City of San Bruno, California

Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2013

Prepared by the Finance Department

CITY OF SAN BRUNO, CALIFORNIA

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CITY OF SAN BRUNO
FINANCE DEPARTMENT

December 27, 2013

Honorable Mayor and Members of the City Council:

I am pleased to submit the Comprehensive Annual Financial Report (CAFR) for the City of San Bruno, California (City) for the fiscal year ended June 30, 2013. The City is required to publish audited financial statements presented in conformance with generally accepted accounting principles (GAAP) and audited by an independent, certified public accounting firm.

Management is responsible for the accuracy of the data presented and the completeness and fairness of financial presentations and disclosures. The City believes that all disclosures have been included that are necessary for a reader to understand the City's financial condition. In providing a reasonable basis for making these representations, management has established a thorough internal control system designed to protect the government's assets from loss, theft, or misuse and to compile necessary information for preparing the City's financial statements.

The City's financial statements have been audited by the certified public accounting firm of Vavrinek, Trine, Day & Co., LLP. The goal of the independent audit is to provide reasonable assurance that the financial statements for the fiscal year ended June 30, 2013 are free of material misstatements. The independent audit involves examining on a test basis evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial presentation. The City's independent auditor concluded that there is a reasonable basis for rendering an unmodified opinion that the City's financial statements for the fiscal year ended June 30, 2013 are fairly presented. The Independent Auditor's Report stating this opinion can be found near the front of the CAFR. GAAP requires that management provide a narrative introduction, overview, and analysis, to accompany the basic financial statements in the form of Management Discussion and Analysis (MD&A). The City's MD&A can be found immediately following the report of the independent auditors.

The independent audit for the year ended June 30, 2013 also includes the Federally-mandated Single Audit. The Single Audit must be conducted for any entity that expends $500,000 or more of Federal assistance received for its operations. The objective of the Single Audit is to provide assurance to the U.S. government regarding the management and use of such funds. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the City's financial statements but also on the City's internal controls and compliance with legal requirements, with emphasis on internal controls and legal requirements involving the Federal awards. A separate Single Audit Report is available for the City for the year ended June 30, 2013.

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Government Profile

The City of San Bruno is a general law city incorporated in 1914 that operates under the City Council-City Manager form of government. The City has four City Council members elected at large for staggered four-year terms and the Mayor elected for a two-year term. The City Council appoints the City Manager and City Attorney. The City Manager is responsible for carrying out the policies and ordinances of the City Council, for overseeing the day-to-day operations of the City, and appointing department directors. The City Clerk is elected to a four-year term and serves as elections officer and clerk to the City Council and City. The City Treasurer is also elected to four-year term and manages the City's investment portfolio.

The City is a full service city providing police, fire, public works services including streets, water, sewer, and stormwater, community services including parks maintenance, recreation, senior, and library services, and a cable television enterprise. General government activities include city administration, legal services, finance, human resources, and technology. The City employs 243 full-time equivalent positions.

The City is located on the San Francisco Peninsula in San Mateo County, approximately 14 miles south of San Francisco and lies immediately adjacent to the San Francisco International Airport. The total land area of San Bruno is 6.4 square miles and serves a residential population of 42,828 as of January 1, 2013.

Budget Process

The City adopts an annual budget for the General Fund, Enterprise Funds, Special Revenue Funds, Capital Projects Funds, and Internal Service Funds. The budget process begins in March with each department receiving a budget packet. The City Manager provides each department director with the budget direction to guide the preparation of the budget. The Finance Department works with each department throughout the budget development process and conducts a thorough review of each department's budget requests. The City Manager's Recommended Budget is distributed to the City Council early June, with study sessions to discuss the budget in greater detail. A public hearing is conducted to obtain comments from the public leading to adoption of the budget by City Council resolution no later than June 30.

The City Council exercises budgetary control at the fund level. Quarterly financial reports are presented to the City Council to assess and evaluate budget performance during the year. Budget amendments requiring an increase in appropriations require approval by the City Council and are done as needed during the course of the year.

Assessment of the City's Economic Condition

The City's geographic location has a significant impact on its economic position. The City is located at the intersection of three major interstate freeways (Highway 101, Interstate 380, and Interstate 280), making the City easily accessible from San Francisco to the north and from Silicon Valley to the south. The City also has a Bay Area Rapid Transit station and Caltrain station located within its limits, making it readily accessible via public transportation. In addition, the San Francisco International Airport is immediately adjacent to the City to the east, making it a popular destination for business travelers, and tourists. These attributes make San Bruno a popular location for residents, businesses, and retailers.

On February 1, 2012, all redevelopment agencies in California were eliminated as a result of Assembly Bill 26. The San Bruno Redevelopment Agency was successful in helping to finance the revitalization of many areas of the City, including the transformation of the former Navy site into the Crossing San Bruno, a mixed-use development that includes several multi-family residential buildings along with commercial businesses. Eliminating redevelopment agencies has impacted the City's ability to finance future endeavors similar to the Crossing, since the City no longer has a dedicated revenue stream for such economic development.

The economic outlook for San Bruno has improved and the City anticipates continuing moderate growth in General Fund revenues. The City is fortunate to have a diverse and stable revenue base, with sales tax being the City's largest, single revenue source at 20%. This diverse revenue base has allowed the City to maintain its services during this most recent economic downturn without the need for dramatic cuts or use of reserves.

Property Taxes

The City of San Bruno has 12,865 property parcels with a total assessed value of $5.3 billion. The city's total assessed value grew by 24% in 2012-13, bringing the total assessed value back to the 2008-09 level. Property tax comprises 19% of the total General Fund revenues.

Sales and Use Taxes

Sales and use taxes are the City's single largest General Fund revenue source accounting for 20% of total revenue. Similar to the overall General Fund revenue base, the City's sales tax revenue is derived from a diverse base of retailers that include major department stores located at the Shops at Tanforan, auto dealerships, and a variety of small businesses and restaurants located throughout the City. The top 25 sales tax producers in San Bruno account for 60% of the total sales tax revenue.

Transient Occupancy Tax

The City has 13 hotels/motels offering a total of 653 rooms. The proximity of the City to the San Francisco International Airport, along with the presence of several large corporate businesses, makes it a popular destination for overnight accommodations. Transient Occupancy Taxes have increased by 25% per year on average since 2010 and account for 7% of the City's total General Fund revenue.

The City has entered into a development agreement with a developer for an additional hotel of 148 rooms and a meeting facility sufficient to accommodate 200 guests. This hotel would be built on a 1.5 acre site currently owned by the City.

Financial Policies and Planning

The City's informal long-term financial policies place an emphasis on growing its reserves to ensure the City has adequate funds available to meet future needs. Through its prudent fiscal management and use of budgetary controls, the City has managed to grow its reserves during the past several years despite the economic downturn. The City has a formal policy to limit the use of one-time/non-recurring revenues to balance the budget and instead directs these funds to reserves whenever feasible. The City Council approved the City's first formal Reserve Policy on January 22, 2013.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its comprehensive annual financial report for the fiscal year ended June 30, 2012. To receive this award, a government must publish an easily readable and well organized financial 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. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we will submit it to the GFOA to determine its eligibility for another certificate.

Acknowledgment

The preparation of the CAFR was made possible through the dedicated work and contribution of all of the members of the Finance Department. Special acknowledgement is due to Darlene Wong, Accounting Manager, whose diligent work effort to maintain the City's financial records with the utmost accuracy and transparency, make the preparation of the CAFR possible. In addition, the City Manager and Department Directors provide the guidance necessary to ensure that the financial operations of the City are conducted in an accountable and prudent manner.

The City Council should be acknowledged and thanked for its leadership and commitment to ensuring the long-term fiscal wellbeing of the City.

Respectfully submitted,

James H. O'Leary
Interim Finance Director

CITY OF SAN BRUNO CITY COUNCIL

Jim Ruane, Mayor

Ken Ibarra, Vice Mayor

Rico E. Medina

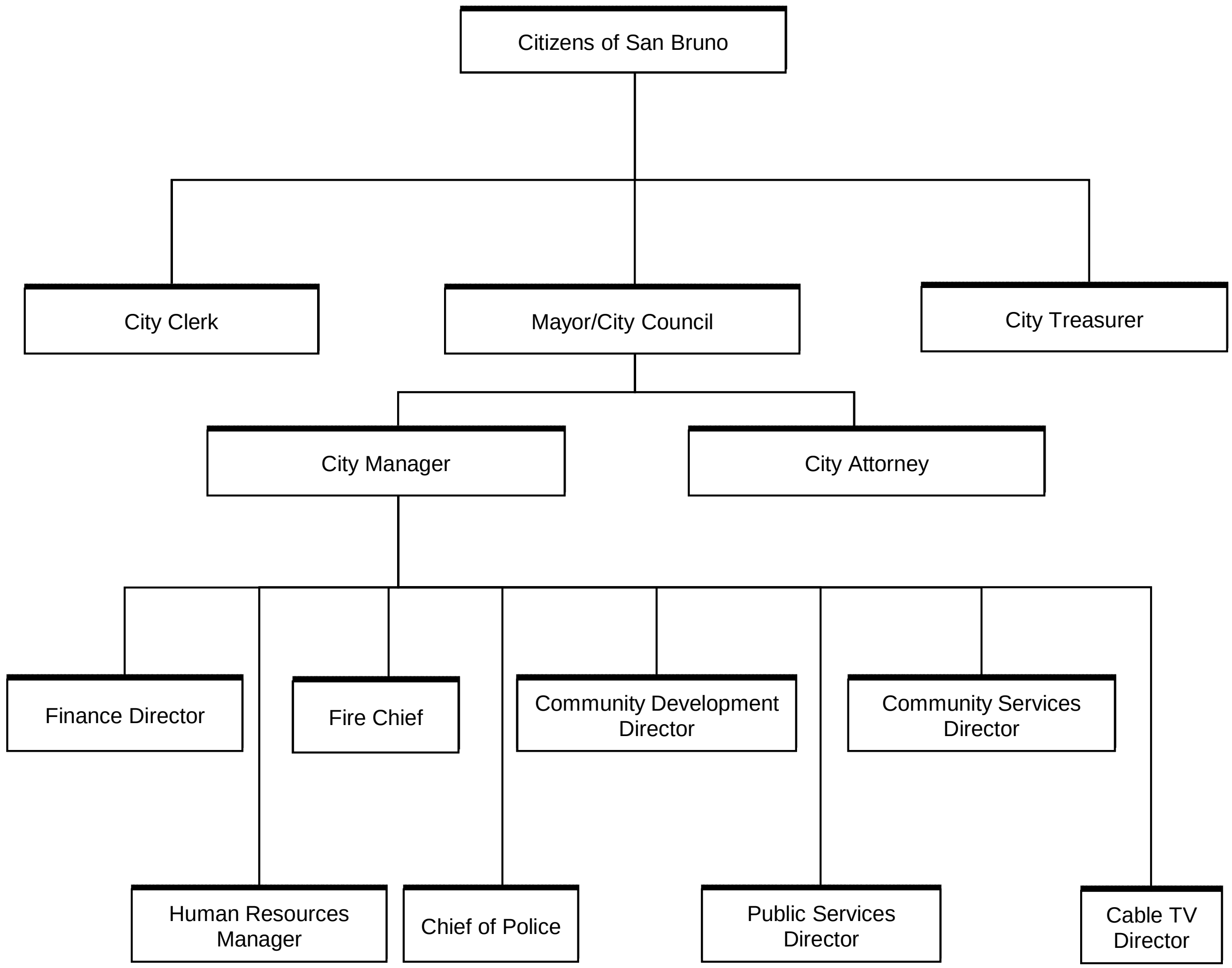
Irene O'Connell

Michael Salazar

CITY MANAGER

Connie Jackson

CITY OF SAN BRUNO



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of San Bruno
California

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2012

Executive Director/CEO

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members of the City Council
of the City of San Bruno
San Bruno, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of San Bruno (City) as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2013, and the respective changes in financial position, and, where applicable, cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

The City adopted Governmental Accounting Standards Board (GASB) Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, as of July 1, 2012. Our opinion is not modified with respect to this matter.

With respect to the June 30, 2012 comparative information presented in the combining statements and schedules, we have previously audited, in accordance with auditing standards generally accepted in the United States, the City's basic financial statements for the year ended June 30, 2012, which are not presented with the accompanying financial statements. In our report dated December 28, 2012, we expressed an unqualified opinion on the respective basic financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2012 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The Combining and Individual Fund Statements and Schedules, the introductory and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 27, 2013, 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Vavrinek, Trine, Day & Co. LLP

Palo Alto, California
December 27, 2013

The Management's Discussion and Analysis (MD&A) provides an overview of the City of San Bruno's activities and financial performance for the fiscal year ended June 30, 2013. To obtain a complete picture of the City's financial condition, this document should be read in conjunction with the accompanying Transmittal Letter and Basic Financial Statements.

Financial Highlights

- The City's government-wide net position decreased by $7.0 million during 2012-13, bringing the total net position to $111 million. The decrease in net position is primarily the result of issuing pension obligation bonds to pay off the City's CalPERS side fund liability. Of government-wide net position, $86.0 million is invested in capital assets, $15.7 million is restricted for specific use, and the balance of $9.2 million is unrestricted for the City's operations and capital investments.

- City revenues continued to increase with growth of property tax, sales tax and transient occupancy tax revenues. The combination of an operating surplus, one-time revenue such as excess ERAF tax received from the County and allocations from the Redevelopment Property Tax Transfer Funds contributed to this improvement. Although revenues showed positive growth, the City's General Fund fund balance decreased by $4.1 million bringing the total to $9.6 million as a result of transfers out for establishing adequate reserves. See Note 16 for further details.

- The City's governmental activities expenses were $44.1 million. Expenses were offset by charges for services of $6.8 million and operating and capital contributions and grants of $10.3 million for a net cost to general revenues (taxes and investment income) of $27 million. General governmental activities revenues totaled $27.4 million. General governmental activities also included a special and extraordinary item for recognizing expense of $12.5 million pertaining to issuing pension obligation bonds to pay off the City's CalPERS safety side fund. Total general governmental activities amounted to a net decrease in the change in net position of $12.1 million (expenses greater than revenues) ending with a net position of $54.6 million.

- Business-type activities expenses of $29.2 million were offset by charges for services totaling $34.2 million. Combined with non-program revenues totaling $0.1 million, net position increased by $5.1 million.

- The City Council adopted a reserve policy on January 22, 2013 to support their commitment to ensuring financial stability and sustainability of operations during times of fiscal constraint and emergencies. As of June 30, 2013, the reserve fund balances amount to: General Fund Reserve, $8 million, General Fund Contingency Fund, $1.5 million, Emergency Disaster Reserve, $3 million, Capital Improvement/One-Time Initiative Reserves, $5 million, Central Garage Reserve, $0.15 million, Building and Facilities Reserve, $0.22 million, and Technology Reserve, $0.12 million.

Overview of Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Government-wide financial statements present the financial picture of the City from the economic resources measurement focus using the accrual basis of accounting similar to a private-sector business.

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

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

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City consist of general government, public safety, public works, highways and streets, parks and recreation, library and community development. The business-type activities of the City include water, stormwater, wastewater and cable television.

The government-wide financial statements can be found on pages 18 and 20 of this report.

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

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

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

The City maintains twenty-one 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, CIP Reserve, Emergency Disaster Reserve, Measure A Transportation Tax and the Street Improvement Capital Projects Funds, all of which are considered to be major funds. Data from the other sixteen governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

The City adopts an annual appropriated budget for its general fund and most governmental funds. A budgetary comparison statement has been provided for all major and non-major funds (where budgets are adopted) in governmental activities to demonstrate compliance with this budget.

The governmental fund financial statements can be found on page 24 of this report.

Proprietary funds. The City maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for water, stormwater, wastewater and cable television.

Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its central garage, self-insurance, general equipment reserve, technology development, and facilities maintenance activities. Because these services predominantly benefit governmental rather than business-type functions, it has been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for all of the City's proprietary funds as they are all considered to be major funds by the City. Conversely, the internal service fund is combined into a single, aggregated presentation in the proprietary financial statements. More detailed information for the internal service funds is provided in the form of combining statements elsewhere in the report.

The proprietary fund financial statements can be found on page 32 of this report.

Fiduciary funds. Trust and Agency Funds are fiduciary funds that account for assets held by the City in a purely custodial capacity. The reporting entity includes three agency funds which are the Project Development Fund, San Bruno Garbage Company Fund, and the Crestmoor Glenview Restitution Fund. Since agency funds are custodial in nature, (i.e. assets equal liabilities) they do not involve the measurement of results of operations. For this reason, Fiduciary funds are not reflected in the government-wide financial statements.

In addition to agency funds, the Successor Agency to the San Bruno Redevelopment Agency Trust Fund was created as the result of the California Supreme Court decision on December 29, 2011 upholding ABx1 26, which eliminated all redevelopment agencies in California and created a process for winding down their operations. Unlike agency funds, trust funds report an "income statement" referred to as statement of changes in fund net position.

The fiduciary fund financial statements can be found on page 38 of this report.

Notes to the Basic Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on page 40 of this report.

Required and Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the City's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on page 78 of this report.

The combining statements referred to earlier in connection with non-major governmental funds and internal service and fiduciary funds are presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules can be found on page 85 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of the City's financial position. Assets exceeded liabilities by $111 million at the close of fiscal year 2012-13. By far the largest portion of the City's net position reflects its investment in capital assets (e.g., land, infrastructure, buildings, machinery, equipment, and vehicles) and, if applicable, less any related debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

	Governmental Activities		Business-Type Activities		Totals	
	2013	**2012**	**2013**	**2012**	**2013**	**2012**
Current assets:	$38,622,509	$35,819,546	$24,104,252	$22,463,988	$ 62,726,761	$ 58,283,534
Capital assets, net	49,400,024	48,391,621	55,470,412	53,193,387	104,870,436	$101,585,008
Other noncurrent assets:	10,407,033	10,657,033	206,961	217,853	10,613,994	$ 10,874,886
Total assets	98,429,566	94,868,200	79,781,625	75,875,228	178,211,191	170,743,428
Current liabilities:	7,882,561	7,253,396	6,284,445	5,740,786	14,167,006	12,994,182
Noncurrent liabilities:	35,945,798	20,912,492	17,135,016	18,854,843	53,080,814	39,767,335
Total liabilities	43,828,359	28,165,888	23,419,461	24,595,629	67,247,820	52,761,517
Net Position:						
Net investment in capital assets, net of related debt	49,191,126	48,151,315	36,842,785	32,968,582	86,033,911	81,119,897
Restricted	15,699,530	12,461,795	-	-	15,699,530	12,461,795
Unrestricted	(10,289,449)	6,089,202	19,519,379	18,311,018	9,229,930	24,400,220
Total net position	$54,601,207	$66,702,312	$56,362,164	$51,279,600	$110,963,371	$117,981,912

An additional portion of the City's net position ($15.7 million or 14 percent of Net Position) represents resources that are subject to external restrictions on how the funds may be used. The remaining balance in *unrestricted net position* amounts to $9.2 million.

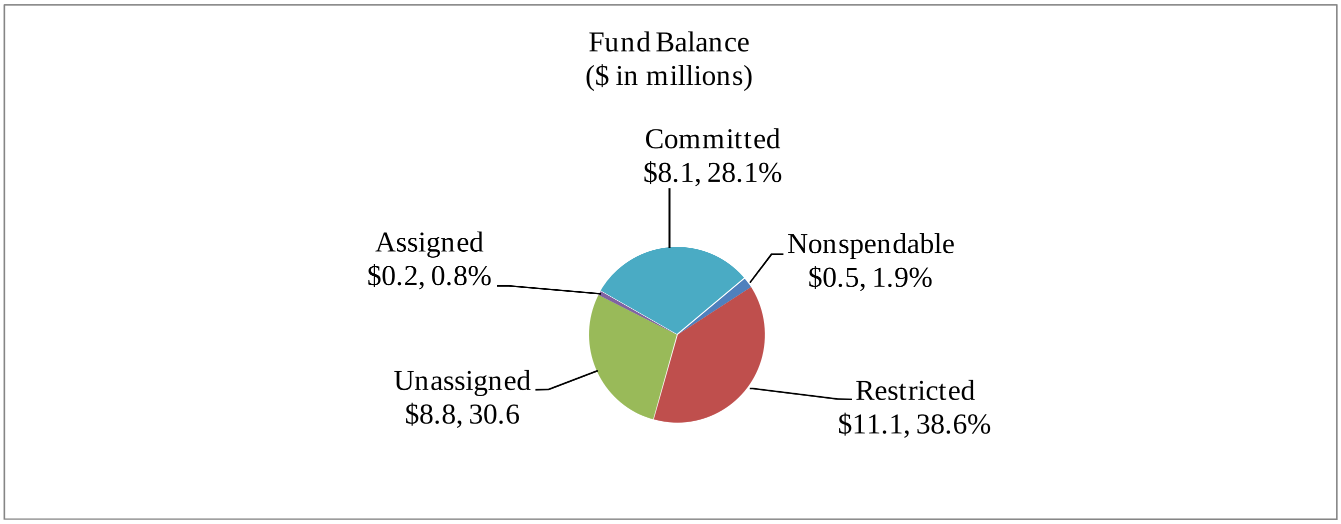
At the end of fiscal year 2012-13, the City reported a positive balance in the government-wide unrestricted net position as a whole in governmental and in business-type activities. Although business-type activities showed positive balances in all categories, governmental activities unrestricted net position decreased as a result of issuing pension obligation bonds to pay off the City's CalPERS safety side fund. Aside from the issuance of pension obligation bonds, the City's assets increased primarily because property tax, sales tax, transient occupancy tax, and business tax revenues along with one-time revenues that exceeded estimates in the governmental activities, while rate increases in the water and wastewater enterprises for covering future capital expenditures were primary contributors to the increase in net position for business activities by $5.1 million.

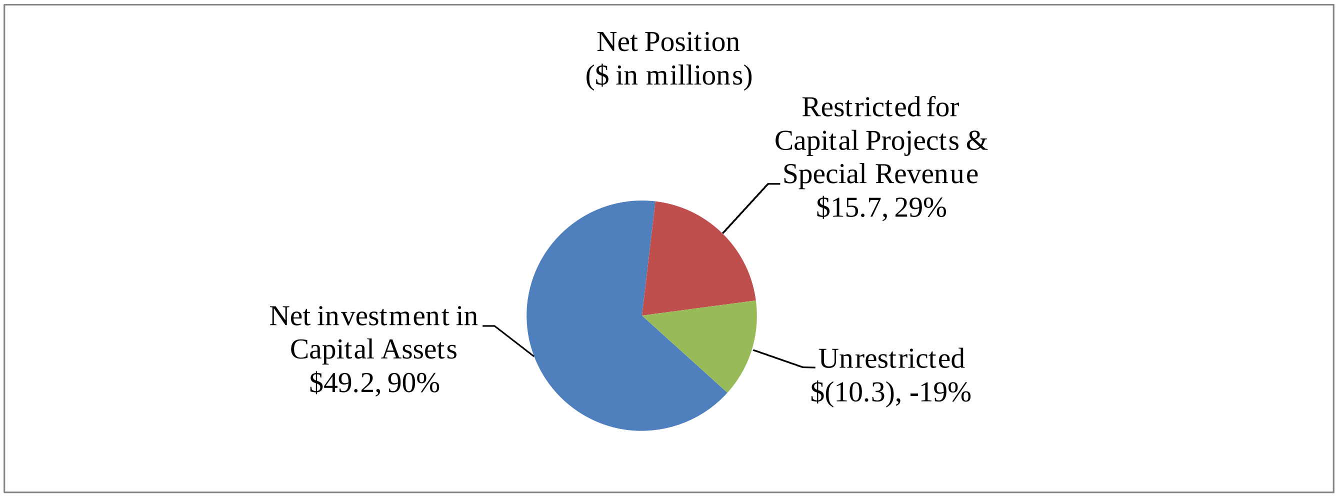
	Governmental Activities		Business-Type Activities		Totals	
	2013	2012	2013	2012	2013	2012
Revenues						
Charge for services	$ 6.8	$ 8.2	$ 34.2	$ 32.7	$ 41.0	$ 40.9
Operating contributions and grants	9.2	10.3	-	-	9.2	10.3
Capital contributions and grants	1.1	1.9	-	-	1.1	1.9
Property taxes	6.70	5.6	-	-	6.7	5.6
Incremental property taxes	-	3.6	-	-	-	3.6
Transient occupancy taxes	2.4	2.2	-	-	2.4	2.2
Franchise taxes	2.0	1.9	-	-	2.0	1.9
Sales taxes	7.3	6.9	-	-	7.3	6.9
Cardroom taxes	1.6	1.6	-	-	1.6	1.6
Other taxes	2.3	2.1	-	-	2.3	2.1
State motor vehicle in-lieu tax, including subvention	3.2	3.3	-	-	3.2	3.3
Miscellaneous revenues	0.6	-	-	-	0.6	-
Use of money and property	1.3	1.8	0.1	0.1	1.4	1.9
Total Revenue	44.5	49.4	34.3	32.8	78.8	82.2
Expenses						
General government	10.5	9.1	-	-	10.5	9.1
Public safety	20.0	19.0	-	-	20.0	19.0
Public works	1.0	1.0	-	-	1.0	1.0
Highways and streets	3.6	4.0	-	-	3.6	4.0
Parks and recreation	4.8	4.7	-	-	4.8	4.7
Library	1.7	1.7	-	-	1.7	1.7
Community development	1.6	1.9	-	-	1.6	1.9
Interest expense	0.9	0.5	-	-	0.9	0.5
Water	-	-	9.2	8.4	9.2	8.4
Stormwater	-	-	0.7	0.4	0.7	0.4
Wastewater	-	-	9.2	8.8	9.2	8.8
Cable Television	-	-	10.1	10.8	10.1	10.8
Total expenses	44.1	41.9	29.2	28.4	73.3	70.3
Special/Extraordinary Item	(12.60)	1.3	-	-	(12.6)	1.3
Transfers	0.1	-	(0.1)	-	-	-
Increase (Decrease) in Net Position	(12.1)	8.8	5.0	4.4	(7.1)	13.2
Beginning Net Position	66.8	58.0	51.4	47.0	118.2	105.0
Ending Net Position	$ 54.7	$ 66.8	$ 56.4	$ 51.4	$ 111.1	$ 118.2

Governmental Activities

The cost of all governmental activities this year was $44.1 million. However, as shown in the statement of activities, the amount that taxpayers ultimately financed for these activities through City taxes (property taxes, transient occupancy taxes, sales taxes and other taxes) was only $27 million because some of the costs were paid by those directly benefiting from the programs ($6.8 million) or by other governments and organizations that subsidized certain programs with grants and contributions ($9.2 million) for operations and ($1.1 million) for capital. The City paid for the remaining "public benefit" portion of governmental activities with $27.4 million in other general revenues (some of which could only be used for certain programs), net of transfers.

Available net position are amounts not subject to restriction in the current period, typically classified as fund balance. These amounts are converted to net position by adding long-term assets and subtracting long-term liabilities. A graphic illustration of this conversion is as follows:



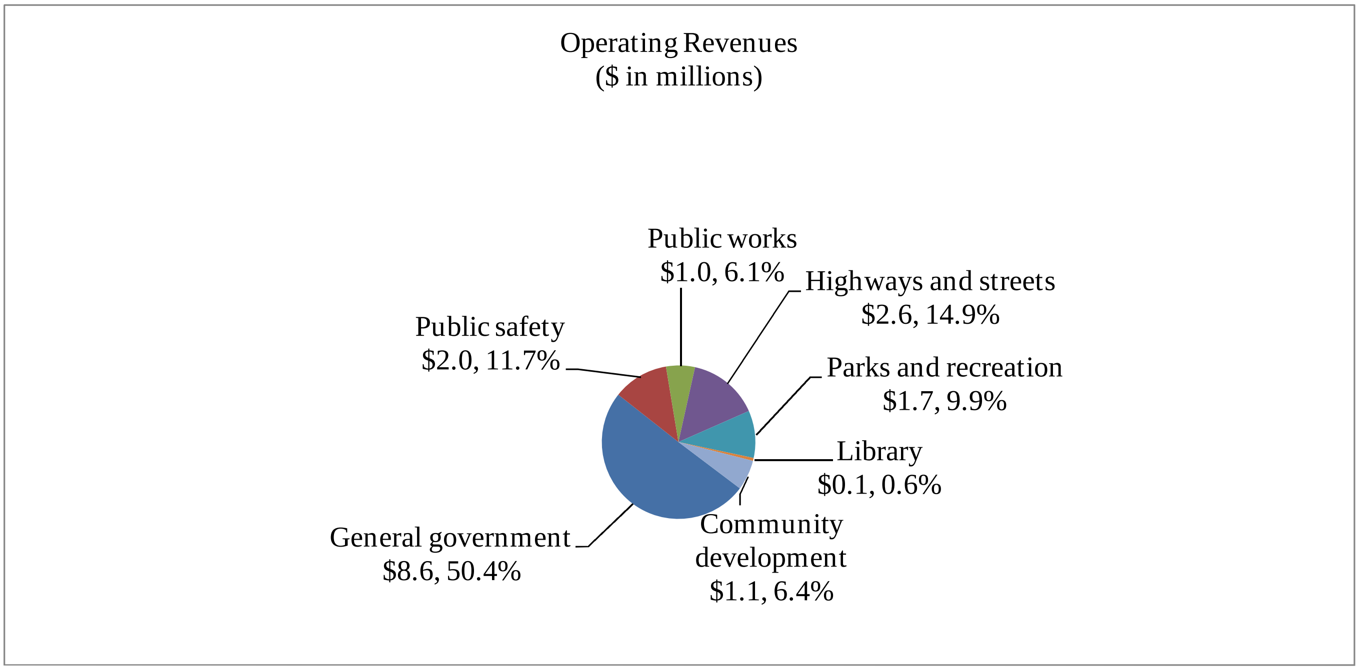


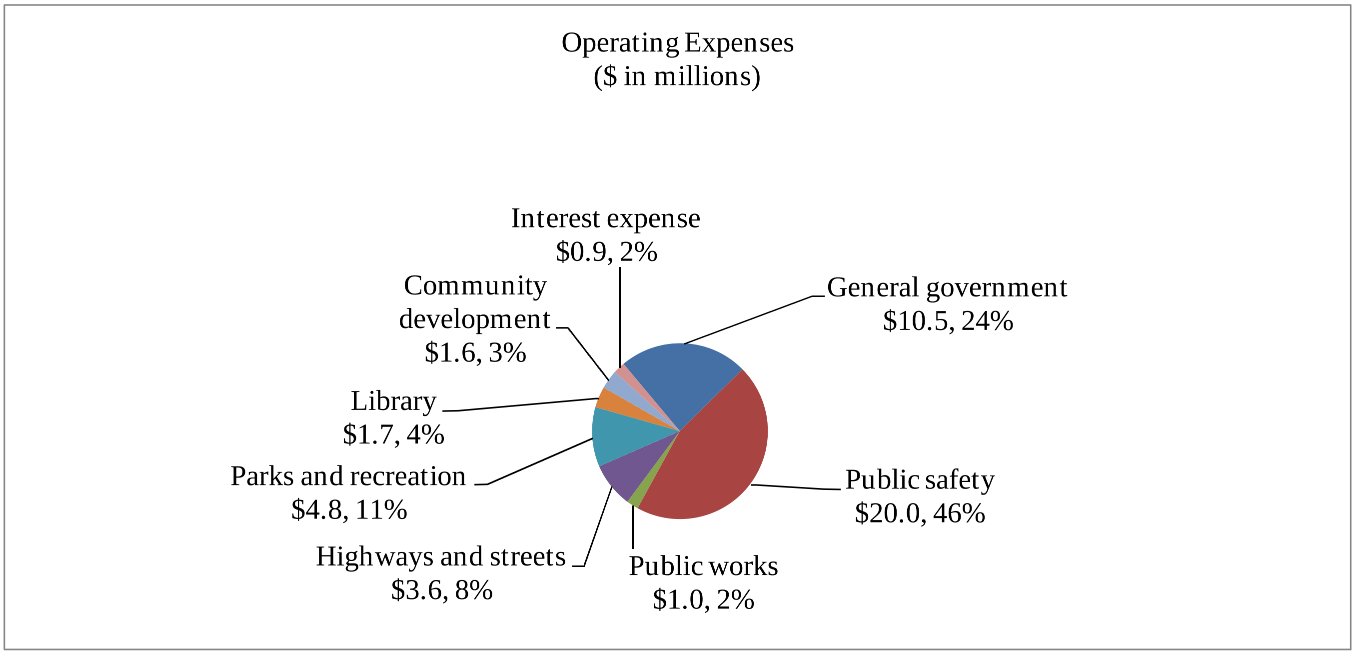
Total resources available during the year to finance governmental operations were $44.5 million. This consisted of $17.1 million in program revenues and $27.4 million in general revenues net of transfers. Total governmental activities operating expenses during the year were $44.1 million. The City also incurred expenses and a special and extraordinary item for the recognition of the issuance of pension obligation bonds to pay off the City's CalPERS safety side fund at $12.5 million. Although the pension obligation bond is a new debt on the financial statements, it was issued to refund an existing debt owed to CalPERS. Thus, net position at July 1, 2012 of $66.7 million decreased by $12.1 million to $54.6 million by June 30, 2013.

The City's programs include: general government, public safety, public works, highway and streets, parks and recreation, library, and community development. Each program's *net* cost (total cost less revenues generated by the activities) is presented below. The net cost shows the financial burden that was placed on the City's taxpayers by each of these functions.

	Operating Revenues		Operating Expenses		Net (Expense) and Change in Net Position	
	2013	**2012**	**2013**	**2012**	**2013**	**2012**
Governmental activities:						
General government	$ 8,621,149	$ 9,412,382	$ 10,461,109	$ 9,136,147	$ (1,839,960)	$ 276,235
Public safety	2,008,020	2,062,001	20,016,150	19,129,330	(18,008,130)	(17,067,329)
Public works	1,037,719	1,056,178	954,150	952,496	83,569	103,682
Highways and streets	2,552,613	3,992,475	3,647,648	3,967,555	(1,095,035)	24,920
Parks and recreation	1,702,059	1,681,729	4,819,878	4,698,243	(3,117,819)	(3,016,514)
Library	108,434	183,931	1,695,581	1,693,611	(1,587,147)	(1,509,680)
Community development	1,087,307	2,087,839	1,556,777	1,951,941	(469,470)	135,898
Interest expense	-	-	931,179	455,313	(931,179)	(455,313)
Total governmental activities	$ 17,117,301	$ 20,476,535	$ 44,082,472	$ 41,984,636	$ (26,965,171)	$ (21,508,101)

Operating resources (program revenues) and operating expenses can be depicted graphically as follows:

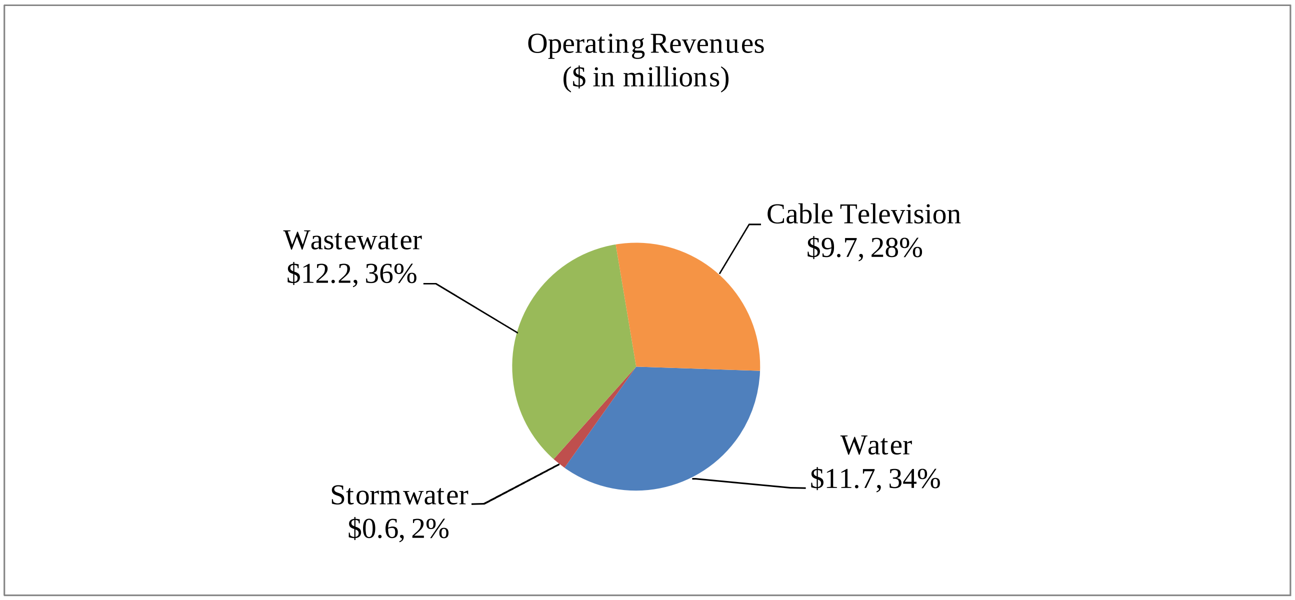


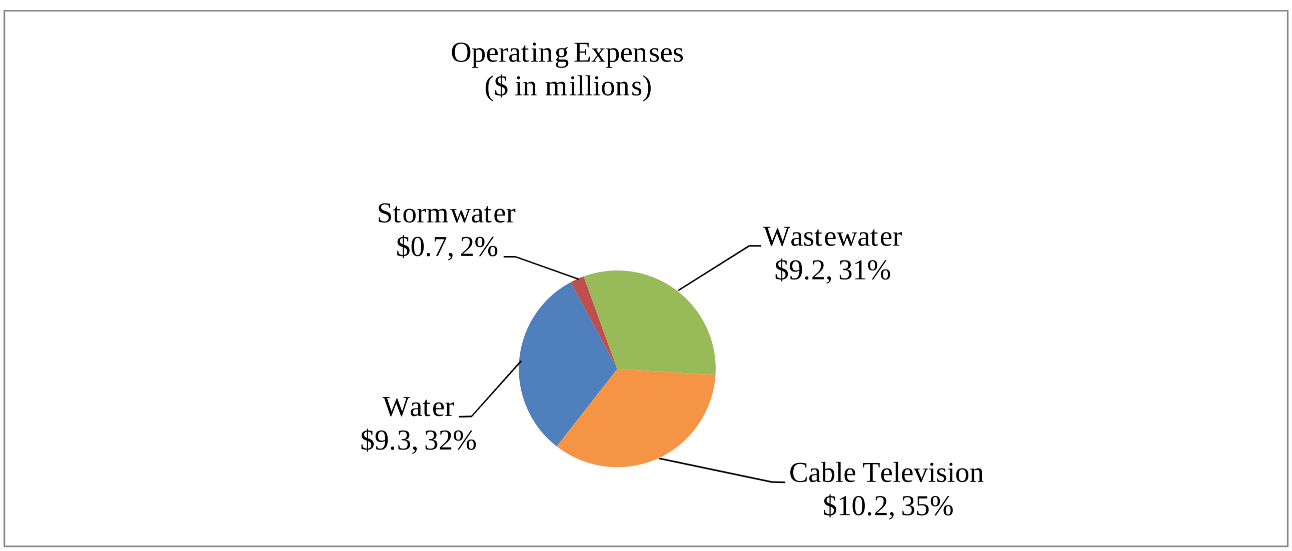


Business-type Activities

The City's business-type activities include water, stormwater, wastewater and cable television. Total resources available during the year to finance business-type activities were $34.3 million consisting of program revenues, investment income, and transfers. Total business-type activities expenses during the year were $29.2 million. Net position increased by $5.1 million to $56.4 million.

Operating revenues and expenses can be depicted graphically as follows:





Each program's net cost (total cost less revenues generated by the activities) is presented below. The net cost shows the financial burden that was placed on the City's taxpayers by each of these functions.

	Operating Revenues		Operating Expenses		Net (Expense) and Change in Net Position	
	2013	2012	2013	2012	2013	2012
Business-type activities:						
Water	$ 11,725,402	$ 10,601,609	$ 9,237,239	$ 8,444,001	$ 2,488,163	$ 2,157,608
Stormwater	611,886	612,325	661,493	446,020	(49,607)	166,305
Wastewater	12,233,209	11,294,768	9,220,142	8,755,063	3,013,067	2,539,705
Cable Television	9,651,598	10,192,578	10,100,602	10,709,142	(449,004)	(516,564)
Total business-type activities	$ 34,222,095	$ 32,701,280	$ 29,219,476	$ 28,354,226	$ 5,002,619	$ 4,347,054

Cash Management

The City employs a pooled cash system (Reference Note 2 in the notes to the basic financial statements). To have flexibility in cash management under the pooled cash concept, the City invests the cash of all funds with maturities planned to coincide with cash needs. Idle cash is invested in certain eligible securities as constrained by law and further limited by the City's Investment Policy. The goals of the City's Investment Policy are safety, liquidity, and yield in that order of priority.

Capital Assets

The capital assets of the City are those assets used in the performance of the City's functions including infrastructure assets. At June 30, 2013, net capital assets of the governmental activities totaled $49.4 million. Depreciation on capital assets is recognized in the government-wide financial statements. During the 2012-13 fiscal year, net capital assets for governmental activities increased by $1 million due to additions in excess of depreciation. For the business-type activities, capital assets increased by $2.3 million to $55.5 million due to additions in excess of depreciation expense. Detailed information about capital assets can be found in Note 4 to the financial statements.

	Governmental Activities		Business-Type Activities		Totals	
	2013	2012	2013	2012	2013	2012
Land	$ 3,211,345	$ 1,811,197	$ 576,842	$ 576,842	$ 3,788,187	$ 2,388,039
Construction in Progress	4,657,189	5,882,759	4,139,152	4,971,387	8,796,341	10,854,146
Infrastructure	31,250,333	29,850,719	-	-	31,250,333	29,850,719
Sewer Plant	-	-	15,298,209	15,664,678	15,298,209	15,664,678
Buildings & Structures	7,960,895	8,151,391	28,511,787	26,733,154	36,472,682	34,884,545
Machinery & Equipment	2,320,262	2,695,555	6,944,422	5,247,326	9,264,684	7,942,881
Total	$ 49,400,024	$ 48,391,621	$ 55,470,412	$ 53,193,387	$ 104,870,436	$101,585,008

Long-Term Liabilities

Debt, a liability of governmental activities, increased by $18.6 million as a result of the OPEB liability increase of $3.9 million, $1.8 million for claims liability, and $12.9 million in issued pension obligation bonds net of discounts. Debt service payments related to the 2000 certificates of participation, pension obligation bonds net of discounts, and capital lease obligations amounted to $0.25 million, $0.34 million, and $31,400 respectively. Compensated absences decreased by $28,100. The claims paid against the claims liability and contributions made to OPEB for the year amounted to $0.5 million and $1.0 million, respectively. Detailed information about long-term debt and long-term liabilities can be found in Note 6 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

In considering the City budget for fiscal year 2013-14, the City Council and management used the following key assumptions in the revenue forecast:

- A moderate increase in revenues primarily attributable to property tax, sales tax, transient occupancy tax, and business tax. These increased tax revenues continue to offset the loss of funds resulting from the elimination of Redevelopment;

- Departmental operating revenues anticipated to decline by 4% from the 2012-13 Amended Budget. Most significant in this budget category is the decrease of $0.4 million in Building revenues as a result of lower than anticipated building permit activity in 2013-14;

- Other revenue sources remain at low levels such as interest earnings and the loss of interest income from the City's outstanding advances between the City and Redevelopment Agency;

- Recreation Services fees anticipated to increase by 24% over the prior year budget amount as a result of program expansion. The increased fee amounts are offset by increased expenditures for program delivery;

- Planned water and wastewater rates increasing annually by 9.8% and 10.3% as part of the City Council approved five-year rate increase program. This rate increase is based on a ten-year analysis of costs associated with the operating and capital improvement needs of the water and wastewater system.

- Cable revenues moderately increasing by 5.5% driven by growth in the commercial phone and data segment as well internet and digital services. Anticipated revenues for 2013-14 are sufficient to cover the cost of operations and debt service payments.

The adopted budget for all City funds for the new fiscal year of 2013-14 was $100.3 million and is summarized as follows:

	FY 2013-14
General fund	$ 35,096,172
Special revenue funds	5,560,591
Enterprise funds	27,382,199
Internal service funds	4,212,664
Capital projects	25,560,556
Total operations and projects	97,812,182
Debt service	2,523,104
Total budget	$ 100,335,286

Budgeted Expenditures:

- The adopted General Fund budget increased approximately 4.4% from the 2012-13 budget primarily from increases in basic operating costs, such as scheduled employee salary step changes in accordance with the City's Memorandums of Understanding with its bargaining units, increased employee retirement costs through the CalPERS program, and limited service level enhancements.

- The Capital Improvement Program for 2013-14 totals $25.6 million. This amount includes significant funding for the Crestmoor Recovery Program, street rehabilitation and infrastructure improvements for the city's utility operations. The breakdown is as follows:

	FY 2013-14
Parks & Facilities	$ 608,779
Crestmoor Recovery Program	4,356,200
Street Improvements	1,585,000
Water Enterprise	9,831,051
Wastewater Enterprise	6,845,630
Cable Television	1,522,526
Technology	811,370
Total	$ 25,560,556

A total of $2.5 million is set-aside to meet debt service obligations of the City. Of this amount, $1.9 million is budgeted in the General Debt Service Fund, $0.6 million is budgeted in the Wastewater Fund, and $15,100 is budgeted in the Cable Fund.

CONTACTING THE CITY’S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City’s finances and to show the City’s accountability for the funds it receives. Questions about this report should be directed to the Finance Department at 567 El Camino Real, San Bruno, CA 94066. This report as well as other financial reports can be viewed on the City of San Bruno’s website at www.sanbruno.ca.gov.

BASIC FINANCIAL STATEMENTS

CITY OF SAN BRUNO, CALIFORNIA

STATEMENT OF NET POSITION
JUNE 30, 2013
(With comparative totals for June 30, 2012)

	Governmental Activities	Business-Type Activities	Totals 2013	Totals 2012
ASSETS				
Current assets:				
Cash and investments	$ 34,534,225	$ 20,123,828	$ 54,658,053	$ 48,564,130
Cash and investments with fiscal agent	91,119	1,096,096	1,187,215	1,152,291
Receivables (net)	3,730,206	3,151,287	6,881,493	8,567,113
Internal balances	266,959	(266,959)	-	-
Total current assets	38,622,509	24,104,252	62,726,761	58,283,534
Noncurrent assets:				
Advances to other funds	2,977,033	-	2,977,033	2,977,033
Deferred charges, net	-	206,961	206,961	217,853
Due from RDA Successor Trust	7,430,000	-	7,430,000	7,680,000
Capital assets not being depreciated:				
Land	3,211,345	576,842	3,788,187	2,388,039
Construction in progress	4,657,189	4,139,152	8,796,341	10,854,146
Capital assets net of accumulated depreciation:				
Infrastructure	31,250,333	-	31,250,333	29,850,719
Buildings and improvements	7,960,895	43,809,996	51,770,891	50,549,223
Machinery and equipment	2,320,262	6,944,422	9,264,684	7,942,881
Total capital assets (net)	49,400,024	55,470,412	104,870,436	101,585,008
Total noncurrent assets	59,807,057	55,677,373	115,484,430	112,459,894
Total assets	98,429,566	79,781,625	178,211,191	170,743,428
LIABILITIES				
Current liabilities:				
Accounts payable and accrued liabilities	4,894,776	3,238,957	8,133,733	8,087,013
Interest payable	199,555	341,102	540,657	527,920
Unearned revenue	326,669	749,518	1,076,187	1,012,019
Due within one year	2,461,561	1,954,868	4,416,429	3,367,229
Total current liabilities	7,882,561	6,284,445	14,167,006	12,994,181
Noncurrent liabilities:				
Due in more than one year	35,945,798	17,135,016	53,080,814	39,767,335
Total liabilities	43,828,359	23,419,461	67,247,820	52,761,516
NET POSITION				
Net investment in capital assets	49,191,126	36,842,785	86,033,911	81,119,897
Restricted for:				
Capital projects	2,200,898	-	2,200,898	2,255,417
Debt service	15	-	15	-
Measure A	1,859,508	-	1,859,508	1,109,997
Community services	11,639,109	-	11,639,109	9,096,381
Unrestricted	(10,289,449)	19,519,379	9,229,930	24,400,220
Total net position	$ 54,601,207	$ 56,362,164	$ 110,963,371	$ 117,981,912
Total liabilities and net position	$ 98,429,566	$ 79,781,625	$ 178,211,191	$ 170,743,428

The accompanying notes are an integral part of these financial statements.

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STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2013
(With comparative totals for June 30, 2012)

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	$ 10,461,109	$ 2,704,082	$ 5,866,923	$ 50,144
Public safety	20,016,150	1,670,163	337,857	-
Public works	954,150	135,283	78,360	824,076
Highways and streets	3,647,648	14,649	2,268,419	269,545
Parks and recreation	4,819,878	1,194,216	507,843	-
Library	1,695,581	94,866	13,568	-
Community development	1,556,777	969,707	117,600	-
Interest expense	931,179	-	-	-
Total governmental activities	44,082,472	6,782,966	9,190,570	1,143,765
Business-type activities:				
Water	9,237,239	11,725,402	-	-
Stormwater	661,493	611,886	-	-
Wastewater	9,220,142	12,233,209	-	-
Cable television	10,100,602	9,651,598	-	-
Total business-type activities	29,219,476	34,222,095	-	-
Total primary government	$ 73,301,948	$ 41,005,061	$ 9,190,570	$ 1,143,765

General revenues:
Taxes:
Property taxes, levied for general purposes
Property taxes, tax increment for redevelopment purposes
Transient occupancy tax
Franchise tax
Sales tax, including subvention
Cardroom taxes
Other taxes
Intergovernmental, unrestricted:
State motor vehicle in-lieu tax, including subvention
Use of money and property
Miscellaneous revenues
Total general revenues
Transfers
Total general revenues and transfers
Special item (Note 17)
Change in net position

Net position - Beginning
Net position - Ending

The accompanying notes are an integral part of these financial statements.

Net (Expense) Revenue and Changes in Net Position		Totals	
Governmental Activities	Business-Type Activities	2013	2012
$ (1,839,960)	$ -	$ (1,839,960)	$ 276,235
(18,008,130)	-	(18,008,130)	(17,067,329)
83,569	-	83,569	103,682
(1,095,035)	-	(1,095,035)	24,920
(3,117,819)	-	(3,117,819)	(3,016,514)
(1,587,147)	-	(1,587,147)	(1,509,680)
(469,470)	-	(469,470)	135,898
(931,179)	-	(931,179)	(455,313)
(26,965,171)	-	(26,965,171)	(21,508,101)
-	2,488,163	2,488,163	2,157,608
-	(49,607)	(49,607)	166,305
-	3,013,067	3,013,067	2,539,705
-	(449,004)	(449,004)	(516,564)
-	5,002,619	5,002,619	4,347,054
(26,965,171)	5,002,619	(21,962,552)	(17,161,047)
6,752,943	-	6,752,943	5,641,633
-	-	-	3,607,372
2,412,368	-	2,412,368	2,183,947
1,973,837	-	1,973,837	1,941,385
7,345,212	-	7,345,212	6,861,036
1,616,868	-	1,616,868	1,572,708
2,251,707	-	2,251,707	2,028,635
3,158,217	-	3,158,217	3,255,434
1,263,400	138,020	1,401,420	1,936,228
578,188	-	578,188	-
27,352,740	138,020	27,490,760	29,028,378
58,075	(58,075)	-	-
27,410,815	79,945	27,490,760	29,028,378
(12,546,749)	-	(12,546,749)	1,328,242
(12,101,105)	5,082,564	(7,018,541)	13,195,573
66,702,312	51,279,600	117,981,912	104,786,339
$ 54,601,207	$ 56,362,164	$ 110,963,371	$ 117,981,912

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FUND FINANCIAL STATEMENTS

CITY OF SAN BRUNO, CALIFORNIA

BALANCE SHEET
JUNE 30, 2013
(With comparative totals for June 30, 2012)

	General	Capital Improvement Projects Reserve	Emergency Disaster Reserve	Measure A Transportation Tax
ASSETS				
Cash and investments	$ 6,613,071	$ 5,061,760	$ 3,029,669	$ 1,859,508
Receivables:				
Taxes	1,018,544	-	-	-
Interest	44,482	-	1,840	-
Intergovernmental subventions	-	-	-	-
Intergovernmental grants	-	-	-	-
Loans	548,075	-	-	-
Other	1,367,397	-	-	-
Due from other funds	3,602,427	-	-	-
Total assets	$ 13,193,996	$ 5,061,760	$ 3,031,509	$ 1,859,508
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable and accrued liabilities	$ 3,232,296	$ -	$ -	$ -
Due to other funds	-	-	-	-
Deferred revenue	326,669	-	-	-
Total liabilities	3,558,965	-	-	-
Fund balances:				
Nonspendable	548,075	-	-	-
Restricted	-	-	-	1,859,508
Committed	-	5,061,760	3,031,509	-
Assigned	238,060	-	-	-
Unassigned	8,848,896	-	-	-
Total fund balances	9,635,031	5,061,760	3,031,509	1,859,508
Total liabilities and fund balances	$ 13,193,996	$ 5,061,760	$ 3,031,509	$ 1,859,508

The accompanying notes are an integral part of these financial statements.

Street Improvement Capital Projects	Non Major Governmental Funds	2013	2012
$ 1,984,759	$ 8,102,338	$ 26,651,105	$ 23,036,708
-	20,651	1,039,195	932,450
-	-	46,322	59,037
-	11,643	11,643	-
-	550,590	550,590	9,344
-	90,000	638,075	624,274
-	62,564	1,429,961	4,037,905
-	-	3,602,427	4,702,891
$ 1,984,759	$ 8,837,786	$ 33,969,318	$ 33,402,609
$ 320,451	$ 1,229,321	$ 4,782,068	$ 5,201,756
-	39,083	39,083	1,772,007
-	-	326,669	234,632
320,451	1,268,404	5,147,820	7,208,395
-	-	548,075	624,274
1,664,308	7,596,410	11,120,226	12,532,914
-	-	8,093,269	-
-	-	238,060	110,049
-	(27,028)	8,821,868	12,926,977
1,664,308	7,569,382	28,821,498	26,194,214
$ 1,984,759	$ 8,837,786	$ 33,969,318	$ 33,402,609

CITY OF SAN BRUNO, CALIFORNIA

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION
JUNE 30, 2013

Total fund balances - total governmental funds	$ 28,821,498
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the governmental funds balance sheet.	49,400,024
Long-term debt to be repaid by the Redevelopment Successor Agency to the City is reported as a receivable on the Government-Wide Statement of Net Position.	7,430,000
Internal Services funds are used by management to charge the costs of certain activities, such as insurance, to individual funds. The assets and liabilities of the Internal Service funds are:	
Current assets and advances	10,965,692
Accounts payable and accrued liabilities	(112,708)
Liability for claims	(3,056,000)
Compensated absences	(114,339)
Net amount allocated to business-type activities	(3,296,385)
Long-term liabilities are not due and payable in the current period and therefore they are not reported in the governmental funds balance sheet.	
Pension obligation bonds	(12,546,749)
Leases payable	(208,898)
Accrued interest payable	(199,555)
Certificates of participation	(7,430,000)
Compensated absences	(2,280,473)
Net OPEB obligation	(12,770,900)
Net position of governmental activities	$ 54,601,207

The accompanying notes are an integral part of these financial statements.

CITY OF SAN BRUNO, CALIFORNIA

RECONCILIATION OF THE FUND BASIS BALANCE SHEET TO THE STATEMENT OF NET POSITION

JUNE 30, 2013

	Governmental Funds Balance Sheet	Internal Service Balances	Eliminations Reclassifications	Changes in GAAP	Statement of Net Position
ASSETS					
Current assets:					
Cash and investments	$ 26,651,105	$ 7,883,120	$ -	$ -	$ 34,534,225
Cash and investments with fiscal agent/trustee	-	91,119	-	-	91,119
Receivables (net)	3,715,786	14,420	-	-	3,730,206
Due from other funds	3,602,427	-	(3,602,427)	-	-
Internal balances	-	-	3,563,344	(3,296,385)	266,959
Total current assets	33,969,318	7,988,659	(39,083)	(3,296,385)	38,622,509
Noncurrent assets:					
Advances to other funds	-	2,977,033	-	-	2,977,033
Due from RDA Successor Trust	-	-	-	7,430,000	7,430,000
Capital assets not being depreciated:					
Land	-	-	-	3,211,345	3,211,345
Construction in progress	-	-	-	4,657,189	4,657,189
Capital assets net of accumulated depreciation:					
Infrastructure	-	-	-	31,250,333	31,250,333
Buildings and improvements	-	-	-	7,960,895	7,960,895
Machinery and equipment	-	-	-	2,320,262	2,320,262
Total noncurrent assets	-	2,977,033	-	56,830,024	59,807,057
Total assets	$ 33,969,318	$ 10,965,692	$ (39,083)	$ 53,533,639	$ 98,429,566
LIABILITIES					
Current liabilities:					
Accounts payable and accrued liabilities	$ 4,782,068	$ 112,708	$ -	$ -	$ 4,894,776
Due to other funds	39,083	-	(39,083)	-	-
Interest payable	-	-	-	199,555	199,555
Deferred revenue	326,669	-	-	-	326,669
Due within one year	-	-	-	1,047,817	1,047,817
Compensated absences	-	61,101	-	1,352,643	1,413,744
Total current liabilities	5,147,820	173,809	(39,083)	2,600,015	7,882,561
Noncurrent liabilities:					
Pension Obligation Bonds	-	-		11,771,749	11,771,749
Compensated absences	-	53,238	-	927,830	981,068
Due after one year	-	-	-	7,366,081	7,366,081
Liability for claims	-	3,056,000	-	-	3,056,000
Net OPEB obligation	-	-	-	12,770,900	12,770,900
Total noncurrent liabilities	-	3,109,238	-	32,836,560	35,945,798
Total liabilities	5,147,820	3,283,047	(39,083)	35,436,575	43,828,359
NET POSITION					
Net investment in capital assets	-	-	-	49,191,126	49,191,126
Restricted for:					
Capital projects	2,200,898	-	-	-	2,200,898
Debt service	15	-	-	-	15
Measure A	1,859,508	-	-	-	1,859,508
Community Services	11,639,109	-	-	-	11,639,109
Unrestricted (deficit)	13,121,968	7,682,645	-	(31,094,062)	(10,289,449)
Total net position	28,821,498	7,682,645	-	18,097,064	54,601,207
Total liabilities and net position	$ 33,969,318	$ 10,965,692	$ (39,083)	$ 53,533,639	$ 98,429,566

The accompanying notes are an integral part of these financial statements.

CITY OF SAN BRUNO, CALIFORNIA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2013

(With comparative totals for June 30, 2012)

	General	Capital Improvement Projects Reserve	Emergency Disaster Reserve	Measure A Transportation Tax
REVENUES:				
Taxes	$ 20,543,007	$ -	$ -	$ 835,982
Licenses and permits	2,615,209	-	-	-
Intergovernmental	3,176,611	-	-	-
Charges for services	2,788,916	-	-	-
Fines and forfeitures	661,349	-	-	-
Use of money and property	1,183,958		9,101	8,844
Other revenues	4,794,084	-	-	-
Total revenues	35,763,134	-	9,101	844,826
EXPENDITURES:				
Current:				
General government	5,228,386	-	-	-
Public safety	19,667,702	-	-	-
Public works	810,113	-	-	-
Highways and streets	1,245,528	-	-	-
Parks and recreation	4,157,745	-	-	-
Library	1,614,102	-	-	-
Community development	1,445,766	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	34,169,342	-	-	-
REVENUES OVER (UNDER) EXPENDITURES	1,593,792	-	9,101	844,826
OTHER FINANCING SOURCES (USES):				
Transfers in	1,041,238	5,061,760	565,910	-
Transfers out	(6,732,418)		-	(95,315)
Total other financing sources (uses)	(5,691,180)	5,061,760	565,910	(95,315)
Extraordinary item	-			-
Net change in fund balances	(4,097,388)	5,061,760	575,011	749,511
FUND BALANCES:				
Beginning of year	13,732,419	-	2,456,498	1,109,997
End of year	$ 9,635,031	$ 5,061,760	$ 3,031,509	$ 1,859,508

The accompanying notes are an integral part of these financial statements.

Street Improvement Capital Projects	Non Major Governmental Funds	Totals 2013	Totals 2012
$ -	$ 1,054,699	$ 22,433,688	$ 24,265,039
-	219,771	2,834,980	3,674,707
1,662	1,237,744	4,416,017	4,811,636
264,832	66,576	3,120,324	4,648,073
-	15,072	676,421	759,985
9,953	51,544	1,263,400	1,788,884
3,051	4,349,888	9,147,023	9,409,245
279,498	6,995,294	43,891,853	49,357,569
-	3,455,130	8,683,516	7,659,751
-	19,853	19,687,555	19,200,997
-	66,046	876,159	954,550
1,557,107	1,435	2,804,070	3,420,294
-	152,412	4,310,157	4,245,171
-	14,739	1,628,841	1,635,242
-	58,292	1,504,058	1,903,573
-	1,161,609	1,161,609	2,154,326
-	386,409	386,409	365,592
-	542,606	542,606	219,706
1,557,107	5,858,531	41,584,980	41,759,202
(1,277,609)	1,136,763	2,306,873	7,598,367
1,522,230	1,397,474	9,588,612	2,572,024
(55,498)	(2,384,970)	(9,268,201)	(2,870,183)
1,466,732	(987,496)	320,411	(298,159)
-	-	-	(6,591,758)
189,123	149,267	2,627,284	708,450
1,475,185	7,420,115	26,194,214	25,485,764
$ 1,664,308	$ 7,569,382	$ 28,821,498	$ 26,194,214

CITY OF SAN BRUNO, CALIFORNIA

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE GOVERNMENT-WIDE STATEMENTS OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2013

Net change in fund balances- total governmental funds		$ 2,627,284
Amounts reported for governmental activities in the Statement of Activities are different because:		
Pension Obligation Bonds issued and used to finance outstanding CalPERS obligations is not reported on the governmental funds but is recorded as a special and extraordinary item on the Statement of Activities.		(12,546,749)
Amounts received from the Redevelopment Successor Agency for reimbursement of debt payments are recorded as revenues but are removed from the governmental funds and reduce the receivable amount due from the Redevelopment Successor Agency.		(250,000)
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets:		
Capital asset purchases capitalized	$ 3,910,262	
Capital asset retirements	(93,704)	
Depreciation expense	(2,808,158)	
Net decrease from capital outlay expenses.		1,008,400
Certain employee benefit obligations are recorded on a pay-as-you-go basis in the governmental funds, but are accrued as liabilities in the Statement of Net Position:		
Change in Net OPEB obligation		(2,909,000)
Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position:		
Capital lease obligation principal payments		31,408
Certificates of Participation principal payments		250,000
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:		
Interest payable		(33,572)
Accrued compensated absences		39,353
Internal services funds are used by management to charge the costs of certain activities, such as insurance, to individual funds. The net revenue (expense) of the internal service funds attributed to governmental activities.		(318,229)
Change in net position of governmental activities.		$(12,101,105)

The accompanying notes are an integral part of these financial statements.

CITY OF SAN BRUNO, CALIFORNIA

RECONCILIATION OF THE FUND BASIS STATEMENTS TO THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2013

Functions/Programs	Fund Based Totals	Compensated Absences/ Debt Service	Depreciation	Capital Asset (Additions)/ Retirements	Internal Service Fund Eliminations	OPEB Obligation	Government-wide Totals
Primary government:							
Governmental activities:							
General government	$ 8,683,516	$ (39,353)	$ 409,556	$ (1,556,355)	$ 54,746	$ 2,909,000	$ 10,461,110
Public safety	19,687,555	-	280,508	(225,648)	273,735	-	20,016,150
Public works	876,159	-	55,112	-	22,879	-	954,150
Highways and streets	2,804,070	-	1,616,351	(802,189)	29,416	-	3,647,648
Parks and recreation	4,310,157	-	402,346	(70,757)	178,132	-	4,819,878
Library	1,628,841	-	21,799	-	44,941	-	1,695,581
Community development	1,504,058	-	22,486	-	30,233	-	1,556,777
Capital outlay	1,161,609	-	-	(1,161,609)	-	-	-
Debt service/Interest expense	929,015	2,164	-	-	-	-	931,179
Total governmental activities	41,584,980	(37,189)	2,808,158	(3,816,558)	634,082	2,909,000	44,082,473
Business-type activities:							
Water	9,166,150	-	-	-	71,089	-	9,237,239
Stormwater	604,295	-	-	-	57,198	-	661,493
Wastewater	9,203,800	-	-	-	16,342	-	9,220,142
Cable television	10,062,197	-	-	-	38,405	-	10,100,602
Total business-type activities	29,036,442	-	-	-	183,034	-	29,219,476
Total expenditures/expenses	$ 70,621,422	$ (37,189)	$ 2,808,158	$ (3,816,558)	$ 817,116	$ 2,909,000	$ 73,301,949

The accompanying notes are an integral part of these financial statements.

CITY OF SAN BRUNO, CALIFORNIA

PROPRIETARY FUNDS
STATEMENT OF NET POSITION
JUNE 30, 2013
(With comparative totals for June 30, 2012)

	Business Type Activities - Enterprise Funds		
	Water	Stormwater	Wastewater
ASSETS			
Current assets:			
Cash and investments	$ 12,354,005	$ 724,572	$ 7,045,251
Cash and investments with fiscal agent/trustee	-	-	1,096,096
Accounts receivable	1,201,730	17,552	1,097,806
Total current assets	13,555,735	742,124	9,239,153
Noncurrent assets:			
Advance to Redevelopment Agency Obligation Retirement Fund	-	-	-
Deferred charges, net	-	-	206,961
Property, plant and equipment (net)	16,075,588	1,896,689	32,610,144
Total noncurrent assets	16,075,588	1,896,689	32,817,105
Total assets	$ 29,631,323	$ 2,638,813	$ 42,056,258
LIABILITIES AND NET POSITION			
Current liabilities:			
Accounts payable and accrued liabilities	$ 1,078,746	$ 11,624	$ 1,703,708
Due to other funds	-	-	-
Interest payable	-	-	339,394
Unearned revenue	-	-	-
Compensated absences - current	57,721	-	54,166
Long term debt - due within one year	-	-	1,225,389
Total current liabilities	1,136,467	11,624	3,322,657
Noncurrent liabilities:			
Compensated absences - noncurrent	41,991	8,244	46,421
Long term debt - due in more than one year	-	-	16,935,026
Liability for claims - non-current	-	-	-
Other long-term liabilities	-	-	-
Total noncurrent liabilities	41,991	8,244	16,981,447
Total liabilities	1,178,458	19,868	20,304,104
Net Position			
Investment in capital assets	16,075,588	1,896,689	14,449,729
Restricted for:	-		
Unrestricted (deficit)	12,377,277	722,256	7,302,425
Total net position	28,452,865	2,618,945	21,752,154
Total liabilities and net position	$ 29,631,323	$ 2,638,813	$ 42,056,258
Reconciliation to government-wide statement of net position:			
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds	$ 1,565,665	$ 116,719	$ 699,873
Net position of business-type activities	$ 30,018,530	$ 2,735,664	$ 22,452,027

The accompanying notes are an integral part of these financial statements.

Business Type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds	
Cable Television	Totals 2013	Totals 2012	Totals 2013	Totals 2012
$ -	$ 20,123,828	$ 17,958,157	$ 7,883,120	$ 7,569,265
-	1,096,096	1,061,172	91,119	91,119
834,199	3,151,287	2,896,125	14,420	7,979
834,199	24,371,211	21,915,454	7,988,659	7,668,363
-	-	-	2,977,033	2,977,033
-	206,961	217,853	-	-
4,887,991	55,470,412	53,193,387	-	-
4,887,991	55,677,373	53,411,240	2,977,033	2,977,033
$ 5,722,190	$ 80,048,584	$ 75,326,694	$ 10,965,692	$ 10,645,396
$ 444,879	$ 3,238,957	$ 2,717,354	$ 112,708	$ 167,904
3,563,344	3,563,344	2,930,884	-	-
1,708	341,102	361,937	-	-
749,518	749,518	777,387	-	-
187,325	299,212	286,933	61,101	54,746
430,267	1,655,656	1,597,175	-	-
5,377,041	9,847,789	8,671,670	173,809	222,650
66,389	163,045	197,213	53,238	48,366
36,945	16,971,971	18,627,630	-	-
-	-	-	3,056,000	2,190,469
-	-	30,000	-	-
103,334	17,135,016	18,854,843	3,109,238	2,238,835
5,480,375	26,982,805	27,526,513	3,283,047	2,461,485
4,420,779	36,842,785	32,968,582	-	-
(4,178,964)	16,222,994	14,831,599	7,682,645	8,183,911
241,815	53,065,779	47,800,181	7,682,645	8,183,911
$ 5,722,190	$ 80,048,584	$ 75,326,694	$ 10,965,692	$ 10,645,396
$ 914,128	$ 3,296,385	$ 3,479,419		
$ 1,155,943	$ 56,362,164	$ 51,279,600		

CITY OF SAN BRUNO, CALIFORNIA

PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2013
(With comparative totals for the year ended June 30, 2012)

	Business Type Activities - Enterprise Funds		
	Water	**Stormwater**	**Wastewater**
OPERATING REVENUES:			
Charges for services:			
Water sales	$ 11,535,489	$ -	$ -
Sewer service charges	-	-	12,168,194
Cable television charges	-	-	-
Other service charges	83,440	574,742	62,914
Other operating revenue	106,473	37,144	2,101
Insurance cost allocation	-	-	-
Total operating revenues	11,725,402	611,886	12,233,209
OPERATING EXPENSES:			
Water supply	5,533,899	-	-
Distribution	2,631,020	560,483	-
Customer accounting	307,900	-	-
Treatment	-	-	6,950,728
Cable operations	-	-	-
Central garage	-	-	-
Insurance expenses	-	-	-
Equipment replacement	-	-	-
Technology support	-	-	-
Facilities maintenance	-	-	-
Depreciation and amortization	693,331	43,812	1,592,921
Total operating expenses	9,166,150	604,295	8,543,649
OPERATING INCOME (LOSS)	2,559,252	7,591	3,689,560
NONOPERATING REVENUES (EXPENSES):			
Investment income	79,869	12,068	46,083
Interest and debt service expenses	-	-	(660,151)
Total non-operating revenues (expenses), net	79,869	12,068	(614,068)
NET INCOME (LOSS) BEFORE OPERATING TRANSFERS	2,639,121	19,659	3,075,492
Transfers in (out)	(1,275)	-	(1,700)
CHANGE IN NET POSITION	2,637,846	19,659	3,073,792
NET POSITON:			
Beginning of year	25,815,019	2,599,286	18,678,362
End of year	$ 28,452,865	$ 2,618,945	$ 21,752,154
Reconciliation to government-wide statement of activities:			
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds	$ (71,089)	$ (57,198)	$ (16,342)
Change in net position of business-type activities - End of year	$ 2,566,757	$ (37,539)	$ 3,057,450

The accompanying notes are an integral part of these financial statements.

	Business Type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds	
Cable Television	Totals 2013	Totals 2012		Totals 2013	Totals 2012
$ -	$ 11,535,489	$ 10,256,638		$ -	$ -
-	12,168,194	10,993,504		-	-
9,620,972	9,620,972	10,168,826		-	-
30,626	751,722	951,283		2,018,746	2,058,559
-	145,718	331,029		-	-
-	-	-		1,762,480	1,581,926
9,651,598	34,222,095	32,701,280		3,781,226	3,640,485
-	5,533,899	5,444,881		-	-
-	3,191,503	2,842,345		-	-
-	307,900	(318,631)		-	-
-	6,950,728	6,539,668		-	-
9,410,288	9,410,288	9,456,474		-	-
-	-	-		591,513	532,960
-	-	86,100		2,386,362	2,219,370
-	-	-		197,394	440,496
-	-	-		517,163	474,563
-	-	-		905,912	835,792
613,554	2,943,618	3,336,129		-	-
10,023,842	28,337,936	27,386,966		4,598,344	4,503,181
(372,244)	5,884,159	5,314,314		(817,118)	(862,696)
-	138,020	147,344		-	-
(38,355)	(698,506)	(768,839)		-	-
(38,355)	(560,486)	(621,495)		-	-
(410,599)	5,323,673	4,692,819		(817,118)	(862,696)
(55,100)	(58,075)	29,493		315,852	486,814
(465,699)	5,265,598	4,722,312		(501,266)	(375,882)
707,514	47,800,181	43,077,869		8,183,911	8,559,793
$ 241,815	$ 53,065,779	$ 47,800,181		$ 8,183,911	$ 8,183,911
$ (38,405)	$ (183,034)	$ (198,421)			
$ (504,104)	$ 5,082,564	$ 4,523,891			

CITY OF SAN BRUNO, CALIFORNIA

PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2013

(With comparative totals for the year ended June 30, 2012)

	Business Type Activities - Enterprise Funds		
	Water	**Stormwater**	**Wastewater**
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from interfund services provided	$ -	$ -	$ -
Cash receipts from customers	11,528,454	594,334	12,119,666
Cash payments to suppliers for goods and services	(6,422,396)	(202,689)	(5,011,125)
Cash payments to employees for services	(1,892,098)	(344,628)	(1,523,668)
Net cash provided by operating activities	3,213,960	47,017	5,584,873
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Transfers received from other funds	-	-	-
Transfers paid to other funds	(1,275)	-	(1,700)
Net cash provided by (used for) noncapital financing activities	(1,275)	-	(1,700)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Acquisition and construction of capital assets	(1,961,832)	(751,361)	(2,195,985)
Principal payments on long-term debt	-	-	(1,190,136)
Interest paid on long-term debt	-	-	(680,986)
Net cash (used) by capital and related financing activities	(1,961,832)	(751,361)	(4,067,107)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Investment income received	79,869	12,068	46,083
Net increase (decrease) in cash and cash equivalents	1,330,722	(692,276)	1,562,149
CASH AND CASH EQUIVALENTS:			
Beginning of year	11,023,283	1,416,848	6,579,198
End of year	$ 12,354,005	$ 724,572	$ 8,141,347
Reconciliation of Cash and Cash Equivalents to Statement of Net Position			
Cash and investments	$ 12,354,005	$ 724,572	$ 7,045,251
Cash and investments held by trustees	-	-	1,096,096
Total Cash and Cash Equivalents, End of Year	$ 12,354,005	$ 724,572	$ 8,141,347
Reconciliation of income (loss) from operations to net cash provided by (used for) operating activities:			
Operating income (loss)	$ 2,559,252	$ 7,591	$ 3,689,560
Adjustments to reconcile operating loss to net cash used in operating activities:			
Depreciation and amortization	693,331	43,812	1,592,921
(Increase) decrease in current assets:			
Accounts receivable	(196,948)	(17,552)	(113,543)
Prepaid items	-	-	10,892
Increase (decrease) in liabilities:			
Accounts payable and accrued liabilities	178,335	10,711	450,618
Unearned revenue	-	-	-
Compensated absences	(20,010)	2,455	(15,575)
Other long-term liabilities	-	-	(30,000)
Increase (decrease) in claims liability - noncurrent	-	-	-
Net cash provided by (used for) operating activities	$ 3,213,960	$ 47,017	$ 5,584,873

The accompanying notes are an integral part of these financial statements.

Business Type Activities Enterprise Funds			Governmental Activities - Internal Service Funds	
Cable Television	Totals 2013	Totals 2012	Totals 2013	Totals 2012
$ -	$ -	$ -	$ 3,774,785	$ 3,632,506
9,696,609	33,939,063	32,667,742	-	-
(7,306,812)	(18,943,022)	(17,827,194)	(3,776,782)	(3,937,404)
(2,210,296)	(5,970,690)	(5,882,276)	-	-
179,501	9,025,351	8,958,272	(1,997)	(304,898)
632,460	632,460	353,699	456,984	484,543
(55,100)	(58,075)	29,493	(141,132)	2,271
577,360	574,385	383,192	315,852	486,814
(311,465)	(5,220,643)	(3,699,788)	-	-
(407,042)	(1,597,178)	(1,898,124)	-	-
(38,355)	(719,341)	(789,880)	-	-
(756,862)	(7,537,162)	(6,387,792)	-	-
-	138,020	147,344	-	-
(1)	2,200,594	3,101,016	313,855	181,916
1	19,019,330	15,918,313	7,660,384	7,478,468
$ -	$ 21,219,924	$ 19,019,329	$ 7,974,239	$ 7,660,384
$ -	$ 20,123,828	$ 17,958,157	$ 7,883,120	$ 7,569,265
-	1,096,096	1,061,172	91,119	91,119
$ -	$ 21,219,924	$ 19,019,329	$ 7,974,239	$ 7,660,384
$ (372,244)	$ 5,884,159	$ 5,314,314	$ (817,118)	$ (862,696)
613,554	2,943,618	3,336,129	-	-
72,880	(255,163)	30,563	(6,441)	(7,979)
-	10,892	10,892	-	-
(118,061)	521,603	440,815	(55,196)	(56,174)
(27,869)	(27,869)	(64,101)	-	-
11,241	(21,889)	19,660	11,227	7,746
-	(30,000)	(130,000)	-	-
-	-	-	865,531	614,205
$ 179,501	$ 9,025,351	$ 8,958,272	$ (1,997)	$ (304,898)

CITY OF SAN BRUNO, CALIFORNIA

FIDUCIARY FUNDS
STATEMENT OF NET POSITION
JUNE 30, 2013
(With comparative totals for the year ended June 30, 2012)

	Redevelopment Agency Obligation Retirement Trust Fund		Agency Funds	
	2013	2012	2013	2012
ASSETS				
Cash and investments	$ 866,040	$ 5,450,841	$ 69,297,227	$ 69,208,411
Cash and investments with fiscal agent/trustee	649,975	649,974	-	-
Accounts receivable	-	-	364,747	402,488
Loans	-	90,000	-	-
Land held for resale	566,000	566,000	-	-
Total assets	$ 2,082,015	$ 6,756,815	$ 69,661,974	$ 69,610,899
LIABILITIES				
Accounts payable	$ 164,320	$ 757,777	$ 69,591,309	$ 69,563,383
Other liabilities	-	-	70,665	47,516
Long term obligation due to the City of San Bruno	7,430,000	7,680,000	-	-
Advances from the City of San Bruno	2,977,033	2,977,033	-	-
Total liabilities	10,571,353	11,414,810	$ 69,661,974	$ 69,610,899
NET POSITION				
Restricted net position held in trust	(8,489,338)	(4,657,995)		
TOTAL LIABILITIES AND NET POSITION	$ 2,082,015	$ 6,756,815		

The accompanying notes are an integral part of these financial statements.

CITY OF SAN BRUNO, CALIFORNIA

FIDUCIARY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
FOR THE YEAR ENDED JUNE 30, 2013

	Redevelopment Agency Obligation Retirement Trust Fund	
	2013	**2012**
ADDITIONS		
Administration allowance	$ 144,626	$ 416,341
Taxes	900,976	1,562,376
Other revenues	12	575,759
TOTAL ADDITIONS	1,045,614	2,554,476
DEDUCTIONS		
Community development	4,136,793	4,522,046
Administrative expenses	161,976	852,366
Interest and fiscal charges	-	291,669
Transfers out	578,188	218,148
TOTAL DEDUCTIONS	4,876,957	5,884,229
NET INCOME (LOSS) BEFORE SPECIAL ITEMS	(3,831,343)	(3,329,753)
Extraordinary item	-	(1,328,242)
CHANGES IN NET POSITION	(3,831,343)	(4,657,995)
NET POSITION-Beginning of the year	(4,657,995)	-
NET POSITION-End of the year	$ (8,489,338)	$ (4,657,995)

The accompanying notes are an integral part of these financial statements.

NOTES TO BASIC FINANCIAL STATEMENTS

CITY OF SAN BRUNO, CALIFORNIA

INDEX TO NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

The financial reporting entity consists of (a) the primary government, the City of San Bruno (City), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, component units can be other organizations for which the primary government is accountable and their exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The City Council acts as the governing body and is able to impose its will on the following organization, establishing financial accountability. As a result, this organization is considered a component unit of the City and is included within the financial statements of the City using the blended method.

Successor Agency to the Former Redevelopment Agency of the City of San Bruno

Successor Agency to the Redevelopment Agency of the City of San Bruno was created to serve as a custodian for the assets and to wind down the affairs of the former Redevelopment Agency of the City of San Bruno. The Successor Agency to the Redevelopment Agency of the City of San Bruno is a separate public entity from the City, subject to the direction of an Oversight Board. The Oversight Board is comprised of seven-member representatives from local government bodies. The transactions for the Successor Agency to the Redevelopment Agency of the City of San Bruno are accounted for separately in the Redevelopment Agency Obligation Retirement Trust Fund

Basis of Presentation

Government-Wide Financial Statements

The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, liabilities, fund balances/net position, revenues, and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the City or meets the following criteria:

a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and,

b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined. However, some funds are reported as major funds due to the significance to the users of the financial statements.

The funds of the financial reporting entity are described below:

Governmental Activities

General Fund

The General Fund is used to account for resources traditionally associated with the City which are not required legally or by sound financial management to be accounted for in another fund. The General Fund supports the City's general operating expenditures, fixed charges, and capital costs that are not paid through other funds.

Special Revenue Funds

The Special Revenue Funds are used to account for specific revenues that are legally or otherwise restricted or committed to expenditures for particular purposes.

Capital Project Funds

The Capital Projects Funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds.

Debt Service Funds

The Debt Service Funds account for the accumulation of financial resources for the payment of interest and principal on the general long-term debt of the City other than those serviced by proprietary funds.

Business-type Activities

Proprietary Funds

Enterprise Funds

The Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises – where the intent of the City Council is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or where the City Council has decided that periodic determination of net income is appropriate for accountability purposes.

Internal Service Funds

The Internal Service Funds are used to account for financing of goods or services provided by one department or agency to other departments or agencies of the City, or to other governments, on a cost-reimbursement basis. The internal service funds are used to account for equipment servicing other funds, central garage, insurance programs, facilities maintenance and technology development. These funds are eliminated as part of the reconciliation process and treated as governmental activities, since these are the primary funds served. The percentage contribution by function to these funds was as follows:

Governmental activities:	
General government	6%
Public safety	33%
Public works	3%
Highways and streets	4%
Parks and recreation	22%
Library	5%
Community development	4%
Business-type activities:	
Water	9%
Stormwater	2%
Wastewater	7%
Cable	5%

Fiduciary Funds

Agency Funds

Agency Funds account for assets held by the City in a purely custodial capacity. The reporting entity includes three agency funds, which are Project Development, Crestmoor Glenview Restitution and San Bruno Garbage Company. Since agency funds are custodial in nature, (i.e. assets equal liabilities), they do not involve the measurement of results of operations.

Trust Funds

Trust funds are used to account for the assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore, not available to support the City's own programs. The City's private purpose trust fund is the Redevelopment Agency Obligation Retirement Trust Fund.

Major and Non-Major Governmental Funds

The governmental funds are further classified as major or non-major as follows:

Fund Type	Brief Description
Major:	
General	Primary operating fund of the City, accounting for all activities except those legally or administratively required to be accounted for in other funds.
Special Revenue Funds:	
Capital Improvement Projects Reserve	Accounts for amounts committed by City Council to be used for projects and initiatives throughout the City that have no other identifiable funding source.
Emergency Disaster Reserve	Accounts for amounts committed by City Council to be used in the event of a declaration of emergency that requires the expenditure of funds outside of the adopted budget.
Measure A Transportation Tax	Accounts for funds received to be used for local transportation purposes.
Capital Projects Funds:	
Street Improvement	Accounts for funds expended for street improvements.

Non-Major:

Special Revenue Funds:

In-lieu	Accounts for funds received to substitute for standard fees utilized for particular purposes.
Agency on Aging	Accounts for funds received for senior services.
Gas Tax	Accounts for funds received and expended for street maintenance purposes as defined in Sections 2103, 2105, 2106, 2107 and 2107.5 of the Streets and Highway Code.
Federal/State Grants	Accounts for activities for the City's grants.
Library	Accounts for funds received for Library programs and operations.
Police Asset Seizure	Accounts for asset seizure funds to be used on Police programs.
Safety Augmentation	Accounts for state augmentation funds to be used for safety programs.
Police	Accounts for Police revenues to be used on special law enforcement programs.
SB322 Recycling/Litter Clean-up	Accounts for SB322 funds to be used on recycling and litter clean-up programs.
Restricted Donations	Accounts for donations received for specific purposes.
Traffic Safety	Accounts for traffic safety funds.
Emergency Disaster Reimbursement	Accounts for funds to be used for rebuilding the Crestmoor/Glenview Neighborhood.

Debt Service Funds:

General	Accounts for funds related to principal and interest payments for the fire apparatus lease purchase, 2013 Pension Obligation Bond, and 2000 Certificates of Participation.

Capital Projects Funds:

General	Accounts for funds expended on general City projects.

Measurement Focus

Measurement focus is a term used to describe how transactions are recorded within the various financial statements.

On the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-like activities are presented using the economic resources measurement focus as defined in item b below.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate:

a. All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

b. The enterprise and internal service funds utilize an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of net income, financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Enterprise and internal service fund equity is classified as net position.

c. Fiduciary funds are accounted for using the flow of economic resources measurement focus and the accrual basis of accounting. Fiduciary funds are excluded from the government-wide financial statements because they do not represent resources of the City.

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities both governmental and business-type activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when "measurable and available." Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period, considered to be 60 days, or soon enough thereafter to pay current liabilities. Major revenue sources meeting this criterion are property taxes, sales taxes, grants and interest. Expenditures (including capital outlay) are recorded when the related fund liability is incurred.

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. Internally dedicated resources are reported as *general revenues* rather than program revenues. Likewise, general revenues include all taxes.

The enterprise, internal service and agency funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Operating revenues in the proprietary fund are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

Assets, Liabilities, and Equity

Cash Deposits and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

The City pools cash and investments from all funds for the purpose of increasing income through investment activities. Highly liquid money market investments with maturities of one year or less at time of purchase are stated at amortized cost. All other investments are stated at fair value in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. Market value is used as fair value for those securities for which market quotations are readily available.

The City indirectly participates in an investment pool managed by the State of California titled Local Agency Investment Fund (LAIF) which has invested a portion of the pool funds in Structured Notes and Asset-Backed Securities. LAIF's investments are subject to credit risk with the full faith and credit of the State of California collateralizing these investments. In addition, these Structured Notes and Asset-Backed Securities are subject to market risk as to changes in interest rates.

Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as "due to and from other funds." Short-term interfund loans are reported as "interfund receivables and payables." Long-term interfund loans (noncurrent portion) are reported as "advances from and to other funds."

Interfund receivables and payables between funds within governmental activities are eliminated in the Statement of Net Position. See Note 10 for details of interfund transactions, including receivables and payables at year-end.

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Allowances of uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivable balances for the governmental activities include property taxes, sales and use taxes, transient taxes, franchise taxes, intergovernmental subventions, interest earnings, ambulance fees, and expense reimbursements.

Business-type activities report property taxes, service charges, and expense reimbursements as its major receivables. See Note 3 for additional disclosures. In the fund financial statements, significant receivables in governmental funds include revenue accruals such as property tax, sales tax, transient tax, franchise tax, and intergovernmental subventions since they are usually both measurable and available. Non-exchange transactions collectible but not available are deferred in the fund financial statements in accordance with the modified accrual basis, but not deferred in the government-wide financial statements in accordance with the accrual basis. Interest and investment earnings are recorded when earned only if paid within 60 days since they would be considered both measurable and available.

Proprietary fund material receivables consist of all revenues earned at year-end and not yet received. Intergovernmental accounts receivable comprise the majority of proprietary fund receivables. The City's experience is that all accounts receivable are collectible; therefore an allowance for doubtful accounts is unnecessary.

Inventories

The cost of other consumable materials and supplies on hand are immaterial to the financial statements, and the City has therefore chosen to report these items as expenditures/expenses at the time of purchase.

Capital Assets

The City's assets are capitalized at historical cost or estimated historical cost. Policy has set the capitalization threshold for reporting capital assets at $10,000 if actual is unavailable, except for donated Capital Assets which are recorded at their estimated fair value at the date of donation. Gifts or contributions of capital assets are recorded at fair market value on the date donated. Public domain (infrastructure) general fixed assets include roads, bridges, curbs and gutters, streets, sidewalks, drainage systems, and lighting systems and are capitalized at $100,000.

The accounting treatment of property, plant and equipment (Capital Assets) depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

Government-Wide Statements

Prior to July 1, 2003, governmental funds' infrastructure assets were not capitalized. These assets (back to July 1, 1980) have been valued at estimated historical cost.

Depreciation of all exhaustible Capital Assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Infrastructure	10 – 50 years
Government buildings and structures	10 – 40 years
Equipment and furnishings	5 – 10 years
Water	5 – 40 years
Stormwater	5 – 40 years
Wastewater	5 – 40 years
Cable television	5 – 40 years

Fund Financial Statements

In the fund financial statements, Capital Assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital Assets used in proprietary fund operations are accounted for the same way as in the government-wide statements.

Long-Term Debt

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term debt to be repaid from governmental and business-type resources is reported as liabilities in the government-wide statements. The long-term debt consists of capital leases, certificates of participation, compensated absences and a liability for claims.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as revenue and payment of principal and interest reported as expenditures. The accounting for proprietary funds is the same in the fund statements as it is in the government-wide statements.

Compensated Absences

The City's policies regarding vacation time and compensatory time permit employees to accumulate earned but unused leave. The current portion of this debt is estimated based on historical trend and funded in the individual fund generating the liability with the long-term portion shown as a long-term liability.

Net Position/Fund Balance Classification

Government-Wide Statements

Equity is classified as net position and displayed in three components:

a. *Net investment in capital assets* – consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

b. *Restricted net position* – consists of net position with constraints placed on the use either by 1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or 2) law through constitutional provisions or enabling legislation.

c. *Unrestricted net position* – all other net position that do not meet the definition of "restricted" or "net investment in capital assets."

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

Fund Financial Statements

Governmental fund balances are classified as follows:

Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed – amounts that can be used only for specific purposes determined by a formal action of the City Council. The City Council is the highest level of decision-making authority for the City. Commitments may be established, modified, or rescinded only through a city resolution as approved by the city council. The constraint remains binding unless removed in the same formal manner by the City Council. Council action to commit fund balance must occur within the fiscal reporting period while the amount committed may be determined subsequently.

Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the City's adopted policy, only the city council or city manager may assign amounts for specific purposes.

Unassigned – all other spendable amounts.

Spending Order Policy

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the City considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the city council has provided otherwise in its commitment or assignment actions.

Revenues, Expenditures, and Expenses

Property Tax

Under California law, property taxes are assessed and collected by the counties up to 1% of assessed value, plus other increases approved by the voters. The property taxes go into a pool, and are then allocated to the cities based on complex formulas. Accordingly, the City accrues only those taxes which are receivable from the county within sixty days after year end.

Lien Date	January 1
Levy Date	July 1
Due Dates	November 1 and February 1
Delinquent Date	December 10 and April 10

Property taxes attach annually as an enforceable lien as of January 1. Taxes are levied on July 1, are payable in two installments, and are delinquent at December 10 and April 10. All general property taxes are then allocated by the San Mateo County Controller's Office to the various taxing entities in accordance with Proposition 13. Property tax revenues are recognized when levied to the extent that they are measurable and that they will be received in 60 days. Since the County utilizes the Teeter system of allocation, all property tax revenue is allocated to the City and accounted for as revenue in the fiscal year that it is levied.

Expenditures/Expenses

In the government-wide financial statements, expenses are classified by function for both governmental and business-type activities.

In the fund financial statements, expenditures are classified as follows:

Governmental funds – by character
Current (further classified by function)
Capital outlay
Debt service

In the fund financial statements, governmental funds report expenditures of current financial resources.

Interfund Transfers

Resources are reallocated between funds by reporting them as interfund transfers. For the purposes of the Statement of Activities, all interfund transfers between individual governmental funds have been eliminated with internal balances (between governmental and business-type activities) remaining on the statement of net position.

Prior Year Data

Selected information regarding the prior year has been included in the accompanying financial statements. This information has been included for comparison purposes and does not represent a complete presentation in accordance with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the City's prior year financial statements, from which this selected data was derived. Certain minor reclassifications of prior year data may have been made in order to enhance their comparability with current year figures.

Use of Estimates

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

Budgetary Policies

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

1. Public meetings are conducted to obtain public comments. The City Council annually adopts the budget for the ensuing fiscal year prior to July 1st.

2. Legally adopted budgets and formal budgetary integration is employed as a management control device during the year for all Governmental, Proprietary and Fiduciary Fund Types.

3. Budgets for the General, Major Special Revenue, and Capital Project Funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America (GAAP).

4. Under Article XIII B of the California Constitution (the GANN Spending Limitation Initiative), the City is restricted as to the amount of annual appropriations from the proceeds of taxes, and if proceeds of taxes exceed allowed appropriations, the excess must either be refunded to the State Controller, returned to the taxpayers through revised tax rates or revised fees schedules, or an excess in one year may be offset against a deficit in the following year. For the fiscal year ended June 30, 2013, based on the calculations by City Management, proceeds of taxes did not exceed the appropriations limit.

5. Budgeted revenue and expenditure amounts represent the original budget modified by adjustments authorized during the year.

6. Appropriations, except for those encumbered under purchase orders, lapse at the end of the fiscal year. Encumbered amounts are then carried over for the coming year.

7. Budgeted appropriations for the various governmental funds become effective each July 1. The City Council may amend the budget during the fiscal year. The legal level of budgetary control has been established at the fund level.

8. Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) for all governmental funds.

NOTE 2 - CASH AND INVESTMENTS

At June 30, 2013, the City's pooled cash and investments, classified by maturity, consisted of the following stated at fair market value:

	Maturity (in years)					Fair
	Less than 1	1 to 2	2 to 3	4 to 5	Deposits	Market Value
Cash equivalents and investment pooled						
Cash - Bank of America	$ -	$ -	$ -	$ -	$ 91,119	$ 91,119
Cash - First National Bank	-	-	-	-	2,629,480	2,629,480
Cash - Union Bank	-	-	-	-	101,299	101,299
Cash - Wells Fargo	-	-	-	-	3,820,679	3,820,679
Petty cash	-	-	-	-	33,250	33,250
Total pooled cash	-	-	-	$ -	6,675,827	6,675,827
Interest obligations						
Black Rock Institutional Funds T-Funds (Union Bank)	1,066,476	-	-	$ -	-	1,066,476
County of San Mateo Investment Pool	25,073,372	-	-	-	-	25,073,372
Highmark US Government Money Market Fund (Union Bank)	649,975	-	-	-	-	649,975
State of California Local Agency Investment Fund	15,275,700	-	-	-	-	15,275,700
Federal Home Loan Banks (Union Bank)	2,001,480	-	-	977,150	-	2,978,630
Federal Farm Credit Backed	3,000,470	-	997,460	-	-	3,997,930
Federal Home Loan Bank Bonds (Union Bank)	1,010,940	-	994,500	-	-	2,005,440
Federal National Mortgage Association (Union Bank)	-	-	1,980,780	1,956,580	-	3,937,360
US Treasury Bill (Wells Fargo)	64,997,800	-	-	-	-	64,997,800
Total pooled investments-interest obligations	113,076,213	-	3,972,740	2,933,730	-	119,982,683
Total cash equivalents and investment pooled	$113,076,213	$ -	$3,972,740	$2,933,730	$6,675,827	$ 126,658,510

Amounts reported in:	
Governmental activities	$ 34,625,344
Business-type activities	21,219,924
Fiduciary activities - Agency funds	70,813,242
Total	$ 126,658,510

Interest rate risk: In accordance with its investment policy, the City manages its exposures to declines in fair values by limiting the weighted average maturity of its investment portfolio to less than 2 years.

Concentration of credit risk: The City's investment policy does not allow for an investment in any one issuer that is in excess of five percent of the government's total investments. The investments made by the City Treasurer are limited to those allowable under State statutes as incorporated into the City's Investment Policy, which is accepted annually by the City Council.

Custodial credit risk – deposit: For deposits, there is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City currently has no deposit policy for custodial credit risk. The City is not exposed to significant custodial risk.

Custodial credit risk – investments: For investments, there is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside counterparty. For the investments maintained by the City, no security was uninsured or unregistered or held by a brokerage firm which is also the counterparty for the security.

Credit risk: As of June 30, 2013, the City's investments were rated AA+ by Standard & Poor's and Fitch Ratings, and Aaa by Moody's Investors Service. The County of San Mateo Investment Pool and State of California Local Agency Investment Fund are not rated.

Investment Types	Amount
AA+ rated:	
Available for Operations:	
U.S. Government Agency Obligations	$ 77,917,160
Restricted:	
Money Market Funds	1,817,750
Not Rated:	
County of San Mateo Investment Pool	25,073,372
California Local Agency Investment Funds	15,275,700
Exempt from credit rate disclosure:	
Demand Deposits	6,574,528
Total Cash and Investments	$126,658,510

Investment policy: Investments are reported at fair value. California statutes authorize cities to invest idle or surplus funds in a variety of credit instruments as provided for in the California Government Code, Section 53600, Chapter 4 – Financial Affairs. 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) that address interest rate risk, and concentration of credit risk.

During the year ended June 30, 2013, the City's permissible investments included the following instruments:

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
U.S. Treasury obligations	5 years	None	None
U.S. Agency securities	5 years	None	None
Non-negotiable certificates of deposit	1 years	None	None
LAIF	N/A	None	None
Local government investment pools	N/A	None	None
Collateralized negotiable investments	5 years	None	50%

During the year ended June 30, 2013, the City's permissible investments for debt service fiscal agents included the following instruments:

Authorized Investment Type	Maximum Maturity	Minimum Credit Quality	Maximum Investment in One Issuer
U.S. Treasury obligations	None	None	None
U.S. Agency securities	None	None	None
Non-negotiable certificates of deposit	1 years	None	None
LAIF	N/A	None	None
Bankers acceptances	1 year	P1/A1	None
Local government securities	None	Highest	None
Commercial paper	None	P1	None
Investment agreements	None	None	None
Certificates of deposits, savings account, and Deposit accounts	None	None	None
Money market accounts	None	Aaa, Aa1	None

The City complied with the provisions of California Government Code (or the City's investment policy, where more restrictive) pertaining to the types of investments held, institutions in which deposits were made and security requirements. The City will continue to monitor compliance with applicable statutes pertaining to public deposits and investments.

NOTE 3 - ACCOUNTS RECEIVABLE

Accounts receivable consisted of the following at June 30, 2013:

	Governmental Activities	Business-type Activities	Fiduciary Activities	Total
Taxes	$ 1,039,195	$ -	$ -	$ 1,039,195
Interest	46,322	-	-	46,322
Intergovernmental subventions	11,643	-	-	11,643
Intergovernmental grants	550,590	-	-	550,590
Service charges	14,420	3,151,287	364,747	3,530,454
Loans	638,075	-	-	638,075
Expense reimbursements	1,429,961	-	-	1,429,961
	$ 3,730,206	$ 3,151,287	$ 364,747	$ 7,246,240

NOTE 4 - CAPITAL ASSETS

	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
Nondepreciable:						
Land	$ 3,211,345	$ 1,811,197	$ 576,842	$ 576,842	$ 3,788,187	$ 2,388,039
Construction in progress	4,657,189	5,882,759	4,139,152	4,971,387	8,796,341	10,854,146
Depreciable property:						
Infrastructure, net	31,250,333	29,850,719	-	-	31,250,333	29,850,719
Sewer Plant	-	-	15,298,209	15,664,678	15,298,209	15,664,678
Building and improvements, net	7,960,895	8,151,391	28,511,787	26,733,154	36,472,682	34,884,545
Machinery and equipment, net	2,320,262	2,695,555	6,944,422	5,247,326	9,264,684	7,942,881
Total	$49,400,024	$48,391,621	$55,470,412	$53,193,387	$104,870,436	$101,585,008

Capital asset activity for the year ended June 30, 2013 for governmental activities was as follows:

	Balance July 1, 2012	Additions	Deletions	Balance June 30, 2013
GOVERNMENTAL ACTIVITIES:				
Cost of property				
Non-depreciable property				
Land:	$ 1,811,197	$ 1,400,148	$ -	$ 3,211,345
Construction in progress	5,882,760	1,426,107	(2,651,678)	4,657,189
Depreciable property:				
Infrastructure	69,170,690	3,002,759	-	72,173,449
Buildings and improvements	13,736,901	205,040	-	13,941,941
Machinery and equipment	9,921,420	434,185	(93,704)	10,261,901
Total cost	100,522,968	6,468,239	(2,745,382)	104,245,825
Accumulated depreciation				
Infrastructure	(39,319,972)	(1,603,144)	-	(40,923,116)
Buildings and improvements	(5,585,510)	(395,536)	-	(5,981,046)
Machinery and equipment	(7,225,865)	(809,478)	93,704	(7,941,639)
Total accumulated depreciation	(52,131,347)	(2,808,158)	93,704	(54,845,801)
Net Book Value				
Non-depreciable property				
Land:	1,811,197	1,400,148	-	3,211,345
Construction in progress	5,882,760	1,426,107	(2,651,678)	4,657,189
Depreciable property:				
Infrastructure	29,850,718	1,399,615	-	31,250,333
Buildings and improvements	8,151,391	(190,496)	-	7,960,895
Machinery and equipment	2,695,555	(375,293)	-	2,320,262
Net book value	$ 48,391,621	$ 3,660,081	$(2,651,678)	$ 49,400,024

Depreciation expense for governmental activities for the year ended June 30, 2013 was as follows:

General government	$ 409,556
Public safety	280,508
Public works	55,112
Highway and streets	1,616,351
Parks and recreation	402,346
Library	21,799
Community development	22,486
Total depreciation expense	$ 2,808,158

Capital asset activity for the year ended June 30, 2013 for business-type activities was as follows:

	Balance July 1, 2012	Additions	Deletions	Balance June 30, 2013
BUSINESS-TYPE ACTIVITIES:				
Cost of property				
Water				
Land	$ 76,842	$ -	$ -	$ 76,842
Construction in progress	2,323,036	916,863	(820,181)	2,419,718
Buildings and improvements	18,423,816	1,562,483	-	19,986,299
Machinery and equipment	3,312,003	302,668	(67,538)	3,547,133
Total cost	24,135,697	2,782,014	(887,719)	26,029,992
Stormwater				
Construction in progress	436,418	131,664	(119,064)	449,018
Buildings and improvements	685,610	528,372	-	1,213,982
Machinery and equipment	490,903	210,389	-	701,292
Total cost	1,612,931	870,425	(119,064)	2,364,292
Wastewater				
Construction in progress	2,211,932	307,269	(1,248,786)	1,270,415
Sewer plant	23,613,078	578,054	-	24,191,132
Buildings and improvements	16,877,373	937,912	-	17,815,285
Machinery and equipment	1,201,632	1,610,643	(23,562)	2,788,713
Total cost	43,904,015	3,433,878	(1,272,348)	46,065,545
Cable Television				
Land	500,000	-	-	500,000
Construction in progress	-	-	-	-
Buildings and improvements	3,030,888	-	-	3,030,888
Machinery and equipment	14,759,654	311,463	(21,118)	15,049,999
Total cost	18,290,542	311,463	(21,118)	18,580,887
Total cost of property	$ 87,943,185	$ 7,397,780	$(2,300,249)	$ 93,040,716
Total Cost By Category				
Non-depreciable property				
Land:	$ 576,842	$ -	$ -	$ 576,842
Construction in progress	4,971,386	1,355,796	(2,188,031)	4,139,151
Depreciable property:				
Sewer plant	23,613,078	578,054	-	24,191,132
Buildings and improvements	39,017,687	3,028,767	-	42,046,454
Machinery and equipment	19,764,192	2,435,163	(112,218)	22,087,137
Total cost	$ 87,943,185	$ 7,397,780	$(2,300,249)	$ 93,040,716

Accumulated Depreciation for business-type activities was as follows:

	Balance June 30, 2012	Additions	Deletions	Balance June 30, 2012
Accumulated Depreciation				
Water				
Buildings and improvements	$ (6,732,557)	$ (580,526)	$ -	$ (7,313,083)
Machinery and equipment	(2,596,055)	(112,804)	67,538	(2,641,321)
Total	(9,328,612)	(693,330)	67,538	(9,954,404)
Stormwater				
Buildings and improvements	(44,155)	(22,611)	-	(66,766)
Machinery and equipment	(379,636)	(21,201)	-	(400,837)
Total	(423,791)	(43,812)	-	(467,603)
Wastewater				
Sewer plant	(7,948,398)	(944,524)	-	(8,892,922)
Buildings and improvements	(3,500,038)	(502,051)	-	(4,002,089)
Machinery and equipment	(448,498)	(135,454)	23,562	(560,390)
Total	(11,896,934)	(1,582,029)	23,562	(13,455,401)
Cable Television				
Buildings and improvements	(2,007,784)	(144,944)	-	(2,152,728)
Machinery and equipment	(11,092,676)	(468,610)	21,118	(11,540,168)
Total	(13,100,460)	(613,554)	21,118	(13,692,896)
Total accumulated depreciation	$ (34,749,797)	$ (2,932,725)	$ 112,218	$ (37,570,304)
Total Accumulated Depreciation By Category				
Depreciable property:				
Sewer plant	$ (7,948,398)	$ (944,524)	$ -	$ (8,892,922)
Buildings and improvements	(12,284,534)	(1,250,132)	-	(13,534,666)
Machinery and equipment	(14,516,865)	(738,069)	112,218	(15,142,716)
Total accumulated depreciation	$ (34,749,797)	$ (2,932,725)	$ 112,218	$ (37,570,304)
Net Book Value				
Non-depreciable property				
Land:	$ 576,842	$ -	$ -	$ 576,842
Construction in progress	4,971,386	1,355,796	(2,188,031)	4,139,151
Depreciable property:				
Sewer plant	15,664,680	(366,470)	-	15,298,210
Buildings and improvements	26,733,153	1,778,635	-	28,511,788
Machinery and equipment	5,247,327	1,697,094	-	6,944,421
Total net book value	$ 53,193,388	$ 4,465,055	$ (2,188,031)	$ 55,470,412

Depreciation and amortization expense for business-type activities for the year ended June 30, 2013 was as follows:

Water	$ 693,330
Stormwater	43,812
Wastewater	637,505
Cable television	613,554
Total depreciation expense	1,988,201
Wastewater - amortization	944,524
Total depreciation and amortization	$ 2,932,725

NOTE 5 - ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities consisted of the following at June 30, 2013:

	Governmental Activities	Business-type Activities	Fiduciary Activities	Total
Accounts payable	$ 3,000,970	$ 2,907,432	$ 69,755,629	$ 75,664,031
Deposits	668,250	101,903	59,421	829,574
Accrued payroll	1,225,556	-	-	1,225,556
Other accrued liabilities	-	229,622	11,244	240,866
Total	$ 4,894,776	$ 3,238,957	$ 69,826,294	$ 77,960,027

These amounts resulted in the following concentrations in payables:

Vendor	97%
Deposits	1%
Employees	2%

NOTE 6 - LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities for governmental activities for the year ended June 30, 2013:

	Balance July 1, 2012	Additions	Retirements	Balance June 30, 2013	Due within one year
Governmental activities					
Pension Obligation Bond	$ -	$13,175,000	$ (355,000)	$ 12,820,000	$ 775,000
Pension Obligation Bond - Discounts	-	$ (292,769)	$ 19,518	(273,251)	(19,518)
2000 Certificates of participation	7,680,000	-	(250,000)	7,430,000	260,000
Capital lease obligations	240,306	-	(31,408)	208,898	32,335
Compensated absences	2,422,938	-	(28,126)	2,394,812	1,413,744
Liability for claims	2,190,469	1,367,043	(501,512)	3,056,000	-
Other post employment benefits	9,861,900	3,942,800	(1,033,800)	12,770,900	-
Total governmental activities	$ 22,395,613	$18,192,074	$(2,180,328)	$ 38,407,359	$2,461,561

G***overnmental Activities:***

2013 Pension Obligation Bonds

During January 2013 the City issued $13,175,000 in Series 2013 Pension Obligation Bonds in order to pay-off amounts owed for the City's CalPERS "side-fund." Principal payments are due annually on June 1 while interest payments are due semi-annually on June 1 and December 1. True interest cost is 4.05%.

The Pension Obligation Bond debt appears as a new debt in the City's financial statements. However, this debt issuance is a refunding of an existing debt that the City owed to CalPERS. The issuance of the Pension Obligation Bonds reduced the interest rate on this debt from 7.5% to just over 4%. The debt service payments are funded through savings achieved in the City's employer contribution rate, which decreased from 36.604% to 24.706% after the payoff of the side fund.

2000 Certificates of Participation

During December 2000 the City issued $9,600,000 in Series 2000 Certificates of Participation for the construction of a police facility. Principal payments are due annually on February 1 and interest payments are due semi-annually on February 1 and August 1. Interest rates range from 5.25% to 7.00%.

The Redevelopment Agency Obligation Retirement Fund has agreed under a separate agreement to reimburse the City for all costs associated with the construction of the San Bruno/BART Police Station including all debt service costs.

Capital Lease Obligation

During August 2011, the City entered into a $540,306 capital lease-purchase agreement with JP Morgan Chase Bank, N.A. to finance a fire truck. Principal and interest payments are due annually on September 15 with an interest rate of 2.95%.

Compensated Absences

Compensated absences at June 30, 2013, amounted to $2,394,812 and $462,257 for the governmental activities and business-type activities respectively. The City utilizes a methodology based upon actual vacation and sick leave usage in the fund in which the related compensation is paid. All governmental balances are liquidated through the General Fund. There is no fixed payment schedule for compensated absences.

Claims Payable

With the implementation of Governmental Accounting Standards Board Statement No. 10, *"Accounting for Financial Reporting for Risk Financing and Related Insurance Issues"* the Self-insurance Internal Service Fund reflects the financial effect of risk financing activities of $3,056,000 (see Note 11 for further discussion). Claims are paid in the form of internal charges based upon departmental claims activity.

The annual debt service requirements to maturity for all Governmental Activity amounts, except compensated absences and claims payable, at June 30, 2013, were as follows:

	Governmental Activities							
Year Ending June 30,	Pension Obligation Bond		2000 Certificates of Participation		Capital Lease Obligations		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2014	$ 775,000	$ 404,526	$ 260,000	$ 386,358	$ 32,335	$ 6,162	$ 1,067,335	$ 797,046
2015	785,000	394,451	275,000	373,618	33,290	5,209	1,093,290	773,277
2016	795,000	380,714	285,000	359,868	34,271	4,227	1,114,271	744,808
2017	815,000	364,019	300,000	345,618	35,282	3,216	1,150,282	712,852
2018	830,000	345,681	315,000	330,468	36,323	2,175	1,181,323	678,324
2019-2023	4,550,000	1,566,413	1,855,000	1,388,553	37,395	1,103	6,442,395	2,956,069
2024-2028	4,270,000	1,081,501	2,385,000	849,450	-	-	6,655,000	1,930,951
2029-2033	-	-	1,755,000	187,425	-	-	1,755,000	187,425
Total	$12,820,000	$ 4,537,304	$ 7,430,000	$ 4,221,356	$ 208,897	$ 22,092	$20,458,896	$ 8,780,752
Due with in one year	$ 775,000	$ 404,526	$ 260,000	$ 386,358	$ 32,335	$ 6,162	$ 1,067,335	$ 797,046
Due after one year	12,045,000	4,132,778	7,170,000	3,834,998	176,562	15,930	19,391,561	7,983,706
Total	$12,820,000	$ 4,537,304	$ 7,430,000	$ 4,221,356	$ 208,897	$ 22,092	$20,458,896	$ 8,780,752

The following is a summary of changes in long-term debt for business-type activities for the year ended June 30, 2013:

	Balance July 1, 2012	Additions	Retirements	Balance June 30, 2013	Due within one year
Business-type activities:					
2002 Certificates of participation	$ 8,035,000	$ -	$ (235,000)	$ 7,800,000	$ 245,000
Capital lease obligations	874,254	-	(407,041)	467,213	430,267
Compensated absences	484,147	54,203	(76,091)	462,259	299,212
Due to City of South San Francisco					
1993 Loan	377,852	-	(186,134)	191,718	191,718
1999 Loan	5,577,755	-	(444,530)	5,133,225	456,087
2007 Loan	5,359,943	-	(324,472)	5,035,471	332,584
Other long-term liabilities	30,000	-	(30,000)	-	-
Total business-type activities	$ 20,738,951	$ 54,203	$(1,703,268)	$ 19,089,886	$ 1,954,868

During May 2002 the City issued $9,800,000 in Series 2002 Certificates of Participation for the construction of various improvements to the City's Wastewater System. Principal and interest payments are due annually on January 1 and July 1. Interest rates range from 2.25% to 5.00%.

Capital Lease Obligations

At June 30, 2013, Business-type Capital Lease Obligations consisted of the following:

	Balance July 1, 2012	Additions	Retirements	Balance June 30, 2013	Due within one year
Commercial services	$ 874,254	$ -	$ (407,041)	$ 467,213	$ 430,267

Commercial Services Project

On August 25, 2009, the City entered into a $1,609,267 capital lease with Key Government Finance, Inc. to purchase servers, routers, switches, and related equipment for the Commercial Data and Voice Project. Principal and interest payments are due on the 25th of each month with an interest rate of 4.756%.

The annual debt service requirements to maturity for all Business-type Activity amounts, except compensated absences and claims payable, at June 30, 2013, were as follows:

	Business-type Activities							
Year Ending June 30,	2002 Certificates of Participation		Capital Lease Obligations		Due to South San Francisco		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2014	$ 245,000	$ 378,493	$430,267	$15,128	$ 980,389	$ 265,103	$ 1,655,656	$ 658,724
2015	255,000	368,051	36,946	171	808,844	239,178	1,100,790	607,400
2016	265,000	356,803	-	-	829,533	218,489	1,094,533	575,291
2017	275,000	344,785	-	-	850,752	197,270	1,125,752	542,055
2018	290,000	331,928	-	-	872,513	175,509	1,162,513	507,436
2019-2023	1,655,000	1,435,010	-	-	4,708,982	531,128	6,363,982	1,966,138
2024-2028	2,110,000	970,272	-	-	1,309,401	66,009	3,419,401	1,036,281
2029-2033	2,705,000	359,903	-	-	-	-	2,705,000	359,903
Total	$7,800,000	$4,545,244	$467,213	$15,299	$10,360,414	$1,692,686	$18,627,627	$6,253,229
Due with in one year	$ 245,000	$ 378,493	$430,267	$15,128	$ 980,389	$ 265,103	$ 1,655,656	$ 658,724
Due after one year	7,555,000	4,166,751	36,946	171	9,380,025	1,427,583	16,971,971	5,594,505
Total	$7,800,000	$4,545,244	$467,213	$15,299	$10,360,414	$1,692,686	$18,627,627	$6,253,229

NOTE 7 - CITY OF SOUTH SAN FRANCISCO SEWER PLANT AGREEMENT

The City entered into a joint-ownership agreement with the City of South San Francisco (SSF) to operate a water quality control plant and appurtenant facilities to service both communities. The agreement was entered into in January 1947 and has numerous subsequent amendments that detail various aspects in sharing the capital investment (including related debt service) and operating expenses related to the joint sewage plant. Operating costs of the enterprise are shared in accordance with a formula and division of operation and maintenance cost set forth in an agreement dated April 3, 1972. The most recent arrangement indicates that the City shares in 25.82% of the plant capacity. There are no separately issued financial statements for this agreement.

The City's share of operating expenses for 2012-13 was $3,157,644 and is included in treatment expenses in the Statement of Revenues, Expenses and Changes in Net Position in the Fund Financial Statements. The City also shares in the cost of on-going capital improvements, which are capitalized and depreciated over a 25-year period. During 2012-13, the City paid $1,853,166 to SSF for these improvements.

To finance the expansion of the water quality control plant, the State Water Resources Control Board issued loans directly to SSF totaling $81,253,444 ($8.8 million in October 1994, $50.5 million in August 2003 and $21.8 million in April 2007). Loan proceeds were disbursed as the projects progressed and debt service payments commenced one year after project completion. As a result of the joint ownership agreement, the City is obligated to SSF for its portion of the loans and are classified as Due to SSF as shown in Note 6. The City's portion that was financed through this agreement totaled $19,170,177 depreciable and payable over a 25 year period.

	Balance July 1, 2012	Additions	Deletions	Balance June 30, 2013
Capital investments				
Financed	$ 19,170,177	$ -	$ -	$ 19,170,177
Contributed	4,442,900	578,054	-	5,020,954
Total capital investments	23,613,077	578,054	-	24,191,131
Accumulated Depreciation				
Financed	(6,808,246)	(766,807)	-	(7,575,053)
Contributed	(1,140,152)	(177,717)	-	(1,317,869)
Total accumulated depreciation	(7,948,398)	(944,524)	-	(8,892,922)
Net Book Value				
Financed	12,361,931	(766,807)	-	11,595,124
Contributed	3,302,748	400,337	-	3,703,085
Total net book value	$ 15,664,680	$ (366,470)	$ -	$ 15,298,209

The City’s share of the loan obligations is summarized as follows:

	SSF Original Loan	City's Share	SSF Loan Balance June 30, 2013	City's Share	City's Share %
1993 Capital Project State Water Resource Loan	$ 8,842,852	$ 2,918,141	$ 580,964	$ 191,718	33%
1999 Capital Project State Water Resource Loan	50,553,782	9,104,859	28,501,711	5,133,225	18%
2007 Capital Project State Water Resource Loan	21,856,810	7,147,177	15,398,992	5,035,471	33%
	$ 81,253,444	$ 19,170,177	$ 44,481,667	$ 10,360,414	

NOTE 8 - DEFICIT FUND BALANCES

Deficit net position balances consisted of the following:

Non-major Fund:

Federal/State Grants Special Revenue Fund ($23,812) will be funded through future revenue on cost-reimbursement grants.

Agency on Aging Special Revenue Fund ($3,216) will be funded through future revenue on cost-reimbursement grants.

NOTE 9 - EXCESS EXPENDITURES OVER APPROPRIATIONS

The following governmental funds had an excess of expenditures over appropriations:

Non-major Funds:

Agency on Aging Special Revenue Fund ($129,218), which was covered by current year revenues.

Gas Tax Special Revenue Fund ($1,435), which was covered by current year revenues.

Police Asset Seizure Special Revenue Fund ($3,353), which was covered by current year revenues and existing fund balance.

NOTE 10 - INTERFUND TRANSACTIONS

Due to/from other funds

Due to and due from other funds consisted of the following as of June 30, 2013:

	Due from other funds	Due to other funds
Major Funds		
Governmental activities		
General fund	$ 3,602,427	$ -
Business-type activities		
Cable Television	-	3,563,344
Nonmajor Funds:		
Governmental activities		
Special revenue funds		
Agency on aging	-	15,271
Federal/State grants	-	23,812
Total	$ 3,602,427	$ 3,602,427

Due to and from balances are a result of uncollected amounts or unreimbursed costs to be received or paid within 60 days of year end.

Advances to/from other funds

The General Equipment Reserve Internal Service Fund has advanced the Redevelopment Agency Retirement Obligation Fund for the financing of Redevelopment operations, which will be repaid through future tax increment revenues.

	Advances To Other Funds	Advances From Other Funds
Fiduciary Funds		
Redevelopment Agency Obligation Retirement Trust Fund	$ -	$ 2,977,033
Nonmajor Funds:		
Governmental activities		
Internal service fund		
General equipment revolving	2,977,033	-
Total	$ 2,977,033	$ 2,977,033

Transfers In/Out other funds

Transfers consisted of the following at June 30, 2013:

Transfer From	Transfer To	Amount	
General Fund	CIP Reserve Fund	$ 5,061,760	f
	Street Improvement Capital Projects Fund	604,415	c
	Non-major Governmental Funds	635,659	c,d,g
	Internal Service Funds	430,584	a,b
		6,732,418	
Measure A Transportation Tax Fund	Street Improvement Capital Projects Fund	95,315	c
Street Improvement Capital Projects Fund	General Fund	55,498	c
Non-major Governmental Funds	General Fund	895,910	a
	Emergency Disaster Reserve Fund	565,910	e
	Street Improvement Capital Projects Fund	822,500	c
	Non-major Governmental Funds	74,250	c
	Internal service funds	26,400	c
		2,384,970	
RDA Obligation Retirement Trust Fund	General Fund	89,830	a
	Non-major Governmental Funds	488,358	d,e
		578,188	
Water Fund	Capital Projects Fund	1,275	c
Wastewater Fund	Capital Projects Fund	1,700	c
Cable Television fund	Capital Projects Fund	55,100	c
Internal Service Fund	Capital Projects Fund	141,132	c
		199,207	
Total funds transferred		$ 10,045,596	

Interfund transfers were principally used for the following purposes:

(a) Salaries & Overhead.
(b) Reimburse Equipment Replacement Expenditure.
(c) Capital Project Funding.
(d) Fund Debt Service Expenditure.
(e) To establish separate special revenue fund.
(f) To allocate funds for CIP Reserves.
(g) Set aside for restricted operating expenditure

Transfers In/Out other funds

Transfers reflect amounts recorded in the General Fund, Special Revenue, Enterprise and Internal Service Funds for specific operating activities, shared capital projects or debt service and costs amongst funds, outlined as follows:

- One-Time Revenue funds of $0.6 million, Gas Tax funds of $0.8 million and Measure A funds of $0.095 million were transferred to Streets Improvement Capital Fund for construction of the Caltrain Grade Separation Archway, Accessible Pedestrian Ramps, Traffic Calming, Sidewalk Repair, Street Rehabilitation and Streetlight Replacement projects.

- Enterprise Funds and Technology Operating Fund transferred $0.2 million to Technology Capital Fund for their departments' share of a citywide Microsoft Office Upgrade and the Fire Suppression project.

- Funds amounting to $0.03 million were transferred from Streets Improvement and Technology Capital to support the Digital Plan Check and Permit System and BART Closeout projects reallocated to operating funds.

- Funds were transferred from the General Fund and One-Time Revenue Reserve Fund amounting to approximately $0.17 million and $4.9 million respectively to establish a separate Capital Improvement/One-Time Initiatives Reserve Fund in accordance with City Council's adoption of a formal reserve policy on January 22, 2013. This fund was created to provide a funding source for projects and initiatives of significant importance to the City that have no other dedicated funding source. While the initial target fund balance amount of $5.1 million is insufficient to address the overall long-term capital needs of the City, it provides a financial resource intended to address near-term projects and objectives of the City.

- Non-Major Funds such as Gas Tax, Safety Augmentation Proposition 172, Police Special Revenue, Library Special Revenue, Area Agency on Aging and Parks and Facilities Capital Funds transferred amounts totaling $0.89 million to the General Fund to support specific community program delivery such as public safety operations, street operations, library resource sharing and inter-library loan cooperation and senior nutrition and transportation services.

- Funds amounting to $0.03 million were transferred from Streets Improvement and Technology Capital to support Digital Plan Check and Permit System and BART Closeout projects reallocated to operating funds.

- The General Fund transferred $0.02 million to a Special Revenue Fund for the upcoming centennial celebration, $0.49 million to the Debt Service Fund for pension obligation bond principal and interest payments, $0.4 million to reimburse the Equipment Reserve Fund, and $0.12 million to Parks & Facilities Capital for City Hall improvements, Fire Station 52 re-roofing and seismic evaluation.

- The Redevelopment Obligation Retirement Fund transferred $0.4 million to the General Debt Service Fund for repayment of Series 2000 Certificates of Participation debt interest expense and administrative bank fees.

NOTE 11 - RISK MANAGEMENT

The City participates in the Association of Bay Area Government Plan Corporation (ABAG Plan), a non-profit benefit corporation established to provide liability insurance coverage, claims, risk management, and legal defense to its participating members. The ABAG Plan provides $5,000,000 per occurrence of general liability and automobile coverage, $20,000,000 excess liability coverage per occurrence, $25,000,000 of catastrophic liability coverage, and is responsible for paying the claims in excess of the City's $100,000 self-insurance retention. ABAG Plan also provides for property coverage up to $1 billion per occurrence subject to lower categorical sub-limits in excess of the City's self-insurance retention of $5,000 for property and vehicle loss.

The retained earnings/net position of the self-insurance funds, which are categorized as Governmental Activities, represent amounts set aside for possible additional losses after providing for actuarially determined liabilities for claims including claims adjustment expenses.

No claim settlement exceeded either this self-insured amount or the insurance coverage for any of the past three years.

Fiscal Year	Beginning of the Year	Current Year Claims and Changes in Estimates	Claim Payments for Current and Prior Years	End of the Year
2012-2013	$ 2,190,469	$ 1,367,043	$ (501,512)	$ 3,056,000
2011-2012	1,576,264	1,332,913	(718,708)	2,190,469

NOTE 12 - PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Plan Description

All permanent City employees are eligible to participate in pension plans offered by California Public Employees' Retirement System (CalPERS). The miscellaneous employees of the City are part of an agent multiple-employer defined benefit pension plan. The safety employees are part of a cost-sharing multiple-employer defined benefit plan. CalPERS acts as a common investment and administrative agent for its participating member employers. CalPERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. The City's employees participate in the separate Safety (police and fire) and Miscellaneous (all other) Employee Plans. Benefit provisions under both Plans are established by State statute and City resolution. Benefits are based on years of credited services, equal to one year of full time employment. Copies of CalPERS' annual financial report may be obtained from their executive office 400 P Street, Sacramento, CA, 95814.

Funding Policy

Participants are required to contribute 8% (9% for safety employees) of their annual covered salary. The City makes the contributions required of some City employees on their behalf and for their account. The City is required to contribute at an actuarially determined rate; the current rate is 18.55% for miscellaneous employees, and 36.06% for safety employees, of annual covered payroll. The rate for safety employees decreased in January 2013 to 24.706% after the City's side fund liability was paid in full. The contribution requirements of plan members and the City are established and may be amended by CalPERS.

Annual Pension Cost

The City's annual pension cost of $4,909,641 for CalPERS was equal to the City's required and actual contribution. The required contribution was determined as part of the June 30, 2010 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions included (a) 7.75% of investment rate of return (net of administrative expenses) and (b) 3.55% to 14.45% projected annual salary increases that vary by age, duration of service and type of employment. Both (a) and (b) included an inflation component of 3%.

The actuarial value of CalPERS assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a four-year period (smooth market value). CalPERS has increased the future rate the City pays to reflect an unfunded condition in the plan. CalPERS unfunded actuarial accrued liability is being amortized as a percentage of projected payroll on a closed period basis over 20 years.

THREE-YEAR TREND INFORMATION FOR PERS

	Annual Pension Cost (APC)		Percentage of	Net Pension
Fiscal Year	Safety	Miscellaneous	APC Contributed	Obligation
June 30, 2013	$ 2,966,570	$ 1,943,071	100%	$ -
June 30, 2012	3,236,668	1,850,242	100%	-
June 30, 2011	2,896,889	1,518,367	100%	-

Funded Status

The information below is the most recent information available from CalPERS for the miscellaneous group.

Actuarial Valuation Date	Accrued Liability	Actuarial Value of Assets AVA	Unfunded Liability (UL)	Funded Ratio	Annual Covered Payroll	UL as a % of Payroll
June 30, 2010	$ 86,182,562	$ 69,676,239	$ 16,506,323	80.85%	$ 11,862,764	139.14%
June 30, 2009	81,938,381	66,592,530	15,345,851	81.27%	12,051,504	127.34%
June 30, 2008	73,892,565	63,208,726	10,683,839	85.54%	11,779,042	90.70%

As of the actuarial date of June 30, 2003, the City's public safety plan became part of a CalPERS Risk Pool for employers with less than 100 active plan members. As part of a cost-sharing multiple employer defined benefit plan, disclosure of the schedule of funding progress is not required.

NOTE 13 - POST-EMPLOYMENT HEALTHCARE PLAN

Plan Description: The City of San Bruno contracts with the Teamsters Local #856 Health and Welfare Trust Fund to provide health benefits to both active and retired employees. The City provides no direct financial contribution towards retiree health benefits; however, due to the fact that retirees and active employees are insured in the same pool it indirectly subsidizes their premiums through payments for current employees. At this time, the City has not established a trust for the purpose of holding assets accumulated for plan benefits.

Eligibility: Employees (and their dependents) are eligible for retiree health benefits if they retire from the City on or after age 55 with at least 10 years of service (with 12 continuous months prior to date of retirement) and are eligible for a CalPERS pension. Membership of the plan consisted of the following at June 30, 2012, the date of the latest actuarial valuation:

Retirees and beneficiaries receiving benefits	115
Other participants fully eligible for benefits	40
Other participants not yet fully eligible for benefits	178
Total	333

City's Funding Policy: The Teamsters Local #856 Health and Welfare Trust Fund determine the contribution requirements of the City. The contribution required to be made under City Council and labor agreement requirements is based on a pay-as-you-go basis (i.e., as medical insurance premiums become due). For fiscal year 2012-13, the City's estimated benefit payment was $1,033,800 to the plan; this amount is different than the City's actual contribution to the Teamsters Local #856 Health and Welfare Fund since this is the calculated benefit cost for the City's retirees and includes the cost of implicit subsidies where applicable.

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

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

Annual required contribution	$ 4,107,500
Interest on net OPEB obligation	394,500
Adjustment to annual required contribution	(559,200)
Annual OPEB cost (expense)	3,942,800
Contributions made (including premium paid)	(1,033,800)
Increase in net OPEB obligation	2,909,000
Net OPEB obligation, beginning of year	9,861,900
Net OPEB obligation, end of year	$ 12,770,900

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2013 and the two preceding years were as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/2013	$ 3,942,800	26.22%	$ 12,770,900
6/30/2012	3,796,900	24.17%	9,861,900
6/30/2011	3,855,000	23.81%	6,982,700

Funded Status and Funding Progress: The funded status of the plan as of June 30, 2012, was as follows:

	2012	2011	2010
Actuarial accrued liability (AAL)	$ 46,746,800	$ 41,558,300	$ 41,558,300
Actuarial value of plan assets	-	-	-
Unfunded actuarial accrued liability (UAAL)	46,746,800	41,558,300	41,558,300
Funded Ratio (actuarial value of plan Assets/AAL)	0%	0%	0%
Covered payroll (active plan members)	20,954,900	21,169,200	21,169,200
UAAL as a percentage of covered payroll	223%	196%	196%

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

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial assets, consistent with the long-term perspective of the calculations. The actuarial assumptions included (a) 4% of investment rate of return (net of administrative expenses) (b) a discount rate of 4%, (c) 7.75% to 4.5% health care trend, and (d) inflation rate of 3.5%.

The actuarial cost method used for determining the benefit obligations is the modified "Projected Unit Credit" Cost Method. The actuarial assumptions included a 4 percent investment rate of return, which is the expected long-term rate of return on the City's pooled investments (per GASB 43/45 guidelines for this assumption), and a healthcare cost trend rate of 4.5 percent for all benefit costs. The UAAL is being amortized using a level dollar method on an open basis over 30 years.

NOTE 14 - CONTINGENCIES

The City participates in a number of Federal, State and County programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grantor program regulations, the City may be required to reimburse the grantor government. As of June 30, 2013, some amounts of grant expenditures have not been audited, but the City believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any individual governmental funds or the overall financial condition of the City.

NOTE 15 - LITIGATION

The City is a defendant in a number of lawsuits which have arisen in the normal course of business. While substantial damages are alleged in some of these actions, their outcome cannot be predicted with certainty. In the opinion of the City Attorney, these actions, when finally adjudicated, do not appear to have a materially adverse effect on the financial condition of the City.

Note 16 – RESERVE POLICY

The City established a reserve policy in January 2013 that created reserve funds to ensure the financial stability of the City, provide resources in the event of an emergency, and create a funding source for one-time capital projects and initiatives. The reserve funds are as follows:

General Fund Reserve – The General Reserve Fund shall be established with a goal of maintaining a target fund balance of 25% of the budgeted General Fund expenditures. The General Fund Reserve Fund balance shall not fall below 15% of General Fund operating expenditures except in a declaration of emergency.

The General Fund Reserve can only be utilized through resolution of the City Council. Appropriations of these funds will be reserved for the following situations:

- A decrease in revenues in excess of 5% of total budgeted General Fund revenues within one year.
- The loss of revenues from another government entity.
- One-time, non-recurring initiatives of the City Council deemed of significant importance to the City.

General Fund Contingency Fund – The General Fund Contingency Fund shall be established with a goal of maintaining a target fund balance of $1.5 million. This fund can be utilized through resolution of the City Council for any appropriation deemed appropriate.

Emergency Disaster Reserve – An Emergency Disaster Reserve shall be established with a goal of maintaining a target fund balance of $3 million. This fund is intended to be utilized in the event of a declaration of emergency that requires the expenditure of funds outside of the adopted budget.

The Emergency Disaster Reserve can only be utilized through resolution of the City Council declaring an emergency. Upon such declaration, it would be the intent of the City to utilize the Emergency Disaster Reserve for all costs associated with the City’s response to the emergency situation prior to any other reserve funds.

Capital Improvement/One-Time Initiative Reserve – A Capital Improvement/One-Time Initiative Reserve Fund shall be established with a goal of obtaining an initial fund balance of $5 million. This fund would be used for projects and initiatives throughout the City that have no other identifiable funding source.

The Capital Improvement/One-Time Initiative Reserve can only be utilized through resolution of the City Council. While this fund has an initial goal of $5 million, funds shall continue to be added to this fund until it has reached a fund balance of $8 million.

Internal Service Funds: Central Garage, Building and Facilities, Technology Reserves – The Central Garage, Building and Facilities, and Technology Reserves shall be funded at a target amount of 25% of budgeted department expenditures, not to drop below 15% except in a declaration of emergency. Once the Internal Service Funds Reserves have been funded at the target amount, all fund balance in excess of this amount can be used to fund one-time initiatives and/or to provide a reduction in allocations from departments in times of budget reductions.

Note 17 – SPECIAL ITEM

During January 2013 the City issued $13,175,000 in Series 2013 Pension Obligation Bonds in order to pay-off amounts owed for the City’s CalPERS “side-fund.” The Pension Obligation Bond debt appears as a new debt on the City’s financial statements. The debt issuance was recorded as an expense on the statement of activities similar to other pension expenses paid to CalPERS. This one-time payment, however, was recorded as a special item on the statement of activities due to its infrequent nature.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF SAN BRUNO, CALIFORNIA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Original Budget	Amended Budget	Actual	Variance w/ Amended Favorable/(Unfavorable)
REVENUES:				
Taxes	$ 18,309,180	$ 18,959,180	$ 20,543,007	$ 1,583,827
Licenses and permits	2,477,000	2,477,000	2,615,209	138,209
Intergovernmental	3,210,000	3,210,000	3,176,611	(33,389)
Charges for services	2,101,394	2,178,540	2,788,916	610,376
Fines and forfeitures	605,000	605,000	661,349	56,349
Use of money and property	1,567,000	1,567,000	1,183,958	(383,042)
Other revenues	3,121,452	3,578,452	4,794,084	1,215,632
Total revenues	31,391,026	32,575,172	35,763,134	3,187,962
EXPENDITURES:				
Current:				
General government	4,686,097	5,593,117	5,228,386	364,731
Public safety	19,389,997	19,310,266	19,667,702	(357,436)
Public works	738,240	782,052	810,113	(28,061)
Highways and streets	1,122,238	1,146,843	1,245,528	(98,685)
Parks and recreation	3,967,379	4,089,035	4,157,745	(68,710)
Library	1,603,658	1,653,304	1,614,102	39,202
Community development	1,567,981	1,845,442	1,445,766	399,676
Total expenditures	33,075,590	34,420,059	34,169,342	250,717
REVENUES OVER (UNDER) EXPENDITURES	(1,684,564)	(1,844,887)	1,593,792	3,438,679
OTHER FINANCING SOURCES (USES):				
Transfers in	1,846,254	1,150,750	1,041,238	(109,512)
Transfers out	(430,587)	(1,680,661)	(6,732,418)	(5,051,757)
Total other financing sources (uses)	1,415,667	(529,911)	(5,691,180)	(5,161,269)
Net change in fund balances	(268,897)	(2,374,798)	(4,097,388)	(1,722,590)
FUND BALANCES:				
Beginning of year	13,732,419	13,732,419	13,732,419	-
End of year	$ 13,463,522	$ 11,357,621	$ 9,635,031	$ (1,722,590)

See accompanying note to the required supplementary information.

CITY OF SAN BRUNO, CALIFORNIA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
CAPITAL IMPROVEMENT PROJECTS RESERVE SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Original Budget	Amended Budget	Actual	Variance with Amended Favorable/(Unfavorable)
OTHER FINANCING SOURCES (USES):				
Transfers in	$ -	$ -	$ 5,061,760	$ 5,061,760
Net change in fund balances	-	-	5,061,760	5,061,760
FUND BALANCES:				
Beginning of year	-	-	-	-
End of year	$ -	$ -	$ 5,061,760	$ 5,061,760

See accompanying note to the required supplementary information.

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
EMERGENCY DISASTER RESERVE SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Budgeted Amounts			Variance w/Final
	Original	Final	Actual	Favorable (Unfavorable)
REVENUES:				
Investment income	$ -	$ -	$ 9,101	$ 9,101
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	565,910	565,910
Net change in fund balances	-	-	575,011	575,011
FUND BALANCES:				
Beginning of year	2,456,498	2,456,498	2,456,498	-
End of year	$ 2,456,498	$ 2,456,498	$ 3,031,509	$ 575,011

See accompanying note to the required supplementary information.

CITY OF SAN BRUNO, CALIFORNIA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
MEASURE A
FOR THE YEAR ENDED JUNE 30, 2013

	Budgeted Amounts			Variance with Amended
	Original	Final	Actual	Favorable/(Unfavorable)
REVENUES:				
Taxes	$ 700,000	$ 700,000	$ 835,982	$ 135,982
Use of money and property	1,763	1,763	8,844	7,081
Total revenues	701,763	701,763	844,826	143,063
OTHER FINANCING SOURCES (USES):				
Transfers out	(782,500)	(782,500)	(95,315)	687,185
Net change in fund balances	(80,737)	(80,737)	749,511	830,248
FUND BALANCES:				
Beginning of year	1,109,997	1,109,997	1,109,997	-
End of year	$ 1,029,260	$ 1,029,260	$1,859,508	$ 830,248

See accompanying note to the required supplementary information.

NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2013

NOTE 1 - BUDGETARY INFORMATION

The City adopts a budget annually to be effective July 1. Budgeted expenditures are adopted through the passage of a resolution. This resolution constitutes the maximum authorized expenditures for the one year period and cannot legally be exceeded except by subsequent amendments of the budget by the City Council.

An operating budget is adopted every year for the General, Special Revenue, Enterprise Funds, and Capital Improvement Program Budget. Public hearings are conducted on the proposed budgets to review all appropriations and sources of financing. Capital projects are budgeted by the City over the term of the individual projects.

Expenditures are controlled at the fund level for all budgeted departments within the City. This is the level at which expenditures may not legally exceed appropriations. Budgeted amounts for the Combined Statement of Revenues, Expenditures and Other Financing Sources (Uses) – Budget and Actual include budget amendments approved by the Agency Board.

The budgets are adopted on a basis substantially consistent with generally accepted accounting principles (GAAP).

Any amendments or transfers of appropriations between object group levels within the same department must be authorized by the City Manager. Any amendments to the total level of appropriations for a fund or transfers between funds must be approved by the City Council. Supplemental appropriations financed by unanticipated revenues during the year must be approved by the City Council.

Formal budgetary integration is employed as a management control device. Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration. Encumbrances outstanding at year-end are reported as reservations of fund balances and do not constitute GAAP basis expenditures or liabilities because the commitments will be honored during the subsequent year. The commitments will be re-appropriated and honored in the subsequent year.

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COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

CITY OF SAN BRUNO, CALIFORNIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2013

	Special Revenue Funds			
	In-Lieu	Agency on Aging	Federal/State Grants	Gas Tax
ASSETS				
Cash and investments	$ 3,647,615	$ -	$ -	$ 809,544
Receivables:				
Taxes	-	-	-	20,651
Interest	-	-	-	-
Intergovernmental subventions	-	-	-	-
Intergovernmental grants	-	22,700	-	-
Loans	-	-	-	-
Other	-	-	-	-
Total assets	$ 3,647,615	$ 22,700	$ -	$ 830,195
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable and accrued liabilities	$ 10,000	$ 10,645	$ -	$ -
Due to other funds	-	15,271	23,812	-
Total liabilities	10,000	25,916	23,812	-
Fund Balances:				
Restricted	3,637,615	-	-	830,195
Unassigned	-	(3,216)	(23,812)	-
Total fund balances (deficits)	3,637,615	(3,216)	(23,812)	830,195
Total liabilities and fund balances	$ 3,647,615	$ 22,700	$ -	$ 830,195

Special Revenue Funds					
Library Special Revenue	Police Asset Seizure	Safety Augmentation	Police Special Revenue	SB 322 Recycling/Litter Clean-up	Restricted Donations
$ 272,638	$ 51,421	$ 31,203	$ -	$ 208,933	$ 1,081,514
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	11,643	-
-	-	-	20,866	-	-
-	-	-	-	-	-
-	12,268	-	-	-	152
$ 272,638	$ 63,689	$ 31,203	$ 20,866	$ 220,576	$ 1,081,666
$ -	$ -	$ -	$ -	$ 21,066	$ 19,361
-	-	-	-	-	-
-	-	-	-	21,066	19,361
272,638	63,689	31,203	20,866	199,510	1,062,305
-	-	-	-	-	-
272,638	63,689	31,203	20,866	199,510	1,062,305
$ 272,638	$ 63,689	$ 31,203	$ 20,866	$ 220,576	$ 1,081,666

CITY OF SAN BRUNO, CALIFORNIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS, CONTINUED
AS OF JUNE 30, 2013

	Special Revenue Funds			
	Streets	Traffic Safety	Housing Authority	Emergency Disaster
ASSETS				
Cash and investments	$ 308,267	$ 61,061	$ -	$ 1,509,491
Receivables:				
Taxes	-	-	-	-
Interest	-	-	-	-
Intergovernmental subventions	-	-	-	-
Intergovernmental grants	-	-	-	-
Loans	-	-	90,000	-
Other	-	-	-	-
Total assets	$ 308,267	$ 61,061	$ 90,000	$ 1,509,491
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable and accrued liabilities	$ -	$ -	$ -	$ 1,027,035
Due to other funds	-	-	-	-
Total liabilities	-	-	-	1,027,035
Fund Balances:				
Restricted	308,267	61,061	90,000	482,456
Unassigned	-	-	-	-
Total fund balances (deficits)	308,267	61,061	90,000	482,456
Total liabilities and fund balances	$ 308,267	$ 61,061	$ 90,000	$ 1,509,491

Special Revenue	Capital Projects Funds	Debt Service	Non-major funds Totals	
Total	General	General	2013	2012
$ 7,981,687	$ 120,636	$ 15	$ 8,102,338	$ 11,303,945
20,651	-	-	20,651	29,736
-	-	-	-	2,682
11,643	-	-	11,643	-
43,566	507,024	-	550,590	9,344
90,000	-	-	90,000	-
12,420	50,144	-	62,564	2,865,316
$ 8,159,967	$ 677,804	$ 15	$ 8,837,786	$ 14,211,023
$ 1,088,107	$ 141,214	$ -	$ 1,229,321	$ 2,562,403
39,083	-	-	39,083	1,772,007
1,127,190	141,214	-	1,268,404	4,334,410
7,059,805	536,590	15	7,596,410	9,947,732
(27,028)	-	-	(27,028)	(71,119)
7,032,777	536,590	15	7,569,382	9,876,613
$ 8,159,967	$ 677,804	$ 15	$ 8,837,786	$ 14,211,023

CITY OF SAN BRUNO, CALIFORNIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS, CONTINUED
FOR THE YEAR ENDED JUNE 30, 2013

	Special Revenue Funds			
	In-Lieu	Agency on Aging	Federal/State Grants	Gas Tax
REVENUES:				
Taxes	$ -	$ -	$ -	$ 1,054,699
Licenses and permits	117,600	-	-	-
Intergovernmental	-	120,281	18,087	-
Charges for services	-	66,576	-	-
Fines and forfeitures	-	-	-	-
Investment income (loss)	25,707	97	-	5,926
Other revenues	-	-	-	-
Total revenues	143,307	186,954	18,087	1,060,625
EXPENDITURES:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Highways and streets	-	-	-	1,435
Parks and recreation	-	129,218	-	-
Library	-	-	-	-
Community development	40,000	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	40,000	129,218	-	1,435
REVENUES OVER (UNDER) EXPENDITURES	103,307	57,736	18,087	1,059,190
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	28,500	-
Transfers out	-	(66,576)	-	(1,406,425)
Total other financing sources and uses	-	(66,576)	28,500	(1,406,425)
Net change in fund balances	103,307	(8,840)	46,587	(347,235)
FUND BALANCES:				
Beginning of year	3,534,308	5,624	(70,399)	1,177,430
End of year	$ 3,637,615	$ (3,216)	$ (23,812)	$ 830,195

Library Special Revenue	Police Asset Seizure	Safety Augmentation	Police Special Revenue	SB 322 Recycling/Litter Clean-up	Restricted Donations
		Special Revenue Funds			
$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	102,171
-	-	105,647	91,293	78,360	-
-	-	-	-	-	-
-	15,072	-	-	-	-
3,078	315	279	72	1,488	7,060
-	-	-	-	-	40,804
3,078	15,387	105,926	91,365	79,848	150,035
-	-	-	-	-	8,001
-	19,853	-	-	-	-
-	-	-	-	66,046	-
-	-	-	-	-	-
-	-	-	-	-	23,194
-	-	-	-	-	14,739
-	-	-	-	-	18,292
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	19,853	-	-	66,046	64,226
3,078	(4,466)	105,926	91,365	13,802	85,809
-	-	-	-	-	20,000
(99,000)	-	(86,000)	(91,357)	-	(14,250)
(99,000)	-	(86,000)	(91,357)	-	5,750
(95,922)	(4,466)	19,926	8	13,802	91,559
368,560	68,155	11,277	20,858	185,708	970,746
$ 272,638	$ 63,689	$ 31,203	$ 20,866	$ 199,510	$1,062,305

CITY OF SAN BRUNO, CALIFORNIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS, CONTINUED
FOR THE YEAR ENDED JUNE 30, 2013

	Special Revenue Funds			
	Streets	Traffic Safety	Housing Authority	Emergency Disaster
REVENUES:				
Taxes	$ -	$ -	$ -	$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Investment income (loss)	1,357	355	-	-
Other revenues	-	-	-	4,220,442
Total revenues	1,357	355	-	4,220,442
EXPENDITURES:				
Current:				
General government	-	-	-	3,172,076
Public safety	-	-	-	-
Public works	-	-	-	-
Highways and streets	-	-	-	-
Parks and recreation	-	-	-	-
Library	-	-	-	-
Community development	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	-	-	-	3,172,076
REVENUES OVER (UNDER) EXPENDITURES	1,357	355	-	1,048,366
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	90,000	-
Transfers out	-	-	-	(565,910)
Total other financing sources and uses	-	-	90,000	(565,910)
Net change in fund balances	1,357	355	90,000	482,456
FUND BALANCES:				
Beginning of year	306,910	60,706	-	-
End of year	$ 308,267	$ 61,061	$ 90,000	$ 482,456

Special Revenue	Capital Projects Funds	Debt Service	Non-major funds Totals	
Total	General	General	2013	2012
$ 1,054,699	$ -	$ -	$ 1,054,699	$ 1,260,931
219,771	-	-	219,771	515,235
413,668	824,076	-	1,237,744	582,516
66,576	-	-	66,576	68,203
15,072	-	-	15,072	5,051
45,734	5,795	15	51,544	79,649
4,261,246	50,144	38,498	4,349,888	5,832,819
6,076,766	880,015	38,513	6,995,294	8,344,404
3,180,077	275,053	-	3,455,130	4,045,276
19,853	-	-	19,853	31,388
66,046	-	-	66,046	55,391
1,435	-	-	1,435	751,683
152,412	-	-	152,412	232,487
14,739	-	-	14,739	27,989
58,292	-	-	58,292	-
-	1,161,609	-	1,161,609	2,154,326
-	-	386,409	386,409	365,592
-	-	542,606	542,606	12,909
3,492,854	1,436,662	929,015	5,858,531	7,677,041
2,583,912	(556,647)	(890,502)	1,136,763	667,363
138,500	368,457	890,517	1,397,474	1,533,358
(2,329,518)	(55,452)	-	(2,384,970)	(2,022,487)
(2,191,018)	313,005	890,517	(987,496)	(489,129)
392,894	(243,642)	15	149,267	178,234
6,639,883	780,232	-	7,420,115	9,698,379
$ 7,032,777	$ 536,590	$ 15	$ 7,569,382	$ 9,876,613

CITY OF SAN BRUNO, CALIFORNIA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – BUDGET TO ACTUAL
MAJOR FUND – STREET IMPROVEMENTS CAPITAL PROJECTS FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Budgeted Amounts			Variance w/Final
	Original	Final	Actual	Favorable (Unfavorable)
REVENUES:				
Intergovernmental	$ -	$ -	$ 1,662	$ 1,662
Investment income	2,682	2,682	9,953	7,271
Charges for services	-	-	264,832	264,832
Other revenues	-	-	3,051	3,051
Total revenues	2,682	2,682	279,498	276,816
EXPENDITURES:				
Current:				
Highways and streets	77,967	5,964,790	1,557,107	4,407,683
REVENUES OVER (UNDER) EXPENDITURES	(75,285)	(5,962,108)	(1,277,609)	4,684,499
OTHER FINANCING SOURCES (USES):				
Transfers in	-	2,209,415	1,522,230	(687,185)
Transfers out	(55,498)	(55,498)	(55,498)	-
Total other financing sources (uses)	(55,498)	2,153,917	1,466,732	(687,185)
Net change in fund balances	(130,783)	(3,808,191)	189,123	3,997,314
FUND BALANCES:				
Beginning of year	1,475,185	1,475,185	1,475,185	-
End of year	$ 1,344,402	$ (2,333,006)	$ 1,664,308	$ 3,997,314

CITY OF SAN BRUNO, CALIFORNIA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET TO ACTUAL
IN-LIEU SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Final Budget	Actual	Variance w/Final Favorable (Unfavorable)
REVENUES:			
Licenses and permits	$ 753,200	$ 117,600	$ (635,600)
Investment income	11,551	25,707	14,156
Total revenues	764,751	143,307	(621,444)
EXPENDITURES:			
Current:			
Community development	43,500	40,000	3,500
Total expenditures	43,500	40,000	3,500
Net change in fund balances	721,251	103,307	(617,944)
FUND BALANCES:			
Beginning of year	3,534,308	3,534,308	-
End of year	$ 4,255,559	$ 3,637,615	$ (617,944)

CITY OF SAN BRUNO, CALIFORNIA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET TO ACTUAL
AGENCY ON AGING SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Final Budget	Actual	Variance w/Final Favorable (Unfavorable)
REVENUES:			
Intergovernmental	$ 112,130	$ 120,281	$ 8,151
Charges for services	61,200	66,576	5,376
Investment income	88	97	9
Total revenues	173,418	186,954	13,536
EXPENDITURES:			
Parks and recreation	-	129,218	(129,218)
REVENUES OVER (UNDER) EXPENDITURES	173,418	57,736	(115,682)
OTHER FINANCING SOURCES (USES):			
Transfers out	-	(66,576)	(66,576)
Net change in fund balances	173,418	(8,840)	(182,258)
FUND BALANCES:			
Beginning of year	5,624	5,624	-
End of year	$ 179,042	$ (3,216)	$ (182,258)

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET TO ACTUAL
FEDERAL AND STATE GRANTS SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Final Budget	Actual	Variance w/Final Favorable (Unfavorable)
REVENUES:			
Intergovernmental	$ 720	$ 18,087	$ 17,367
Use of money and property	109	-	(109)
Total revenues	829	18,087	17,258
OTHER FINANCING SOURCES (USES):			
Transfers in	-	28,500	28,500
Net change in fund balances	829	46,587	45,758
FUND BALANCES:			
Beginning of year	(70,399)	(70,399)	-
End of year	$ (69,570)	$ (23,812)	$ 45,758

CITY OF SAN BRUNO, CALIFORNIA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET TO ACTUAL
GAS TAX SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Final Budget	Actual	Variance w/Final Favorable (Unfavorable)
REVENUES:			
Taxes	$ 1,187,044	$ 1,054,699	$ (132,345)
Investment income	2,388	5,926	3,538
Total revenues	1,189,432	1,060,625	(128,807)
EXPENDITURES:			
Current:			
Highways and streets	-	1,435	(1,435)
REVENUES OVER (UNDER) EXPENDITURES	1,189,432	1,059,190	(130,242)
OTHER FINANCING SOURCES (USES):			
Transfers out	(1,572,500)	(1,406,425)	166,075
Net change in fund balances	(383,068)	(347,235)	35,833
FUND BALANCES:			
Beginning of year	1,177,430	1,177,430	-
End of year	$ 794,362	$ 830,195	$ 35,833

CITY OF SAN BRUNO, CALIFORNIA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET TO ACTUAL
LIBRARY SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Final Budget	Actual	Variance w/Final Favorable (Unfavorable)
REVENUES:			
Investment income	$ 1,065	$ 3,078	$ 2,013
Total revenues	1,065	3,078	2,013
OTHER FINANCING SOURCES (USES):			
Transfers out	(99,000)	(99,000)	-
Net change in fund balances	(97,935)	(95,922)	2,013
FUND BALANCES:			
Beginning of year	368,560	368,560	-
End of year	$ 270,625	$ 272,638	$ 2,013

CITY OF SAN BRUNO, CALIFORNIA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET TO ACTUAL
POLICE ASSET SEIZURE SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Final	Actual	Variance w/Final Favorable (Unfavorable)
REVENUES:			
Fines and forfeitures	$ 5,000	$ 15,072	$ 10,072
Investment income	160	315	155
Total revenues	5,160	15,387	10,227
EXPENDITURES:			
Public safety	16,500	19,853	(3,353)
Net change in fund balances	(11,340)	(4,466)	6,874
FUND BALANCES:			
Beginning of year	68,155	68,155	-
End of year	$ 56,815	$ 63,689	$ 6,874

CITY OF SAN BRUNO, CALIFORNIA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET TO ACTUAL
SAFETY AUGMENTATION SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Final Budget	Actual	Variance w/Final Favorable (Unfavorable)
REVENUES:			
Intergovernmental	$ 86,000	$ 105,647	$ 19,647
Investment income	115	279	164
Total revenues	86,115	105,926	19,811
OTHER FINANCING SOURCES (USES):			
Transfers out	(86,000)	(86,000)	-
Net change in fund balances	115	19,926	19,811
FUND BALANCES:			
Beginning of year	11,277	11,277	-
End of year	$ 11,392	$ 31,203	$ 19,811

CITY OF SAN BRUNO, CALIFORNIA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET TO ACTUAL
POLICE SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Final Budget	Actual	Variance w/Final Favorable (Unfavorable)
REVENUES:			
Intergovernmental	$ 100,000	$ 91,293	$ (8,707)
Investment income	29	72	43
Total revenues	100,029	91,365	(8,664)
OTHER FINANCING SOURCES (USES):			
Transfers out	(100,000)	(91,357)	8,643
Net change in fund balances	29	8	(21)
FUND BALANCES:			
Beginning of year	20,858	20,858	-
End of year	$ 20,887	$ 20,866	$ (21)

CITY OF SAN BRUNO, CALIFORNIA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET TO ACTUAL
SB 322 RECYCLING/LITTER CLEAN-UP SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Final Budget	Actual	Variance w/Final Favorable (Unfavorable)
REVENUES:			
Intergovernmental	$ 68,379	$ 78,360	$ 9,981
Investment income	435	1,488	1,053
Total revenues	68,814	79,848	11,034
EXPENDITURES:			
Current:			
Public works	71,716	66,046	5,670
Net change in fund balances	(2,902)	13,802	16,704
FUND BALANCES:			
Beginning of year	185,708	185,708	-
End of year	$ 182,806	$ 199,510	$ 16,704

CITY OF SAN BRUNO, CALIFORNIA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET TO ACTUAL
RESTRICTED DONATIONS SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Final Budget	Actual	Variance w/Final Favorable (Unfavorable)
REVENUES:			
Licenses and permits	$ 100,000	$ 102,171	$ 2,171
Investment income	2,334	7,060	4,726
Other revenues	9,000	40,804	31,804
Total revenues	111,334	150,035	38,701
EXPENDITURES:			
Current:			
General government	52,229	8,001	44,228
Parks and recreation	10,000	23,194	(13,194)
Library	-	14,739	(14,739)
Community enhancements	62,000	18,292	43,708
Total expenditures	124,229	64,226	60,003
REVENUES OVER (UNDER) EXPENDITURES	(12,895)	85,809	98,704
OTHER FINANCING SOURCES (USES):			
Transfers in	-	20,000	20,000
Transfers out	(14,250)	(14,250)	-
Total other financing sources (uses)	(14,250)	5,750	20,000
Net change in fund balances	(27,145)	91,559	118,704
FUND BALANCES:			
Beginning of year	970,746	970,746	-
End of year	$ 943,601	$ 1,062,305	$ 118,704

CITY OF SAN BRUNO, CALIFORNIA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET TO ACTUAL
STREETS SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Final	Actual	Variance w/Final Favorable (Unfavorable)
REVENUES:			
Investment income	$ 772	$ 1,357	$ 585
FUND BALANCES:			
Beginning of year	306,910	306,910	-
End of year	$ 307,682	$ 308,267	$ 585

CITY OF SAN BRUNO, CALIFORNIA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET TO ACTUAL
TRAFFIC SAFETY SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Final Budget	Actual	Variance w/Final Favorable (Unfavorable)
REVENUES:			
Investment income	$ 148	$ 355	$ 207
FUND BALANCES:			
Beginning of year	60,706	60,706	-
End of year	$ 60,854	$ 61,061	$ 207

CITY OF SAN BRUNO, CALIFORNIA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET TO ACTUAL
HOUSING AUTHORITY SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Final Budget	Actual	Variance w/Final Favorable (Unfavorable)
OTHER FINANCING SOURCES (USES):			
Transfers in	$ -	$ 90,000	$ 90,000
FUND BALANCES:			
Beginning of year	-	-	-
End of year	$ -	$ 90,000	$ 90,000

CITY OF SAN BRUNO, CALIFORNIA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET TO ACTUAL
EMERGENCY DISASTER SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Final Budget	Actual	Variance w/Final Favorable (Unfavorable)
REVENUES:			
Other revenues	$ 5,372,664	$ 4,220,442	$ (1,152,222)
EXPENDITURES:			
Current:			
General government	15,082,585	3,172,076	11,910,509
REVENUES OVER (UNDER) EXPENDITURES	(9,709,921)	1,048,366	10,758,287
OTHER FINANCING SOURCES (USES):			
Transfers out	-	(565,910)	(565,910)
Net change in fund balances	(9,709,921)	482,456	10,192,377
FUND BALANCES:			
Beginning of year	-	-	-
End of year	$ (9,709,921)	$ 482,456	$ 10,192,377

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET TO ACTUAL
CAPITAL PROJECTS FUND - GENERAL
FOR THE YEAR ENDED JUNE 30, 2013

	Final Budget	Actual	Variance w/Final Favorable (Unfavorable)
REVENUES:			
Intergovernmental	$ -	$ 824,076	824,076
Investment income	1,981	5,795	3,814
Other revenues	-	50,144	50,144
Total revenues	1,981	880,015	878,034
EXPENDITURES:			
Current:			
General government		275,053	(275,053)
Capital outlay	2,582,205	1,161,609	1,420,596
Total expenditures	2,582,205	1,436,662	1,145,543
REVENUES OVER (UNDER) EXPENDITURES	(2,580,224)	(556,647)	2,023,577
OTHER FINANCING SOURCES (USES):			
Transfers in	396,957	368,457	(28,500)
Transfers out	(55,452)	(55,452)	-
Total other financing sources (uses)	341,505	313,005	(28,500)
Net change in fund balances	(2,238,719)	(243,642)	1,995,077
FUND BALANCES:			
Beginning of year	780,232	780,232	-
End of year	$ (1,458,487)	$ 536,590	$ 1,995,077

CITY OF SAN BRUNO, CALIFORNIA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET TO ACTUAL
DEBT SERVICE FUND - GENERAL
FOR THE YEAR ENDED JUNE 30, 2013

	Final Budget	Actual	Variance w/Final Favorable (Unfavorable)
REVENUES:			
Investment income	$ -	$ 15	$ 15
Other revenues	38,498	38,498	0
Total revenues	38,498	38,513	15
EXPENDITURES:			
Debt service:			
Principal	636,409	386,409	250,000
Interest	542,606	542,606	-
Total expenditures	1,179,015	929,015	250,000
REVENUES OVER (UNDER) EXPENDITURES	(1,140,517)	(890,502)	250,015
OTHER FINANCING SOURCES (USES):			
Transfers in	1,140,517	890,517	(250,000)
Net change in fund balances	-	15	15
FUND BALANCES:			
Beginning of year	-	-	-
End of year	$ -	$ 15	$ 15

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CITY OF SAN BRUNO, CALIFORNIA

COMBINING STATEMENT OF FUND NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2013
(With comparative totals for June 30, 2012)

	Central Garage	Self-Insurance	General Equipment Revolving
ASSETS			
Current assets:			
Cash and investments	$ 515,744	$ 2,440,298	$ 3,613,172
Cash and investments held by trustees	-	91,119	-
Accounts receivable	-	-	12,150
Total current assets	515,744	2,531,417	3,625,322
Noncurrent assets:			
Advances to redevelopment agency	-	-	2,977,033
Total assets	$ 515,744	$ 2,531,417	$ 6,602,355
LIABILITIES			
Current liabilities:			
Accounts payable	$ 34,987	$ 53,600	$ 4,130
Compensated absences	-	-	-
Total current liabilities	34,987	53,600	4,130
Noncurrent liabilities:			
Compensated absences	11,949	-	-
Liability for claims	-	3,056,000	-
Total noncurrent liabilities	11,949	3,056,000	-
Total liabilities	46,936	3,109,600	4,130
NET POSITION			
Unrestricted net position	468,808	(578,183)	6,598,225
Total net position	468,808	(578,183)	6,598,225
Total liabilities and net position	$ 515,744	$ 2,531,417	$ 6,602,355

Technology Development	Facilities Maintenance	Totals 2013	Totals 2012
$ 353,707	$ 960,199	$ 7,883,120	$ 7,569,265
-	-	91,119	91,119
2,270	-	14,420	7,979
355,977	960,199	7,988,659	7,668,363
-	-	2,977,033	2,977,033
$ 355,977	$ 960,199	$ 10,965,692	$ 10,645,396
$ 11,010	$ 8,981	$ 112,708	$ 167,904
-	61,101	61,101	54,746
11,010	70,082	173,809	222,650
34,663	6,626	53,238	48,366
-	-	3,056,000	2,190,469
34,663	6,626	3,109,238	2,238,835
45,673	76,708	3,283,047	2,461,485
310,304	883,491	7,682,645	8,183,911
310,304	883,491	7,682,645	8,183,911
$ 355,977	$ 960,199	$ 10,965,692	$ 10,645,396

CITY OF SAN BRUNO, CALIFORNIA

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2013
(With comparative totals for the year ended June 30, 2012)

	Central Garage	Self-Insurance	General Equipment Revolving
OPERATING REVENUES:			
Charges for services	$ 625,631	$ -	$ 24,098
Insurance cost allocation	-	1,762,480	-
Total operating revenues	625,631	1,762,480	24,098
OPERATING EXPENSES:			
Central garage	591,513	-	-
Insurance premiums, claims and administration	-	2,386,362	-
Equipment	-	-	197,394
Technology	-	-	-
Facilities	-	-	-
Total operating expenses	591,513	2,386,362	197,394
OPERATING INCOME (LOSS)	34,118	(623,882)	(173,296)
NONOPERATING REVENUE (EXPENSE)			
Transfer from other funds	-	-	430,584
Transfer (to) other funds	-	-	-
Total non-operating revenue (expense)	-	-	430,584
CHANGE IN NET POSITION	34,118	(623,882)	257,288
NET POSITION:			
Beginning of year	434,690	45,699	6,340,937
End of year	$ 468,808	$ (578,183)	$ 6,598,225

Technology Development	Facilities Maintenance	Totals 2013	Totals 2012
$ 486,698	$ 882,319	$ 2,018,746	$ 2,058,559
-	-	1,762,480	1,581,926
486,698	882,319	3,781,226	3,640,485
-	-	591,513	532,960
-	-	2,386,362	2,219,370
-	-	197,394	440,496
517,163	-	517,163	474,563
-	905,912	905,912	835,792
517,163	905,912	4,598,344	4,503,181
(30,465)	(23,593)	(817,118)	(862,696)
26,400	-	456,984	486,814
(141,132)	-	(141,132)	-
(114,732)	-	315,852	486,814
(145,197)	(23,593)	(501,266)	(375,882)
455,501	907,084	8,183,911	8,559,793
$ 310,304	$ 883,491	$ 7,682,645	$ 8,183,911

CITY OF SAN BRUNO, CALIFORNIA

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2013
(With comparative totals for the year ended June 30, 2012)

	Central Garage	Self-Insurance	General Equipment Revolving
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from other funds for services	$ 625,631	$ 1,762,480	$ 11,948
Cash payments to suppliers for goods and services	(593,147)	(2,382,040)	(241,933)
Cash payments for loss claims	-	865,531	-
Net cash provided (used) by operating activities	32,484	245,971	(229,985)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Transfers received from other funds	-	-	430,584
Transfers paid to other funds	-	-	-
Net cash provided by noncapital financing activities	-	-	430,584
Net increase in cash and cash equivalents	32,484	245,971	200,599
CASH AND CASH EQUIVALENTS:			
Beginning of year	483,260	2,285,446	3,412,573
End of year	$ 515,744	$ 2,531,417	$ 3,613,172
Reconciliation of income (loss) from operations to net cash provided (used) by operating activities:			
Income (loss) from operations	$ 34,118	$ (623,882)	$ (173,296)
Adjustments to reconcile income (loss) from operations to net cash provided (used) by operating activities:			
(Increase) decrease in current assets:			
Accounts receivable	-	-	(12,150)
Increase (decrease) in liabilities:			
Accounts payable and accrued liabilities	(4,425)	4,322	(44,539)
Compensated absences	2,791	-	-
Increase (decrease) in claims liability - noncurrent	-	865,531	-
Net cash provided (used) by operating activities	$ 32,484	$ 245,971	$ (229,985)
Presentation in Statement of Net Position:			
Cash and investments	$ 515,744	$ 2,440,298	$ 3,613,172
Cash and investments held by trustees	-	91,119	-
Total Cash and Cash Equivalents, End of Year	$ 515,744	$ 2,531,417	$ 3,613,172

Technology Development	Facilities Maintenance	Totals 2013	Totals 2012
$ 492,407	$ 882,319	$ 3,774,785	$ 3,632,506
(513,794)	(911,399)	(4,642,313)	(4,551,609)
-	-	865,531	614,205
(21,387)	(29,080)	(1,997)	(304,898)
26,400	-	456,984	484,543
(141,132)	-	(141,132)	2,271
(114,732)	-	315,852	486,814
(136,119)	(29,080)	313,855	181,916
489,826	989,279	7,660,384	7,478,468
$ 353,707	$ 960,199	$ 7,974,239	$ 7,660,384
$ (30,465)	$ (23,593)	$ (817,118)	$ (862,696)
5,709	-	(6,441)	(7,979)
2,045	(12,599)	(55,196)	(56,174)
1,324	7,112	11,227	7,746
-	-	865,531	614,205
$ (21,387)	$ (29,080)	$ (1,997)	$ (304,898)
$ 353,707	$ 960,199	$ 7,883,120	$ 7,569,265
-	-	91,119	91,119
$ 353,707	$ 960,199	$ 7,974,239	$ 7,660,384

CITY OF SAN BRUNO, CALIFORNIA

COMBINING STATEMENT OF NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2013
(With comparative totals for the year ended June 30, 2012)

	Crestmoor Glenview Restitution Fund	Project Development	San Bruno Garbage Company	Totals 2013	Totals 2012
ASSETS					
Cash and investments	$ 68,812,263	$ 87,788	$ 397,176	$ 69,297,227	$ 69,208,411
Accounts receivable	-	-	364,747	364,747	402,488
Total assets	$ 68,812,263	$ 87,788	$ 761,923	$ 69,661,974	$ 69,610,899
LIABILITIES					
Accounts payable	$ 68,812,263	$ 28,367	$ 750,679	$ 69,591,309	$ 69,563,383
Other liabilities	-	59,421	11,244	70,665	47,516
Total liabilities	$ 68,812,263	$ 87,788	$ 761,923	$ 69,661,974	$ 69,610,899

COMBINING STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUNDS CONTINUED
FOR THE YEAR ENDED JUNE 30, 2013
(With comparative totals for the year ended June 30, 2012)

	Balance July 1, 2012	Additions	Deductions	Balance June 30, 2013
PROJECT DEVELOPMENT				
ASSETS				
Cash and investments	$ 39,193	$ 5,141,129	$ (5,092,533)	$ 87,789
Accounts receivable	-	-	-	-
Total assets	$ 39,193	$ 5,141,129	$ (5,092,533)	$ 87,789
LIABILITIES				
Accounts payable	$ 630	$ (5,021,073)	$ 5,048,811	$ 28,368
Other liabilities	38,563	(5,136,451)	5,157,309	59,421
Total liabilities	$ 39,193	$ (10,157,524)	$ 10,206,120	$ 87,789
SAN BRUNO GARBAGE COMPANY				
ASSETS				
Cash and investments	$ 419,213	$ 6,705,681	$ (6,727,718)	$ 397,176
Accounts receivable	402,489	6,720,602	(6,758,343)	364,747
Total assets	$ 821,702	$ 13,426,283	$ (13,486,061)	$ 761,923
LIABILITIES				
Accounts payable	$ 812,749	$ (12,721,545)	$ 12,659,475	$ 750,679
Other liabilities	8,953	-	2,292	11,244
Total liabilities	$ 821,702	$ (12,721,545)	$ 12,661,767	$ 761,923
CRESTMOOR GLENVIEW RESTITUTION FUND				
ASSETS				
Cash and investments	$ 68,750,004	$ 62,259	$ -	$ 68,812,263
Accounts receivable	-	-	-	-
Total assets	$ 68,750,004	$ 62,259	$ -	$ 68,812,263
LIABILITIES				
Accounts payable	$ 68,750,004	$ (3)	$ 62,262	$ 68,812,263
Other liabilities	-	-	-	-
Total liabilities	$ 68,750,004	$ (3)	$ 62,262	$ 68,812,263
TOTAL OF ALL AGENCY FUNDS				
ASSETS				
Cash and investments	$ 69,208,410	$ 11,909,069	$ (11,820,251)	$ 69,297,228
Accounts receivable	402,489	6,720,602	(6,758,343)	364,748
Total assets	$ 69,610,899	$ 18,629,671	$ (18,578,594)	$ 69,661,976
LIABILITIES				
Accounts payable	$ 69,563,383	$ (17,742,621)	$ 17,770,548	$ 69,591,310
Other liabilities	47,516	(5,136,451)	5,159,601	70,666
Total liabilities	$ 69,610,899	$ (22,879,072)	$ 22,930,149	$ 69,661,976

STATISTICAL SECTION

CITY OF SAN BRUNO, CALIFORNIA

NET POSITION BY COMPONENT
LAST NINE FISCAL YEARS
(Fiscal years ended June 30)

	2005 *	2006	2007	2008	2009
Governmental activities					
Net investments in capital assets	$ 11,767,003	$ 13,980,909	$ 36,889,081	$ 37,073,294	$38,094,423
Restricted	3,295,653	2,790,614	763,192	797,313	805,664
Unrestricted	5,146,203	10,409,480	17,200,880	18,670,800	17,282,898
Total governmental activities net position	$ 20,208,859	$ 27,181,003	$ 54,853,153	$ 56,541,407	$56,182,985
Business-type activities					
Net investments in capital assets	$ 19,803,889	$ 18,694,375	$ 26,319,885	$ 22,821,582	$29,548,513
Unrestricted	18,714,365	19,953,475	12,200,816	19,943,521	13,642,293
Total business-type activities net position	$ 38,518,254	$ 38,647,850	$ 38,520,701	$ 42,765,103	$43,190,806
Primary government					
Net investments in capital assets	$ 31,570,892	$ 32,675,284	$ 63,208,966	$ 59,894,876	$67,642,936
Restricted	3,295,653	290,614	763,192	797,313	805,664
Unrestricted	23,860,568	30,362,955	29,401,696	38,614,321	30,925,191
Total primary government net position	$ 58,727,113	$ 63,328,853	$ 93,373,854	$ 99,306,510	$99,373,791

	2010	2011	2012	2013
Governmental activities				
Net investments in capital assets	$ 38,157,248	$ 36,981,386	$ 48,151,315	$ 49,191,126
Restricted	11,757,369	15,666,900	12,461,795	15,699,530
Unrestricted	6,174,871	5,382,344	6,089,202	(10,289,449)
Total governmental activities net position	$ 56,089,488	$ 58,480,630	$ 66,702,312	$ 54,601,207
Business-type activities				
Net investments in capital assets	$ 29,617,094	$ 30,706,799	$ 32,968,582	$ 36,842,785
Unrestricted	14,951,487	16,048,910	18,311,018	19,519,379
Total business-type activities net position	$ 44,568,581	$ 46,755,709	$ 51,279,600	$ 56,362,164
Primary government				
Net investments in capital assets	$ 67,774,342	$ 67,688,185	$ 81,119,897	$ 86,033,911
Restricted	11,757,369	15,666,900	12,461,795	15,699,530
Unrestricted	21,126,358	21,431,254	24,400,220	9,229,930
Total primary government net position	$100,658,069	$104,786,339	$117,981,912	$110,963,371

*Data not available prior to 2005

CITY OF SAN BRUNO, CALIFORNIA

CHANGES IN NET POSITION
LAST NINE FISCAL YEARS
(Fiscal years ended June 30,)

	2005 *	2006	2007	2008	2009	2010	2011	2012	2013
Expenses									
Governmental activities:									
General government	$ 4,133,776	$ 4,056,039	$ 3,086,818	$ 680,412	$ 5,879,731	$ 5,757,945	$ 10,962,945	$ 9,136,147	$ 10,461,109
Public safety	15,156,170	16,143,674	17,005,014	21,497,158	19,625,779	19,593,501	19,335,496	19,129,330	20,016,150
Public works	491,059	679,486	1,017,450	1,766,933	1,256,060	862,049	888,426	952,496	954,150
Highways and streets	3,077,663	2,699,804	4,330,591	5,993,182	5,391,549	4,864,060	3,394,204	3,967,555	3,647,648
Parks and recreation	3,601,010	3,585,800	4,226,636	4,805,202	4,760,291	4,393,495	4,219,718	4,698,243	4,819,878
Library	1,561,654	1,665,597	1,627,219	2,076,155	1,890,435	1,757,550	1,680,862	1,693,611	1,695,581
Community development	3,804,765	3,858,037	3,027,355	5,727,039	7,030,845	9,180,082	7,960,992	1,951,941	1,556,777
Interest expense	516,465	557,964	575,021	553,486	665,517	672,458	612,570	455,313	931,179
Total governmental activities expenses	32,342,562	33,246,401	34,896,104	43,099,567	46,500,207	47,081,140	49,055,213	41,984,636	44,082,472
Business-type activities:									
Water	5,952,302	6,893,587	6,868,405	5,857,761	7,341,657	6,919,121	7,378,711	8,444,001	9,237,239
Stormwater	294,261	467,043	502,802	(171,906)	687,278	386,608	438,864	446,020	661,493
Wastewater	5,868,174	6,084,873	6,904,217	7,859,491	8,054,907	7,987,591	9,439,266	8,755,063	9,220,142
Cable Television	7,977,905	8,055,100	9,489,656	9,324,247	10,700,667	11,452,012	11,549,760	10,709,142	10,100,602
Total business-type activities expenses	20,092,642	21,500,603	23,765,080	22,869,593	26,784,509	26,745,332	28,806,601	28,354,226	29,219,476
Total primary government expenses	$ 52,435,204	$ 54,747,004	$ 58,661,184	$ 65,969,160	$ 73,284,716	$ 73,826,472	$ 77,861,814	$ 70,338,862	$ 73,301,948

*Data not available prior to 2005

CITY OF SAN BRUNO, CALIFORNIA

CHANGES IN NET POSITION
LAST NINE FISCAL YEARS
(Fiscal years ended June 30,)

	2005 *	2006	2007	2008	2009	2010	2011	2012	2013
Program revenues									
Governmental activities:									
Charges for services:									
General government	$ 2,680,758	$ 3,030,230	$ 2,913,631	$ 5,102,298	$ 2,100,780	$ 3,831,697	$ 3,397,195	$ 3,171,610	$ 2,704,082
Public safety	834,458	1,042,823	1,405,736	1,507,685	1,545,769	1,514,350	1,538,616	1,719,551	1,670,163
Public works	-	-	52,157	781,614	49,186	39,104	149,299	205,501	135,283
Highways and streets	1,710,424	2,091,813	754,080	977,667	18,700	18,700	19,243	9,474	14,649
Parks and recreation	1,380,947	681,356	751,985	794,097	915,378	988,075	1,089,866	1,182,386	1,194,216
Library	65,336	63,243	63,638	144,703	76,934	104,188	105,247	132,216	94,866
Community development	1,419,414	2,572,835	1,163,310	2,622,644	1,905,157	1,084,270	922,255	1,793,825	969,707
Operating grants and contributions	905,721	757,952	3,924,875	3,537,503	6,987,198	5,715,274	11,225,060	10,364,539	9,190,570
Capital grants and contributions	5,099,422	2,822,419	328,114	2,628,237	-	823,772	79,562	1,897,433	1,143,765
Total governmental activities program revenues	14,096,480	13,062,671	11,357,526	18,096,448	13,599,102	14,119,430	18,526,343	20,476,535	17,117,301
Business-type activities:									
Charges for services:									
Water	6,332,229	6,682,238	7,089,683	8,258,200	8,174,920	8,836,515	9,491,102	10,601,609	11,725,402
Stormwater	546,589	549,708	614,832	531,455	618,552	574,796	593,179	612,325	611,886
Wastewater	5,918,246	6,079,454	6,261,689	8,413,781	9,061,789	9,566,099	10,128,799	11,294,768	12,233,209
Cable Television	7,288,915	7,867,702	9,162,788	9,036,944	9,833,713	10,254,204	10,570,028	10,192,578	9,651,598
Total business-type activities program revenues	20,085,979	21,179,102	23,128,992	26,240,380	27,688,974	29,231,614	30,783,108	32,701,280	34,222,095
Total primary government program revenues	$ 34,182,459	$ 34,241,773	$ 34,486,518	$ 44,336,828	$ 41,288,076	$ 43,351,044	$ 49,309,451	$ 53,177,815	$ 51,339,396
Net (Expense)/Revenue									
Governmental activities	$(18,246,082)	$(20,183,730)	$(23,538,578)	$(25,003,119)	$(32,901,105)	$(32,961,710)	$(30,528,870)	$(21,508,101)	$(26,965,171)
Business-type activities	(6,663)	(321,501)	(636,088)	3,370,787	904,465	2,486,282	1,976,507	4,347,054	5,002,619
Total primary government net expense	$(18,252,745)	$(20,505,231)	$(24,174,666)	$(21,632,332)	$(31,996,640)	$(30,475,428)	$(28,552,363)	$(17,161,047)	$(21,962,552)

*Data not available prior to 2005

CITY OF SAN BRUNO, CALIFORNIA

CHANGES IN NET POSITION
LAST NINE FISCAL YEARS, CONTINUED
(Fiscal years ended June 30)

	2005*	2006	2007	2008	2009	2010	2011	2012	2013
General Revenues and Other Changes in Net Position									
Governmental activities:									
Taxes:									
Property taxes, levied for general purposes	$ 4,398,198	$ 4,944,621	$ 5,315,026	$ 5,792,092	$ 5,609,011	$ 6,561,286	$ 5,035,244	$ 5,641,633	$ 6,752,943
Property taxes, tax increment for redevelopment purposes	1,404,122	2,625,615	3,839,579	4,435,080	9,163,133	9,308,063	8,900,038	3,607,372	-
Transient occupancy tax	932,289	1,139,693	1,276,830	1,478,040	1,339,877	1,344,364	1,763,680	2,183,947	2,412,368
Franchise tax	995,474	1,450,533	1,531,909	1,608,176	1,798,855	1,804,390	1,916,659	1,941,385	1,973,837
Sales tax, including subvention	6,234,499	6,816,036	6,862,845	6,637,010	6,402,912	5,366,248	6,498,220	6,861,036	7,345,212
Cardroom taxes	3,028,003	2,819,988	2,735,107	1,491,812	1,540,728	1,496,516	1,531,232	1,572,708	1,616,868
Other taxes	-	-	316,762	-	1,523,129	1,487,538	1,632,802	2,028,635	2,251,707
Intergovernmental:									
State motor vehicle in-lieu tax, including subvention	2,876,477	2,824,642	3,166,460	3,365,156	3,544,320	3,350,849	3,374,101	3,255,434	3,158,217
Use of money and property	364,665	499,665	1,218,377	2,184,450	1,433,300	2,242,441	1,909,612	1,788,884	1,263,400
Miscellaneous and extraordinary items	2,386,324	3,409,259	2,425,997	-	-	-	-	1,328,242	(11,968,561)
Transfers	-	175,164	-	(300,443)	187,418	(93,482)	(91,576)	(29,493)	58,075
Total governmental activities	22,620,051	26,705,216	28,688,892	26,691,373	32,542,683	32,868,213	32,470,012	30,179,783	14,864,066
Business-type activities									
Use of money and property	438,775	513,954	508,939	573,172	(291,344)	123,648	119,045	147,344	138,020
Transfers	214,752	(62,857)	-	300,443	(187,418)	93,482	91,576	29,493	(58,075)
Total business-type activities	653,527	451,097	508,939	873,615	(478,762)	217,130	210,621	176,837	79,945
Total primary government	$ 23,273,578	$ 27,156,313	$ 29,197,831	$ 27,564,988	$ 32,063,921	$ 33,085,343	$ 32,680,633	$ 30,356,620	$ 14,944,011
Changes in Net Position									
Governmental activities	$ 4,373,969	$ 6,521,486	$ 5,150,314	$ 1,688,254	$ (358,422)	$ (93,497)	$ 1,941,142	$ 8,671,682	$(12,101,105)
Business-type activities	646,864	129,596	(127,149)	4,244,402	425,703	2,703,412	2,187,128	4,523,891	5,082,564
Total primary government	$ 5,020,833	$ 6,651,082	$ 5,023,165	$ 5,932,656	$ 67,281	$ 2,609,915	$ 4,128,270	$ 13,195,573	$ (7,018,541)

*Data not available prior to 2005

CITY OF SAN BRUNO, CALIFORNIA

FUND BALANCES, GOVERNMENTAL FUNDS
LAST NINE FISCAL YEARS
(Fiscal years ended June 30,)

	2005*	2006	2007	2008	2009	2010	2011	2012	2013
General Fund									
Nonspendable	$ -	$ -	$ -	$ -	$ -	$ 648,702	$ 638,512	$ 624,274	$ 548,075
Restricted	3,353,515	3,934,669	662,200	826,709	1,060,558	-	-	-	-
Assigned	-	-	-	-	-	152,533	127,407	110,049	238,060
Unassigned	3,245,215	4,462,312	8,041,350	8,670,499	6,652,186	7,443,638	9,052,945	12,998,096	8,848,896
Total general fund	$ 6,598,730	$ 8,396,981	$ 8,703,550	$ 9,497,208	$ 7,712,744	$ 8,244,873	$ 9,818,864	$ 13,732,419	$ 9,635,031
All Other Governmental Funds									
Nonspendable	$ -	$ -	$ -	$ 90,000	$ 90,000	$ 90,000	$ 90,000	$ -	$ -
Restricted	1,030,184	1,119,897	4,947,910	7,797,724	11,490,283	13,486,013	17,870,653	12,532,914	11,120,226
Committed			-	-	-	-	-	-	8,093,269
Unassigned	(2,041,041)	(836,728)	-	-	(986,616)	(1,818,644)	(1,843,753)	(71,119)	(27,028)
Total all other governmental funds	$(1,010,857)	$ 283,169	$ 4,947,910	$ 7,887,724	$ 10,593,667	$ 11,757,369	$ 16,116,900	$ 12,461,795	$ 19,186,467

*Data not available prior to 2005

CITY OF SAN BRUNO, CALIFORNIA

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Fiscal years ended June 30,)

Revenues:	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Taxes	$ 18,278,498	$ 21,801,314	$ 18,835,537	$ 21,137,455	$ 23,236,735	$ 27,788,860	$ 27,863,575	$ 27,705,514	$ 24,265,039	$ 22,433,688
Licenses and permits	1,835,250	1,637,527	5,283,072	4,813,087	4,379,092	3,644,640	2,036,968	2,182,177	3,674,707	2,834,980
Intergovernmental	3,960,354	4,538,435	4,726,434	4,976,381	5,555,835	4,024,517	4,663,260	4,102,933	4,811,636	4,416,017
Charges for services	3,936,291	5,302,228	4,998,704	3,458,641	3,534,085	2,812,413	3,319,982	4,249,436	4,648,073	3,120,324
Fines and forfeitures	555,133	500,717	570,691	563,836	578,406	649,186	763,221	739,033	759,985	676,421
Use of money and property	908,139	364,665	1,583,178	1,149,534	2,287,478	1,433,302	1,938,960	1,909,612	1,788,884	1,263,400
Other revenues	614,131	1,660,831	2,210,719	4,048,911	5,976,311	5,601,449	6,151,677	10,199,227	9,409,245	9,147,023
Total revenues	30,087,796	35,805,717	38,208,335	40,147,845	45,547,942	45,954,367	46,737,643	51,087,932	49,357,569	43,891,853
Expenditures:										
General government	3,587,063	3,830,993	3,750,350	3,449,991	1,114,968	3,831,772	3,432,652	7,733,633	7,659,751	8,683,516
Public safety	13,237,345	14,996,475	16,168,590	16,848,691	20,849,179	19,606,624	19,791,984	18,630,659	19,200,997	19,687,555
Public works	1,943,991	491,059	679,486	1,017,450	1,501,639	1,228,246	795,138	827,163	954,550	876,159
Highways and streets	1,207,594	5,552,960	4,969,695	2,956,134	4,816,250	4,101,578	3,924,442	2,442,621	3,420,294	2,804,070
Parks and recreation	3,791,251	3,562,029	3,886,525	4,136,082	4,822,377	4,627,648	4,319,160	4,106,814	4,245,171	4,310,157
Library	1,731,081	1,559,864	1,663,807	1,625,429	2,028,271	1,903,867	1,752,924	1,669,374	1,635,242	1,628,841
Community development	3,005,093	3,474,765	3,543,200	3,561,656	4,899,902	7,998,339	8,978,350	7,730,597	1,903,573	1,504,058
Capital outlay	1,661,709	773,579	827,974	799,524	906,765	696,590	1,071,479	699,463	2,154,326	1,161,609
Debt service:										
Principal	474,153	501,323	812,828	479,955	503,713	523,124	548,219	574,031	365,592	386,409
Interest	569,776	516,934	563,591	548,987	526,204	702,518	677,464	651,882	219,706	542,606
Total expenditures	31,209,056	35,259,981	36,866,046	35,423,899	41,969,268	45,220,306	45,291,812	45,066,237	41,759,202	41,584,980
Reconciliation of Governmental Revenues										
Less Expenditures to Fund Equity:										
Revenues over (under) expenditures	(1,121,260)	545,736	1,342,289	4,723,946	3,578,674	734,061	1,445,831	6,021,695	7,598,367	2,306,873
Extraordinary item	-	-	-	-	-	-	-	-	(6,591,758)	-
Other financing sources (Transfer In)	355,758	337,000	-	4,299,624	2,963,422	3,504,587	5,418,156	3,696,045	2,572,024	9,588,612
Other financing sources (Transfer Out)				(4,058,624)	(2,812,004)	(3,317,169)	(5,168,156)	(4,234,218)	(2,870,183)	(9,268,201)
Other financing sources (uses):										
Operating transfers from (to) Enterprise Funds:										
Water	-	-	77,500	-	-	-	-	-	-	-
Stormwater	-	-	25,000	-	-	-	-	-	-	-
Wastewater	-	-	72,664	-	-	-	-	-	-	-
Cable television	25,000	-	-	-	-	-	-	-	-	-
Operating transfers from (to) Internal Service Funds	249,834	211,398	150,000	-	-	-	-	-	-	-
Proceeds from sale of fixed assets	-	3,065	-	6,363	3,380	-	-	-	-	-
Proceeds of debt issued (refunds)	-	-	1,229,298	-	-	-	-	-	-	-
Total other financing sources (uses)	274,834	214,463	1,554,462	6,363	3,380	-	-	-	-	-
Net change in fund balances	$ (1,202,184)	$ 423,199	$ 2,896,751	$ 4,971,309	$ 3,733,472	$ 921,479	$ 1,695,831	$ 5,483,522	$ 708,450	$ 2,627,284
Debt service as a percentage of noncapital expenditures	0.035330719	0.029526333	0.038193469	0.029717273	0.025081691	0.027527846	0.027717634	0.027631331	0.014778433	0.022982126

CITY OF SAN BRUNO, CALIFORNIA

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(In thousands of dollars)

Fiscal Year End	Residential Property (a)	Commercial Property (a)	Industrial Property (a)	Other Property (a)	Total Secured Property	Total Unsecured Property	Total Assessed (b)	Estimated Full Market Value (b)	Total Direct Tax Rate (c)
2004	n/a	n/a	n/a	$3,542,312,375	$3,542,312,375	$190,780,306	$3,733,092,681	$3,733,092,681	1.0000
2005	n/a	n/a	n/a	3,699,755,446	3,699,755,446	85,255,919	3,785,011,365	3,785,011,365	1.0000
2006	n/a	n/a	n/a	4,022,810,077	4,022,810,077	73,755,204	4,096,565,281	4,096,565,281	1.0000
2007	n/a	n/a	n/a	4,595,232,358	4,595,232,358	132,801,940	4,728,034,298	4,728,034,298	1.0000
2008	4,140,658,055	786,083,510	45,850,953	18,220,809	4,990,813,327	136,882,557	5,127,695,884	5,127,695,884	1.0000
2009	4,258,133,280	955,388,864	48,730,397	67,546,506	5,329,799,047	151,460,560	5,481,259,607	5,481,259,607	1.0000
2010	3,975,052,139	926,069,917	50,710,726	89,708,468	5,041,541,250	158,207,291	5,199,748,541	5,199,748,541	1.0000
2011	3,983,932,708	873,929,269	50,198,770	63,452,695	4,971,513,442	149,424,723	5,120,938,165	5,120,938,165	1.0000
2012	4,070,537,434	891,421,347	51,219,994	58,079,327	5,071,258,102	147,540,815	5,218,798,917	5,218,798,917	1.0000
2013	4,174,398,109	866,171,661	54,657,760	37,746,851	5,132,974,381	188,968,984	5,321,943,365	5,321,943,365	1.0000

Source: California Municipal Statistics and County Assessor Data

(a) Other property assessed value included residential, commercial and industrial property before 2008.

(b) The State Constitution requires property to be assessed at one hundred percent of the most recent purchase price, plus an increment of no more than two percent annually, plus any local over-rides. These values are considered to be full market values.

(c) California Cities do not set their own direct tax rate. The State Constitution establishes the rate at 1% and allocates a portion of that amount, by an annual calculation, to ALL the taxing entities within a tax rate area.

CITY OF SAN BRUNO, CALIFORNIA

DIRECT AND OVERLAPPING TAX RATES
LAST TEN FISCAL YEARS
(Rate per $100 of assessed value)

	Direct Rates		Overlapping Rates		Total
	Basic Rate	Total Direct	School Districts	Special Districts	Tax Rate
FY 03-04	1.0000	1.0000	0.1634	0.0000	1.1634
FY 04-05	1.0000	1.0000	0.0597	0.0000	1.0597
FY 05-06	1.0000	1.0000	0.0574	0.0000	1.0574
FY 06-07	1.0000	1.0000	0.0664	0.0000	1.0664
FY 07-08	1.0000	1.0000	0.0596	0.0000	1.0596
FY 08-09	1.0000	1.0000	0.0710	0.0000	1.0710
FY 09-10	1.0000	1.0000	0.0804	0.0000	1.0804
FY 10-11	1.0000	1.0000	0.0834	0.0000	1.0834
FY 11-12	1.0000	1.0000	0.0909	0.0000	1.0909
FY 12-13	1.0000	1.0000	0.0905	0.0000	1.0905

Source: California Municipal Statistics

CITY OF SAN BRUNO, CALIFORNIA

PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

		2012-13			2003-2004				
Property Owner	Primary Land Use	Assessed Valuation	Rank	% of Total	Property Owner	Primary Land Use	Assessed Valuation (in thousands of dollars)	Rank	% of Total
ASN Tanforan Crossing I LLC	Apartments	$ 131,419,883	1	2.56%	The Gap Inc.	Office Building	$ 291,994	1	7.77%
Tanforan Park Shopping Center LLC	Shopping Center	122,182,846	2	2.38%	Bayhill Associates	Office Building	127,510	2	3.39%
The Gap Inc.	Office Building	122,151,808	3	2.38%	Aimco San Bruno Apt.	Apartments	46,314	3	1.23%
Bayhill Four Associates	Office Building	119,113,327	4	2.32%	San Bruno Seventeen et al	Office Building	37,579	4	1.00%
Archstone San Bruno III LLC	Apartments	82,410,209	5	1.61%	RB Lake Amir Office Et AL	Office Building	29,948	5	0.80%
Behringer Harvard Acappella LP	Apartments	56,100,000	6	1.09%	Crystal Springs Associates	Apartments	29,653	6	0.79%
CREA-San Bruno LLC	Office Building	43,800,000	7	0.85%	Tanforan Shopping Center	Shopping Center	28,550	7	0.76%
San Bruno Towne Center Partnership	Shopping Center	41,799,367	8	0.81%	JC Penny Co. Inc.	Shopping Center	24,958	8	0.66%
Crystal Springs Associates	Apartments	32,459,519	9	0.63%	Martin/Regis San Bruno Assoc.	Apartments	24,179	9	0.64%
Aimco San Bruno Apartments Partners LP	Apartments	30,839,848	10	0.60%	Lowes HIW Inc. Lessee	Shopping Center	23,826	10	0.63%
Subtotal		$ 782,276,807		15.23%			$ 664,511		17.67%

(1) 2012-13 Local Secured Assessed Valuatio	5,132,974,381
(2) 2003-04 Local Secured Assessed Valuation (In thousands)	3,760,074

Source(s): Financial Statements and California Municipal Statistics, Inc.

CITY OF SAN BRUNO, CALIFORNIA

SCHEDULE OF TOP 40 RETAIL BUSINESSES
FOR THE YEAR ENDED JUNE 30, 2013
(Listed in alphabetical order)

Name	Address
All Shores	135 El Camino Real
Alpha Flight Guru	881 Sneath Ln.
Apex Systems, Inc.	1111 Bayhill Dr. Ste 240
Automotive Workwear Inc.	881 Sneath Ln.Ste 113
Barthco International Inc.	1162 Cherry Ave.
Best Buy Store #1896	1250 El Camino Real
Biocodex Inc.	1250 Bayhill Dr. Ste 200
CBR Systems Inc.	1200 Bayhill Dr Fl 3
Century Theaters Inc.#494	1188 El Camino Real
Chili's Grill & Bar #57	899 El Camino Real
Cisco Ironport Systems, LLC	950 Elm Ave.
Codon Medical	1111 Bayhill Dr. Ste 475
Crystal Springs Associates	2000 Crystal Springs Rd.
CVS Pharmacy #9807	10 Bayhill Shopping Ctr.
Davita Rx, LLC#1685	1178 Cherry Ave.
Devicescape Software, Inc.	1250 Bayhill Dr. Ste 201
Evergreen Ridge Apartments	3815 Susan Dr.
G.W. Williams	Mills Park
Gracy Honda	345 El Camino Real
J.C. Penny Corp. Inc.	1122 El Camino Real
Lash Group, Inc.	999 Bayhill Dr#300
Lohika Systems Inc.	1001 Bayhill Dr.Ste 108
Lowe's HIW, Inc.#1019	1340 El Camino Real
Lucky #748	1322 El Camino Real
Lunardi's Market	2801 San Bruno Ave W
Melody Toyota	750 El Camino Real
Provident Funding Associates LP	851 Traeger Ave.Ste 100
PT Gaming LLC	659 Huntington Ave.
Recology San Bruno	101 Tanforan Ave.
Responsys	1100 Grundy Ln. FL 3
San Bruno Shell-Gas Station	798 El Camino Real
Sears Roebuck & Co. #1478	1178 El Camino Real
Tanforan Park Shopping Center, LLC	1150 El Camino Real
Target Store T1054	1150 El Camino Real
The Permanent Medical Group Tax Dept.	801 Traeger Ave.
Vantagepoint Capital Partners	1001 Bayhill Dr.Ste 300
Victory Honda of San Bruno	345 El Camino Real
Vince's Shell Fish Co. Inc.	1063 Montgomery Ave.
Weiss-Rohlig USA LLC	1150 Bayhill Dr. Ste 121
You Tube Inc.	901 Cherry Ave.

Source : City of San Bruno Business Tax

CITY OF SAN BRUNO, CALIFORNIA

PROPERTY TAX LEVIES AND COLLECTION FOR THE LAST TEN YEARS

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2004	$ 3,823,744	$ 3,823,744	100%	$ -	$ 3,823,744	100%
2005	3,679,828	3,679,828	100%	-	3,679,828	100%
2006	3,983,245	3,983,245	100%	-	3,983,245	100%
2007	4,365,665	4,365,665	100%	-	4,365,665	100%
2008	4,987,275	4,987,275	100%	-	4,987,275	100%
2009	4,848,334	4,848,334	100%	-	4,848,334	100%
2010	4,668,992	4,668,992	100%	-	4,668,992	100%
2011	4,596,877	4,596,877	100%	-	4,596,877	100%
2012	4,594,121	4,594,121	100%	-	4,594,121	100%
2013	4,821,711	4,821,711	100%	-	4,821,711	100%

Source: City financial records

Note: Amounts reported and collected under the Teeter Plan in which all taxes are distributed to the City in the year of the levy with the County of San Mateo retaining any interest or penalties on uncollected balances.

CITY OF SAN BRUNO, CALIFORNIA

RATIOS OF OUTSTANDING DEBT BY TYPE
FOR THE LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	Government Activities			Business-type Activities				
	Capital Lease	Certificates of Participation	Pension Obligation Bonds	Wastwater Certificates of Participation	Total Primary Government	Population	Debt per Capia	Debt As a Percent of Personal Income
2004	$ 1,492,097	$ 9,300,000	$ -	$ 9,460,000	$ 20,252,097	41,500	$ 488	1.8%
2005	1,155,774	9,135,000	-	9,275,000	19,565,774	39,752	492	1.5%
2006	1,959,633	8,955,000	-	9,275,000	20,189,633	39,986	505	1.5%
2007	1,669,679	8,765,000	-	9,085,000	19,519,679	40,017	488	1.5%
2008	1,365,965	8,565,000	-	8,890,000	18,820,965	43,286	435	1.3%
2009	1,047,841	8,360,000	-	8,685,000	18,092,841	43,798	413	1.2%
2010	714,622	8,145,000	-	8,475,000	17,334,622	44,294	391	1.1%
2011	365,592	7,920,000	-	8,260,000	16,545,592	41,842	395	1.2%
2012	240,306	7,680,000	-	8,035,000	15,955,306	42,451	367	1.1%
2013	208,898	7,430,000	12,546,749	7,800,000	27,985,647	42,451	659	1.8%

Source: City financial records

CITY OF SAN BRUNO, CALIFORNIA

OVERLAPPING DEBT
JUNE 30, 2012

2012-13 Assessed Valuation:	$ 5,325,535,303		
Redevelopment Incremental Valuation:	945,693,200		
Adjusted Assessed Valuation:	$ 4,379,842,103		
Overlapping Tax and Assessment Debt:	Net Debt Outstanding	% Applicable [1]	Debt
San Mateo Community College District	$ 595,569,994	3.594%	$ 20,868,920
South San Francisco Unified School District	124,575,377	1.448	1,803,851
San Mateo Union High School District	453,412,289	9.972	45,214,273
San Bruno Park School District	13,969,893	85.92	12,002,932
Millbrae School District Maintenance Assessment District	49,014,527	3.131	1,534,645
Total overlapping tax and assessment debt			81,424,621
Ratios to 2011-12 Assessed Valuation:			
Total Overlapping Tax and Assessment Debt			1.53%
Direct and Overlapping General Fund Debt:			
San Mateo County General Fund Obligations	311,729,816	3.594%	11,203,570
San Mateo County Board of Education Certificates of Participation	11,455,000	3.594	411,693
San Mateo County Flood Control District Certificates of Participation	22,265,000	6.809	1,516,024
South San Francisco Unified School District Certificates of Participatior	1,094,201	1.448	15,844
San Bruno Park School District Lease Revenue Bonds	5,020,000	85.92	4,313,184
City of San Bruno Fire Apparatus Lease	208,898	100	208,898
City of San Bruno Pension Obligation Bonds	7,430,000	100	7,430,000
City of San Bruno Certificates of Participation	12,546,749	100	12,546,749
City of San Bruno compensated absences	2,394,812	100	2,394,812
City of San Bruno libility for claims	3,056,000	100	3,056,000
City of San Bruno other post employment benefits	12,770,900	100	12,770,900
Total direct and overlapping general fund debt			55,867,674
Total Direct Debt			38,407,359
Total Overlapping Debt			98,884,936
Combined Total Debt [2]			$ 137,292,295
Ratios to Adjusted Assessed Valuation:			
Total Direct Debt ($38,588,773)			0.72%
Combined Total Debt			2.58%

[1] Percentage of overlapping agency's assessed valuation located within boundaries of the city.

[2] Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue, and tax allocation bonds and non-bonded capital lease obligations.

Source: California Municipal Statistics

CITY OF SAN BRUNO, CALIFORNIA

LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(Dollars in thousands)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Debt limit	$ 585,483	$ 546,545	$ 595,032	$ 680,951	$ 740,427	$ 791,361	$ 748,091	$ 737,577	$ 782,820	$ 798,291
Total net debt applicable to limit	20,252	19,566	20,190	19,520	18,821	18,093	17,335	16,546	15,955	27,986
Legal debt margin	$ 565,231	$ 526,979	$ 574,842	$ 661,431	$ 721,606	$ 773,268	$ 730,756	$ 721,031	$ 766,865	$ 770,305
Total net debt applicable to the limit as a percentage of debt limit	3.58%	3.71%	3.51%	2.95%	2.61%	2.34%	2.37%	2.29%	2.08%	3.63%

(1) California Government Code, Section 43605 sets the debt limit at 15% of gross assessed valuation.

CITY OF SAN BRUNO, CALIFORNIA

PLEDGED REVENUE COVERAGE
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	Business-type Activities Wastewater Certificates of Participation					
	Sewer Revenues & Transfers	Less: Operating Expenses	Net Available Revenue	Debt Service Principal	Debt Service Interest	Coverage
2004	5,455,496	4,760,646	694,850	155,000	443,767	1.16
2005	5,943,670	5,150,495	793,175	185,000	439,605	1.27
2006	6,079,454	4,206,352	1,873,102	185,000	435,165	3.02
2007	6,261,689	5,804,944	456,745	190,000	430,035	0.74
2008	8,413,781	7,063,137	1,350,644	195,000	424,185	2.18
2009	9,061,790	7,275,670	1,786,120	205,000	417,420	2.87
2010	9,566,100	7,231,032	2,335,068	210,000	409,860	3.77
2011	10,128,799	8,716,618	1,412,181	215,000	401,690	2.29
2012	11,294,768	8,043,233	3,251,535	225,000	392,915	5.26
2013	12,231,509	8,543,647	3,687,862	235,000	383,515	5.96

Source: City financial records

CITY OF SAN BRUNO, CALIFORNIA

DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Year	Population	Total Personal Income	Per Capita Personal Income	Median Age	San Mateo County School Enrollment	San Mateo County County Unemployment Rate	City Unemployment Rate
2004	41,500	1,156,065,500	27,857	36.3	3,906	4.5%	N/A
2005	39,752	1,313,962,608	33,054	36.3	3,806	4.5%	N/A
2006	39,986	1,321,537,300	33,050	36.3	3,857	3.8%	N/A
2007	40,017	1,322,721,918	33,054	36.7	3,793	3.9%	N/A
2008	43,286	1,430,602,300	33,050	39.0	3,796	4.8%	N/A
2009	43,798	1,490,883,920	34,040	38.3	3,805	8.9%	N/A
2010	44,294	1,537,533,328	34,712	38.8	3,789	9.2%	N/A
2011	41,842	1,384,677,306	33,093	39.1	3,697	8.7%	N/A
2012	42,451	1,447,664,002	34,102	37.3	3,747	7.1%	N/A
2013	42,828	1,516,154,028	35,401	38.8	3,790	6.7%	5.8%

2013 Source: MuniServices, LLC

Population is provided by the State Department of Finance

Personal income and per capita personal income is provided by U.S.Census, American Comm.Survey 3-year Estimates and is adjusted for inflation

Median Age is provided by U.S. Census Bureau,American Comm.Survey 3-year Estimates

School Enrollment is provided by Caupuchino High & San Bruno Park

The County unemployment rate is provided by the State of California Employment Development Department for San Mateo County

2013 City Unemployment Rate is provided by MuniServices, LLC

N/A: Data Not Available

CITY OF SAN BRUNO, CALIFORNIA

PRINCIPAL EMPLOYERS
CURRENT YEAR AND LAST YEAR

	2012-13			2011-12		
Employer	Employees	Rank	Percentage of Total Employment (%)	Employees	Rank	Percentage of Top 11 Employment
You Tube, Inc.	686	1	2.97%	558	1	28.03%
Artichoke Joe's Casino	350	2	1.52%		N/A	0.00%
Responsys Inc.	271	3	1.17%		N/A	0.00%
Lash Group, Inc.	260	4	1.13%	332	8	16.68%
Sears, Roebuck & Co.#1478	260	5	1.13%	264	6	13.26%
Target Store	258	6	1.12%	258	5	12.96%
Skyline Collecge	246	7	1.06%		N/A	0.00%
City of San Bruno	239	8	1.03%		N/A	0.00%
Lowe's HIW, Inc.	175	9	0.76%	146	7	7.33%
CBR Systems Inc	150	10	0.65%	152	2	7.63%
Davita RX, LLC#1685				74	3	3.72%
Archstone(Grande Lux)				14	4	0.70%
Vantagepoint Capital Partners				45	9	2.26%
Lunardi's Market				77	10	3.87%
Melody Toyota				71	11	3.57%
Total Top Employers	2,895		12.54%	1,991		
Total City Labor (1)	23,100					

Source: 2012-13 MuniServices, LLC
Source: 2011-12, previously published CAFR Report
Results based on direct correspondence with city's local businesses.
(1.) Total City Employment provided by EDD Labor Force Data.
*Includes both Full and Part Time Employees

CITY OF SAN BRUNO, CALIFORNIA

FULL-TIME EQUIVALENT CITY EMPLOYEES BY FUNCTION/PROGRAM LAST TEN FISCAL YEARS

(Fiscal year ended June 30)

Function/Program	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Fund										
City Council	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
City Clerk	2.00	1.50	1.50	1.75	1.75	1.75	1.75	1.75	1.75	1.75
City Treasurer	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Legal Services	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
City Manager	3.80	3.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Human Resources	1.00	1.00	2.00	2.75	2.75	2.75	1.75	1.75	1.75	2.25
Finance										
Administration	6.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	4.50
Revenue Services	7.00	7.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Police	70.00	64.00	66.00	66.00	63.00	66.00	61.00	61.50	59.00	60.00
Fire	36.00	36.00	36.00	35.00	33.00	33.50	33.50	33.50	32.50	32.75
PublicWorks										
Admin. & Engineering	10.98	7.75	7.75	8.75	7.75	7.75	7.75	6.75	6.75	6.75
Streets Maintenance	8.28	5.60	5.60	5.60	5.60	5.60	5.10	5.05	5.05	5.05
Community Development										
Planning	3.45	2.45	3.45	3.45	2.60	2.50	2.00	2.00	1.75	3.50
Building	4.50	4.10	6.10	6.10	5.30	5.00	4.00	4.00	4.25	6.50
Parks & Recreation Services										
Recreation	7.00	4.05	4.05	4.20	3.35	4.35	3.85	4.05	4.05	4.00
Parks Maintenance	19.30	17.25	18.75	18.75	15.95	17.00	15.50	14.35	13.35	13.80
Senior Services	2.00	2.45	2.45	2.30	2.15	2.15	2.15	2.25	1.25	3.35
Library Services	13.00	10.50	10.50	10.50	9.50	10.00	9.00	8.75	8.75	7.65
Subtotal	201.56	178.90	184.40	185.40	172.95	178.60	167.60	165.95	160.45	167.10
Special Revenues										
Solid Waste	0.10	0.30	0.30	0.30	0.30	0.30	0.25	0.35	0.35	0.35
RDA Operation	3.20	2.80	2.80	2.75	1.80	3.60	3.60	3.60	3.60	-
Successor Agency to SB RDA	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1.00
RDA Low/Mod Housing	1.85	1.65	1.65	1.70	1.25	1.90	1.90	1.90	1.90	-
Subtotal	5.15	4.75	4.75	4.75	3.35	5.80	5.75	5.85	5.85	1.35
Internal Services										
Central Garage	3.17	3.35	3.35	3.95	3.85	3.95	3.95	3.35	2.85	2.85
Buildings and Facilities	9.25	6.20	5.75	7.00	5.50	7.00	7.00	6.10	6.10	5.70
Technology Support	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Self-Insurance	0.95	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Subtotal	16.37	13.55	13.10	14.95	13.35	14.95	14.95	13.45	12.95	12.55
Enterprise Funds										
Water Enterprise	14.59	14.90	15.90	17.90	15.90	16.90	16.90	17.30	17.30	17.30
Stormwater Enterprise	2.25	2.55	2.55	2.95	2.95	2.95	2.95	3.65	3.65	3.65
Wastewater Enterprise	13.33	14.60	14.60	14.60	12.10	14.60	14.10	14.55	15.55	15.55
Cable Enterprise	19.50	19.50	18.50	19.50	19.00	19.50	19.50	20.00	20.00	20.00
Subtotal	49.67	51.55	51.55	54.95	49.95	53.95	53.45	55.50	56.50	56.50
Glenview Funds										
Crestmoor (Glenview) Recovery										5.00
Subtotal	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	5.00
Total Positions (all funds)	272.75	248.75	253.80	260.05	239.60	253.30	241.75	240.75	235.75	242.50

CITY OF SAN BRUNO, CALIFORNIA

OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(Fiscal year ended June 30)

Function/Program	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Police										
Calls for Service	*	*	*	*	*	25,164	23,305	22,275	23,242	24,405
Physical arrests	1,521	*	1,331	*	*	1,585	1,371	1,401	1,371	989
Parking violations**	13,462	*	9,634	10,273	11,715	11,706	9,242	10,273	11,683	11,559
Traffic collisions	2,149	*	3,087	*	*	480	387	452	387	380
Moving citations	*	*	*	*	*	2,215	2,128	2,665	2,128	1,422
Fire										
Number of stations	2	2	2	2	2	2	2	2	2	2
Number of calls answered**	3,038	3,016	3,170	3,294	3,493	3,539	3,517	3,791	3,809	3,916
Number of inspection conducted**	850	*	650	1,487	1,647	1,428	1,300	1,341	1,381	1,358
Public Works										
Street repair (sq. ft.)	*	*	*	*	*	*	11,405	8,750	4,304	4,304
Potholes repaired	*	*	*	*	*	*	1,055	1,055	1,016	2,311
Sidewalk repair (sq. ft)	*	*	*	*	*	*	4,653	2,478	2,215	896
Sidewalk curb&gutter repair (ft)	*	*	*	*	*	*	481	89	62	85
Community Development:										
Plans checks	*	*	*	*	*	*	413	389	384	340
Permits Issued	*	*	*	*	*	*	1,178	1,575	1,375	1,284
Parks & recreation:										
Picnic rentals	*	*	*	*	*	*	*	766	813	673
Library:										
Library circulation	*	*	*	*	*	*	*	374,496	372,162	388,066
Library visits	*	*	*	*	*	*	*	239,916	239,649	228,835
Water										
New service connections	*	*	*	*	*	*	353	320	271	265
Gallons purchased(millions of gallon	*	*	*	*	*	*	*	584	796	725

***Data not available**

****Calendar year as of October 31**

Source: various city department records. City began tracking by function in 2011

CITY OF SAN BRUNO, CALIFORNIA

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST SEVEN FISCAL YEARS
(Fiscal year ended June 30)

Function/Program	2007	2008	2009	2010	2011	2012	2013
Engineering /Public Work							
Pavement	(720,575)	(698,246)	(698,027)	(696,010)	(732,678)	(934,435)	(946,351)
Traffic Signal	17						
Traffic Signal	(42,547)	(42,218)	(43,404)	(54,334)	(54,334)	(53,676)	(60,318)
Streetlights	1,448						
Streetlights	(76,300)	(241,541)	(241,541)	(241,541)	(241,542)	(100,642)	-
Housing & Redevelopment							
Roadway in centerline miles	145						
Sidewalk	(411,070)	(402,009)	(415,587)	(415,488)	(423,538)	(423,538)	(422,886)
Roadway in centerline miles	131						
Curb & Gutter	(120,158)	(117,235)	(117,235)	(117,235)	(117,235)	(117,235)	(117,235)
Finance and Parks							
Park Facilities	24						
Park Facilities	(35,915)	(35,847)	(35,847)	(35,847)	(35,847)	(35,847)	(35,847)
Walkway Paths and Trails Subsystem	2						
Walkway Paths and Trails Subsystem	(20,944)	(20,507)	(20,507)	(20,507)	(20,507)	(20,507)	(20,507)
Buildings	24						
Structures	(389,213)	(367,380)	(377,093)	(386,312)	(394,902)	(394,682)	(395,536)

Source: City records and Infrastructure Valuations performed by AMS Consulting, LLC
Note(s): Amounts are additions (reductions) only to show the reader valuation adjustments by program associated with the department.
N/A = Not applicable, first year of valuation.