depreciation expense was charged to the following functions in the statement of activities:

Governmental Activities:

General Government	\$ 467,046
Leisure	493,750
Transportation	2,672,104
Public Protection	1,084,968
Development	37,574
Internal Service Fund Depreciation Charged to Programs	358,452
Total Depreciation Expense - Governmental Activities	\$ 5,113,894

Business-Type Activities:

Water	\$ 774,390
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7) LOANS RECEIVABLE

The City administers various residential rehabilitation and down payment assistance loan programs for low and moderate income families. In addition, the City has loaned monies to developers for affordable housing projects. The loans have different stated interest rates, payback periods and may be forgivable assuming all conditions are met. These loans are long-term in nature and are recorded as loans receivable and offset with deferred revenue in the governmental funds balance sheet. At June 30, 2012 the outstanding balance of loans receivable totaled \$6,277,481. The outstanding balance of loans receivable in the fiduciary fund totaled \$9,354,498 at June 30, 2012.

8) LONG-TERM LIABILITIES

A summary of long-term liabilities for the year ended June 30, 2012, is as follows:

	Beginning Balance	Additions	Deletions	Transfers	Ending Balance	Within One Year
Governmental Activities:						
Tax Allocation Bonds	\$ 94,085,000	\$ -	\$ (2,780,000)	\$ (91,305,000)	\$ -	\$ -
Add (Less) Deferred Amounts:						
For Issuance Premium	126,835	-	(6,612)	(120,223)	-	-
On Advance Refunding	(181,298)	-	44,400	136,898	-	-
Total Tax Allocation Bonds	94,030,537	-	(2,742,212)	(91,288,325)	-	-
Loan Payable	4,318,718	-	-	(4,318,718)	-	-
Revenue Bonds Payable	198,400	-	(198,400)	-	-	-
Note Payable	13,959,763	-	(1,502,230)	-	12,457,533	1,567,761
Claims Payable	6,949,855	1,114,964	(914,443)	-	7,150,376	100,000
Employee Leave Benefits	3,007,756	535,000	(663,570)	-	2,879,186	500,000
Termination Benefits	358,892	-	(89,723)	-	269,169	89,723
Total Governmental Activities						
Long-term Liabilities	\$ 122,823,921	\$ 1,649,964	\$ (6,110,578)	\$ (95,607,043)	\$ 22,756,264	\$ 2,257,484

City of Buena Park
Notes to Financial Statements
June 30, 2012

8) LONG-TERM LIABILITIES - Continued

	Beginning Balance	Additions	Deletions	Transfers	Ending Balance	Due Within One Year
Business-Type Activities:						
Loan Payable	\$ 50,785	\$ -	\$ (8,387)	\$ -	\$ 42,398	\$ 8,831
Revenue Bonds Payable	121,600	-	(121,600)	-	-	-
Note Payable	408,194	-	(159,364)	-	248,830	164,940
Employee Leave Benefits	75,667	55,000	(40,707)	-	89,960	42,000
Termination Benefits	89,328	-	(22,332)	-	66,996	22,332
Total Business-Type Activities						
Long-term Liabilities	<u>\$ 745,574</u>	<u>\$ 55,000</u>	<u>\$ (352,390)</u>	<u>\$ -</u>	<u>\$ 448,184</u>	<u>\$ 238,103</u>

Governmental Activities

A) Note Payable

In April 2009, the City entered into a credit agreement with Union Bank, whereby the City could borrow up to \$17,000,000. On May 28, 2009, the City issued a note to the bank in exchange for \$16,780,000. These funds were used to prepay the unfunded actuarial accrued liability related to the City's defined benefit plan for safety employees. This 10-year note matures on May 28, 2019 and bears interest at a rate of 4.16%. Principal and interest are due in monthly installments of \$171,253 commencing July 1, 2009.

The future debt service requirements on this note are as follows:

Year Ending June 30,	Principal	Interest	Total
2013	\$ 1,567,761	\$ 487,277	\$ 2,055,038
2014	1,634,053	420,985	2,055,038
2015	1,703,147	351,891	2,055,038
2016	1,774,430	280,608	2,055,038
2017	1,850,194	204,844	2,055,038
2018	1,928,428	126,610	2,055,038
2019	1,999,520	44,995	2,044,515
Total	<u>\$ 12,457,533</u>	<u>\$ 1,917,210</u>	<u>\$ 14,374,743</u>

B) Claims Payable

Claims payable are typically paid from the Workers' Compensation Self-Insurance Fund and the Public Liability Self-Insurance Fund. There is no fixed payment schedule for claims liabilities.

**City of Buena Park
Notes to Financial Statements
June 30, 2012**

8) LONG-TERM LIABILITIES - Continued

Governmental Activities - Continued

C) Employee Leave Benefits

Employee leave benefits payable to employees upon termination. The City's policies relating to the payment of these benefits are discussed in Note 2H of the notes to the financial statements. The liability at June 30, 2012, in the amount of \$2,879,186, is expected to be paid primarily by the general fund transfers to the accrued leave internal service fund in future years. There is no fixed schedules for the employee leave benefits liability.

D) Termination Benefits Payable

In April 2010, in an effort to reduce overall labor costs to address the projected structural budget deficit, the City Council approved the Supplemental Employee Retirement Plan (SERP). The plan offered early retirement incentives to encourage employees to voluntarily retire from the City on or before June 30, 2010.

The SERP was offered to employees and would provide a benefit equal to 60% of the employee's base salary, to a maximum benefit amount of \$40,000. The benefit will be used to purchase an annuity to provide a supplemental monthly retirement payment. Fifteen city employees elected to participate in the SERP. The plan is funded over a five-year period. The cost of future annuity premium payments, reported in the governmental activities and business-type activities is \$269,169 and \$66,996, respectively.

Business-Type Activities

E) Loan Payable

Economic Development Administration Loan

The Economic Development Administration (EDA) of the U.S. Department of Commerce loan commitment recorded in the enterprise fund requires equal annual payments of principal and interest at 5% through July 1, 2017. As of June 30, 2012 the principal amount outstanding was \$42,398.

The debt service requirements to maturity are as follows:

Year Ending June 30,	Principal	Interest	Total
2013	\$ 8,831	\$ 2,123	\$ 10,954
2014	9,272	1,682	10,954
2015	9,736	1,218	10,954
2016	10,224	730	10,954
2017	4,335	183	4,518
Total	<u>\$ 42,398</u>	<u>\$ 5,936</u>	<u>\$ 48,334</u>

**City of Buena Park
Notes to Financial Statements
June 30, 2012**

8) LONG-TERM LIABILITIES - Continued

Business-Type Activities - Continued

F) Note Payable

On April 17, 1996, the City entered into an agreement with the Orange County Water District (OCWD) for the acquisition, construction, installation and operation of two new groundwater production wells. Under this agreement, OCWD will provide a loan to the City to finance all initial costs, not to exceed \$1,000,000 per well, for the design and construction of the wells. The City will repay OCWD with installment payments over a fifteen year period at 3.50% interest. The note payable is recorded in the Water Enterprise Fund. As of June 30, 2012 the principal amount outstanding was \$248,830.

The debt requirements to maturity are as follows:

Year Ending June 30,	Principal	Interest	Total
2013	\$ 164,940	\$ 8,709	\$ 173,649
2014	83,890	2,937	86,827
Total	<u>\$ 248,830</u>	<u>\$ 11,646</u>	<u>\$ 260,476</u>

G) Employee Leave Benefits

Employee leave benefits payable to employees upon termination. The City's policies relating to the payment of these benefits are discussed in Note 2H of the notes to the financial statements. The liability at June 30, 2012 was \$89,860. There is no fixed payment schedule for the employee leave benefits liability.

Fiduciary Funds

Summary of long-term liabilities for the year ended June 30, 2012, is as follows:

	Beginning Balance	Additions	Deletions	Transfers	Ending Balance	Due Within One Year
Fiduciary Fund:						
Tax Allocation Bonds	\$ -	\$ -	\$ -	\$ 91,305,000	\$ 91,305,000	\$ 2,510,000
Add (Less) Deferred Amounts:						
For Issuance Premium	-	-	-	120,223	120,223	6,612
On Advance Refunding	-	-	-	(136,898)	(136,898)	(44,400)
Total Tax Allocation Bonds	-	-	-	91,288,325	91,288,325	2,472,212
Loan Payable	-	-	-	4,318,718	4,318,718	-
Total Fiduciary Fund Long-term Liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 95,607,043</u>	<u>\$ 95,607,043</u>	<u>\$ 2,472,212</u>

**City of Buena Park
Notes to Financial Statements
June 30, 2012**

8) LONG-TERM LIABILITIES - Continued

Fiduciary Funds - Continued

A) Tax Allocation Bonds

Tax Allocation Refunding Bonds, Series 2000

\$8,265,000 Tax Allocation Refunding Bonds, Series 2000; issued February 2, 2000; \$8,265,000 of serial bonds are due in annual principal installments through maturity on September 1, 2014; secured by tax increment revenues; interest ranging from 4.00% to 5.40%. The reserve requirement of \$790,500 is covered by \$395,250 held by the Successor Agency Private Purpose Trust fund and a financial guarantee insurance policy worth \$395,250. As of June 30, 2012 the principal amount outstanding was \$2,135,000.

The debt service requirements to maturity are as follows:

Year Ending June 30,	Principal	Interest	Total
2013	\$ 675,000	\$ 95,849	\$ 770,849
2014	710,000	59,315	769,315
2015	750,000	20,250	770,250
Total	<u>\$ 2,135,000</u>	<u>\$ 175,414</u>	<u>\$ 2,310,414</u>

Series 2003 Tax Allocation Refunding Bonds

On July 2, 2003, the Redevelopment Agency of the City of Buena Park issued \$24,055,000 of Tax Allocation Bonds to provide funds to advance refund the 1992 Refunding Tax Allocation Bond Series A and B issued by the Agency. The 2003 Bonds were issued at a premium of \$63,363. This premium is being amortized on a straight-line basis as interest expense through 2024. The advance refunding met the requirements of an in-substance defeasance and the 1992 Tax Allocation Bonds were removed from the Agency's long-term debt. The principal balance on the 1992 Tax Allocation Bonds was paid off on September 2, 2003.

The 2003 Tax Allocation Bonds are special obligations of the Agency secured by tax increment revenues on parity with the Agency's \$8,265,000 aggregate principal amount of the 2000 Refunding Tax Allocation Bonds issued for redevelopment purposes. The reserve requirement of \$1,658,129 is covered by \$1,671,995 held by the Successor Agency Private Purpose Trust.

The Bonds are payable in annual installments through maturity on September 1, 2004. Interest is payable semiannually on March 1 and September 1, with rates ranging from 2.0% to 4.2% per annum. Bonds outstanding at June 30, 2012 were \$16,745,000.

The advance refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$495,798. This difference, net of accumulated amortization, is reported in the accompanying financial statements as a reduction from bonds payable and is being charged to interest expense through the year 2014.

City of Buena Park
Notes to Financial Statements
June 30, 2012

8) LONG-TERM LIABILITIES - Continued

Fiduciary Funds - Continued

A) Tax Allocation Bonds - Continued

Series 2003 Tax Allocation Refunding Bonds - Continued

Future debt services requirements on these bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2013	\$ 1,040,000	\$ 614,168	\$ 1,654,168
2014	1,070,000	581,983	1,651,983
2015	1,105,000	547,441	1,652,441
2016	1,140,000	509,535	1,649,535
2017	1,180,000	468,345	1,648,345
2018-2022	6,590,000	1,624,973	8,214,973
2023-2025	4,620,000	293,050	4,913,050
Subtotals	16,745,000	4,639,495	21,384,495
Add (less) Deferred Amounts:			
Issuance Premium	36,417	-	36,417
On Advance Funding	(136,898)	-	(136,898)
Total	<u>\$ 16,644,519</u>	<u>\$ 4,639,495</u>	<u>\$ 21,284,014</u>

2008 Tax Allocation Bonds, Series A

On February 26, 2008, Redevelopment Agency of the City of Buena Park issued \$48,800,000 Tax Allocation Bonds, Series A for redevelopment purposes. The 2008 Bonds were issued at a premium of \$99,183. This premium is being amortized on a straight-line basis as interest expense through 2035.

The 2008 Tax Allocation Bonds, Series A, are special obligation of the Agency secured by tax increment revenues on a parity with the Agency's \$8,265,000 and \$20,635,000 aggregate principal amount of the Tax Allocation Bonds, Series 2000 and 2003 Tax Allocation Refunding Bonds, respectively. The reserve requirement of \$3,700,972 is covered by \$3,701,031 held in a reserve fund by the fiscal agent for the bonds.

The Bonds are payable in annual installments through maturity on September 1, 2035. Interest is payable semiannually on March 1 and September 1, with rates ranging from 3.0% to 6.25% per annum. Bonds outstanding at June 30, 2012 were \$48,500,000.

City of Buena Park
Notes to Financial Statements
June 30, 2012

8) LONG-TERM LIABILITIES - Continued

Fiduciary Funds - Continued

A) Tax Allocation Bonds - Continued

2008 Tax Allocation Bonds, Series A - Continued

Future debt service requirements on these bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2013	\$ 215,000	\$ 2,668,489	\$ 2,883,489
2014	235,000	2,659,875	2,894,875
2015	255,000	2,650,192	2,905,192
2016	500,000	2,634,593	3,134,593
2017	540,000	2,612,483	3,152,483
2018-2022	3,430,000	12,791,358	16,069,537
2023-2027	9,910,000	11,281,706	21,191,706
2028-2032	18,590,000	7,051,650	25,641,650
2033-2036	14,825,000	1,738,438	16,563,438
Subtotals	48,500,000	45,936,963	94,436,963
Add Deferred Amounts: Issuance Premium	83,806	-	83,806
Total	<u>\$ 48,583,806</u>	<u>\$ 45,936,963</u>	<u>\$ 94,520,769</u>

2008 Tax Allocation Bonds, Series B

On June 4, 2008, Redevelopment Agency of the City of Buena Park issued \$26,920,000 Tax Allocation Bonds, Series B for redevelopment purposes. The 2008 Tax Allocation Bonds, Series B, are a special obligation of the Agency secured by tax increment revenues on a parity with the Agency's \$8,265,000, \$20,635,000, and \$48,800,000 aggregate principal amount of the Tax Allocation Bonds, Series 2000, 2003 Tax Allocation Refunding Bonds, and 2008 Tax Allocation Bonds, Series A, respectively. The reserve requirement of \$2,493,224 is covered by \$2,493,264 held in a reserve fund by the fiscal agent for the bonds.

The Bonds are payable in annual installments through maturity on September 1, 2023. Interest is payable semiannually on March 1 and September 1, with rates ranging from 5.093% to 6.253% per annum. Bonds outstanding at June 30, 2012 were \$23,925,000.

City of Buena Park
Notes to Financial Statements
June 30, 2012

8) LONG-TERM LIABILITIES - Continued

Fiduciary Funds - Continued

A) Tax Allocation Bonds - Continued

2008 Tax Allocation Bonds, Series B - Continued

Future debt service requirements on these bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2013	\$ 580,000	\$ 1,460,031	\$ 2,040,031
2014	605,000	1,424,049	2,029,049
2015	650,000	1,385,941	2,035,941
2016	1,915,000	1,308,055	3,223,055
2017	2,030,000	1,188,265	3,218,265
2018-2022	12,165,000	3,853,601	16,018,601
2023-2024	5,980,000	379,557	6,359,557
Total	<u>\$ 23,925,000</u>	<u>\$ 10,999,499</u>	<u>\$ 34,924,499</u>

B) Loan Payable

A loan made by a developer, in the amount of \$4,318,718, to the Redevelopment Agency of the City of Buena Park for the acquisition of real property; interest at 8.00% compounded annually; quarterly payments at least equal to 40.00% of the sales tax revenue received and retained by the City. As of June 30, 2012, the amount outstanding was \$5,738,017 including accrued unpaid interest of \$1,419,299. The term of the loan ends May 2014, at which time any unpaid principal and interest will be forgiven by the developer.

Total estimated debt service schedule for the loan payable (based on estimated annual sales tax revenue of \$500,000) are as follows:

Year Ending June 30,	Principal	Interest	Total
2013	\$ -	\$ 200,000	\$ 200,000
2014	-	200,000	200,000
Subtotals	-	<u>\$ 400,000</u>	<u>\$ 400,000</u>
Estimated Amount to be Forgiven	<u>4,318,718</u>		
Total	<u>\$ 4,318,718</u>		

City of Buena Park
Notes to Financial Statements
June 30, 2012

9) DEFINED BENEFIT PENSION PLANS

A) Miscellaneous Plan

Plan Description

The City's Miscellaneous Plan provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. The Plan is a part of the Public Agency portion of the California Public Employees' Retirement System (CalPERS), an agent multiple-employer plan administered by CalPERS, which acts as a common investment and administrative agent for participating public entities with the State of California. A menu of benefit provisions as well as other requirements, are established by State statutes within the Public Employees' Retirement Law. The City selects optional benefit provisions from the benefit menu by contract with CalPERS and adopts those benefits through local ordinance. CalPERS issues a separate comprehensive annual financial report. Copies of CalPERS' annual financial report may be obtained from the CalPERS Executive Office, 400 P Street, Sacramento, California 95814.

Funding Policy

Participants are required to contribute 8% of their annual covered salary. The City makes 7% of the contributions required of City employees on their behalf and for their account. The City employees contribute 1% of their required contributions. The City is required to contribute the actuarially determined remaining amounts necessary to fund the benefits for its members. The actuarial methods and assumptions used are those adopted by the CalPERS Board of Administration. The required contribution rate for the year ended June 30, 2012 was 14.700%. The City contributes 11.647% and the City employees contribute 3.053% of the required contributions. The contribution requirements of the plan members are established by State statute and the employer contribution rate is established and may be amended by CalPERS.

Annual Pension Cost

For fiscal year 2012, the City's actual and contributed annual pension cost was \$1,861,698. The required contribution for the fiscal year 2012 was determined as part of the June 30, 2009 actuarial valuation using the entry age normal actuarial cost method with the contributions determined as a percent of payroll. The actuarial assumptions included (a) 7.75% investment rate of return (net of administrative expenses), (b) projected salary increases that vary by duration of service ranging from 3.25% to 14.45%, (c) inflation of 3.00%, (d) payroll growth of 3.25%, and (e) an individual salary growth based on merit scale varying by duration of employment, coupled with an assumed annual inflation component of 3.00%, and an annual production growth of 0.25%.

The actuarial value of the Plan's assets were determined using a technique that smoothes the effect of short-term volatility in the market value of investments over a fifteen year period. The Plan's initial unfunded liabilities are amortized over a closed period that depends on the Plan's date of entry into CalPERS. Subsequent plan amendments are amortized as a level percentage of pay over a closed 20-year period. Gains and losses that occur in the operation of the plan are amortized over a rolling 30 year period. If the Plan's accrued liability exceeds the actuarial value of plan assets, then the amortization

**City of Buena Park
Notes to Financial Statements
June 30, 2012**

9) DEFINED BENEFIT PENSION PLANS - Continued

A) Miscellaneous Plan - Continued

Annual Pension Cost - Continued

payment on the total unfunded liability may not be lower than the payment calculated over a 30-year amortization period. The remaining Plan's amortization period at June 30, 2012 was 26 years for the Miscellaneous Plan.

<u>THREE-YEAR TREND INFORMATION FOR MISCELLANEOUS PLAN</u>				
<u>Fiscal Year</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>	
6/30/10	\$ 1,507,859	100%	\$	-
6/30/11	\$ 1,463,664	100%	\$	-
6/30/12	\$ 1,861,698	100%	\$	-

Funded Status and Funding Progress

As of June 30, 2011, the most recent actuarial valuation date, the plan was 84.9% funded. The actuarial accrued liability for benefits was \$106.9 million, and the actuarial value of assets was \$90.7 million, resulting in an unfunded actuarial accrued liability (UAAL) of \$16.2 million. The covered payroll (annual payroll of active employees covered by the plan) was \$13.7 million, and the ratio of the UAAL to the covered payroll was 117.7%.

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 rates of employee turnover, retirement, mortality, as well as economic assumptions regarding interest rates. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

B) Safety Plan

Plan Description

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

City of Buena Park
Notes to Financial Statements
June 30, 2012

9) DEFINED BENEFIT PENSION PLANS - Continued

B) Safety Plan - Continued

Funding Policy

The contribution requirements of the plan members are established by State statute and the employer contribution rate is established and may be amended by CalPERS. Active City employees are required to contribute 9% of their annual salary to CalPERS. The City is required to contribute the actuarially determined remaining amounts necessary to fund the benefits for its members. The current rate is 25.821% of covered payroll. The City's contributions to CalPERS for the years ending June 30, 2012, 2011 and 2010 were \$2,292,231, \$1,930,962 and \$1,904,796, respectively and were equal to the required contribution for each year.

10) POST EMPLOYMENT BENEFITS

A) Plan Description

The City provides post-retirement medical benefits to retirees through the California Public Employees' Retirement System California Employer's Retiree Benefit Trust Fund (the PERS CERBT fund). The program is an agent multiple-employer defined benefit health care plan that provides health care insurance for eligible retirees. These benefits are available to employees who retire with the City at age 50 or older with at least 5 years of CalPERS service or those who satisfy certain disability requirements. The City pays monthly medical premiums ranging from \$126 to \$420 for each employees depending upon which group the employee belongs to and the number of individual covered by the policy. The Plan does not provide a publicly available financial report.

B) Funding Policy

The contribution requirements of plan members and the City are established and may be amended by the City, City Council, and/or the employee associations. Currently, contributions are not required from plan members. During the fiscal year ended June 30, 2012, the City elected to fund 136% of the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded liabilities over a period not to exceed thirty years. The ARC for fiscal year 2011-12 was \$563,749.

City of Buena Park
Notes to Financial Statements
June 30, 2012

10) POST EMPLOYMENT BENEFITS - Continued

C) Annual OPEB Cost

The City's annual OPEB cost, net OPEB obligation (asset) and the related information for 2012 were as follows:

Annual Required Contribution	\$	563,749
Interest on Net Pension Obligation (Asset)		(10,195)
Adjustment to Annual Required Contribution		82,894
Annual OPEB Cost		636,448
Contributions Made		(764,707)
Pension Asset Amortization		-
Increase (Decrease) in Net Pension Obligation (Asset)		(128,259)
Net Pension Obligation (Asset) Beginning of Year		(148,933)
Net Pension Obligation (Asset) End of Year	\$	(277,192)

For fiscal year 2012, the City's annual OPEB cost was \$636,448 and more than the City's required contribution. The City's actual contribution during the fiscal year was \$764,707. The required contribution for the fiscal year 2012 was determined as part of the June 30, 2011 actuarial valuation, and the entry age normal cost method was used. The actuarial assumptions included: (a) 7.61% investment rate of return (net of administrative expenses), (b) projected annual salary increases of 3.0%, (c) inflation rate of 3.0%, and (d) medical plan premium cost will increase at a rate ranging from 4.0% per annum. The City's unfunded actuarial accrued liability will be amortized as a level percentage of pay over a closed period of 30 years.

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

D) Three-Year Trend Information

For fiscal year 2012, the City's annual OPEB cost (expense) of \$636,448 was more than the ARC. The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation (asset) for 2012 and the two preceding years, were as follows:

Fiscal Year Ended	Annual OPEB Cost	Actual Contribution (Net of Adjustments)	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation (Asset)
6/30/10	\$ 756,000	\$ 756,000	100%	\$ -
6/30/11	\$ 608,711	\$ 757,644	124%	\$ (148,933)
6/30/12	\$ 636,448	\$ 764,707	120%	\$ (277,192)

City of Buena Park
Notes to Financial Statements
June 30, 2012

10) POST EMPLOYMENT BENEFITS - Continued

E) Funded Status and Funding Progress

As of June 30, 2011, the most current actuarial valuation date, the plan was 6% funded. The actuarial accrued liability for benefits was \$7.5 million and the actuarial value of assets was \$.5 million, resulting in an unfunded actuarial accrued liability (UAAL) of \$7.0 million. The covered payroll (annual payroll of active employees covered by the plan) was \$21.6 million and the ratio of the UAAL to the covered payroll was 32%.

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 rates of employee turnover, retirement, mortality, as well as economic assumptions regarding claim costs per retiree, healthcare inflation and interest rates. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

11) NET ASSETS AND FUND BALANCES

A) Net Assets

In the Government-wide Financial Statements, net assets are classified in the following categories:

Invested in capital assets, net of related debt describes the portion of net assets which is represented by the current net book value of the City's capital assets, less the outstanding balance of any debt issued to finance these assets.

Restricted describes the portion of net assets which is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulation, laws, or other restrictions which the City cannot unilaterally alter. These principally include developer fees received for use on capital projects, debt service requirements, and redevelopment funds restricted to low and moderate income purposes.

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

B) Fund Balances

The City implemented GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* as of June 30, 2011. Fund balances in governmental funds are reported in classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The City considers restricted fund balance to have been spent first when an expenditure is incurred for purposes for which both restricted

City of Buena Park
Notes to Financial Statements
June 30, 2012

11) NET ASSETS AND FUND BALANCES - Continued

B) Fund Balances - Continued

and unrestricted fund balance is available. Similarly, when an expenditure is incurred for purposes for which amounts in any of the unrestricted classifications of fund balance could be used, the City considers committed amounts to be reduced first, followed by assigned amounts and then unassigned amounts.

The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

Nonspendable Fund Balance - Amounts that cannot be spent either because they are in nonspendable form or are required to be maintained intact.

Restricted Fund Balance - Amounts that are constrained to specific purposes by state or federal laws, or externally imposed conditions by grantors or creditors.

Committed Fund Balance - Amounts constrained for a specific purpose by City Council resolution. It would require the same action by City Council to remove the constraint.

Assigned Fund Balance - Amounts that are constrained by the City Council's intent to use specified financial resources for specific purposes, but are neither restricted nor committed.

Unassigned Fund Balance - These are either residual positive net resources of the General Fund in excess of what can properly be classified in one of the other four categories, or negative balances. For all funds other than the General Fund, amounts expended in excess of resources that are restricted, committed, or assigned, negative unassigned fund balance may be necessary to report.

The details of the fund balances as of June 30, 2012 are presented below:

	General Fund	State Gas Tax	Residential Rehabilitation	HOME Deferred Loans	Park In-lieu Capital Projects	Other Governmental Funds	Total Governmental Funds
Nonspendable:							
Prepays	\$ 197,346	\$	\$	\$	\$	\$ 1,450	\$ 198,796
Inventory	81,747						81,747
Property Held for Resale						610,948	610,948
Restricted for:							
Low/Mod Housing				171,434		165,538	336,972
Public Protection						1,147,780	1,147,780
Environmental						250,717	250,717
Transportation Development		4,615,569				3,039,006	7,654,575
Foundation					7,492,657	57,524	7,492,657
Committed to:							
Assigned to:							
Other Projects						370,127	370,127
Unassigned:	29,301,558		(289,410)			(41,522)	28,970,626
Total Fund Balance	\$ 29,580,651	\$ 4,615,569	\$ (289,410)	\$ 171,434	\$ 7,492,657	\$ 5,601,568	\$ 47,172,469

**City of Buena Park
Notes to Financial Statements
June 30, 2012**

12) DEFICIT FUND BALANCES AND EXCESS EXPENDITURES

The following non-major funds reported deficits in fund balances at June 30, 2012:

State OCATT Special Revenue Fund	41,522
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The deficits will be eliminated through future revenues as well as operating transfers from the General Fund.

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

	Appropriations	Actual Expenditures	Variance
Major Funds:			
General Fund:			
General Government:			
City Attorney	\$ 168,670	\$ 207,471	\$ (38,801)
Public Works	1,040,019	1,051,504	(11,485)
Residential Rehabilitation Fund:	-	557,496	(557,496)
HOME Deferred Loans Fund:	410,455	468,640	(58,185)

13) PROPERTY TAX CALENDAR

Property taxes are reported on the modified accrual basis. Accordingly, they are recognized as levied provided they meet the modified accrual criteria. Property taxes not meeting the criteria are deferred until they are received or otherwise meet the criteria.

Property taxes were levied on assessed valuations on March 1 and became a lien on the property assessed on that date. Taxes on the secured rolls are payable in two installments on November 1 and February 1 and become delinquent on December 10 and April 10, respectively. Taxes on unsecured property were assessed and payable on March 1 and became delinquent the following August 31.

All property taxes are collected by the County of Orange Tax Collector and are apportioned to participating agencies in accordance with a prearranged schedule of apportionments as follows:

Lien Date	January 1	
Levy Date	July 1 to June 30	
Due Date	November 1	- 1 st Installment
	March 1	- 2 nd Installment
Collection Date	December 10	- 1 st Installment
	April 10	- 2 nd Installment

The state constitutional amendment Proposition 13 (now Article XIII A to the Constitution) which became effective July 1, 1978, altered the method of property tax assessment. This amendment essentially reduces the total property tax levy to one percent of full cash value on the 1975-76 assessment adjusted upward by the lesser of the increase in CPI or per capita income indices or two percent compounded for each succeeding year except that property changing ownership subsequent to July 1, 1978 and improvements are reassessed at the time of the exchange or improvement and adjusted each year thereafter at the appropriate rate.

City of Buena Park
Notes to Financial Statements
June 30, 2012

14) RISK MANAGEMENT

In the self-insurance internal service funds, the City has recorded liabilities in the amount of \$7,150,376 for lawsuits and other claims arising in the ordinary course of City operations. The City is self-insured in both workers' compensation and general liability for the first \$500,000 per claim. The City maintains coverage in excess of this self-insured retention limit through the California Insurance Pool Authority (CIPA) for workers' compensation and general liability claims. CIPA is a public entity risk pool which operates a risk management and insurance program for 13 member cities within California, and is self-sustaining through member premiums.

The City has entered into contracts with claims administrators to process claims against the City for workers' compensation and general liability claims. Liabilities have been recorded for estimated losses from claims and judgments in the amount of \$6,283,890 for workers' compensation and \$856,486 for general liability. Losses for claims incurred but not reported are recorded when the probable amount of loss can be reasonably estimated.

For the past three fiscal years, the City settled no cases at amounts in excess of the policy limits of applicable insurance coverage.

Changes in claims payable for the past three fiscal years are as follows:

Fiscal Year	Beginning of Fiscal Year	Claims Incurred and Changes in Estimates	Claim Payments	End of Fiscal Year
2009 - 2010	5,596,990	1,302,542	(876,466)	6,023,066
2010 - 2011	6,023,066	1,498,544	(571,755)	6,949,855
2011 - 2012	6,949,855	1,114,964	(914,443)	7,150,376

15) DEFERRED REVENUE

Deferred revenue consist primarily of delinquent property taxes and long-term receivables. Deferred revenue has also been recorded for federal financial assistance received by the City and invested in loans receivable. These amounts will be recognized as revenue when they become available to finance program expenditures.

Deferred revenue at June 30, 2012 consisted of the following:

	General Fund	State Gas Tax	Residential Rehabilitation	HOME Deferred Loans	Other Governmental Funds	Total
Unearned Revenue	\$ -	\$ -	\$ -	\$ -	\$ 430,887	\$ 430,887
Long-Term Receivable	714,614	1,275,214	-	-	411,487	2,401,315
Delinquent Property Taxes	102,404	-	-	-	-	102,404
Federal Assistance Invested in Loans	-	-	2,145,058	4,013,439	-	6,158,497
Total	\$ 817,018	\$ 1,275,214	\$ 2,145,058	\$ 4,013,439	\$ 842,374	\$ 9,093,103

City of Buena Park
Notes to Financial Statements
June 30, 2012

16) MORTGAGE REVENUE BONDS

In July 2000, the City of Buena Park issued, in conjunction with Walden Glen, LP, Variable Rate Demand Multifamily Housing Revenue Bonds, Series 2000 to provide funds for rehabilitation and permanent financing for a multifamily housing facility located in the City. The debt is a special obligation of the limited partnership and is payable solely from payments made on mortgage loans and are secured by a pledge of such mortgage loans. Neither the faith nor the taxing power of the City of Buena Park have been pledged to the payment of the bonds. Accordingly, the debt is not reported as a liability in the accompanying financial statements.

17) SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY

On December 29, 2011, the California Supreme Court upheld Assembly Bill 1X 26 ("the Bill") that provides for the dissolution of all redevelopment agencies in the State of California. This action impacted the reporting entity of the City of Buena Park that previously had reported a redevelopment agency within the reporting entity of the City as a blended component unit.

The Bill provides that upon dissolution of a redevelopment agency, either the City or another unit of local government will agree to serve as the "successor agency" to hold the assets until they are distributed to other units of state and local government. On January 31, 2012, the City Council elected to become the Successor Agency for the former redevelopment agency in accordance with the Bill as part of City Resolution No. 12685.

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

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

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

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

City of Buena Park
Notes to Financial Statements
June 30, 2012

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

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

Prior to that date, the final several months of the activity of the redevelopment agency continued to be reported in the governmental funds of the City. After the date of dissolution, the assets and activities of the dissolved redevelopment agency are reported in a fiduciary fund (private-purpose trust fund) in the financial statements of the City.

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

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

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

Total extraordinary loss reported in governmental funds - increase to net assets of the Successor Agency Trust Fund.	\$ 133,941,648
Deferred revenue on long-term loans receivables is not recorded in the government-wide financial statements - increase to net assets of the Successor Agency Trust Fund.	5,425,283
Accrued bond interest reported in the government-wide financial statements - decrease to net assets of the Successor Agency Trust Fund.	(3,458,257)
Unamortized bond issuance cost reported in the government-wide financial statements - increase to net assets of the Successor Agency Trust Fund.	2,329,535
Long-term debt reported in the government-wide financial statements - decrease to net assets of the Successor Agency Trust Fund.	<u>(95,607,043)</u>
Net increase to net assets of the Successor Agency Trust Fund as a result of initial transfers (equal to amount of extraordinary loss reported in the government-wide financial statements of the City).	<u>\$ 42,631,166</u>

City of Buena Park
Notes to Financial Statements
June 30, 2012

18) PRIOR PERIOD ADJUSTMENT

The prior period adjustment in the Governmental Activities Internal Service Funds on the Statement of Revenues, Expenses, and Changes in Net Assets of \$363,176 is to adjust claims liabilities recorded in prior years that are not the City's liability.

REQUIRED SUPPLEMENTARY INFORMATION

**City of Buena Park
Schedules of Funding Progress
Year Ended June 30, 2012**

Schedule of Funding Progress for CalPERS Miscellaneous Plan

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 Percentage of Covered Payroll [(B-A)/C]
06/30/09	\$ 83,633,499	\$ 96,844,010	\$ 13,210,511	86.36%	\$ 14,526,385	90.94%
06/30/10	\$ 87,165,554	\$ 101,638,636	\$ 14,473,082	85.76%	\$ 14,722,601	98.31%
06/30/11	\$ 90,737,838	\$ 106,925,990	\$ 16,188,152	84.81%	\$ 13,749,224	117.73%

Other Post-Employment Benefits Plan

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 Percentage of Covered Payroll [(B-A)/C]
06/30/08	\$ -	\$ 8,255,000	\$ 8,255,000	0.00%	\$ 20,410,000	40.45%
07/01/10	\$ 322,652	\$ 7,909,600	\$ 7,586,948	4.07%	\$ 20,410,000	37.17%
06/30/11	\$ 481,847	\$ 7,554,954	\$ 7,073,107	6.37%	\$ 21,683,514	32.62%

City Buena Park
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - General Fund
Year Ended June 30, 2012

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 38,604,090	\$ 38,604,090	\$ 39,381,384	\$ 777,294
Licenses & Permits	465,600	465,600	545,545	79,945
Fines & Forfeitures	1,014,000	1,014,000	874,265	(139,735)
Intergovernmental	6,451,800	6,792,965	6,474,552	(318,413)
Charges for Services	6,582,280	6,591,280	6,718,626	127,346
Investment Income	750,000	750,000	496,674	(253,326)
Miscellaneous	92,150	92,150	135,354	43,204
Total Revenues	<u>53,959,920</u>	<u>54,310,085</u>	<u>54,626,400</u>	<u>316,315</u>
EXPENDITURES				
Current:				
General Government:				
City Council	262,740	273,650	250,495	23,155
City Manager	488,620	539,877	498,916	40,961
Community Support Services	630,690	659,296	620,452	38,844
City Attorney	168,670	168,670	207,471	(38,801)
City Clerk	309,600	310,001	250,345	59,656
Internal Support Services	707,990	709,924	684,644	25,280
Finance	661,790	669,212	523,195	146,017
Public Works	1,032,150	1,040,019	1,051,504	(11,485)
Non-departmental	912,500	912,500	856,144	56,356
Total General Government	<u>5,174,750</u>	<u>5,283,149</u>	<u>4,943,166</u>	<u>339,983</u>
Leisure:				
Recreation Administration	<u>2,177,555</u>	<u>2,177,916</u>	<u>2,131,919</u>	<u>45,997</u>
Health:				
Public Works	<u>3,041,540</u>	<u>3,041,540</u>	<u>2,777,457</u>	<u>264,083</u>
Transportation:				
Police Department	2,198,030	2,207,276	1,766,763	440,513
Public Works	<u>3,877,460</u>	<u>4,013,481</u>	<u>3,210,955</u>	<u>802,526</u>
Total Transportation	<u>6,075,490</u>	<u>6,220,757</u>	<u>4,977,718</u>	<u>1,243,039</u>
Public Protection:				
Community Development Services	565,450	596,631	514,105	82,526
Fire Department	8,744,370	8,758,432	8,711,242	47,190
Police Department	<u>19,361,110</u>	<u>19,741,023</u>	<u>18,480,295</u>	<u>1,260,728</u>
Total Public Protection	<u>28,670,930</u>	<u>29,096,086</u>	<u>27,705,642</u>	<u>1,390,444</u>

(Continued)

City Buena Park
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - General Fund - Continued
Year Ended June 30, 2012

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
EXPENDITURES - Continued				
Current:				
Development:				
Community Development Services	\$ 1,151,220	\$ 1,132,060	\$ 1,018,793	\$ 113,267
Public Works	310,000	310,000	297,752	12,248
Total Development	<u>1,461,220</u>	<u>1,442,060</u>	<u>1,316,545</u>	<u>125,515</u>
Environmental:				
Recreation, Parks and Community Services	2,903,655	2,907,255	2,723,902	183,353
Capital Outlay	50,000	181,778	386	181,392
Debt Service:				
Principal	1,701,130	1,700,630	1,700,630	-
Interest and Other Charges	535,510	541,955	525,656	16,299
Total Debt Service	<u>2,236,640</u>	<u>2,242,585</u>	<u>2,226,286</u>	<u>16,299</u>
Total Expenditures	<u>51,791,780</u>	<u>52,593,126</u>	<u>48,803,021</u>	<u>3,790,105</u>
Excess (Deficiency) of Revenues over Expenditures	<u>2,168,140</u>	<u>1,716,959</u>	<u>5,823,379</u>	<u>4,106,420</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	79,670	79,670	179,670	100,000
Transfers Out	(1,064,500)	(1,042,000)	(10,881,183)	(9,839,183)
Total Other Financing Sources (Uses)	<u>(984,830)</u>	<u>(962,330)</u>	<u>(10,701,513)</u>	<u>(9,739,183)</u>
Net Change in Fund Balance	1,183,310	754,629	(4,878,134)	(5,632,763)
Fund Balance, Beginning of Year	<u>34,458,785</u>	<u>34,458,785</u>	<u>34,458,785</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 35,642,095</u>	<u>\$ 35,213,414</u>	<u>\$ 29,580,651</u>	<u>\$ (5,632,763)</u>

City of Buena Park
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - State Gasoline Tax Special Revenue Fund
Year Ended June 30, 2012

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 2,114,500	\$ 2,394,500	\$ 3,960,918	\$ 1,566,418
Investment Income	125,000	125,000	45,895	(79,105)
Total Revenues	<u>2,239,500</u>	<u>2,519,500</u>	<u>4,006,813</u>	<u>1,487,313</u>
EXPENDITURES				
Current:				
Transportation:				
Public Works	257,380	262,380	225,794	36,586
Capital Outlay	<u>2,066,000</u>	<u>12,156,571</u>	<u>6,438,383</u>	<u>5,718,188</u>
Total Expenditures	<u>2,323,380</u>	<u>12,418,951</u>	<u>6,664,177</u>	<u>5,754,774</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(83,880)</u>	<u>(9,899,451)</u>	<u>(2,657,364)</u>	<u>7,242,087</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	347,000	347,000	1,536,828	1,189,828
Transfers Out	<u>(22,500)</u>	<u>(668,463)</u>	<u>(357,223)</u>	<u>311,240</u>
Total Other Financing Sources (Uses)	<u>324,500</u>	<u>(321,463)</u>	<u>1,179,605</u>	<u>1,501,068</u>
Net Change in Fund Balance	240,620	(10,220,914)	(1,477,759)	8,743,155
Fund Balance, Beginning	<u>6,093,328</u>	<u>6,093,328</u>	<u>6,093,328</u>	<u>-</u>
Fund Balance, Ending	<u><u>\$ 6,333,948</u></u>	<u><u>\$ (4,127,586)</u></u>	<u><u>\$ 4,615,569</u></u>	<u><u>\$ 8,743,155</u></u>

City of Buena Park
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Residential Rehabilitation Special Revenue Fund
Year Ended June 30, 2012

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Investment Income	-	116,900	180,561	63,661
Total Revenues	-	116,900	180,561	63,661
EXPENDITURES				
Current:				
Development:				
Economic Development	-	-	557,496	(557,496)
Total Expenditures	-	-	557,496	(557,496)
Excess (Deficiency) of Revenues over Expenditures	-	116,900	(376,935)	(493,835)
Fund Balance, Beginning	87,525	87,525	87,525	-
Fund Balance, Ending	<u>\$ 87,525</u>	<u>\$ 204,425</u>	<u>\$ (289,410)</u>	<u>\$ (493,835)</u>

City of Buena Park
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - HOME Deferred Loans Special Revenue Fund
Year Ended June 30, 2012

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ -	\$ 300,000	\$ 1,026,500	\$ 726,500
Investment Income	4,000	114,455	116,959	2,504
Total Revenues	<u>4,000</u>	<u>414,455</u>	<u>1,143,459</u>	<u>729,004</u>
EXPENDITURES				
Current:				
Development:				
Economic Development	-	410,455	468,640	(58,185)
Total Expenditures	<u>-</u>	<u>410,455</u>	<u>468,640</u>	<u>(58,185)</u>
Excess (Deficiency) of Revenues over Expenditures	4,000	4,000	674,819	670,819
Fund Balance, Beginning of Year	<u>(503,385)</u>	<u>(503,385)</u>	<u>(503,385)</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ (499,385)</u></u>	<u><u>\$ (499,385)</u></u>	<u><u>\$ 171,434</u></u>	<u><u>\$ 670,819</u></u>

City of Buena Park
Notes to the Required Supplementary Information
Year Ended June 30, 2012

Budgetary Accounting

The City adopts an annual budget for all of its funds. Annual budgets are prepared on the modified accrual basis for the governmental funds and on the accrual basis for the proprietary funds, except that depreciation is not budgeted in the proprietary funds. Under section 2-43 of the Municipal Code, the City Manager is required to prepare and submit to the City Council the annual budget of the City and administer it after adoption. The City Manager is authorized to transfer budgeted amounts between the accounts of any department; however, any revisions that alter the total appropriations of any department within each fund must be approved by City Council. All appropriations lapse at year end.

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SUPPLEMENTARY INFORMATION

**City of Buena Park
Other Governmental Funds
June 30, 2012**

SPECIAL REVENUE FUNDS

Special Revenue Funds account for specific revenues that are legally restricted to expenditure for a particular purpose. Special Revenue Funds include the following:

Asset Forfeiture Fund – is used to account for assets seized as a result of drug enforcement activities.

Proposition 172 Police Augmentation Fund - is used to account for the half-cent sales tax remitted to the City from other governmental agencies to be expended for public safety.

RDA Low/Mod Fund - is used for approved improvements to City residential structures for persons of low and moderate income. Financing is provided by a portion of property tax increment collected by the County.

Measure M Turnback Fund - is used to account for various transportation projects associated with Measure A funding.

Measure M2 Fund - is used to account for Measure M2 funds restricted for transportation facility and service improvements.

Local Law Enforcement Block Grant Fund - is used to account for grant monies received for local law enforcement activities.

Orange County Anti-Drug Abuse Fund - is used to account for revenue received for a multi-jurisdiction anti-drug task force.

Traffic Congestion Relief Fund - is used to account for the Governor's transportation congestion relief program revenue received for the repair and reconstruction of streets.

State OCATT Fund – is used to account for revenue received for investigation and prosecution of criminals belonging to major auto theft rings.

COPS/SLESF Fund – is used to account for COPS/SLESF revenue received for policing and law enforcement activities.

Housing and Community Development Fund – is used to account for commercial and residential improvement projects of the planning, economic development, and public works departments. Financing is provided by a federal grant from the Department of Housing and Urban Development.

Buena Park Foundation Fund - is used to account for costs incurred in providing cable television access to independent civic organization and to award scholarships to students interested in the communication field. Financing is provided by a contribution made by the cable television company which has been awarded the franchise rights for community cable television services.

City of Buena Park
Other Governmental Funds - Continued
June 30, 2012

SPECIAL REVENUE FUNDS - Continued

AB 2766/AQMD Fund - is used to account for AB 2766/AQMD revenue received for air quality improvement projects.

CAPITAL PROJECTS FUNDS

Capital Projects Funds account for the acquisition and construction of major capital facilities. Capital Projects Funds include the following:

City Capital Projects Fund - is used to account for the acquisition or construction of major capital facilities in the City.

RDA Capital Projects Fund - is used to account for financial resources used for the development and redevelopment associated with the Redevelopment Project Areas.

**City of Buena Park
Combining Balance Sheet
Other Governmental Funds
June 30, 2012**

	Special Revenue		
	Asset Forfeiture	Proposition 172 Police Augmentation	RDA Low/Mod
ASSETS			
Cash and Investments	\$ 914,651	\$ 236,987	\$ -
Accounts Receivable	6,322	-	-
Interest Receivable	2,810	728	-
Loans Receivable	-	-	-
Due from Other Governments	-	58,583	-
Prepaid Items	-	-	-
Property Held for Resale	-	-	-
Total Assets	<u>\$ 923,783</u>	<u>\$ 296,298</u>	<u>\$ -</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts Payable	\$ 4,344	\$ 437	\$ -
Accrued Liabilities	-	1,828	-
Deposits Payable	113,462	-	-
Retentions Payable	-	-	-
Due to Other Funds	-	-	-
Deferred Revenue	-	-	-
Total Liabilities	<u>117,806</u>	<u>2,265</u>	<u>-</u>
Fund Balances:			
Nonspendable	-	-	-
Restricted	805,977	294,033	-
Assigned	-	-	-
Unassigned	-	-	-
Total Fund Balances	<u>805,977</u>	<u>294,033</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ 923,783</u>	<u>\$ 296,298</u>	<u>\$ -</u>

Special Revenue

Measure M Turnback	Measure M2	Local Law Enforcement Block Grant	Orange County Anti-Drug Abuse	Traffic Congestion Relief	State OCATT
\$ 1,988,995	\$ 1,112,461	\$ 19,120	\$ 19,563	\$ 149,042	\$ -
238,520	-	8,054	-	-	142,735
6,111	3,414	59	60	458	-
-	-	-	-	-	-
-	227,577	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 2,233,626</u>	<u>\$ 1,343,452</u>	<u>\$ 27,233</u>	<u>\$ 19,623</u>	<u>\$ 149,500</u>	<u>\$ 142,735</u>
\$ 15,241	\$ -	\$ -	\$ -	\$ -	\$ -
2,924	-	-	-	-	2,915
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	139,819
669,407	-	-	-	-	41,523
<u>687,572</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>184,257</u>
-	-	-	-	-	-
1,546,054	1,343,452	27,233	19,623	149,500	-
-	-	-	-	-	-
-	-	-	-	-	(41,522)
<u>1,546,054</u>	<u>1,343,452</u>	<u>27,233</u>	<u>19,623</u>	<u>149,500</u>	<u>(41,522)</u>
<u>\$ 2,233,626</u>	<u>\$ 1,343,452</u>	<u>\$ 27,233</u>	<u>\$ 19,623</u>	<u>\$ 149,500</u>	<u>\$ 142,735</u>

Continued

**City of Buena Park
Combining Balance Sheet
Other Governmental Funds - Continued
June 30, 2012**

	Special Revenue		
	COPS/SLESF	Housing and Community Development	Buena Park Foundation
ASSETS			
Cash and Investments	\$ -	\$ 74,748	\$ 50,256
Accounts Receivable	-	-	28,335
Interest Receivable	-	229	14
Loans Receivable	-	68,290	-
Due from Other Governments	14,735	107,330	-
Prepaid Items	-	1,450	-
Property Held for Resale	-	610,948	-
	<u>-</u>	<u>610,948</u>	<u>-</u>
Total Assets	<u>\$ 14,735</u>	<u>\$ 862,995</u>	<u>\$ 78,605</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts Payable	\$ -	\$ 12,331	\$ 21,081
Accrued Liabilities	-	4,438	-
Deposits Payable	-	-	-
Retentions Payable	-	-	-
Due to Other Funds	13,821	-	-
Deferred Revenue	-	68,290	-
	<u>-</u>	<u>68,290</u>	<u>-</u>
Total Liabilities	<u>13,821</u>	<u>85,059</u>	<u>21,081</u>
Fund Balances:			
Nonspendable	-	612,398	-
Restricted	914	165,538	57,524
Assigned	-	-	-
Unassigned	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balances	<u>914</u>	<u>777,936</u>	<u>57,524</u>
Total Liabilities and Fund Balances	<u>\$ 14,735</u>	<u>\$ 862,995</u>	<u>\$ 78,605</u>

Special Revenue	Capital Projects		Total Other Governmental Funds
AB 2766/ AQMD	City Capital Projects	RDA Capital Projects	
\$ 224,986	\$ 411,636	\$ -	\$ 5,202,445
25,040	63,154	-	512,160
691	1,265	-	15,839
-	-	-	68,290
-	-	-	408,225
-	-	-	1,450
-	-	-	610,948
<u>\$ 250,717</u>	<u>\$ 476,055</u>	<u>\$ -</u>	<u>\$ 6,819,357</u>
\$ -	\$ -	\$ -	\$ 53,434
-	-	-	12,105
-	-	-	113,462
-	42,774	-	42,774
-	-	-	153,640
-	63,154	-	842,374
-	105,928	-	1,217,789
-	-	-	612,398
250,717	-	-	4,660,565
-	370,127	-	370,127
-	-	-	(41,522)
<u>250,717</u>	<u>370,127</u>	<u>-</u>	<u>5,601,568</u>
<u>\$ 250,717</u>	<u>\$ 476,055</u>	<u>\$ -</u>	<u>\$ 6,819,357</u>

City of Buena Park
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Other Governmental Funds
Year Ended June 30, 2012

	Special Revenue		
	Asset Forfeiture	Proposition 172 Police Augmentation	RDA Low/Mod
REVENUES			
Taxes	\$ -	\$ 325,953	\$ 3,027,279
Intergovernmental	292,139	-	-
Investment Income	10,311	3,713	(59,197)
Miscellaneous	-	-	236,345
	<u>302,450</u>	<u>329,666</u>	<u>3,204,427</u>
Total Revenues			
EXPENDITURES			
Current:			
General Government	-	-	-
Transportation	-	-	-
Public Protection	157,821	251,250	-
Development	-	-	5,187,637
Capital Outlay	78,468	-	-
Debt Service:			
Principal Retirement	-	-	213,127
Interest and Other Charges	-	-	48,822
	<u>236,289</u>	<u>251,250</u>	<u>5,449,586</u>
Total Expenditures			
Excess (Deficiency) of Revenues Over Expenditures	<u>66,161</u>	<u>78,416</u>	<u>(2,245,159)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	(54,640)	-
	<u>-</u>	<u>(54,640)</u>	<u>-</u>
Total Other Financing Sources (Uses)			
Extraordinary Item	-	-	(23,549,463)
Net Change in Fund Balances	66,161	23,776	(25,794,622)
Fund Balances - Beginning of Year	<u>739,816</u>	<u>270,257</u>	<u>25,794,622</u>
Fund Balances - End of Year	<u>\$ 805,977</u>	<u>\$ 294,033</u>	<u>\$ -</u>

Special Revenue

Measure M Turnback	Measure M2	Local Law Enforcement Block Grant	Orange County Anti-Drug Abuse	Traffic Congestion Relief	State OCATT
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
596,387	1,070,046	47,064	-	-	145,724
17,489	14,423	47	230	2,995	-
-	-	-	-	129,077	-
<u>613,876</u>	<u>1,084,469</u>	<u>47,111</u>	<u>230</u>	<u>132,072</u>	<u>145,724</u>
-	-	-	-	-	-
165,281	-	-	-	-	-
-	-	74,518	51,520	-	151,298
-	-	-	-	-	-
1,126,771	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>1,292,052</u>	<u>-</u>	<u>74,518</u>	<u>51,520</u>	<u>-</u>	<u>151,298</u>
<u>(678,176)</u>	<u>1,084,469</u>	<u>(27,407)</u>	<u>(51,290)</u>	<u>132,072</u>	<u>(5,574)</u>
968,863	-	54,640	-	-	-
<u>(536,828)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>432,035</u>	<u>-</u>	<u>54,640</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
<u>(246,141)</u>	<u>1,084,469</u>	<u>27,233</u>	<u>(51,290)</u>	<u>132,072</u>	<u>(5,574)</u>
<u>1,792,195</u>	<u>258,983</u>	<u>-</u>	<u>70,913</u>	<u>17,428</u>	<u>(35,948)</u>
<u>\$ 1,546,054</u>	<u>\$ 1,343,452</u>	<u>\$ 27,233</u>	<u>\$ 19,623</u>	<u>\$ 149,500</u>	<u>\$ (41,522)</u>

Continued

City of Buena Park
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Other Governmental Funds - Continued
Year Ended June 30, 2012

	Special Revenue		
	COPS/SLESF	Housing and Community Development	Buena Park Foundation
REVENUES			
Taxes	\$ -	\$ -	\$ -
Intergovernmental	133,984	972,385	-
Investment Income	(3)	18,987	64
Miscellaneous	-	1,312	104,937
Total Revenues	133,981	992,684	105,001
EXPENDITURES			
Current:			
General Government	-	-	98,182
Transportation	-	-	-
Public Protection	302,599	-	-
Development	-	665,967	-
Capital Outlay	-	-	1,781
Debt Service:			
Principal Retirement	-	-	-
Interest and Other Charges	-	-	-
Total Expenditures	302,599	665,967	99,963
Excess (Deficiency) of Revenues Over Expenditures	(168,618)	326,717	5,038
OTHER FINANCING SOURCES (USES)			
Transfers In	169,528	-	-
Transfers Out	-	(334,140)	-
Total Other Financing Sources (Uses)	169,528	(334,140)	-
Extraordinary Item	-	-	-
Net Change in Fund Balances	910	(7,423)	5,038
Fund Balances - Beginning of Year	4	785,359	52,486
Fund Balances - End of Year	\$ 914	\$ 777,936	\$ 57,524

Special Revenue	Capital Projects		Total Other Governmental Funds
AB 2766/ AQMD	City Capital Projects	RDA Capital Projects	
\$ -	\$ -	\$ -	\$ 3,353,232
101,435	473,707	-	3,832,871
2,778	3,106	427,246	442,189
-	-	1,126,522	1,598,193
<u>104,213</u>	<u>476,813</u>	<u>1,553,768</u>	<u>9,226,485</u>
-	-	-	98,182
-	-	-	165,281
-	-	-	989,006
-	-	1,499,380	7,352,984
-	536,750	5,269,623	7,013,393
-	-	-	213,127
-	-	-	48,822
<u>-</u>	<u>536,750</u>	<u>6,769,003</u>	<u>15,880,795</u>
<u>104,213</u>	<u>(59,937)</u>	<u>(5,215,235)</u>	<u>(6,654,310)</u>
-	100,000	7,667,335	8,960,366
-	-	(1,300,000)	(2,225,608)
<u>-</u>	<u>100,000</u>	<u>6,367,335</u>	<u>6,734,758</u>
<u>-</u>	<u>-</u>	<u>(58,995,679)</u>	<u>(82,545,142)</u>
104,213	40,063	(57,843,579)	(82,464,694)
<u>146,504</u>	<u>330,064</u>	<u>57,843,579</u>	<u>88,066,262</u>
<u>\$ 250,717</u>	<u>\$ 370,127</u>	<u>\$ -</u>	<u>\$ 5,601,568</u>

City of Buena Park
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual -Asset Forfeiture Special Revenue Fund
Year Ended June 30, 2012

	<u>Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES			
Intergovernmental	\$ 130,000	\$ 292,139	\$ 162,139
Investment Income	20,000	10,311	(9,689)
	<u>150,000</u>	<u>302,450</u>	<u>152,450</u>
EXPENDITURES			
Current:			
Public Protection:			
Police Department	231,800	157,821	73,979
Capital Outlay	<u>182,707</u>	<u>78,468</u>	<u>104,239</u>
	<u>414,507</u>	<u>236,289</u>	<u>178,218</u>
Excess (Deficiency) of Revenues over Expenditures	(264,507)	66,161	330,668
Fund Balance, Beginning of Year	<u>739,816</u>	<u>739,816</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 475,309</u></u>	<u><u>\$ 805,977</u></u>	<u><u>\$ 330,668</u></u>

City of Buena Park
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - Proposition 172 Police Augmentation Special Revenue Fund
Year Ended June 30, 2012

	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Taxes	\$ 260,000	\$ 325,953	\$ 65,953
Investment Income	3,000	3,713	713
	263,000	329,666	66,666
EXPENDITURES			
Current:			
Public Protection:			
Police Department	236,860	251,250	(14,390)
	236,860	251,250	(14,390)
Excess (Deficiency) of Revenues over Expenditures	26,140	78,416	52,276
OTHER FINANCING SOURCES (USES)			
Transfers Out	(54,640)	(54,640)	-
	(54,640)	(54,640)	-
Net Change in Fund Balance	(28,500)	23,776	52,276
Fund Balance, Beginning of Year	270,257	270,257	-
Fund Balance, End of Year	\$ 241,757	\$ 294,033	\$ 52,276

City of Buena Park
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - Redevelopment Agency Low and Moderate Housing
Special Revenue Fund
Year Ended June 30, 2012

	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Taxes	\$ 5,217,000	\$ 3,027,279	\$ (2,189,721)
Investment Income	520,000	(59,197)	(579,197)
Miscellaneous	145,280	236,345	91,065
Total Revenues	<u>5,882,280</u>	<u>3,204,427</u>	<u>(2,677,853)</u>
EXPENDITURES			
Current:			
Development:			
Economic Development	7,305,003	5,187,637	2,117,366
Debt Service:			
Principal Retirement	213,130	213,127	3
Interest and Other Charges	93,570	48,822	44,748
Total Expenditures	<u>7,611,703</u>	<u>5,449,586</u>	<u>2,162,117</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(1,729,423)</u>	<u>(2,245,159)</u>	<u>(515,736)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
Sale of Property	4,000,000	-	(4,000,000)
Total Other Financing Sources (Uses)	<u>4,000,000</u>	<u>-</u>	<u>(4,000,000)</u>
Extraordinary Loss	-	(23,549,463)	(23,549,463)
Net Change in Fund Balance	2,270,577	(25,794,622)	(28,065,199)
Fund Balance, Beginning of Year	<u>25,794,622</u>	<u>25,794,622</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 28,065,199</u>	<u>\$ -</u>	<u>\$ (28,065,199)</u>

City of Buena Park
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - Measure M Turnback Special Revenue Fund
Year Ended June 30, 2012

	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 970,230	\$ 596,387	\$ (373,843)
Investment Income	80,000	17,489	(62,511)
Total Revenues	<u>1,050,230</u>	<u>613,876</u>	<u>(436,354)</u>
EXPENDITURES			
Current:			
Transportation:			
Public Works	166,560	165,281	1,279
Capital Outlay	<u>3,639,734</u>	<u>1,126,771</u>	<u>2,512,963</u>
Total Expenditures	<u>3,806,294</u>	<u>1,292,052</u>	<u>2,514,242</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(2,756,064)</u>	<u>(678,176)</u>	<u>2,077,888</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	624,000	968,863	344,863
Transfers Out	<u>(347,000)</u>	<u>(536,828)</u>	<u>(189,828)</u>
Total Other Financing Sources (Uses)	<u>277,000</u>	<u>432,035</u>	<u>155,035</u>
Net Change in Fund Balances	(2,479,064)	(246,141)	2,232,923
Fund Balance, Beginning of Year	<u>1,792,195</u>	<u>1,792,195</u>	<u>-</u>
Fund Balances, End of Year	<u><u>\$ (686,869)</u></u>	<u><u>\$ 1,546,054</u></u>	<u><u>\$ 2,232,923</u></u>

City of Buena Park
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Measure M2 Special Revenue Fund
Year Ended June 30, 2012

	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ -	\$ 1,070,046	\$ 1,070,046
Investment Income	-	14,423	14,423
Total Revenues	-	1,084,469	1,084,469
OTHER FINANCING SOURCES (USES)			
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balance	-	1,084,469	1,084,469
Fund Balance, Beginning of Year	258,983	258,983	-
Fund Balance, End of Year	<u>\$ 258,983</u>	<u>\$ 1,343,452</u>	<u>\$ 1,084,469</u>

City of Buena Park
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Local Law Enforcement Block Grant Special Revenue Fund
Year Ended June 30, 2012

	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 42,795	\$ 47,064	\$ 4,269
Investment Income	-	47	47
	<u>42,795</u>	<u>47,111</u>	<u>4,316</u>
Total Revenues			
EXPENDITURES			
Current:			
Public Protection:			
Police Department	117,663	74,518	43,145
Capital Outlay	-	-	-
	<u>117,663</u>	<u>74,518</u>	<u>43,145</u>
Total Expenditures			
Excess (Deficiency) of Revenues over Expenditures	<u>(74,868)</u>	<u>(27,407)</u>	<u>47,461</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	<u>54,640</u>	<u>54,640</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>54,640</u>	<u>54,640</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures	(20,228)	27,233	47,461
Fund Balance, Beginning of Year	-	-	-
Fund Balance, End of Year	<u>\$ (20,228)</u>	<u>\$ 27,233</u>	<u>\$ 47,461</u>

City of Buena Park
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Orange County Anti-Drug Abuse Special Revenue Fund
Year Ended June 30, 2012

	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 136,500	\$ -	\$ (136,500)
Investment Income	-	230	230
	<u>136,500</u>	<u>230</u>	<u>(136,270)</u>
Total Revenues			
EXPENDITURES			
Current:			
Public Protection:			
Police Department	172,630	51,520	121,110
	<u>172,630</u>	<u>51,520</u>	<u>121,110</u>
Total Expenditures			
Excess (Deficiency) of Revenues over Expenditures	<u>(36,130)</u>	<u>(51,290)</u>	<u>(15,160)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	36,130	-	(36,130)
	<u>36,130</u>	<u>-</u>	<u>(36,130)</u>
Total Other Financing Sources (Uses)			
Net Change in Fund Balance	-	(51,290)	(51,290)
Fund Balance, Beginning	70,913	70,913	-
Fund Balance, Ending	<u>\$ 70,913</u>	<u>\$ 19,623</u>	<u>\$ (51,290)</u>

City of Buena Park
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Traffic Congestion Relief Special Revenue Fund
Year Ended June 30, 2012

	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Investment Income	\$ -	\$ 2,995	\$ 2,995
Miscellaneous	15,000	129,077	114,077
Total Revenues	<u>15,000</u>	<u>132,072</u>	<u>117,072</u>
EXPENDITURES			
Current:			
Transportation:			
Public Works	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures	15,000	132,072	117,072
Fund Balance, Beginning of Year	<u>17,428</u>	<u>17,428</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 32,428</u></u>	<u><u>\$ 149,500</u></u>	<u><u>\$ 117,072</u></u>

City of Buena Park
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - State OCATT Special Revenue Fund
Year Ended June 30, 2012

	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 188,460	\$ 145,724	\$ (42,736)
Investment Income	-	-	-
Total Revenues	<u>188,460</u>	<u>145,724</u>	<u>(42,736)</u>
EXPENDITURES			
Current:			
Public Protection:			
Police Department	<u>188,460</u>	<u>151,298</u>	<u>37,162</u>
Total Expenditures	<u>188,460</u>	<u>151,298</u>	<u>37,162</u>
Excess (Deficiency) of Revenues over Expenditures	-	(5,574)	(5,574)
Fund Balance, Beginning of Year	<u>(35,948)</u>	<u>(35,948)</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ (35,948)</u></u>	<u><u>\$ (41,522)</u></u>	<u><u>\$ (5,574)</u></u>

City of Buena Park
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - COPS/SLESF Special Revenue Fund
Year Ended June 30, 2012

	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 100,000	\$ 133,984	\$ 33,984
Investment Income	-	(3)	(3)
Total Revenues	<u>100,000</u>	<u>133,981</u>	<u>33,981</u>
EXPENDITURES			
Current:			
Public Protection:			
Police Department	<u>315,870</u>	<u>302,599</u>	<u>13,271</u>
Total Expenditures	<u>315,870</u>	<u>302,599</u>	<u>13,271</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(215,870)</u>	<u>(168,618)</u>	<u>47,252</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	<u>215,870</u>	<u>169,528</u>	<u>(46,342)</u>
Total Other Financing Sources (Uses)	<u>215,870</u>	<u>169,528</u>	<u>(46,342)</u>
Net Change in Fund Balance	-	910	910
Fund Balance, Beginning of Year	<u>4</u>	<u>4</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 4</u>	<u>\$ 914</u>	<u>\$ 910</u>

City of Buena Park
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Housing and Community Development Special Revenue Fund
Year Ended June 30, 2012

	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 1,266,670	\$ 972,385	\$ (294,285)
Investment Income	-	18,987	18,987
Miscellaneous	-	1,312	1,312
Total Revenues	<u>1,266,670</u>	<u>992,684</u>	<u>(273,986)</u>
EXPENDITURES			
Current:			
Development:			
Economic Development	1,039,669	665,967	373,702
Capital Outlay	<u>359,120</u>	<u>-</u>	<u>359,120</u>
Total Expenditures	<u>1,398,789</u>	<u>665,967</u>	<u>732,822</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(132,119)</u>	<u>326,717</u>	<u>458,836</u>
OTHER FINANCING SOURCES (USES)			
Transfer Out	<u>-</u>	<u>(334,140)</u>	<u>(334,140)</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>(334,140)</u>	<u>(334,140)</u>
Net Change in Fund Balance	(132,119)	(7,423)	124,696
Fund Balance, Beginning of Year	<u>785,359</u>	<u>785,359</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 653,240</u>	<u>\$ 777,936</u>	<u>\$ 124,696</u>

City of Buena Park
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Buena Park Foundation Special Revenue Fund
Year Ended June 30, 2012

	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Investment Income	\$ 150	\$ 64	\$ (86)
Miscellaneous	85,000	104,937	19,937
Total Revenues	<u>85,150</u>	<u>105,001</u>	<u>19,851</u>
EXPENDITURES			
Current:			
General Government	108,590	98,182	10,408
Capital Outlay	2,000	1,781	219
Total Expenditures	<u>110,590</u>	<u>99,963</u>	<u>10,627</u>
Excess (Deficiency) of Revenues over Expenditures	(25,440)	5,038	30,478
Fund Balance, Beginning of Year	<u>52,486</u>	<u>52,486</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 27,046</u></u>	<u><u>\$ 57,524</u></u>	<u><u>\$ 30,478</u></u>

City of Buena Park
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - AB 2766/AQMD Special Revenue Fund
Year Ended June 30, 2012

	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 299,117	\$ 101,435	\$ (197,682)
Investment Income	3,000	2,778	(222)
Total Revenues	<u>302,117</u>	<u>104,213</u>	<u>(197,904)</u>
EXPENDITURES			
Capital Outlay	<u>248,896</u>	<u>-</u>	<u>248,896</u>
Total Other Financing Sources (Uses)	<u>248,896</u>	<u>-</u>	<u>248,896</u>
Net Change in Fund Balance	53,221	104,213	50,992
Fund Balance, Beginning of Year	<u>146,504</u>	<u>146,504</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 199,725</u></u>	<u><u>\$ 250,717</u></u>	<u><u>\$ 50,992</u></u>

City of Buena Park
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - City Capital Projects Fund
Year Ended June 30, 2012

	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ -	\$ 473,707	\$ 473,707
Investment Income	-	3,106	3,106
Miscellaneous	-	-	-
Total Revenues	<u>-</u>	<u>476,813</u>	<u>476,813</u>
EXPENDITURES			
Capital Outlay	<u>659,582</u>	<u>536,750</u>	<u>122,832</u>
Total Expenditures	<u>659,582</u>	<u>536,750</u>	<u>122,832</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(659,582)</u>	<u>(59,937)</u>	<u>599,645</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	<u>100,000</u>	<u>100,000</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>100,000</u>	<u>100,000</u>	<u>-</u>
Net Change in Fund Balance	(559,582)	40,063	599,645
Fund Balance, Beginning of Year	<u>330,064</u>	<u>330,064</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ (229,518)</u>	<u>\$ 370,127</u>	<u>\$ 599,645</u>

City of Buena Park
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Redevelopment Agency Capital Projects Fund
Year Ended June 30, 2012

	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Investment Income	\$ 907,200	\$ 427,246	\$ (479,954)
Miscellaneous	62,660	1,126,522	1,063,862
Total Revenues	<u>969,860</u>	<u>1,553,768</u>	<u>583,908</u>
EXPENDITURES			
Current:			
Development:			
Economic Development	4,330,367	1,499,380	2,830,987
Capital Outlay	29,255,900	5,269,623	23,986,277
Total Expenditures	<u>33,586,267</u>	<u>6,769,003</u>	<u>26,817,264</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(32,616,407)</u>	<u>(5,215,235)</u>	<u>27,401,172</u>
OTHER FINANCING SOURCES (USES)			
Transfer In	16,114,120	7,667,335	(8,446,785)
Transfer Out	-	(1,300,000)	(1,300,000)
Sale of Property	-	-	-
Total Other Financing Sources (Uses)	<u>16,114,120</u>	<u>6,367,335</u>	<u>(9,746,785)</u>
Extraordinary Loss	-	(58,995,679)	(58,995,679)
Net Change in Fund Balance	(16,502,287)	(57,843,579)	(41,341,292)
Fund Balance, Beginning of Year	<u>57,843,579</u>	<u>57,843,579</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 41,341,292</u>	<u>\$ -</u>	<u>\$ (41,341,292)</u>

**City of Buena Park
Other Major Funds
June 30, 2012**

DEBT SERVICE FUND

Redevelopment Agency Debt Service Fund - is used to account for that portion of tax increment revenue that is set aside for repayment of long-term debt of the Redevelopment Agency.

CAPITAL PROJECT FUNDS

Park In-lieu Fund - is used to account for recreational development projects financed by developer fees paid in-lieu of park development.

City of Buena Park
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Redevelopment Agency Debt Service Fund
Year Ended June 30, 2012

	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Taxes	\$ 21,305,000	\$ 11,687,144	\$ (9,617,856)
Investment Income	750,000	1,920	(748,080)
Total Revenues	<u>22,055,000</u>	<u>11,689,064</u>	<u>(10,365,936)</u>
EXPENDITURES			
Current:			
Development:			
Economic Development	9,932,420	2,128,727	7,803,693
Debt Service:			
Principal Retirement	2,566,870	2,566,873	(3)
Interest and Other Charges	5,458,120	2,456,113	3,002,007
Total Expenditures	<u>17,957,410</u>	<u>7,151,713</u>	<u>10,805,697</u>
Excess (Deficiency) of Revenues over Expenditures	<u>4,097,590</u>	<u>4,537,351</u>	<u>439,761</u>
OTHER FINANCING SOURCES (USES)			
Transfer Out	<u>(16,000,000)</u>	<u>(7,667,334)</u>	<u>8,332,666</u>
Total Other Financing Sources (Uses)	<u>(16,000,000)</u>	<u>(7,667,334)</u>	<u>8,332,666</u>
Extraordinary Loss	<u>-</u>	<u>(51,396,506)</u>	<u>(51,396,506)</u>
Net Change in Fund Balance	(11,902,410)	(54,526,489)	(42,624,079)
Fund Balance, Beginning of Year	<u>44,665,895</u>	<u>44,665,895</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 32,763,485</u>	<u>\$ (9,860,594)</u>	<u>\$ (42,624,079)</u>

City of Buena Park
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Park-in-Lieu Capital Projects Fund
Year Ended June 30, 2012

	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Investment Income	\$ 200,000	\$ 101,493	\$ (98,507)
Miscellaneous	170,000	414,015	244,015
Total Revenues	<u>370,000</u>	<u>515,508</u>	<u>145,508</u>
EXPENDITURES			
Current:			
Development	-	961,256	(961,256)
Capital Outlay	1,083,788	211,096	872,692
Total Expenditures	<u>1,083,788</u>	<u>1,172,352</u>	<u>(88,564)</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(713,788)</u>	<u>(656,844)</u>	<u>56,944</u>
OTHER FINANCING SOURCES (USES)			
Transfer In	-	-	-
Transfer Out	(114,120)	0	114,120
Total Other Financing Sources (Uses)	<u>(114,120)</u>	<u>-</u>	<u>114,120</u>
Net Change in Fund Balance	(827,908)	(656,844)	171,064
Fund Balance, Beginning of Year	<u>8,149,501</u>	<u>8,149,501</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 7,321,593</u></u>	<u><u>\$ 7,492,657</u></u>	<u><u>\$ 171,064</u></u>

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**City of Buena Park
Internal Service Funds
June 30, 2012**

Internal Service Funds are used to finance and account for activities involved in rendering equipment replacement and maintenance, building maintenance and self-insurance services to departments within the City. Costs of materials and services used are accumulated in these funds and charged to the user departments as such goods are delivered or services rendered. The Internal Service Funds are as follows:

Workers' Compensation Self-Insurance Fund - is used to account for the cost of providing workers' compensation insurance to various City departments. Such costs are charged to the departments based upon a percentage of salaries.

Public Liability Self-Insurance Fund - is used to account for the cost of providing general liability insurance coverage to the various City departments. Such costs are charged to the departments at a fixed rate.

Accrued Leave Fund - is used to account for vacation and sick leave pay-out to retiring employees.

Equipment Maintenance and Replacement Fund - is used to account for the costs of movable equipment used by other City departments. Such costs are based upon actual usage at a fixed rate throughout the year.

Buildings and Grounds Maintenance Fund - is used to account for the costs of maintaining City buildings and grounds. Such costs are charged to the various departments based upon each department's estimated usage of the buildings and surrounding grounds.

Management Information Systems Fund - is used to account for the costs of providing computer equipment and maintenance to the various City departments. Such costs are based upon the number of computer users in each department.

**City of Buena Park
Combining Statement of Net Assets
Internal Service Funds
Year Ended June 30, 2012**

	<u>Workers' Compensation Self-Insurance</u>	<u>Public Liability Self-Insurance</u>	<u>Accrued Leave</u>
ASSETS			
Current Assets:			
Cash and Investments	\$ 7,727,610	\$ 632,368	\$ 1,532,127
Accounts Receivable, Net	2,875	-	-
Interest Receivable	23,826	1,943	4,707
Loans Receivable	-	-	-
Prepaid Items	-	-	-
Noncurrent Assets:			
Capital Assets, Net of Accumulated Depreciation	-	-	-
Total Assets	<u>7,754,311</u>	<u>634,311</u>	<u>1,536,834</u>
LIABILITIES			
Current Liabilities:			
Accounts Payable	266	18,710	-
Accrued Liabilities	-	-	-
Employee Leave Benefits	-	-	-
Claims Payable	100,000	-	-
Noncurrent Liabilities:			
Employee Leave Benefits	-	-	-
Claims Payable	6,193,890	856,486	-
Total Liabilities	<u>6,294,156</u>	<u>875,196</u>	<u>-</u>
NET ASSETS			
Invested in Capital Assets	-	-	-
Unrestricted	1,460,155	(240,885)	1,536,834
Total Net Assets	<u>\$ 1,460,155</u>	<u>\$ (240,885)</u>	<u>\$ 1,536,834</u>

<u>Equipment Maintenance and Replacement</u>	<u>Buildings and Grounds Maintenance</u>	<u>Management Information System</u>	<u>Total</u>
\$ 2,842,084	\$ 244,922	\$ 1,106,132	\$ 14,085,243
9,154	-	-	12,029
8,731	752	3,398	43,357
50,694	-	-	50,694
-	-	69,072	69,072
<u>1,764,245</u>	<u>6,041</u>	<u>325,659</u>	<u>2,095,945</u>
<u>4,674,908</u>	<u>251,715</u>	<u>1,504,261</u>	<u>16,356,340</u>
157,873	121,186	42,256	340,291
7,001	8,160	-	15,161
11,000	10,000	-	21,000
-	-	-	100,000
12,344	41,056	-	53,400
-	-	-	7,050,376
<u>188,218</u>	<u>180,402</u>	<u>42,256</u>	<u>7,580,228</u>
1,764,245	6,041	325,659	2,095,945
<u>2,722,445</u>	<u>65,272</u>	<u>1,136,346</u>	<u>6,680,167</u>
<u>\$ 4,486,690</u>	<u>\$ 71,313</u>	<u>\$ 1,462,005</u>	<u>\$ 8,776,112</u>

City of Buena Park
Combining Statement of Revenues, Expenses and Changes in Net Assets
Internal Service Funds
For the Year Ended June 30, 2012

	<u>Workers'</u> <u>Compensation</u> <u>Self-Insurance</u>	<u>Public Liability</u> <u>Self-Insurance</u>	<u>Accrued</u> <u>Leave</u>
OPERATING REVENUES			
Charges for Services	\$ 1,247,328	\$ -	\$ 159,506
Total Operating Revenues	<u>1,247,328</u>	<u>-</u>	<u>159,506</u>
OPERATING EXPENSES			
Self-insurance	2,119,857	949,188	-
Employee Benefits	-	-	86,479
Maintenance and Supplies	-	-	-
Information Systems	-	-	-
Depreciation	-	-	-
Total Operating Expenses	<u>2,119,857</u>	<u>949,188</u>	<u>86,479</u>
Operating Income (Loss)	<u>(872,529)</u>	<u>(949,188)</u>	<u>73,027</u>
NONOPERATING REVENUES (EXPENSES)			
Investment Income	99,311	(1,983)	20,203
Gain on Sale of Property	-	-	-
Total Nonoperating Revenues (Expenses)	<u>99,311</u>	<u>(1,983)</u>	<u>20,203</u>
Income (Loss) Before Transfers	(773,218)	(951,171)	93,230
Transfers In	-	750,000	-
Transfers Out	-	-	-
Change in Net Assets	(773,218)	(201,171)	93,230
Total Net Assets - Beginning of Year	1,870,197	(39,714)	1,443,604
Prior Period Adjustment	<u>363,176</u>	<u>-</u>	<u>-</u>
Total Net Assets - End of Year	<u><u>\$ 1,460,155</u></u>	<u><u>\$ (240,885)</u></u>	<u><u>\$ 1,536,834</u></u>

<u>Equipment Maintenance and Replacement</u>	<u>Buildings and Grounds Maintenance</u>	<u>Management Information System</u>	<u>Total</u>
<u>\$ 2,121,662</u>	<u>\$ 1,602,120</u>	<u>\$ 534,708</u>	<u>\$ 5,665,324</u>
<u>2,121,662</u>	<u>1,602,120</u>	<u>534,708</u>	<u>5,665,324</u>
-	-	-	3,069,045
-	-	-	86,479
1,588,900	1,657,384	-	3,246,284
-	-	374,399	374,399
<u>269,227</u>	<u>1,043</u>	<u>88,182</u>	<u>358,452</u>
<u>1,858,127</u>	<u>1,658,427</u>	<u>462,581</u>	<u>7,134,659</u>
<u>263,535</u>	<u>(56,307)</u>	<u>72,127</u>	<u>(1,469,335)</u>
37,452	2,491	14,658	172,132
<u>6,787</u>	<u>-</u>	<u>-</u>	<u>6,787</u>
<u>44,239</u>	<u>2,491</u>	<u>14,658</u>	<u>178,919</u>
307,774	(53,816)	86,785	(1,290,416)
347,610	-	-	1,097,610
<u>-</u>	<u>(215,000)</u>	<u>-</u>	<u>(215,000)</u>
655,384	(268,816)	86,785	(407,806)
3,831,306	340,129	1,375,220	8,820,742
<u>-</u>	<u>-</u>	<u>-</u>	<u>363,176</u>
<u>\$ 4,486,690</u>	<u>\$ 71,313</u>	<u>\$ 1,462,005</u>	<u>\$ 8,776,112</u>

City of Buena Park
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2012

	Workers' Compensation Self-Insurance	Public Liability Self-Insurance	Accrued Leave
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from User Departments	\$ 1,244,453	\$ -	\$ 73,027
Payments to Suppliers for Goods and Services	(1,240,465)	(1,342,512)	-
Payments to Employees for Services	-	-	-
	<u>3,988</u>	<u>(1,342,512)</u>	<u>73,027</u>
Net Cash Provided (Used) By Operating Activities	<u>3,988</u>	<u>(1,342,512)</u>	<u>73,027</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Cash Received from Other Funds	-	750,000	-
Cash Paid to Other Funds	-	-	-
	<u>-</u>	<u>750,000</u>	<u>-</u>
Net Cash Provided (Used) By Noncapital Financing Activities	<u>-</u>	<u>750,000</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Acquisition and Construction of Capital Assets	-	-	-
Proceeds from Sale of Capital Assets	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Net Cash Provided (Used) By Capital and Related Financing Activities	<u>-</u>	<u>-</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest Received	98,284	(285)	19,773
	<u>98,284</u>	<u>(285)</u>	<u>19,773</u>
Net Cash Provided (Used) By Investing Activities	<u>98,284</u>	<u>(285)</u>	<u>19,773</u>
Net Increase (Decrease) in Cash and Cash Equivalents	102,272	(592,797)	92,800
Cash and Cash Equivalents - Beginning of Year	7,625,338	1,225,165	1,439,327
Cash and Cash Equivalents - End of Year	<u>\$ 7,727,610</u>	<u>\$ 632,368</u>	<u>\$ 1,532,127</u>

<u>Equipment Maintenance and Replacement</u>	<u>Buildings and Grounds Maintenance</u>	<u>Management Information System</u>	<u>Total</u>
\$ 2,114,299 (944,788) (586,528)	\$ 1,602,120 (1,173,461) (463,189)	\$ 534,708 (380,709) -	\$ 5,568,607 (5,081,935) (1,049,717)
<u>582,983</u>	<u>(34,530)</u>	<u>153,999</u>	<u>(563,045)</u>
347,610 -	- (215,000)	- -	1,097,610 (215,000)
<u>347,610</u>	<u>(215,000)</u>	<u>-</u>	<u>882,610</u>
(860,801) 6,787	- -	(26,266) -	(887,067) 6,787
<u>(854,014)</u>	<u>-</u>	<u>(26,266)</u>	<u>(880,280)</u>
<u>36,830</u>	<u>3,199</u>	<u>14,126</u>	<u>171,927</u>
<u>36,830</u>	<u>3,199</u>	<u>14,126</u>	<u>171,927</u>
113,409	(246,331)	141,859	(388,788)
<u>2,728,675</u>	<u>491,253</u>	<u>964,273</u>	<u>14,474,031</u>
<u>\$ 2,842,084</u>	<u>\$ 244,922</u>	<u>\$ 1,106,132</u>	<u>\$ 14,085,243</u>

Continued

City of Buena Park
Combining Statement of Cash Flows - Continued
Internal Service Funds
For the Year Ended June 30, 2012

	Workers' Compensation Self-Insurance	Public Liability Self-Insurance	Accrued Leave
Reconciliation of Operating Income (Loss) To Net Cash Provided (Used) by Operating Activities			
Operating Income (Loss)	\$ (872,529)	\$ (949,188)	\$ 73,027
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:			
Depreciation	-	-	-
Changes in Operating Assets and Liabilities:			
(Increase) Decrease in Accounts Receivables	(2,875)	-	-
(Increase) Decrease in Loans Receivables	-	-	-
(Increase) Decrease in Prepaid Items	-	-	-
Increase (Decrease) in Accounts Payable	(193)	(77,436)	-
Increase (Decrease) in Accrued Liabilities	-	-	-
Increase (Decrease) in Employee Leave Benefits	-	-	-
Increase (Decrease) in Claims Payable	879,585	(315,888)	-
Total Adjustments	876,517	(393,324)	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 3,988	\$ (1,342,512)	\$ 73,027

<u>Equipment Maintenance and Replacement</u>	<u>Buildings and Grounds Maintenance</u>	<u>Management Information System</u>	<u>Total</u>
<u>\$ 263,535</u>	<u>\$ (56,307)</u>	<u>\$ 72,127</u>	<u>\$ (1,469,335)</u>
269,227	1,043	88,182	358,452
(7,363)	-	-	(10,238)
9,228	-	-	9,228
-	-	(7,740)	(7,740)
99,890	27,166	1,430	50,857
(17,565)	(14,319)	-	(31,884)
(33,969)	7,887	-	(26,082)
-	-	-	563,697
<u>319,448</u>	<u>21,777</u>	<u>81,872</u>	<u>906,290</u>
<u>\$ 582,983</u>	<u>\$ (34,530)</u>	<u>\$ 153,999</u>	<u>\$ (563,045)</u>

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Statistical Section

This part of the City of Buena Park'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 government's overall financial health.

Contents	Page
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.	128-137
Revenue Capacity	
These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.	138-142
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.	143-148
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.	149-151
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.	152-157

City of Buena Park
Net Assets by Component
Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Year					
	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
Governmental Activities						
Invested in Capital Assets, net of related debt	\$ 111,326	\$ 89,200	\$ 92,880	\$ 102,068	\$ 115,185	\$ 46,057
Restricted	46,251	49,722	60,922	74,527	92,175	183,500
Unrestricted	(6,807)	24,157	27,464	32,070	40,045	48,731
Total governmental activities net assets	<u>\$ 150,770</u>	<u>\$ 163,079</u>	<u>\$ 181,266</u>	<u>\$ 208,665</u>	<u>\$ 247,405</u>	<u>\$ 278,288</u>
Business-type Activities						
Invested in Capital Assets, net of related debt	\$ 9,894	\$ 9,479	\$ 9,430	\$ 10,181	\$ 10,804	\$ 16,884
Restricted	-	-	-	-	-	-
Unrestricted	4,517	5,043	5,175	4,846	6,223	7,888
Total business-type activities net assets	<u>\$ 14,411</u>	<u>\$ 14,522</u>	<u>\$ 14,605</u>	<u>\$ 15,027</u>	<u>\$ 17,027</u>	<u>\$ 24,772</u>
Primary Government						
Invested in Capital Assets, net of related debt	\$ 121,220	\$ 98,679	\$ 102,310	\$ 112,249	\$ 125,989	\$ 62,941
Restricted	46,251	49,722	60,922	74,527	92,175	183,500
Unrestricted	(2,290)	29,699	32,639	36,916	46,268	56,619
Total primary government net assets	<u>\$ 165,181</u>	<u>\$ 178,100</u>	<u>\$ 195,871</u>	<u>\$ 223,692</u>	<u>\$ 264,432</u>	<u>\$ 303,060</u>

Source: City of Buena Park Finance Department

2008-09	2009-10	2010-11	2011-12
\$ 114,928	\$ 105,023	\$ 200,780	\$ 214,554
146,683	170,117	66,102	25,378
35,482	20,221	21,066	22,020
<u>\$ 297,093</u>	<u>\$ 295,361</u>	<u>\$ 287,948</u>	<u>\$ 261,952</u>
\$ 18,726	\$ 19,287	\$ 19,708	\$ 20,068
9,145	12,499	15,041	18,261
<u>\$ 27,871</u>	<u>\$ 31,786</u>	<u>\$ 34,749</u>	<u>\$ 38,329</u>
\$ 133,654	\$ 124,310	\$ 220,488	\$ 234,622
146,683	170,117	66,102	25,378
44,627	32,720	36,107	40,281
<u>\$ 324,964</u>	<u>\$ 327,147</u>	<u>\$ 322,697</u>	<u>\$ 300,281</u>

City of Buena Park
Changes in Net Assets
Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Year					
	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
Expenses						
Governmental activities:						
General government	\$ 5,916	\$ 5,560	\$ 5,439	\$ 6,377	\$ 6,328	\$ 6,259
Leisure	1,895	1,877	1,932	2,010	2,649	3,226
Transportation	5,886	6,049	7,233	6,743	8,094	8,815
Public Protection	22,442	22,936	24,551	27,387	27,856	29,208
Development	6,081	5,120	7,410	8,276	11,229	15,028
Environmental	2,291	2,154	2,178	2,392	2,504	2,635
Health	2,607	2,285	2,524	2,592	2,686	2,830
Interest	2,763	1,532	1,589	1,675	1,627	2,384
Total governmental activities net expenses	<u>49,881</u>	<u>47,513</u>	<u>52,856</u>	<u>57,452</u>	<u>62,973</u>	<u>70,385</u>
Business-type activities:						
Water	7,722	8,354	9,534	\$ 10,269	\$ 11,129	\$ 10,783
Total business-type activities net assets	<u>7,722</u>	<u>8,354</u>	<u>9,534</u>	<u>10,269</u>	<u>11,129</u>	<u>10,783</u>
Total primary government expenses	<u>\$ 57,603</u>	<u>\$ 55,867</u>	<u>\$ 62,390</u>	<u>\$ 67,721</u>	<u>\$ 74,102</u>	<u>\$ 81,168</u>
Program Revenues						
Governmental activities:						
Charges for services:						
General government	\$ 739	\$ 467	\$ 390	\$ 398	\$ 488	\$ 496
Leisure	454	485	527	543	584	555
Transportation	1,020	170	347	333	328	313
Public Protection	1,159	1,690	1,907	2,127	1,922	2,130
Development	1,171	903	1,447	1,062	1,104	921
Environmental	-	16	23	759	19	60
Health	2,316	2,221	2,255	2,421	2,457	2,606
Operating contributions and grants	7,514	6,562	5,307	3,957	5,071	3,692
Capital contributions and grants	1,025	610	4,854	9,261	12,067	7,384
Total governmental activities program revenues	<u>15,398</u>	<u>13,124</u>	<u>17,057</u>	<u>20,861</u>	<u>24,040</u>	<u>18,157</u>
Business-type activities:						
Charges for services:						
Water utility	8,809	9,604	9,741	9,929	12,559	12,772
Capital contributions and grants	92	-	-	-	588	5,553
Total business-type activities program revenues	<u>8,901</u>	<u>9,604</u>	<u>9,741</u>	<u>9,929</u>	<u>13,147</u>	<u>18,325</u>
Primary government program revenues	<u>\$ 24,299</u>	<u>\$ 22,728</u>	<u>\$ 26,798</u>	<u>\$ 30,790</u>	<u>\$ 37,187</u>	<u>\$ 36,482</u>
Net (Expense)/Revenue						
Governmental activities	\$ (34,483)	\$ (34,389)	\$ (35,799)	\$ (36,591)	\$ (38,933)	\$ (52,228)
Business-type activities	1,179	1,250	207	(340)	2,018	7,542
Total primary government net expense	<u>\$ (33,304)</u>	<u>\$ (33,139)</u>	<u>\$ (35,592)</u>	<u>\$ (36,931)</u>	<u>\$ (36,915)</u>	<u>\$ (44,686)</u>

Source: City of Buena Park Finance Department

2008-09	2009-10	2010-11	2011-12
\$ 6,634	\$ 6,361	\$ 7,161	\$ 6,145
2,525	2,561	2,514	2,626
8,388	8,774	8,295	8,041
31,195	30,707	29,074	29,780
15,512	24,516	19,530	9,217
2,949	3,118	2,832	2,724
3,176	2,780	2,776	2,777
5,828	5,954	6,271	3,537
<u>76,207</u>	<u>84,771</u>	<u>78,453</u>	<u>64,847</u>

\$ 11,410	\$ 11,682	\$ 11,341	\$ 12,596
<u>11,410</u>	<u>11,682</u>	<u>11,341</u>	<u>12,596</u>

<u>\$ 87,617</u>	<u>\$ 96,453</u>	<u>\$ 89,794</u>	<u>\$ 77,443</u>
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\$ 782	\$ 702	\$ 100	\$ 221
585	738	1,003	1,334
271	295	231	413
2,170	2,291	2,561	2,650
700	1,354	1,178	1,683
-	1	-	-
2,828	2,949	2,946	3,016
4,706	7,613	5,594	7,032
3,871	2,749	2,095	3,668
<u>15,913</u>	<u>18,692</u>	<u>15,708</u>	<u>20,017</u>

13,846	14,769	14,904	16,223
554	890	-	-
<u>14,400</u>	<u>15,659</u>	<u>14,904</u>	<u>16,223</u>

<u>\$ 30,313</u>	<u>\$ 34,351</u>	<u>\$ 30,612</u>	<u>\$ 36,240</u>
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\$ (60,294)	\$ (66,079)	\$ (62,745)	\$ (44,830)
2,990	3,977	3,563	3,627

<u>\$ (57,304)</u>	<u>\$ (62,102)</u>	<u>\$ (59,182)</u>	<u>\$ (41,203)</u>
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City of Buena Park
Changes in Net Assets
Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Year					
	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
General Revenues and Other Changes in Net Assets						
Governmental activities:						
Property taxes	\$ 12,628	\$ 15,907	\$ 21,576	\$ 26,090	\$ 30,936	\$ 33,107
Sales taxes	13,710	14,971	11,930	13,439	17,476	21,697
Property taxes in lieu of sales taxes	-	-	4,049	5,039	5,521	4,804
Transient occupancy taxes	3,613	3,884	4,525	5,091	4,938	4,784
Franchise taxes	1,513	1,567	1,561	1,581	1,590	1,773
Other taxes	7,247	8,228	7,252	8,806	9,962	10,228
Investment income	1,936	806	2,125	2,782	5,210	5,533
Other	277	974	138	559	578	580
Transfers	330	330	330	644	330	334
Gain/loss on sale of property	-	437	-	560	136	-
Extraordinary item	-	-	-	-	-	-
Total governmental activities	<u>41,254</u>	<u>47,104</u>	<u>53,486</u>	<u>64,591</u>	<u>76,677</u>	<u>82,840</u>
Business-type activities:						
Investment income	109	40	104	169	312	347
Other	-	-	101	1,153	-	190
Transfers	(330)	(330)	(330)	(560)	(330)	(334)
Total business-type activities	<u>(221)</u>	<u>(290)</u>	<u>(125)</u>	<u>762</u>	<u>(18)</u>	<u>203</u>
Total primary government	<u>\$ 41,033</u>	<u>\$ 46,814</u>	<u>\$ 53,361</u>	<u>\$ 65,353</u>	<u>\$ 76,659</u>	<u>\$ 83,043</u>
Change in Net Assets						
Governmental activities	\$ 6,771	\$ 12,715	\$ 17,687	\$ 28,000	\$ 37,744	\$ 30,612
Business-type activities	958	960	82	422	2,000	7,745
Total primary government	<u>\$ 7,729</u>	<u>\$ 13,675</u>	<u>\$ 17,769</u>	<u>\$ 28,422</u>	<u>\$ 39,744</u>	<u>\$ 38,357</u>

Source: City of Buena Park Finance Department

	2008-09	2009-10	2010-11	2011-12
\$	33,819	\$ 32,643	\$ 33,351	\$ 21,564
	13,801	14,886	19,848	18,520
	6,563	4,888	6,450	4,956
	3,909	3,663	3,816	4,050
	1,756	1,618	1,757	1,697
	10,175	9,873	3,446	9,330
	8,023	2,086	1,545	963
	1,063	30	42	96
	350	377	849	289
	-	-	-	-
	-	-	-	(42,631)
	<u>79,459</u>	<u>70,064</u>	<u>71,104</u>	<u>18,834</u>
	395	315	247	242
	64	-	-	-
	<u>(350)</u>	<u>(377)</u>	<u>(849)</u>	<u>(289)</u>
	<u>109</u>	<u>(62)</u>	<u>(602)</u>	<u>(47)</u>
\$	<u>79,568</u>	<u>70,002</u>	<u>70,502</u>	<u>18,787</u>
\$	19,165	\$ 3,985	\$ 8,359	\$ (25,996)
	3,099	3,915	2,961	3,580
\$	<u>22,264</u>	<u>7,900</u>	<u>11,320</u>	<u>(22,416)</u>

City of Buena Park
Fund Balances - Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Year					
	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
General Fund						
Reserved	\$ 7,867	\$ 5,455	\$ 5,222	\$ 4,417	\$ 3,797	\$ 4,790
Unreserved, designated	-	-	-	-	3,917	9,926
Unreserved, undesignated	19,008	20,195	18,079	21,942	23,998	26,930
Nonspendable	-	-	-	-	-	-
Restricted	-	-	-	-	-	-
Committed	-	-	-	-	-	-
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
Total general fund	<u>\$ 26,875</u>	<u>\$ 25,650</u>	<u>\$ 23,301</u>	<u>\$ 26,359</u>	<u>\$ 31,712</u>	<u>\$ 41,646</u>
All Other Governmental Funds						
Reserved	\$ 19,489	\$ 26,325	\$ 32,835	\$ 61,587	\$ 72,044	\$ 139,427
Unreserved, designated reported in:						
Capital projects funds	-	-	-	-	-	1,500
Unreserved, undesignated reported in:						
Special revenue funds	14,378	5,580	8,985	4,932	5,155	3,585
Capital projects funds	8,570	11,428	12,698	(2,571)	3,020	20,711
Nonspendable	-	-	-	-	-	-
Restricted	-	-	-	-	-	-
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
Total all other governmental funds	<u>\$ 42,437</u>	<u>\$ 43,333</u>	<u>\$ 54,518</u>	<u>\$ 63,948</u>	<u>\$ 80,219</u>	<u>\$ 165,223</u>

Effective June 30, 2011 the City implemented GASB Statement No. 54 (refer to Notes to Financial Statements item 10-B). Fund balances in governmental funds are reported in the following classifications: Nonspendable, Restricted, Committed, Assigned, and Unassigned.

Source: City of Buena Park Finance Department

<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>
\$ 6,347	\$ 4,018		
1,206	5,016		
20,983	15,777		
-	-	\$ 457,919	\$ 279,093
-	-	-	-
-	-	-	-
-	-	242,490	-
-	-	33,758,376	29,301,558
<u>\$ 28,536</u>	<u>\$ 24,811</u>	<u>\$ 34,458,785</u>	<u>\$ 29,580,651</u>
\$ 146,544	\$ 132,108		
-	-		
8,187	10,103		
21,750	15,727		
-	-	\$ 610,947	\$ 612,398
-	-	51,909,474	16,940,225
-	-	95,750,832	370,127
-	-	(1,712,127)	(330,932)
<u>\$ 176,481</u>	<u>\$ 157,938</u>	<u>\$ 146,559,126</u>	<u>\$ 17,591,818</u>

City of Buena Park
Changes in Fund Balances - Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Years					
	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
Revenues						
Taxes	\$ 35,160	\$ 39,742	\$ 45,807	\$ 53,940	\$ 63,079	\$ 71,149
Licenses and permits	474	436	761	557	492	475
Fines and forfeitures	985	851	1,125	1,011	879	958
Intergovernmental	7,548	10,585	12,535	12,983	22,181	16,626
Charges for services	4,381	4,659	4,956	6,237	5,326	5,631
Investment income	2,610	1,398	2,242	2,683	5,088	5,916
Miscellaneous	281	1,546	2,260	1,396	2,697	1,698
Total revenues	51,439	59,217	69,686	78,807	99,742	102,453
Expenditures						
General government	5,043	4,795	4,994	5,397	5,441	5,567
Leisure	1,483	1,536	1,553	1,692	2,317	2,962
Transportation	3,796	4,282	4,469	4,888	4,863	2,830
Public protection	20,517	22,439	24,101	26,444	27,918	5,497
Development	7,240	5,906	7,675	8,760	12,657	28,883
Environmental	2,109	2,189	2,240	2,370	2,589	18,277
Health	2,397	2,285	2,524	2,592	2,687	2,654
Debt service:						
Principal retirement	1,404	923	1,321	1,501	1,547	1,601
Interest and other charges	2,789	1,463	1,818	2,058	1,895	1,929
Bond issuance costs	-	979	-	-	-	2,085
Advance refunding escrow	-	4,304	-	-	-	-
Capital Outlay	8,990	9,391	6,324	11,749	15,999	10,173
Total expenditures	55,768	60,492	57,019	67,451	77,913	82,458
Excess (deficiency) of revenues over (under) expenditures	(4,329)	(1,275)	12,667	11,356	21,829	19,995
Other Financing Sources (Uses)						
Transfers in	12,197	3,215	2,620	5,863	24,802	73,079
Transfers out	(12,653)	(5,520)	(6,451)	(5,838)	(25,007)	(74,530)
Issuance of debt	2,412	-	-	-	-	75,720
Bond Premium	-	-	-	-	-	99
Refunding bonds issued at a premium	-	24,118	-	-	-	-
Payment to refunded bond escrow agent	-	(21,434)	-	-	-	-
Sale of property	-	-	-	1,107	-	575
Sale of capital assets	-	567	-	-	-	-
Total other financing sources (uses)	1,956	946	(3,831)	1,132	(205)	74,943
Extraordinary item						
Net change in fund balances	(2,373)	(329)	8,836	12,488	21,624	94,938
Fund balances - July 1	71,685	69,312	68,983	77,819	90,307	111,961
Fund balances - June 30	\$ 69,312	\$ 68,983	\$ 77,819	\$ 90,307	\$ 111,931	\$ 206,899
Debt service as a percentage of noncapital expenditures	15.03%	14.09%	11.66%	6.42%	5.45%	3.48%

Source: City of Buena Park Finance Department

	2008-09	2009-10	2010-11	2011-12
\$	65,899	\$ 60,868	\$ 63,523	\$ 54,422
	446	487	386	545
	917	976	1,110	874
	15,176	14,264	12,921	15,295
	5,972	6,183	6,193	6,719
	7,066	3,391	8,526	1,386
	3,479	2,639	1,044	2,147
	<u>98,955</u>	<u>88,808</u>	<u>93,703</u>	<u>81,388</u>
	5,727	5,540	4,507	5,041
	2,138	2,177	2,140	2,132
	3,176	2,780	2,776	5,369
	5,865	5,776	5,711	28,695
	47,024	28,861	28,732	12,786
	16,686	25,360	26,839	2,724
	2,853	2,999	2,832	2,777
	1,656	4,162	4,327	4,481
	5,612	6,468	6,093	3,030
	143	-	-	-
	<u>26,687</u>	<u>24,424</u>	<u>11,393</u>	<u>13,663</u>
	<u>117,567</u>	<u>108,547</u>	<u>95,350</u>	<u>80,698</u>
	(18,612)	(19,739)	(1,647)	690
	40,472	19,226	15,205	20,537
	(40,462)	(19,733)	(15,291)	(21,131)
	16,780	-	-	-
	-	-	-	-
	-	2	2	-
	<u>16,790</u>	<u>(505)</u>	<u>(84)</u>	<u>(594)</u>
				(133,942)
	(1,822)	(20,244)	(1,731)	96
	<u>206,838</u>	<u>202,993</u>	<u>182,749</u>	<u>181,018</u>
\$	<u>205,016</u>	<u>\$ 182,749</u>	<u>\$ 181,018</u>	<u>\$ 47,172</u>
	7.97%	12.64%	13.25%	12.00%

City of Buena Park
 Governmental Activities Tax Revenues By Source
 Last Ten Fiscal Years
 (accrual basis of accounting)
 (amounts expressed in thousands)

Fiscal Year	Property Tax	Sales and Use Tax	Property Tax in Lieu of Sales Tax	Transient Occupancy Tax	Franchise Tax	Other Taxes
2002-03	\$ 12,628	\$ 13,711	\$ -	\$ 3,613	\$ 1,513	\$ 7,247
2003-04	15,906	14,971	-	3,884	1,567	8,228
2004-05	21,576	11,930	4,049	4,525	1,561	7,252
2005-06	26,090	13,439	5,039	5,091	1,581	8,806
2006-07	30,936	17,476	5,521	4,938	1,590	9,962
2007-08	33,107	21,697	4,804	4,784	1,773	10,228
2008-09	33,818	13,801	6,563	3,909	1,756	10,175
2009-10	32,643	14,886	4,888	3,663	1,618	9,873
2010-11	33,351	14,892	4,956	3,816	1,757	9,896
2011-12	21,564	18,520	4,956	4,050	1,697	9,330

Source: City of Buena Park Finance Department

City of Buena Park
 Direct and Overlapping Property Tax Rates
 Last Ten Fiscal Years
 (rate per \$1,000 of assessed value)

Fiscal Year	City Direct Rate	Overlapping Rates	
		Buena Park Schools	Metro Water District
2002-03	1.0000	0.0571	0.0067
2003-04	1.0000	0.0530	0.0061
2004-05	1.0000	0.0477	0.0058
2005-06	1.0000	0.0492	0.0052
2006-07	1.0000	0.0448	0.0047
2007-08	1.0000	0.0459	0.0045
2008-09	1.0000	0.1317	0.0043
2009-10	1.0000	0.1998	0.0043
2010-11	1.0000	0.2121	0.0037
2011-12	1.0000	0.2222	0.0037

Source: Orange County Auditor/Controller

City of Buena Park
Principal Property Tax Payers
Current Year and Nine Years Ago

Taxpayer	<u>2011-12</u>			<u>2002-03</u>		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Knott's Berry Farm	\$ 297,120,640	1	3.97%	302,696,482	1	6.07%
Coventry II DDR Buena Park Place LLC	91,249,005	2	1.22%			
Amway Corporation	80,741,372	3	1.08%	62,820,970	3	1.26%
PRI Buena Park Indl California LLC	62,036,588	4	0.83%			
Bottling Group LLC	47,886,533	5	0.64%			
Yamaha International Corporation	40,080,780	6	0.54%			
Georgia-Pacific Corrugated LLC	39,565,955	7	0.53%			
LBA Realty Fund-Holding Co. II LLC	38,856,492	8	0.52%			
Comref So. California Industrial	37,298,342	9	0.50%			
HK Fullerton LLC	29,237,273	10	0.39%			
Nabisco Inc.	-			67,055,078	2	1.35%
Prologis California I LLC				60,973,640	4	1.22%
J C Penney Corporation Inc.				43,655,756	5	0.88%
OMP Commerce Centre BP				41,982,685	6	0.84%
Savannah Teachers Properties				32,789,031	7	0.66%
Sunclipse Corporation				32,783,218	8	0.66%
Sunrise Buena Park				28,222,121	9	0.57%
PFG Buena Park LLC				24,021,508	10	0.48%
	<u>\$ 764,072,980</u>		<u>10.21%</u>	<u>\$ 697,000,489</u>		<u>13.99%</u>

Source: Orange County Assessment Rolls and HdL Companies
Excludes government and tax-exempt property owners

City of Buena Park
 Secured Property Tax Levies and Collections (1)
 Last Ten Fiscal Years
 (amounts expressed in thousands)

Fiscal year ended June 30	Total Tax Levy	Collected within the fiscal year of the levy		Collections in Subsequent Years	Total collections to date	
		Amount	% of Levy		Amount	% of Levy
2002-03	5,079,856	5,002,823	98.48%	77,033	5,079,856	100.00%
2003-04	5,083,738	5,006,643	98.48%	77,095	5,083,738	100.00%
2004-05	5,421,516	5,343,610	98.56%	77,906	5,421,516	100.00%
2005-06	5,803,838	5,689,465	98.03%	114,373	5,803,838	100.00%
2006-07	5,972,094	5,885,260	98.55%	86,834	5,972,094	100.00%
2007-08	6,144,400	5,927,041	96.46%	217,359	6,144,400	100.00%
2008-09	6,254,724	6,032,374	96.45%	138,958	6,171,332	98.67%
2009-10	6,199,970	4,489,359	72.41%	133,841	4,623,200	74.57%
2010-11	6,197,224	6,056,832	97.73%	92,138	6,056,832	97.73%
2011-12	6,204,221	6,048,762	97.49%	(2)	6,048,762	97.49%

(1) Property tax totals are net of 1915 act bond

(2) Information not available

Source: Orange County Auditor/Controller

City of Buena Park
 Assessed Value and Actual Value of Taxable Property
 Last Ten Fiscal Years
 (rate per \$1,000 of assessed value)

Fiscal Year	Residential Property	Commercial Property	Industrial Property	Other* Property	Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate
2002-03	2,980,069	806,914	439,238	820,479	95,417	5,142,117	1.00
2003-04	3,227,043	805,068	445,343	837,147	112,966	5,427,567	1.00
2004-05	3,509,777	879,365	483,837	856,771	118,759	5,848,509	1.00
2005-06	3,894,858	964,520	576,312	763,352	122,037	6,321,079	1.00
2006-07	4,361,702	1,129,515	585,221	769,675	132,101	6,978,214	1.00
2007-08	4,774,547	1,191,585	659,512	835,226	137,704	7,598,574	1.00
2008-09	4,911,052	1,236,725	771,025	810,115	163,420	7,892,337	1.00
2009-10	4,685,423	1,366,864	958,560	558,019	183,480	7,752,346	1.00
2010-11	4,766,232	1,459,433	936,848	447,890	222,581	7,832,984	1.00
2011-12	4,827,360	1,451,380	941,195	400,690	228,963	7,849,588	1.00

*Other property includes recreational, institutional, vacant, and miscellaneous property.

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 few exceptions, property is only reassessed at the time that it is sold to a new owner. At that point, the new assessed value is reassessed at the purchase price of the property sold. The assessed valuation data shown above represents the only data currently available with respect to the actual market value of taxable property and is subject to the limitations described above.

Source: Orange County Assessor, HdL Coren & Cone

City of Buena Park
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(amounts expressed in thousands, except per capita amounts)

<u>Governmental Activities</u>				<u>Business-Type Activities</u>		Total	Restricted	Net	% of	Per
Fiscal Year	Revenue Bonds	Notes Payable	Section 108 Loans	Revenue Bonds	Notes Payable	Primary Government	for Debt Service	Bonded Debt	Personal Income (1)	Capita (1)
2002-03	33,008		4,675	897	1,690	40,270	11,184	29,086	1.93%	362
2003-04	31,426		4,319	817	2,865	39,427	13,876	25,551	1.61%	317
2004-05	30,146		4,319	733	1,350	36,548	20,574	15,974	0.96%	198
2005-06	28,687		4,319	644	1,215	34,865	31,000	3,865	0.22%	48
2006-07	27,181		4,319	551	1,074	33,125	25,107	8,018	0.43%	98
2007-08	101,440		4,319	452	928	107,139	47,317	59,822	3.15%	727
2008-09	99,822	16,780	4,319	348	777	122,046	54,653	67,393	3.61%	809
2009-10	97,075	15,403	4,319	238	621	117,656	65,254	52,402	2.87%	647
2010-11	94,283	13,960	4,319	122	459	113,143	8,262	104,881	6.03%	1,297
2011-12	-	12,458	-	-	291	12,749	-	12,749	0.70%	157

Note: Due to the dissolution of the Redevelopment Agency, outstanding revenue bonds and section 108 loans are no longer included in the governmental activities (see Note 17). Details regarding the outstanding debt can be found in the notes to the financial statements.

(1) See the Schedule of Demographic and Economic Statistics on page for personal income and population data.

Source: City of Buena Park Finance Department

City of Buena Park
 Direct and Overlapping Governmental Activities Debt
 As of June 30, 2012
 (amounts expressed in thousands)

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable ⁽¹⁾</u>	<u>Estimated Share of Overlapping Debt</u>
City of Buena Park direct debt			
Police Pension Obligation Loan	\$ 12,457	100%	<u>\$ 12,457</u>
Total Direct Debt			<u>12,457</u>
Overlapping debt			
Metropolitan Water District	196,575	0.27%	533
Orange County and School District	636,912	9.1%	<u>57,959</u>
Total Overlapping Debt			<u>58,492</u>
 Total direct and overlapping debt			 <u><u>\$ 70,949</u></u>

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Buena Park. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

⁽¹⁾ The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the county's taxable assessed value that is within the government's boundaries and dividing it by the county's total taxable assessed value.

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City of Buena Park
 Legal Debt Margin Information
 Last Ten Fiscal Years
 (amounts expressed in thousands)

	Fiscal Year					
	2003	2004	2005	2006	2007	2008
Debt limit	\$ 748,859	\$ 786,241	\$ 859,252	\$ 946,662	\$ 1,026,917	\$ 1,117,886
Total net debt applicable to limit	-	-	-	-	-	-
Legal debt margin	<u>\$ 748,859</u>	<u>\$ 786,241</u>	<u>\$ 859,252</u>	<u>\$ 946,662</u>	<u>\$ 1,026,917</u>	<u>\$ 1,117,886</u>
Total net debt applicable to the limit as a percentage of debt limit	0%	0%	0%	0%	0%	0%

Legal Debt Margin Calculation for Fiscal Year 2011-12:

Assessed value	\$ 7,484,782
Add back: exempt real property	<u>\$ 135,483</u>
Total assessed value	<u>\$ 7,620,265</u>
Debt limit (15% of total assessed value)	\$ 1,143,040
Debt applicable to limit:	-
Legal debt margin	<u>\$ 1,143,040</u>

Note: Under state finance law, the City of Buena Park's outstanding general obligation debt should not exceed 15 percent of total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

Source: City of Buena Park Finance Department

<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
\$ 1,159,337	\$ 1,135,269	\$ 1,141,557	\$ 1,143,040
-	-	-	-
<u>\$ 1,159,337</u>	<u>\$ 1,135,269</u>	<u>\$ 1,141,557</u>	<u>\$ 1,143,040</u>
0%	0%	0%	0%

City of Buena Park
Revenue Bond Coverage
1996 Revenue Bonds
Last Ten Fiscal Years

Fiscal Year	Gross Revenue ⁽¹⁾	Principal	Interest	Total	Coverage
2002	43,990,623	195,000	147,295	342,295	12852%
2003	39,887,043	200,000	138,032	338,032	11800%
2004	40,466,558	210,000	128,232	338,232	11964%
2005	43,782,676	220,000	117,732	337,732	12964%
2006	48,933,841	235,000	106,513	341,513	14329%
2007	53,703,477	245,000	87,683	332,683	16143%
2008	61,137,010	260,000	74,170	334,170	18295%
2009	54,742,230	275,000	59,587	334,587	16361%
2010	49,234,955	290,000	43,905	333,905	14745%
2011	58,077,593	305,000	27,093	332,093	17488%
2012	54,626,400	320,000	18,400	338,400	16143%

⁽¹⁾ Total General Fund revenues

Note: The information for the 2000, 2003, 2008 Series A, and 2008 Series B Tax Allocation Refunding Bonds are no longer included in the financial and statistical section of the City of Buena Park's Comprehensive Annual Financial Report. Effective February 1, 2012 the State of California dissolved all redevelopment agencies, including the Redevelopment Agency of the City of Buena Park. A Successor Agency was set up to handle the ongoing debt service obligations of the former redevelopment agency. The Successor Agency acts in a fiduciary capacity only and is therefore excluded from the government-wide financial statements because any resources of this Agency cannot be used to support the government's programs. Likewise, the liabilities, including the debt service are not included in the financial or statistical sections.

City of Buena Park
Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	Population (1)	Personal Income (in thousands)	Per Capita Personal Income (2)*	Unemployment Rate (2)
2002-03	79,475	1,452,724	18,279	6.3%
2003-04	80,290	1,504,394	18,737	6.0%
2004-05	80,574	1,586,583	19,691	5.4%
2005-06	80,670	1,662,689	20,611	4.8%
2006-07	81,082	1,782,020	21,978	4.3%
2007-08	81,775	1,871,503	22,886	4.9%
2008-09	82,332	1,901,540	23,096	6.6%
2009-10	83,281	1,868,659	22,438	11.2%
2010-11	84,141	1,822,746	21,663	11.9%
2011-12	81,460	1,831,384	22,482	10.8%

Sources:

- (1) State of California Employment Development Department
- (2) U.S. Dept. of Commerce - Bureau of Economic Analysis

City of Buena Park
Principal Employers
Current Year and Nine Years Ago

Employer	2011-12			2002-03		
	Employees	Rank	% of Total City Employment*	Employees	Rank	% of Total City Employment
Knott's Berry Farm	5,071	1	13.10%	5,136	1	13.70%
Prologis California I LLC	800	2	2.07%			
Pepsi	489	3	1.26%	420	4	1.12%
Leach Corporation	483	4	1.25%	381	7	1.02%
Access Business Group, LLC	479	5	1.24%			
J.C. Penney	382	6	0.99%			
ADP	358	7	0.93%	420	5	1.12%
Yamaha	342	8	0.88%	394	6	1.05%
RIA Financial Services	333	9	0.86%			
City of Buena Park	309	10	0.80%	353	9	0.94%
Georgia Pacific				625	2	1.67%
Nutrilite				512	3	1.37%
U.S. Union Tool				354	8	0.94%
Ultra Wheel Company				304	10	0.81%
				-		0.00%
Total	<u>9,046</u>		<u>24.06%</u>	<u>8,899</u>		<u>23.73%</u>

* Based upon U.S. Department of Labor's estimate of 38,700 residents employed in 2011-12 and 37,500 employed in 2002-03.

Sources: City of Buena Park Finance Department, State of California Employment Development Department

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City of Buena Park
 Full-Time Equivalent City Employees by Function
 Last Ten Fiscal Years

Function	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
General Government	62	62	62	62	63	57
Public Safety	144	144	143	143	143	143
Public Works	50	48	46	46	46	47
Parks & Recreation	25	24	25	25	25	26
Economic Development	9	8	8	8	8	8
Water	27	27	29	29	29	29
Total	<u>317</u>	<u>313</u>	<u>313</u>	<u>313</u>	<u>314</u>	<u>310</u>

Source: City of Buena Park Budget

<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>
57	57	57	57
143	143	143	142
47	47	47	47
26	26	26	26
9	9	9	9
<u>29</u>	<u>29</u>	<u>28</u>	<u>28</u>
<u>311</u>	<u>311</u>	<u>310</u>	<u>309</u>

City of Buena Park
Operating Indicators by Function
Last Ten Fiscal Years

Function:	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
Police						
Calls dispatched	26,015	30,014	38,900	37,183	32,646	37,154
Crime reports	13,200	13,400	14,000	10,819	4,617	9,900
Moving citations	4,443	7,215	7,000	5,206	5,737	7,198
Parking citations	14,809	16,933	17,000	19,883	19,506	19,764
Streets and Highways						
Asphalt repair (in tons)	418	440	396	315	454	316
Curb & gutter repair (lineal ft.)	845	901	910	1,188	2,428	1,699
Sidewalk repair (lineal ft.)	1,243	797	793	1,462	1,832	3,322
Water						
Number of customer accounts	19,000	19,100	19,250	19,250	19,300	19,300
Average daily consumption (millions of gallons)	15.4	15.5	14.9	15	15	15
Water samples taken (annual)	1,200	1,200	1,200	1,200	1,200	1,200
Sewers						
Feet of sewer mains root cut/ chemically treated	25,000	25,000	25,000	25,000	25,000	22,000
Maintenance						
Square ft. graffiti removal	3,603	3,808	6,316	5,309	5,191	5,100
Streetsweeping miles	23,000	23,000	23,000	23,000	23,000	23,000
Trees pruned per year	3,540	3,540	4,085	4,511	4,785	4,834
Culture and Recreation						
Youth sports	1,322	1,432	1,441	1,405	1,380	1,390
Aquatics	21,823	25,157	21,842	29,603	27,974	28,570
Picnic rentals	5,935	9,615	8,550	6,500	10,400	9,500
Leisure classes	7,840	10,222	9,733	7,869	8,294	8,622
Senior Center participants	48,053	51,706	52,550	55,240	87,801	132,849

Source: City of Buena Park

2008-09	2009-10	2010-11	2011-12
38,704	36,499	35,139	34,031
5,784	9,741	9,535	8,617
2,519	10,151	9,344	7,389
6,190	17,055	14,980	12,477
326	330	297	343
1,858	1,860	1,256	919
2,988	3,000	2,616	1,483
19,300	19,300	19,300	19,300
15	15	15	12.5
1,200	1,200	1,200	1,200
22,000	22,000	22,000	22,000
5,032	5,600	5,600	5,600
23,000	23,000	23,000	23,000
5,294	5,200	4,887	5,000
1,100	1,050	1,050	1,100
29,550	27,500	29,000	29,500
14,745	12,500	12,500	12,500
8,370	9,402	9,434	9,450
136,888	136,000	130,000	130,000

City of Buena Park
Capital Asset Statistics by Function
Last Ten Fiscal Years

Function:	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
Public Safety						
Police stations	1	1	1	1	1	1
Number of patrol units	27	27	28	28	28	30
Highways and streets						
Miles of streets	147.1	146.9	146.9	147.3	147.6	147.6
Traffic Signals	68	69	70	70	70	70
Water						
Number of active water wells	7	7	7	7	7	8
Number of reservoirs	1	1	1	1	1	1
Miles of lines & mains	214	215	216	217	220	220
Sewer						
Miles of sanitary sewers	168	168	168	168	168	168
Miles of flood control channel	21	21	21	21	21	21
Culture and Recreation						
Number of parks	11	11	11	11	11	11
Number of community facilities	1	1	1	1	1	1

Source: City of Buena Park

2008-09	2009-10	2010-11	2011-12
1 30	1 30	1 30	1 30
147.6 70	147.6 70	147.6 70	147.6 70
8 1 220	8 1 220	8 1 220	8 1 220
168 21	168 21	168 21	168 21
11 1	11 2	11 2	11 3

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