Community Pride and Forward Vision

Comprehensive Annual Financial Report

Year Ended June 30, 2013

City of Stanton
7800 Katella Avenue
www.ci.stanton.ca.us

CITY OF STANTON, CALIFORNIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

WITH REPORT ON AUDIT
BY INDEPENDENT
CERTIFIED PUBLIC ACCOUNTANTS

For the Year Ended June 30, 2013

Prepared by the Administrative Services Department

City of Stanton
Comprehensive Annual Financial Report
For the year ended June 30, 2013

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November 26, 2013

City of Stanton
Stanton, California

Honorable Mayor and Members of the City Council:

City Staff are pleased to present to you the Comprehensive Annual Financial Report (CAFR) for the City of Stanton (City) for the fiscal year ended June 30, 2013. The accompanying financial statements were prepared by the staff of the Administrative Services Department in conformity with generally accepted accounting principles as promulgated by the Governmental Accounting Standards Board (GASB). Responsibility for the integrity and completeness of the financial information presented in this report rests with City management. To the best of our knowledge and belief, the enclosed data is accurate in all material respects, and is reported in a manner designed to present fairly the financial position, and results of operations of the various activities of the City of Stanton. Management has established a comprehensive framework of internal control to provide a reasonable basis for asserting that these financial statements are fairly presented. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The Comprehensive Annual Financial Report represents the culmination of all budgeting and accounting activities of the City during the fiscal year 2012-13. The report is presented in three sections: Introductory, Financial and Statistical. There has been no significant change in the City's fiscal policies that impact the current year financial statements.

Each year, the City's financial statements are audited by an independent, certified public accounting firm. White Nelson Diehl Evans, Inc, Certified Public Accountants performed the audit for the fiscal year ended June 30, 2013. Their audit included a review of the City's accounting systems, internal controls and other audit procedures sufficient to enable them to render an opinion on the City's financial statements. For the fiscal year ended June 30, 2013, the City's financial statements received an unqualified opinion. Their report is included on page 1 of this CAFR.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

PROFILE OF THE CITY OF STANTON

The City of Stanton was incorporated in June, 1956 under the general laws of the State of California, and operates under a Council-Manager form of government. The City Council is comprised of five members elected at large on a staggered basis for a term of four years. The City Manager is appointed by the City Council and has the responsibility of administering municipal services in accordance with the policies and annual budget adopted by the City Council.

The City comprises 3.1 square miles in area and has 38,915 residents. Stanton is located in central Orange County, just 23 miles southeast of downtown Los Angeles. It has easy freeway access and is within 12 miles of Disneyland, Anaheim Stadium, Knott's Berry Farm, Huntington Beach and the John Wayne and Long Beach Airports. State Highway 39, Beach Boulevard, runs through the center of the City.

Stanton provides a broad range of municipal services to its citizens, including planning, zoning and building safety, code enforcement, parking control, recreation and community services, engineering, public works, streets and park maintenance, street sweeping, graffiti abatement and general administration. Police and fire services are provided by contracts with the Orange County Sheriff's Department and Orange County Fire Authority, respectively. The public library located in Stanton is a part of the Orange County Library System.

This report combines the financial activities of the City of Stanton, the primary government and the Housing Authority of the City of Stanton, a blended component unit. The resources and activities of the Successor Agency to the City of Stanton Redevelopment Agency are reported in a separate Private-Purpose Trust Fund, which is also included in these financial statements. Additional information on all three of these legally separate entities can be found in Note 1 to the basic financial statements and additional information on the dissolution of the Redevelopment Agency can be found in Notes 16 and 17.

During the fiscal year under audit, the City implemented Governmental Accounting Standards Board (GASB) Statements No. 63 and 65. These statements required the City to present a Statement of Net Position instead of a Statement of Net Assets, as well as retroactively show bond issues costs of the Successor Agency to the Stanton Redevelopment Agency as expensed in the period incurred, which results in a decrease in that Private-Purpose Trust Fund's net position.

The City adopts a bi-annual budget prepared on the modified accrual basis for all of its governmental funds. The City Manager is required, under City Code Section 2.08.50, to prepare and submit to the City Council the bi-annual budget and administer it after adoption. Legally, expenditures cannot exceed total appropriations at the fund level. Any revisions between funds must be approved by the City Council. The City also maintains an encumbrance system. As purchase orders are issued, corresponding amounts of appropriations are reserved so budgets may not be overspent. Unexpended and unencumbered appropriations lapse at fiscal year end. Encumbrances outstanding at the fiscal year end are carried into the following budgetary year for continued funding.

ECONOMIC OUTLOOK AND CONDITION

Current Economic Condition

The U.S. economy (GDP) grew at 2.5% real (after inflation) annual rate during 2013's revised second quarter report. That means that the U.S. per capita economic output has returned to the pre-crisis peak it reached in late 2007 for the first time since the recession officially ended in June 2009.

Although growth in the US economy was strong, a government shutdown in October 2013, rising bond and mortgage rates, weaker foreign markets, and rising oil prices are clouding the outlook for the rest of this year. Rising exports, consumer spending and real estate spending helped boost the second quarter numbers, while a decline in government spending acted as a drag. Year-on-year comparisons of retail sales have been growing since April 2013 through the most recent report in August 2013. Growth is expected to increase modestly in 2013-14 as the economy heals further.

The Labor Department reported on November 8, 2013 that employers in the US added 204,000 jobs in October, while the unemployment rate rose to 7.3% from 7.2% in September, likely because furloughed federal workers were counted as unemployed. The unemployment rate is still down from 7.9% in October 2012. In October 2013 the national unemployment rate was 7.9%. For California, the seasonally adjusted unemployment rate for August 2012 was 8.7%. For Orange County, the August unemployment rate was 6.2%. For Stanton, the July unemployment rate was 10.6%, 1% lower than the prior year.

The Orange County median housing price in October 2013, based on the California Association of Realtors data, was $660,080, which is 18.1% above the year ago level and 12% below the peak price of $749,697 in April 2006. On a year-over-year basis, the median price has been increasing since October 2011. These trends are prevalent throughout the region. Recovery will continue in 2013, with both sales and median prices up.

Confidence among U.S. consumers declined in October 2013 by the most since August 2011 as the budget impasse and debt-ceiling negotiations in Washington took a toll on outlooks. The partial shutdown of federal agencies for half of October pushed consumer expectations to a seven-month low. Limited employment and wage gains, along with the prospect of another budget battle early next year, raise the risk of restrained holiday sales.

Consumer spending in the U.S. cooled as households put more money in the bank heading into the partial government shutdown. Household purchases, which account for about 70 percent of the economy, rose 0.2% in September after 0.3% in August, resulting in the third quarter spending increasing at the slowest pace since 2011.

At the same time, income has been slow to pick up. Real average hourly earnings rose 1.3% in October from the same time last year, according to the Labor Department on October 30, 2013. Earnings for production workers rose 1.4% in the 12 months through October.

For Stanton, the economy will grow very slowly over the next two fiscal years. It is expected that sales tax revenue will increase 4-6% over the next two or three years. The City's sales tax revenue was approximately 25% of General Fund revenues in fiscal year 2012-13. The housing market in Stanton continues to be flat, although with small pockets of development occurring in the City, there are some signs of growth on the horizon.

The City's main industries focus on service stations, construction, and auto sales, which were hit the hardest by the recession. The next fiscal years will be financially stable and managing the City's scarce resources will become more important in the future. The City is cautious about future economic conditions and will adapt as they unfold.

The City's staff continued to utilize the City's financial and human resources in the most efficient manner possible, and allocated these resources toward projects and programs designed to accomplish the goals and objectives identified in the Strategic Plan and in the budget document. Both of these documents were prepared with the input and guidance of the City Council and subsequently adopted by the same body.

The City's continued control over expenditure growth has been a key factor in maintaining the City's positive financial position. The City Council approved closing four internal service funds, with the one-time transfers from those funds being used to help balance the General Fund. Even so, the FY 2013-14 budget is balanced as a result of using General Fund reserves – the budget is approved with a structural imbalance. This will be the case again for FY 2013-14, with one of the primary long-term goals of the City Council being to reach a structural balance.

Outlook for the Future

Much of Stanton's future, in terms of its ability to deliver acceptable levels of public services, particularly Safety Services, is dependent upon the generation of revenues adequate to support them. Since law enforcement and fire services represent 71% of the City's General Fund budget, any increase in these costs has a dramatic impact on the remaining services and the City's overall financial condition. Average annual increases in these services have typically been in the range of 4% to 10%. Keeping the cost of providing safety services under control is critical to maintaining the overall fiscal health of the City.

Beyond the need for funding for law enforcement and fire services, the City Council and the citizens continue to place an emphasis on neighborhood preservation issues, which will require maintaining increased code enforcement efforts and securing sufficient funding for such efforts.

Although the City has been "built out" for many years, it continues to make great strides in economic development and business retention.

SPENDING LIMITATION

The voters of California, during a special election in 1979, approved Proposition 4 (the "Gann Initiative") which was incorporated into Article XIII-B of the California State Constitution. It restricted, in any given fiscal year, the total amount of appropriations allowed from the "proceeds of taxes." Each year, the governing body of local jurisdictions must establish, by resolution, an Appropriations Limit for the following year. If a city ends the fiscal year having more appropriations from the proceeds of taxes than the Limit allows, it must return the excess to the taxpayers within two years (either by reducing taxes levied or fees charged). The City's 2012-13 Appropriations Limit was $35,271,629 and the City's actual appropriations subject to the limit were well within the legal requirement.

AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Stanton for its comprehensive annual financial report for the fiscal year ended June 30, 2012. In order to be awarded a Certificate of Achievement, a city must publish an easily readable and efficiently organized comprehensive annual report, which also satisfies both generally accepted accounting principles and all applicable legal requirements.

A Certificate of Achievement is valid for only one year. We believe this comprehensive annual financial report (CAFR) continues to meet the high award program standards. We are submitting it to the GFOA to determine its eligibility for 2012-13.

The City of Stanton also received awards for "Excellence in Operational Budgeting" from the California Society of Municipal Finance Officers for its 1994-95 through 2011-13 Budget Documents. This award recognizes the achievement of excellence in the preparation of an outstanding budget document, and the underlying budgeting process through which the budget is implemented. In addition, The GFOA awarded the City its Distinguished Budget Presentation Award for the 1996-97 through 2011-13 fiscal years. This award is the highest form of recognition in governmental budgeting.

ACKNOWLEDGEMENTS

The preparation of this comprehensive annual financial report was made possible by the dedicated staff of the Administrative Services Department and the City Manager's Office, and the cooperation and assistance of the City's auditors, White Nelson Diehl Evans, Inc., Certified Public Accountants. Each member of this team has our sincere appreciation. We also extend our thanks and appreciation to the members of the Stanton City Council for their encouragement and support in conducting the financial operations of the City in a responsible manner.

Respectfully submitted,

James A. Box
City Manager

Stephen M. Parker, CPA
Interim Director of Administrative Services

City of Stanton
Principal Officials

Members of the City Council for 2012-13

Mayor	David J. Shawver
Mayor Pro Tem	Alexander A. Ethans
Council Member	Brian Donahue
Council Member	Rigoberto A. Ramirez
Council Member	Carol Warren

Administrative Staff

City Manager	James A. Box
City Attorney	Matthew "Mal" Richardson
City Clerk	Patricia A. Vazquez
Administrative Services Director/City Treasurer	Stephen M. Parker
Community and Economic Development Director	Omar Dadabhoy
Public Works Director/City Engineer/ Director of Parks and Recreation	Nick Guilliams
O.C. Fire Authority Division Chief	Greg McKeown
O.C. Sheriff Department Lieutenant	Stu Greenberg

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Stanton

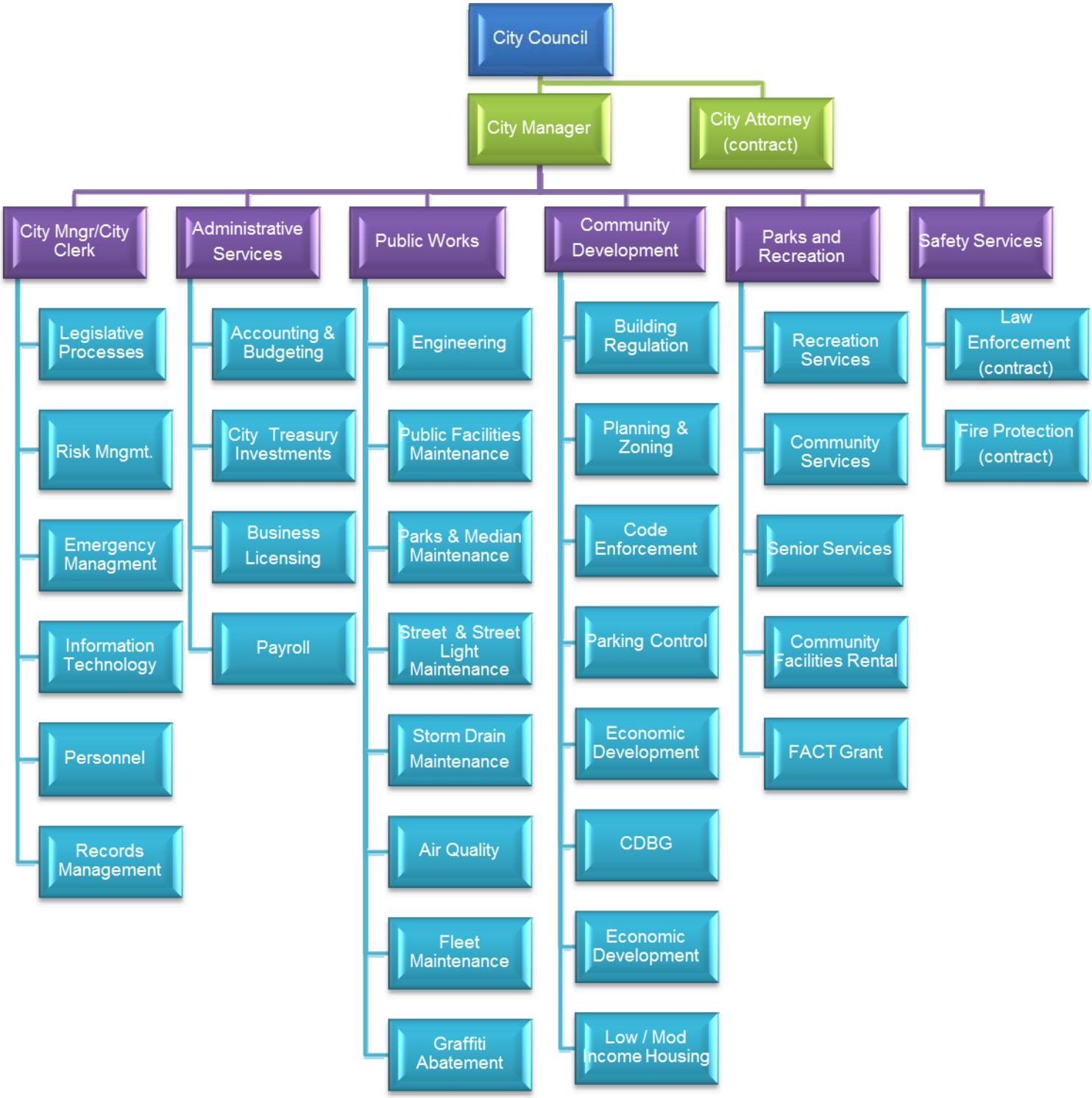
California

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2012

Executive Director/CEO

City Wide Organization Chart



WHITE NELSON DIEHL EVANS LLP
Certified Public Accountants & Consultants

INDEPENDENT AUDITORS' REPORT

The Honorable Mayor and
Members of the City Council
of the City of Stanton
Stanton, California

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditors' 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 auditors' 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 auditors consider 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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Offices located in Orange and San Diego Counties

Opinion

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

Emphasis of Matters

As discussed in Note 1E to the basic financial statements, the City incorporated deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure of net position due to the adoption of Governmental Accounting Standards Board's Statement No. 63, *"Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position"*. The adoption of this standard also provides a new statement of net position format to report all assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position. Our opinion is not modified with respect to this matter.

As discussed in Note 1E to the basic financial statements, the City has changed its method for accounting and reporting certain items previously reported as assets or liabilities during fiscal year 2012-2013 due to the early adoption of Governmental Accounting Standards Board's Statement No. 65, *"Items Previously Reported as Assets and Liabilities"*. The adoption of this standard required retrospective application resulting in a $2,092,584 reduction of previously reported net position of the Successor Agency to the Stanton Redevelopment Agency Private-Purpose Trust Fund. Our opinion is not modified with respect to this matter.

OTHER MATTERS:

Report on Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of funding progress and budgetary comparison schedules for the General Fund and Housing Authority Special Revenue Fund, listed in the table of contents as required supplementary information, 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 management's discussion and analysis and the schedule of funding progress 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 the audit of the basic financial statements. We do not express an opinion or provide any assurance on the management's discussion and analysis and the schedule of funding progress because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance on them. The budgetary comparison schedules and related note have 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 of the City 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 budgetary comparison schedules and related note are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

OTHER MATTERS (CONTINUED):

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the City's basic financial statements. The introductory section, supplementary information and statistical section, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information, as listed in the table of contents, is the responsibility of management and was derived from and relates 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 supplementary information is fairly stated in all material respects in relation to the basic financial statements taken 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 express no 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 November 26, 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

White Nelson Diehl Evans LLP

Irvine, California
November 26, 2013

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City of Stanton

Management's Discussion and Analysis

June 30, 2013

This discussion and analysis of the City of Stanton's (City) financial performance provides an overview of the City's financial activities for the fiscal year ended June 30, 2013. Please read it in conjunction with the accompanying transmittal letter, the basic financial statements and the accompanying notes to those financial statements.

USING THIS ANNUAL REPORT

This Comprehensive Annual Financial Report consists of three parts:

1. The Introductory Section, which includes the Transmittal Letter and general information,
2. The Financial Section, which includes Management's Discussion and Analysis as well as:
    - The Basic Financial Statements, which include the Government-wide and the fund financial statements
    - Notes to these financial statements
    - Required supplementary information
    - Combining statements and budgetary comparison schedules
3. Statistical Section.

FINANCIAL HIGHLIGHTS

- The total assets of the City exceeded its total liabilities at the end of fiscal year 2012-13 by $143.1 million. Of this amount, $24.3 million represents unrestricted net position and may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's net position decreased by $2.4 million during the past year. This was primarily the result of expenses exceeding revenue on a government-wide basis of $2.0 million. Another contributing factor was a $0.4 million extraordinary loss on payment of excess interest on a loan to the Successor Agency.
- As of the close of the fiscal year, the City's governmental funds reported combined ending fund balances of $40.7 million, a decrease of $0.9 million as compared to the prior year. The decline is primarily due to expenditures exceeded revenues in the governmental funds by $0.5 million, although another major factor was the aforementioned $0.4 million extraordinary loss on payment of excess interest on a loan to the Successor Agency.
- Approximately 15% of the combined governmental fund balances at year-end, $5.9 million is unassigned and is available for spending at the City's discretion. In addition, $1.5 million is assigned, $3.7 million is committed, and $10.5 million is restricted for particular purposes. The remaining $19.0 million of the fund balances is non-spendable.
- At the end of the fiscal year, the unassigned fund balance of the General Fund was $5.9 million, or 40% of total General Fund expenditures.

See independent auditors' report.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial statements presented herein include all of the activities of the City of Stanton, the Stanton Redevelopment Agency and the Stanton Housing Authority, using the integrated approach as prescribed by GASB Statement No. 34. The Successor Agency to the City of Stanton Redevelopment Agency is reported as a Private Purpose Trust Fund within these financial statements, upon the Redevelopment Agency's dissolution on February 1, 2012.

Government-wide Financial Statements

The government-wide financial statements present the financial picture of the City from the economic resources measurement focus using the accrual basis of accounting. They present governmental activities and business-type activities separately. These statements include all assets of the City (including infrastructure) as well as all liabilities (including long-term debt). Additionally, certain eliminations have occurred as prescribed by GASB Statement No. 34 in regards to inter-fund activity, payables and receivables.

The Statement of Net Position and the Statement of Activities and Changes in Net Position report information about the City as a whole and about its activities. These statements include *all* assets, deferred outflows of resources, liabilities and deferred inflows of resources of the City using the *accrual basis of accounting,* which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the City's net position and changes in them. Net position is the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources, which is one way to measure the City's financial health, or *financial position*. Over time, increases or decreases in the City's net position are one indicator of whether its financial health is improving or deteriorating. Other factors to consider are changes in the City's property tax base and the condition of the City's roads.

In the Statement of Net Position and Statement of Activities and Changes in Net Position, we distinguish the City's functions that are principally supported by taxes and intergovernmental revenues (governmental activities), from other functions that are intended to recover all or a portion of their costs through user fees and charges for business-type activities. The activities of these two distinctions are as follows:

Governmental activities – Most of the City's basic services are reported in this category, including the General Government, Police and Fire services, Community Development, Public Works and Parks and Recreation. Property and sales taxes, utility and other user fees, vehicle license fees, franchise fees, interest income, and state and federal grants finance these activities.

Business-type activities – The City charges a fee to customers to cover all, or most of the cost, of certain services it provides. The City's Sewer system is reported in this category.

Fund Financial Statements

Fund financial statements include statements for each of the three categories of activities; governmental, business-type and fiduciary. The governmental activities are prepared using the current financial resources measurement focus and modified accrual basis of accounting. The business-type activities are prepared using the economic resources measurement focus and the accrual basis of accounting. The fiduciary activities include agency funds, which only report a balance sheet and do not have a measurement focus, and a private purpose trust fund, which is used to account for the activities of the Successor Agency to the Stanton Redevelopment Agency. Reconciliations of the fund financial statements to the government-wide financial statements are provided to explain the differences created by the integrated approach.

The fund financial statements provide detailed information about the most significant funds – not the City as a whole. Some funds are required to be established by State law and bond covenants. However, management establishes many other funds, to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other funding sources.

Governmental Funds – Most of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other financial assets that can be readily converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. The differences of results in the governmental fund financial statements to those in the government-wide financial statements are explained in a reconciliation schedule following each governmental fund financial statement.

Proprietary Funds – When the City charges customers for the service it provides, whether to outside customers or to other units of the City, these services are generally reported in Proprietary Funds. Proprietary Funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Revenues, Expenses and Changes in Net Position. In fact, the City's Enterprise Fund is the same as the business-type activities reported in the government-wide statements but provides more detail and additional information, such as cash flows. The City uses internal service funds (the other component of Proprietary Funds) to report activities that provide supplies and services for the City's other programs and activities such as the City's self insurance, fleet maintenance and equipment replacement funds. The Internal Service Funds are reported with governmental activities in the government-wide financial statements.

Fiduciary Funds – the City is the trustee, or *fiduciary,* for certain funds held on behalf of other agencies. The City's fiduciary activities are reported in a separate Statement of Fiduciary Net Position. We exclude these activities from the City's other financial statements because the City cannot use these assets to finance its operations. The City is responsible for ensuring that the assets reported in this fund are used for their intended purposes.

Notes to the Financial Statements

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

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the City's progress in funding its obligation to provide pension benefits to its employees, and a budgetary comparison schedules for the General Fund and the Housing Authority Special Revenue Fund.

See independent auditors' report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, the net position for the City totaled $143.1 million at June 30, 2013. Approximately $97.9 million (68%) reflects the investment in capital assets such as land, buildings, machinery and equipment, less any related debt to acquire those assets that is still outstanding. These assets are used to provide services to the citizens of the City of Stanton; therefore, they are not available for future spending. Although the City's investment in 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 capital assets themselves cannot be used to liquidate these liabilities. The major decrease in the Invested in Capital Assets Net of Related Debt category from the prior year amount of $99.0 million is due to depreciation expense of $2.0 million along with only a limited number of capital projects completed during FY 12-13.

An additional portion of the City's net position totaling approximately $20.9 million (15%) represents resources subject to external restrictions on how they may be used. Restricted net position increased by $2.0 million during fiscal year 2012-13, primarily due to an increase in assets transferred to the Housing Successor from the Redevelopment Agency. The remaining balance of unrestricted net position ($24.3 million, 17%) may be used to meet the City's ongoing obligations to citizens and creditors.

The City is able to report positive balances in all three categories of net position, for both the government as a whole, as well as for its separate governmental and business-type activities.

City of Stanton

Net Position

	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
Current and other assets	$ 53,561,601	$ 46,467,599	$ 1,828,963	$ 1,756,778	$ 55,390,564	$ 48,224,377
Capital assets	92,494,864	93,573,202	5,371,857	5,506,126	97,866,721	99,079,328
Total assets	146,056,465	140,040,801	7,200,820	7,262,904	153,257,285	147,303,705
Long-term liabilities outstanding	308,493	546,628	5,148	4,883	313,641	551,511
Other liabilities	9,828,069	1,042,516	7,639	191,163	9,835,708	1,233,679
Total liabilities	10,136,562	1,589,144	12,787	196,046	10,149,349	1,785,190
Net investment in capital assets	92,494,864	93,573,202	5,371,857	5,506,126	97,866,721	99,079,328
Restricted	20,919,037	18,909,154	-	-	20,919,037	18,909,154
Unrestricted	22,506,002	25,969,301	1,816,176	1,560,732	24,322,178	27,530,033
Total net position	$ 135,919,903	$ 138,451,657	$ 7,188,033	$ 7,066,858	$ 143,107,936	$ 145,518,515

The table above illustrates the changes in the City's net position at June 30, 2013 compared to June 30, 2012. All of the significant changes occurred in the City's governmental activities.

Current and other assets increased by $7.2 million. This is primarily due to an $8.6 million advance to the Successor Agency. In addition, notes and loans receivable decreased by $0.9 million, due primarily to CR&R paying down their loan receivable by $564,000 and $321,00 still owed to the City by Stanton Accessible Apartments Construction, but now recorded as unavailable revenues in the Other Governmental Funds column.

See independent auditors' report.

Capital assets decreased by $1.2 million, due mostly to writing down the value of depreciable capital assets by one years' depreciation expense of $2.0 million.

Liabilities increased by $8.4 million, with an outstanding payment to the Successor Agency of $9.0 million helping to increase accounts payable by $8.7 million.

GOVERNMENTAL ACTIVITIES

The City's net position from governmental activities totaled $135.9 million, as can be seen in the chart on the following page. For the year, there was a $2.5 million decrease in net position for governmental activities. This is primarily due to governmental expenses exceeding revenues by $2.1 million. In addition, a payment of excess interest on a loan to the Successor Agency resulted in a loss of $0.4 million.

Revenues for governmental activities were $5.4 million lower in FY 2012-13 than in FY 2011-12. Property tax revenue had a $2.8 million decrease in spite of a reclassification in property tax in lieu VLF, mainly due to the dissolution of the redevelopment agency in February 2012. The other major cause of the overall revenue decline was in the area of other taxes. Other taxes decreased by $2.9 million due to the aforementioned property tax in lieu VLF being reclassified from other taxes to property taxes. In addition, investment earnings decreased by $0.3 million (74%) due to the drop in the rate of return on all investments. This is because during the year, as investments that were purchased in a better interest rate environment matured, there were no similar rate investments available to reinvest in. In addition, the State's Local Agency Investment Fund (LAIF) yield continued to reach historic lows – even reaching the point where the City's money market account with Bank of the West had a higher rate of return than LAIF.

Partially helping to offset the overall revenue decline somewhat were gains in sales tax revenue and franchise taxes. Sales tax revenue increased by $0.1 million or 3%, due to the resurgence of the economy and consumer spending experienced throughout the country. In addition, franchise taxes are up 7% mainly due to a $50,000 increase franchise taxes from Refuse.

Expenses for governmental activities were $5.6 million, or 21.3%, less in fiscal year 2012-13 than in fiscal year 2011-12. The major decreases occurred in Urban Development and Interest and Fiscal Charges. The $1.7 million decrease in Urban Development was primarily due to the dissolution of the Redevelopment Agency that occurred during the prior year. The decrease of $3.4 million in Interest and Fiscal Charges expense was as a result of Redevelopment Agency debt moved to Successor Agency debt. Also, there was a decrease of $1.1 million in Public Safety expenses, as a result of adjustments in the services contract.

General Government expenses increased by $0.6 million, mainly due to the $337,000 in Successor Agency disallowed expenses that were reclassified to the General Fund.

BUSINESS TYPE ACTIVITIES

The City has one business type activity, the Sewer Maintenance Fund. The City's net position from business type activities totaled $7.2 million. Net position for business type activities increased by $121,175 in fiscal year 2012-13, compared to a decline of $94,494 in fiscal year 2011-12. The change from the prior year was the result of an increase in total sewer maintenance revenues of $235,437 and a $19,768 increase in sewer maintenance expenses. The revenue increase can be attributed primarily to a $162,414 increase in charges for services (which are received on the tax rolls), as well as a $106,323 increase in property taxes. Both of these increases are due to an increase in distribution to taxing entities as a result of the dissolution of the Redevelopment Agency. The expense increase was caused by more contractual services rendered in fiscal year 2012-13.

City of Stanton
Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
Revenues:						
Program revenues:						
Charges for services	$ 2,085,964	$ 2,144,418	$ 819,274	$ 656,860	$ 2,905,238	$ 2,801,278
Operating grants and contributions	2,760,472	2,510,694	-	-	2,760,472	2,510,694
Capital grants and contributions	-	-	-	-	-	-
General revenues:						
Property taxes	5,307,800	8,070,432	148,107	41,784	5,455,907	8,112,216
Sales taxes	3,683,199	3,579,392	-	-	3,683,199	3,579,392
Transient occupancy taxes	341,838	357,092	-	-	341,838	357,092
Franchise taxes	996,947	932,916	-	-	996,947	932,916
Other taxes	2,524,123	5,395,184	-	-	2,524,123	5,395,184
Investment earnings	111,367	435,891	8,424	13,729	119,791	449,620
Other	719,734	553,650	-	27,995	719,734	581,645
Total Revenues	18,531,444	23,979,669	975,805	740,368	19,507,249	24,720,037
Expenses:						
General government	2,852,594	2,277,269	-	-	2,852,594	2,277,269
Public safety	11,425,129	12,494,004	-	-	11,425,129	12,494,004
Urban development	2,032,838	3,766,930	-	-	2,032,838	3,766,930
Health and welfare	2,826	2,132	-	-	2,826	2,132
Highways and streets	2,895,834	2,557,660	-	-	2,895,834	2,557,660
Culture and recreation	1,410,745	1,731,743	-	-	1,410,745	1,731,743
Interest and fiscal changes	-	3,378,862	-	-	-	3,378,862
Sewer	-	-	854,630	834,862	854,630	834,862
Total Expenses	20,619,966	26,208,600	854,630	834,862	21,474,596	27,043,462
Increase in net position before transfers	(2,088,522)	(2,228,931)	121,175	- (94,494)	(1,967,347)	(2,323,425)
Extraordinary gain (loss)	(443,232)	50,525,933	-	-	(443,232)	50,525,933
Increase/Decrease in net position	(2,531,754)	48,297,002	121,175	(94,494)	(2,410,579)	48,202,508
Net position - beginning of year	138,451,657	90,154,655	7,066,858	7,161,352	145,518,515	97,316,007
Net position - end of year	$ 135,919,903	$ 138,451,657	$ 7,188,033	$ 7,066,858	$ 143,107,936	$ 145,518,515

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

Governmental funds. The focus of the City of Stanton's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City of Stanton's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary spending at the end of the fiscal year. Approximately $5.9 million of the total $40.7 million governmental funds fund balance constitutes fund balance that is available for spending at the government's discretion. The remainder of fund balances ($34.8 million) is either non-spendable, or restricted, committed, or assigned for a variety of purposes. From the previous fiscal year to the current year there was a decrease of $8.4 million in total governmental unassigned fund balance. Most of this decrease was due to a $6.9 million advance to the Successor Agency and extraordinary item losses relating to Successor Agency transactions.

See independent auditors' report.

The General Fund is the chief operating fund of the City of Stanton. At the end of the current fiscal year, unassigned fund balance of the General Fund was $6.3 million and total fund balance stood at $19.0 million. As a measure of the General Fund's fiscal strength, it is useful to compare both unassigned fund balance and total fund balance to total fund expenditures. At June 30, 2013, unassigned fund balance of the General Fund represents 42% of the total General Fund expenditure, while total fund balance represents 128% of that same amount.

The total General Fund balance decreased $1.6 million during the past year. The fund balance moved from $20.6 million at June 30, 2012 to $19.0 million as of June 30, 2013.

The General Fund balance decreased $1.6 million, mainly due to extraordinary losses of $2.2 million relating to Successor Agency transactions. There was a disparity in the General Fund of $0.1 million between revenues and expenditures, which is a structural deficit, as well as net transfers into the General fund of $0.7 million. Last year, the comparable "structural deficit" amount was $2.1 million. General Fund revenues were up $1.2 million this year over the prior year, and expenditures were down $0.8 million.

The major differences in the General Fund revenues from 2012-13 are as follows:

- Taxes and assessments increased by $4.2 million. The primary difference is a result of $2.9 million in property tax in lieu VLF being reclassified from intergovernmental revenue to taxes and assessments. In addition, property taxes increased $1.1 million, primarily due to an increase in distribution to taxing entities as a result of the dissolution of the Redevelopment Agency. Lastly, sales tax revenue increased by $104,000, or 3%, due to due to the resurgence of the economy and consumer spending experienced throughout the country.
- Intergovernmental revenue decreased by $2.9 million due to the aforementioned $2.9 million in property tax in lieu VLF being reclassified from intergovernmental revenue to taxes and assessments.

The Capital Improvements Project Fund balance decreased by $0.2 million, because only small projects were completed. Also, because of economic conditions and a thrift mindset by the City, not many capital project funds were expended in 2012-13. The most significant project completed was a Traffic Signal Project that cost $237,000.

The Low and Moderate Income Housing fund and Redevelopment Agency Debt Service and Capital Project Funds are no longer shown as governmental funds as these funds were dissolved on January 31, 2012.

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

Unrestricted net position of the Sewer Enterprise Fund at the end of the year amounted to $1.8 million. The unrestricted net position increased by $255,000 compared to the prior year. Charges for services increased by $162,000 and property taxes increased by $106,000 due to an increase in distribution to taxing entities as a result of the dissolution of the Redevelopment Agency.

GENERAL FUND BUDGETARY HIGHLIGHTS

Overall, the General Fund came in $0.3 million better than budget for the year prior to extraordinary losses of $2.2 million, for a net negative variance of $1.9 million. Actual revenues for the year were $0.3 million greater than the final budget estimates. The major variances in revenue are accounted for in the following accounts:

- Taxes and assessments revenue came in over budget by $305,000. $127,000 of this can be attributed to the County of Orange refunding tax administration fees that were overcollected from prior years. In addition, the City collected $72,000 more than budgeted for other property taxes, primarily due to residual distribution to taxing agencies being higher than expected. Lastly, sales tax was $61,000 more than budget due to an economy that improved more than expected.
- Interest income was under budget by $79,000 as yields dropped to unprecedented lows, and the City spent down reserves due to payments relating to the dissolution of the Redevelopment Agency.

Actual expenditures were only $31,000 greater than the final budget. Four of the five expenditure categories came in under budget; only general government exceeded its budget. The most significant individual expense accounts that were under budget were: public safety by $231,000 and culture and recreation by $122,000. General government expenses exceeded budget by $519,000. This was primarily due to $337,000 in disallowed Successor Agency expenditures that were reclassified to the General Fund.

CAPITAL ASSETS

The capital assets of the City are those longer-life assets used in the performance of the City's functions and include: land, buildings and improvements, machinery and equipment, park facilities, and roads and highways.

Governmental Accounting Standards Board (GASB) Statement No. 34 allows for governmental agencies to either depreciate their infrastructure assets or to use a modified approach to maintain an inventory of such assets. The City has elected the depreciation method, and utilizes straight-line depreciation. Estimated useful lives for capital assets range from 5 to 50 years, depending on type of asset. Depreciation on capital assets is recognized in the government-wide financial statements and proprietary funds.

At June 30, 2013, net capital assets of the governmental activities totaled $92.5 million, and the net capital assets of the business-type activities totaled $5.4 million. Capital assets related to governmental activities decreased by a net of $1.1 million during fiscal year 2012-13 and capital assets related to business-type activities decreased by $0.1 million.

Major capital asset events during 2012-13 included the following:

- The City purchased Tina/Pacific Avenue property for $564,000.
- Two hybrid vehicles were purchased for $96,500.
- A traffic signal construction project was completed at a total cost of $237,000.

Depreciation for the year totaled $2.1 million.

Additional information on the City's capital assets can be found in note 4 on pages 60-61 of this report.

DEBT ADMINISTRATION

Long-term liabilities of the City at June 30, 2013 totaled $314,000 and relate to claims payable and compensated absences. All remaining debt issuances were Redevelopment Agency-related and were transferred to the Successor Agency during the prior fiscal year.

The liabilities associated with estimated claims payable are recorded in the Liability/Risk Management Internal Service Fund, and accrued long-term employee vacation and compensation leaves are recorded in the Employee Benefits Internal Service Fund. Both of these have been allocated to governmental activities in the government-wide statement of net position. During the current fiscal year estimated claims liability decreased $236,000 (61%), primarily due to a decrease in worker's compensation claim costs. Accrued long-term leave balances were essentially flat for the year (decreased $1,498 or 0.2%) due to no significant changes from the prior year.

Additional information on the City's long-term debt can be found in note 7 on page 64 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET, TAX RATES AND FEE LEVELS

The 2013-14 budget is the first year of the City's two-year budget. The 2013-15 two-year budget was adopted in July 2013.

General Fund revenues for 2013-14 are currently expected to be $14.0 million, 3% less than the 2012-13 budget. The key assumptions in the General Fund revenue forecast for fiscal year 2013-14 are:

1. Economic conditions continue to present significant fiscal challenges for all local governmental agencies in California. Median housing prices have fallen to half of their peak levels, consumer-purchasing activity has declined dramatically and the State of California's ongoing budget shortfalls, weak credit rating and continual threats of local governmental revenue takeaways have made national headlines. This past year, the State eliminated all redevelopment agencies throughout the State as a means of reducing the State's budget deficit. These factors, along with the dramatic slowdown in development, have resulted in a significant structural decline in City revenues.

   Despite this difficult environment, there are signs that the worst of the recession may now be behind us. Housing prices have shown some signs of stabilization, with average prices increasing 5% over the past twelve months ending September 2013 in Stanton (www.dqnews.com). Year-over-year home sales in Orange County were down over 5% in October 2013 (Data Quick Real Estate News). Development activity has been slowly resuming, and, Stanton actual sales tax activity increased 4.1% during the 12 months ending June 30, 2013. However, the recovery remains fragile, and conditions could worsen.

2. Property tax revenue is expected to decrease by $0.6 million in FY 2013-14 compared the final FY 2012-13 budget. This is mostly due to the $415,000 of Proposition 1A property tax money that the State borrowed in FY 2009-10 and repaid in FY 2012-13. The remaining increase in the prior year is made up of substantially higher residual property tax increment flowing to the City as a result of redevelopment agency dissolution.

3. Sales Tax revenue is projected to remain essentially flat in the coming year.

4. Miscellaneous revenue is budgeted to increase by $287,000 over the FY 2012-13 budget. This is due to a change in the method of budgeted for indirect cost allocation. In prior years, credits were posted to General Fund department expenditure budgets that provide central services to line departments – from this fiscal year forward this will be budgeted as a new revenue source – Indirect Cost Reimbursement.

5. Four internal service funds (Fixed Asset Replacement, Emergency Preparedness, Building Maintenance and Information Technology) were budgeted to be closed in FY 2013-14, providing one-time transfers of $1.3 million.

General Fund expenditure appropriations for 2013-14 total $15.9 million. This represents an increase of 7% from the final 2012-13 budget. Net one-time revenues and transfers into the General Fund are budgeted at $1.8 million for 2013-14, resulting in an expected increase in the fund balance of the General Fund of $1.2 million for fiscal year 2013-14.

Detailed information about the economic analysis, revenue assumptions, and other budgetary processes utilized in the bi-annual budget preparation, can be obtained from the 2013-15 City Budget document available through the Administrative Services Department or on the City's website at www.ci.stanton.ca.us.

CONTACTING CITY 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 money it receives. If you have questions about this report, or need any additional financial information, contact the City's Administrative Services Department at 7800 Katella Avenue, Stanton, California, 90680.

BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

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City of Stanton
Statement of Net Position
June 30, 2013

	Primary Government		
	Governmental Activities	Business-type Activity	Total
ASSETS			
Cash and investments	$ 27,471,148	$ 1,805,562	$ 29,276,710
Receivables	1,598,671	23,401	1,622,072
Due from other governments	571,430	-	571,430
Prepaid items	5,290	-	5,290
Notes and loans receivable	4,147,053	-	4,147,053
Land held for resale	6,393,141	-	6,393,141
Advance to successor agency	8,649,351	-	8,649,351
Restricted assets:			
Cash and investments held by fiscal agent	4,725,517	-	4,725,517
Capital assets:			
Not being depreciated	50,944,560	-	50,944,560
Being depreciated (net of accumulated depreciation)	41,550,304	5,371,857	46,922,161
Total assets	146,056,465	7,200,820	153,257,285
LIABILITIES			
Accounts payable	9,467,224	2,358	9,469,582
Accrued liabilities	95,498	5,281	100,779
Unearned revenue	265,347	-	265,347
Long-term liabilities:			
Due within one year	170,657	1,358	172,015
Due in more than one year	137,836	3,790	141,626
Total liabilities	10,136,562	12,787	10,149,349
NET POSITION			
Net investment in capital assets	92,494,864	5,371,857	97,866,721
Restricted for:			
Low and moderate income housing	15,773,864	-	15,773,864
Specific projects and programs:			
Supplemental law enforcement	3,641	-	3,641
Gas tax	998,884	-	998,884
Measure M	631,246	-	631,246
Community development	240,253	-	240,253
Protective services	17,542	-	17,542
Lighting and median maintenance	2,614,044	-	2,614,044
Air quality improvement program	62,136	-	62,136
CalGRIP	6,200	-	6,200
Asset forfeiture	713	-	713
Senior transportation	24,563	-	24,563
Park and recreation facilities	545,951		545,951
Unrestricted	22,506,002	1,816,176	24,322,178
Total net position	$ 135,919,903	$ 7,188,033	$ 143,107,936

See independent auditors' report and notes to basic financial statements.

City of Stanton
Statement of Activities
For the Year Ended June 30, 2013

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Governmental activities:				
General government	$ 2,852,594	$ 70,950	$ 45,499	$ -
Public safety	11,425,129	895,826	170,572	-
Urban development	2,032,838	1,009,732	336,405	-
Highways and streets	2,895,834	-	1,763,196	-
Culture and recreation	1,410,745	109,456	401,023	-
Health and welfare	2,826	-	43,777	-
Total governmental activities	20,619,966	2,085,964	2,760,472	-
Business-type activity:				
Sewer enterprise	854,630	819,274	-	-
Total	$ 21,474,596	$ 2,905,238	$ 2,760,472	$ -

General revenues:
Taxes:
Property taxes
Sales taxes
Transient occupancy taxes
Franchise taxes
Utility user taxes
Other taxes
Investment earnings
Miscellaneous
Gain on sale of capital assets

Total general revenues

Change in net position, before extraordinary item

Extraordinary loss on payment of excess interest on loan to successor agency

Change in net position

Net position - Beginning of Year

Net position - End of Year

See independent auditors' report and notes to basic financial statements.

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-type Activity	Total
$ (2,736,145)	$ -	$ (2,736,145)
(10,358,731)	-	(10,358,731)
(686,701)	-	(686,701)
(1,132,638)	-	(1,132,638)
(900,266)	-	(900,266)
40,951	-	40,951
(15,773,530)	-	(15,773,530)
-	(35,356)	(35,356)
(15,773,530)	(35,356)	(15,808,886)
5,307,800	148,107	5,455,907
3,683,199	-	3,683,199
341,838	-	341,838
996,947	-	996,947
2,110,373	-	2,110,373
413,750	-	413,750
111,367	8,424	119,791
709,896	-	709,896
9,838	-	9,838
13,685,008	156,531	13,841,539
(2,088,522)	121,175	(1,967,347)
(443,232)	-	(443,232)
(2,531,754)	121,175	(2,410,579)
138,451,657	7,066,858	145,518,515
$ 135,919,903	$ 7,188,033	$ 143,107,936

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FUND FINANCIAL STATEMENTS

City of Stanton
Balance Sheet
Governmental Funds
June 30, 2013

	General	Special Revenue Fund Housing Authority	Capital Projects Fund Capital Improvements
ASSETS			
Cash and investments	$ 18,092,786	$ 653,450	$ 855,294
Cash and investments held by fiscal agent	-	4,725,517	-
Receivable:			
Accounts	21,772	-	-
Interest	5,058	4,852	441
Taxes	890,020	-	-
Grants	-	-	118,770
Prepaid items	5,290	-	-
Due from other funds	-	-	479,767
Due from other governments	414,818	-	-
Notes and loans receivable	2,187,102	1,959,951	-
Advance to successor agency	6,919,481	1,729,870	-
Land held for resale	-	6,393,141	-
Total assets	$ 28,536,327	$ 15,466,781	$ 1,454,272
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities:			
Accounts payable	$ 249,149	$ 8,250	$ 2,395
Accrued liabilities	80,600	6,121	-
Unearned revenue	-	-	-
Due to the Successor Agency	9,029,261	-	-
Due to other funds	-	-	-
Total liabilities	9,359,010	14,371	2,395
Deferred Inflows of Resources:			
Unavailable revenues	139,993	17,380	-
Total liabilities and deferred inflows of resources	9,499,003	31,751	2,395
Fund Balances:			
Nonspendable	8,971,880	10,065,582	-
Restricted	-	5,369,448	-
Committed	3,720,465	-	-
Assigned	31,772	-	1,451,877
Unassigned	6,313,207	-	-
Total fund balances	19,037,324	15,435,030	1,451,877
Total liabilities, deferred inflows of resources and fund balances	$ 28,536,327	$ 15,466,781	$ 1,454,272

See independent auditors' report and notes to basic financial statements

Other Governmental Funds	Total Governmental Funds
$ 5,328,115	$ 24,929,645
-	4,725,517
94,192	115,964
1,592	11,943
99,478	989,498
361,681	480,451
-	5,290
-	479,767
-	414,818
-	4,147,053
-	8,649,351
-	6,393,141
$ 5,885,058	$ 51,342,438

$ 137,681	$ 397,475
8,008	94,729
265,347	265,347
-	9,029,261
384,239	384,239
795,275	10,171,051
336,917	494,290
1,132,192	10,665,341
-	19,037,462
5,145,173	10,514,621
-	3,720,465
-	1,483,649
(392,307)	5,920,900
4,752,866	40,677,097
$ 5,885,058	$ 51,342,438

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City of Stanton
Reconciliation of the Governmental Funds Balance Sheet
to the Government-Wide Statement of Net Position
June 30, 2013

Fund balances - total governmental funds		$ 40,677,097
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. This amount does not include $905,730 of internal service fund net capital assets.		
Capital assets	$ 114,374,964	
Accumulated depreciation	(22,785,830)	
		91,589,134
Internal service funds are used by management to charge the costs of activities involved in rendering services to departments within the City. The assets and liabilities of the internal service funds are included in the Statement of Net Position.		3,159,382
Certain revenues in the governmental funds are deferred inflows of resources because they are not collected within the prescribed time period after year-end. However, these revenues are included in the government-wide statements.		
Deferred inflows of resources		494,290
Net position of governmental activities		$ 135,919,903

See independent auditors' report and notes to basic financial statements.

City of Stanton
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2013

		Special Revenue Fund	Capital Projects Fund
	General	Housing Authority	Capital Improvements
REVENUES:			
Taxes and assessments	$ 12,530,849	$ -	$ -
Licenses and permits	917,431	-	-
Intergovernmental	375,613	-	118,770
Charges for services	143,320	-	-
Fines and forfeitures	320,222	-	-
Interest income	221,664	16,760	7,669
Rental income	139,529	561,349	-
Miscellaneous	102,243	2,285	-
Total revenues	14,750,871	580,394	126,439
EXPENDITURES:			
Current:			
General government	2,189,685	-	-
Public safety	10,815,304	-	-
Urban development	842,602	411,891	-
Highways and streets	436,571	-	271,142
Culture and recreation	597,698	-	-
Health and welfare	-	-	-
Capital outlay	-	564,226	20,332
Total expenditures	14,881,860	976,117	291,474
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(130,989)	(395,723)	(165,035)
OTHER FINANCING SOURCES (USES):			
Transfers in	708,290	-	-
Transfers out	(1,740)	-	-
Total other financing sources (uses)	706,550	-	-
Net change in fund balances, before extraordinary items	575,561	(395,723)	(165,035)
EXTRAORDINARY ITEMS:			
Loss on transfer of advance	(1,717,206)	-	-
Gain on transfer of advance	-	1,717,206	-
Loss on payment of excess interest on loan to Successor Agency	(443,232)	-	-
Total extraordinary items	(2,160,438)	1,717,206	-
Net change in fund balances	(1,584,877)	1,321,483	(165,035)
FUND BALANCES:			
Beginning of year	20,622,201	14,113,547	1,616,912
End of year	$ 19,037,324	$ 15,435,030	$ 1,451,877

See independent auditors' report and notes to basic financial statements

Other Governmental Funds	Total Governmental Funds
$ 938,825	$ 13,469,674
-	917,431
2,349,174	2,843,557
62,983	206,303
-	320,222
26,409	272,502
-	700,878
9,000	113,528
3,386,391	18,844,095
-	2,189,685
167,885	10,983,189
336,405	1,590,898
1,856,666	2,564,379
481,592	1,079,290
2,826	2,826
333,645	918,203
3,179,019	19,328,470
207,372	(484,375)
1,740	710,030
(708,290)	(710,030)
(706,550)	-
(499,178)	(484,375)
-	(1,717,206)
-	1,717,206
-	(443,232)
-	(443,232)
(499,178)	(927,607)
5,252,044	41,604,704
$ 4,752,866	$ 40,677,097

City of Stanton
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Government-wide Statement of Activities
For the Year Ended June 30, 2013

Net change in fund balances - total governmental funds		$ (927,607)
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over the estimated useful lives as depreciation expense. This is the amount by which capital outlays exceed depreciation and retirements in the current period. This does not include internal service fund activity of $6,285 in additions and $62,527 in depreciation expense.		
Capital asset purchases	$ 918,204	
Depreciation expense	(1,920,525)	
Proceeds on sale of capital assets in excess of gain on sale of capital assets	(19,775)	
		(1,022,096)
Internal service funds are used by management to charge the costs of activities involved in rendering services to departments within the City. The net income is reported with Governmental Activities. The assets and liabilities of the internal service funds are included in the Statement of Net Position.		(289,173)
Certain revenues in the governmental funds are unavailable revenues because they are not collected within the prescribed time period after year-end. However, the revenues are included in the government-wide statements.		(292,878)
Change in net position of governmental activities		$ (2,531,754)

See independent auditors' report and notes to basic financial statements.

PROPRIETARY FUND FINANCIAL STATEMENTS

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City of Stanton
Statement of Net Position
Proprietary Funds
June 30, 2013

	Business-type Activity	Governmental Activities
	Sewer Enterprise Fund	Internal Service Funds
ASSETS		
Current assets:		
Cash and investments	$ 1,805,562	$ 2,541,503
Receivables:		
Interest	471	815
Taxes	22,930	-
Due from other governments	-	156,612
Total current assets	1,828,963	2,698,930
Noncurrent assets:		
Capital assets:		
Being depreciated, net	5,371,857	905,730
Total noncurrent assets	5,371,857	905,730
Total assets	7,200,820	3,604,660
LIABILITIES		
Current liabilities:		
Accounts payable	2,358	40,488
Accrued liabilities	5,281	769
Claims and judgments payable	-	90,661
Compensated absences payable	1,358	79,996
Due to other funds	-	95,528
Total current liabilities	8,997	307,442
Noncurrent liabilities:		
Claims and judgments payable	-	57,986
Compensated absences payable	3,790	79,850
Total noncurrent liabilities	3,790	137,836
Total liabilities	12,787	445,278
NET POSITION		
Net investment in capital assets	5,371,857	905,730
Unrestricted	1,816,176	2,253,652
Total net position	$ 7,188,033	$ 3,159,382

See independent auditors' report and notes to basic financial statements.

City of Stanton
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2013

	Business-type Activity	Governmental Activities
	Sewer Enterprise Fund	Internal Service Funds
OPERATING REVENUES:		
Charges for services	$ 819,274	$ 358,782
Total operating revenue	819,274	358,782
OPERATING EXPENSES:		
Equipment maintenance and operation	213,210	108,377
Depreciation	134,269	62,527
Administrative and personnel services	177,906	430,820
Provision for estimated claims	-	(165,597)
Insurance premiums	5,732	192,112
Contractual services	323,513	53,946
Total operating expenses	854,630	682,185
OPERATING LOSS	(35,356)	(323,403)
NONOPERATING REVENUES:		
Property taxes	148,107	-
Interest income	8,424	14,230
Other	-	20,000
Total nonoperating revenues	156,531	34,230
CHANGES IN NET POSITION	121,175	(289,173)
NET POSITION:		
Beginning of the year	7,066,858	3,448,555
End of the year	$ 7,188,033	$ 3,159,382

See independent auditors' report and notes to basic financial statements.

City of Stanton
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2013

	Business-type Activity	Governmental Activities
	Sewer Enterprise Fund	Internal Service Funds
CASH FLOWS FROM OPERARING ACTIVITIES:		
Cash received from customers	$ 819,274	$ 354,775
Cash paid to other suppliers of goods or services	(726,863)	(327,777)
Cash paid to employees for salaries and wages	(176,758)	(409,964)
Net cash used for operating activities	(84,347)	(382,966)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Cash received from grants	-	20,000
Cash received from property taxes	141,813	-
Net cash provided by noncapital financing activities	141,813	20,000
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest income received	8,045	13,585
Net cash provided by investing activities	8,045	13,585
Net increase (decrease) in cash and cash equivalents	65,511	(349,381)
CASH AND CASH EQUIVALENTS:		
Beginning of the year	1,740,051	2,890,884
End of the year	$ 1,805,562	$ 2,541,503
RECONCILIATION OF OPERATING LOSS TO NET CASH USED FOR OPERATING ACTIVITIES:		
Operating loss	$ (35,356)	$ (323,403)
Adjustments to reconcile operating loss to net cash provided by (used for) operating activities:		
Depreciation expense	134,269	62,527
Loss on disposition of capital assets	-	(6,285)
Changes in assets and liabilities:		
(Increase) decrease in due from other governments	-	(4,007)
Increase (decrease) in accounts payable	(184,407)	30,761
Increase (decrease) in accrued liabilities	883	48
Increase (decrease) in claims and judgments payable	-	(236,372)
Increase (decrease) in compensated absences payable	264	(1,763)
Increase (decrease) in due to other funds	-	95,528
Net cash used for operating activities	$ (84,347)	$ (382,966)

See independent auditors' report and notes to basic financial statements.

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FIDUCIARY FUND FINANCIAL STATEMENTS

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City of Stanton
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2013

	Successor Agency to the Stanton Redevelopment Agency Private-Purpose Trust Fund	City Trust Agency Fund
ASSETS		
CURRENT ASSETS:		
Cash and investments	$ 5,785,242	$ 51,532
Due from the City of Stanton	9,029,261	-
Interest receivable	1,744	-
Notes and loans receivable	65,372	-
Restricted assets:		
Cash and investments held by fiscal agent	17,130,367	-
Total current assets	32,011,986	51,532
Total assets	32,011,986	$ 51,532
LIABILITIES		
CURRENT LIABILITIES:		
Accounts payable	4,208,777	$ -
Interest payable	362,740	-
Deposits payable	-	51,532
Bonds payable - current portion	740,000	-
Total current liabilities	5,311,517	51,532
LONG-TERM LIABILITIES:		
Advance to the City of Stanton	8,649,351	-
Bonds payable	74,655,051	-
Total long term liabilities	83,304,402	-
Total liabilities	88,615,919	$ 51,532
NET POSITION		
Restricted for private purpose	(56,603,933)	
Total net position	$ (56,603,933)	

See independent auditors' report and notes to basic financial statements.

City of Stanton
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended June 30, 2013

	Successor Agency to the Stanton Redevelopment Agency Private-Purpose Trust Fund
ADDITIONS:	
Taxes	$ 5,289,110
Investment income	30,850
Other income	415,382
Total additions	5,735,342
DEDUCTIONS:	
Payments to county	5,603,090
Urban development	309,623
Contractual services	62,938
Interest and fiscal charges	4,625,498
Total deductions	10,601,149
Change in net position, before extraordinary item	(4,865,807)
EXTRAORDINARY GAIN	443,232
Change in net position	(4,422,575)
NET POSITION:	
Beginning of Year, As Restated (Note 16)	(52,181,358)
End of Year	$ (56,603,933)

See independent auditors' report and notes to basic financial statements.

NOTES TO BASIC FINANCIAL STATEMENTS

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The basic financial statements of the City of Stanton, California (the City), have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental agencies. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

A. Description of Government-wide Financial Statements:

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information about the reporting government as a whole, except for its fiduciary activities. All fiduciary activities are reported only in the fund financial statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from discretely presented component units for which the primary government is financially accountable.

B. Description of Reporting Entity:

The City was incorporated under the general laws of the State of California and enjoys all rights and privileges pertaining to such" general law" cities.

The Housing Authority of the City of Stanton (Housing Authority), a blended component unit, was formed on March 22, 2011, to facilitate the retention and use of transferred properties from the former Redevelopment Agency consistent with the redevelopment plan and for the purposes of ongoing maintenance of completed development projects.

Although the Housing Authority is legally separate from the City, its financial operations are closely related thereto and the City Council has a continuing accountability for fiscal matters of the Housing Authority. Since the Stanton City Council acts as the Board of Directors and is able to impose its will on the Housing Authority, the City is considered to be the primary government and the Housing Authority is a component unit of the City. Additionally, since the governing bodies of the City and the Housing Authority are the same, the financial statements of the City and the component unit are blended. For presentation within the financial statements of the governmental reporting entity, the transactions between the Housing Authority and the City are reported as interfund transactions. The Housing Authority's financial data and activity are presented as a Special Revenue Fund.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

C. Basis of Presentation:

Government-wide Financial Statements:

While separate government-wide financial statements are presented, they are interrelated. The governmental activities column incorporates data from the governmental funds and internal service funds, while the business-type activities incorporate data from the government's enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded in the government-wide financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this rule are charges between the government's sewer functions and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Fund Financial Statements:

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

The fund financial statements provide information about the government's funds, including its fiduciary funds and blended component units. Separate financial statements for the government's governmental, proprietary, and fiduciary funds are presented after the Government-wide Financial Statements. These statements display information about major funds individually and nonmajor funds in the aggregate for governmental and enterprise funds. Fiduciary statements, even though excluded from the government-wide financial statements represent private purpose trust funds and agency funds.

The City reports the following major governmental funds:

The General Fund is the general operating fund of the City. All general tax revenues and other receipts that are not allocated by law, or contractual agreement to some other fund, are accounted for in this fund. General operating expenses not paid through other funds are paid from this fund.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

C. Basis of Presentation (Continued):

Fund Financial Statements (Continued):

City's Major Governmental Funds (Continued):

The Housing Authority Special Revenue Fund is used to account for the accumulated resources received from the former Redevelopment Agency's Low and Moderate Income Housing Special Revenue Fund and for expenses related to low and moderate income housing.

The Capital Improvements Capital Projects Fund is used to account for financial resources segregated for the acquisition of major general City capital facilities, other than those financed by Proprietary or Special Revenue Funds.

The City reports the following major enterprise fund:

The Sewer Fund is used to account for the operations of the City's sewer system.

Additionally, the City reports the following fund types:

Governmental Funds:

The Special Revenue Funds are used to account for the revenues derived from specific revenue sources, which are usually required by law or administrative regulation, to be accounted for in separate funds.

The Capital Projects Fund is used to account for financial resources segregated for the development, construction, and improvement of City facilities.

Proprietary Funds:

The Internal Service Funds are used to account for the financing of services provided by the following departments, to other departments of the City, on a cost reimbursement basis:

- Workers' Compensation
- Liability/Risk Management
- Employee Benefits
- Fleet Maintenance
- Fixed Asset Replacement
- Emergency Preparedness
- Information Technology
- Building Maintenance

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

C. Basis of Presentation (Continued):

Fund Financial Statements (Continued):

City's Fund Types (Continued):

Fiduciary Funds:

The Private Purpose Trust Fund is used to account for the activities of the Successor Agency to the Stanton Redevelopment Agency. Separate financial statements of the Successor Agency are available at City Hall, 7800 Katella Avenue, Stanton, California 90680.

The City Trust Agency Fund is used to account for assets held by the City as an agent for individuals, private businesses and other governmental agencies. These assets include refundable and expendable cash deposits and retentions withheld pending satisfactory project completion.

During the course of operations, the government has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/due to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between funds included in the governmental activities are eliminated so that only the net amount included as internal balances in the governmental activities column. Similarly, balances between funds included in business type activities are eliminated so that only the net amount is included in internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In the fund financial statements these amounts are reported at gross amount as transfer in/out. While reported in the fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in the governmental activities column are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between funds included in business type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

D. Measurement Focus and Basis of Accounting:

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

D. Measurement Focus and Basis of Accounting (Continued):

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as is the proprietary and private purpose trust fund financial statements. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Revenue from property taxes is recognized in the fiscal year which the taxes are levied. Grants and similar items are recognized as revenues as soon as the eligibility requirements imposed by the provider have been satisfied. Special assessments are recorded as revenue when earned. Unbilled receivables are recorded as revenues when services are provided.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they become measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, except for principal and interest on general long-term liabilities, claims and judgments, and compensated absences which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisition of capital leases are reported as other financing sources.

Property taxes, sales tax, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue (within 60 days of year end). Amounts owed to the city, which are not available, are recorded as receivables and deferred inflows of resources.

Special assessments are recorded as revenues when they become available as current assets. Annual assessments due in future years are reflected as receivables and deferred inflows of resources. All other revenue items are considered to be measurable and available only when cash is received by the government.

The City's Fiduciary Funds consists of private purpose trust funds which are reported using the economic resources measurement focus and the agency funds which have no measurement focus, but utilizes the accrual basis for reporting its assets and liabilities.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

E. New Accounting Pronouncements:

Implemented:

In fiscal year 2012-2013, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 63, *"Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position"*. This statement incorporates deferred outflows of resources and deferred inflows of resources, as defined by GASB Concepts Statement No. 4, *"Elements of Financial Statements"* into the definitions of the required components of the residual measure of net position, formerly net assets. This statement also provides a new Statement of Net Position format to report all assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position.

In fiscal year 2012-2013, the City early implemented GASB Statement No. 65, *"Items Previously Reported as Assets and Liabilities"*. This statement established accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities. Due to the early implementation of this statement, bond issuance costs, which should be recognized as an expense in the period incurred, were eliminated. Accounting changes adopted to conform to the provisions of this statement should be applied retroactively. The result of the implementation of this standard was to decrease the net position of the Successor Agency to the Stanton Redevelopment Agency at July 1, 2012 by $2,092,584, which is the amount of bond issue costs at July 1, 2012.

Pending Accounting Standards:

GASB has issued the following statements which may impact the City's financial reporting requirements in the future:

- GASB 66 - *"Technical Corrections, an amendment of GASB Statement No. 10 and Statement No. 62"*, effective for periods beginning after December 15, 2012.
- GASB 67 - *"Financial Reporting for Pension Plans, an amendment of GASB Statement No. 25"*, effective for the fiscal years beginning after June 15, 2013.
- GASB 68 - *"Accounting and Financial Reporting for Pensions, an amendment of GASB Statement No. 27"*, effective for the fiscal years beginning after June 15, 2014.
- GASB 69 - *"Government Combinations and Disposals of Government Operations"*, effective for periods beginning after December 15, 2013.
- GASB 70 - *"Accounting and Financial Reporting for Nonexchange Financial Guarantees"*, effective for the periods beginning after June 15, 2013.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

F. Deferred Outflows/Inflows of Resources:

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City does not have any applicable deferred outflows of resources.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time. The City has only one type of item, which arises only under the modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, *unavailable revenues*, is reported only in the governmental fund balance sheet. The governmental funds report unavailable revenues from two sources: taxes and grants. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

G. Net Position Flow Assumptions:

Sometimes the City will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted - net position and unrestricted - net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied.

It is the City's practice to consider restricted - net position to have been depleted before unrestricted - net position is applied.

H. Assets, Liabilities, and Net Position or Equity:

Cash and Investments:

The City considers all highly liquid investments, with a maturity of three months or less when purchased, to be cash equivalents. In addition, cash invested in the City's cash management pool is considered to be cash equivalents. For purposes of the statement of cash flows of the proprietary fund types, cash and cash equivalents include all investments, as the City operates an internal cash management pool which maintains the general characteristics of a demand deposit account.

Investments are reported in the accompanying balance sheet at fair market value (the value at which financial instruments could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale).

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

H. Assets, Liabilities, and Net Position or Equity (Continued):

Receivables and Payables:

Property, sales, use, and utility user taxes related to the current fiscal year are accrued as revenue and accounts receivable and considered available if received within 60 days of year end. Federal and state grants are considered receivable and accrued as revenue, when reimbursable costs are incurred under the accrual basis of accounting in the government-wide statement of net position. The amount recognized as revenue, under the modified accrual basis of accounting, is limited to the amount that is deemed measurable and collectible. Long-term economic development loans made by the City's General Fund and debt service funds are treated as expenditures in the year advanced and as revenue in the year repayment is measurable and available in the fund financial statements, but recorded as loans receivable when advanced in the government-wide statements. Loans extended from other funds are recorded as loans receivable.

Activity between funds, that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year, is referred to as either "due to/from other funds" or "advances to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

Advances between funds, as reported in the fund financial statements, are offset by unavailable revenues or a nonspendable fund balance for noncurrent assets, as applicable in governmental funds to indicate that they do not constitute resources available for appropriation.

Land Held for Resale:

The land held for resale is recorded in the Housing Authority Special Revenue Fund at the lower of acquisition cost or net realizable value. At June 30, 2013, the cost of property held for resale for various housing properties in Stanton totaled $6,393,141.

Capital Assets:

Capital assets, which include property, plant, equipment, and infrastructure, are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Acquired assets are recorded at historical cost or estimated historical cost. Donated assets are valued at the fair market value of the assets on the date on which they were contributed. The costs of normal maintenance and repairs that do not add value to the assets or materially extend the life are not capitalized. Capital assets are defined as assets with an initial individual cost of more than $5,000 and an estimated useful life in excess of one year with the exception of land, structures and improvements, and infrastructure which have a threshold of $50,000.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

H. Assets, Liabilities, and Net Position or Equity (Continued):

Capital Assets (Continued):

Depreciation is charged to operations using the straight-line method of depreciation over the estimated useful lives of the assets as follows:

Structures and improvements	20 - 50 years
Machinery and equipment	5 - 20 years
Infrastructure	20 - 50 years

Compensated Absences Payable:

Employees can carry forward up to 360 hours of earned, but unused, vacation leave. Upon termination, the City is obligated to compensate employees the earned, but unused, vacation time.

All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. Compensated absences are recorded in the Employee Benefits Internal Service Fund as liabilities for all employees.

Claims and Judgments:

The City records a liability for claims, judgments and litigation when it is probable that a liability has been incurred at year-end and the probable amount of loss (net of any insurance coverage) can be reasonably estimated. City management believes that the aggregate accrual is adequate to cover such losses, including amounts for incurred but not reported claims. Estimated claims payables are recorded in the Workers' Compensation and Liability/Risk Management Internal Service Funds as appropriate.

Property Taxes:

The assessment, levy and collection of property taxes are the responsibility of the County of Orange. The City receives property taxes pursuant to an arrangement with the County known as the "Teeter Plan", whereby the County assumes responsibility for the collection of delinquent taxes and pays the full allocation to the City. The City records property taxes as revenue when received from the County, except at year end, when property taxes received within 60 days are accrued as revenue.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

H. Assets, Liabilities, and Net Position or Equity (Continued):

Property Taxes (Continued):

Property taxes are assessed and collected according to the following property tax calendar:

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

Net Position:

The governmental and business-type activities in the government-wide financial statements utilize a net position presentation. Net position is classified in the following categories:

Net Investment in capital assets - This amount consists of capital assets net of accumulated depreciation and reduced by outstanding debt that is attributed to the acquisition, construction, or improvement of the assets. The City has no debt related to capital assets.

Restricted net position - This amount is restricted by external creditors, grantors, contributors, or laws or regulations of other governments.

Unrestricted net position - This amount is all net position that does not meet the definition of "net investment in capital assets" or "restricted net position".

Fund Balances:

The fund balances reported on the fund statements consist of the following categories:

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

H. Assets, Liabilities, and Net Position or Equity (Continued):

Fund Balances (Continued):

Committed - This classification includes amounts, the use of which is constrained by limitations that the government imposes upon itself at its highest level of decision making, normally the governing body, and that remain binding unless removed in the same manner. The City Council is considered the highest authority for the City and the adoption of a formal resolution prior to the end of the fiscal year is required to establish a fund balance commitment. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of resolution) to remove or revise the limitation.

Assigned - This classification includes amounts to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds, other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. Assignment of resources can be done by the highest level of decision making or by a committee or official designated for that purpose. The City Council has authorized the Administrative Services Director for that purpose. The Administrative Services Director determines the assigned amount based on encumbrances and any future budget deficits.

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

Spending Policy:

When expenditures are incurred for purposes for which all restricted, committed, assigned and unassigned fund balances are available, the City's policy is to apply in the following order, except for instances wherein an ordinance specifies the fund balance:

- Restricted
- Committed
- Assigned
- Unassigned

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

I. Program Revenues:

Amounts reported as program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues

J. Proprietary Funds Operating and Nonoperating Revenues and Expenses:

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

K. Use of Estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the statement of net position date, and reported amounts of revenues and expenses during the reporting period. Estimates are used to determine depreciation expense, the allowance for doubtful account and certain liabilities. Actual results may differ from those estimates.

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY:

A. Deficit Fund Balances/Net Position:

The following funds had deficit fund balances/net position at June 30, 2013:

Other Governmental Funds:		
FaCT Park and Recreation Grant Special Revenue Fund	$	(16,113)
JAG Grant Special Revenue Fund		(18,374)
Stanton Central Park Grant Special Revenue Fund		(49,169)
Proposition 1 B Special Revenue Fund		(308,651)
Internal Service Proprietary Funds:		
Liability/Risk Management		(95,249)
Employee Benefits		(182,731)

These deficits are expected to be eliminated with future revenues and reimbursements from federal and state agencies.

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY:

B. Excess of Expenditures over Appropriations:

The following funds reported expenditures exceeding appropriations at June 30, 2013:

	Budget	Actual	Variance with Final Budget
Major Funds:			
General Fund	$ 14,851,349	$ 14,881,860	$ (30,511)
Housing Authority Special Revenue Fund	204,773	976,117	(771,344)
Other Governmental Funds:			
Lighting and Median Maintenance Special Revenue Fund	490,080	501,153	(11,073)
FaCT Park and Recreation Grant Special Revenue Fund	221,640	236,189	(14,549)
JAG Grant Special Revenue Fund	8,946	68,395	(59,449)
Park and Recreation Facilities Capital Projects Fund	2,160	25,946	(23,786)

3. CASH AND INVESTMENTS:

Cash and Investments:

Cash and investments as of June 30, 2013 were classified in the accompanying financial statements as follows:

	Government Wide Statement of Net Position	Fiduciary Funds Statement of Net Position	Total
Cash and investments	$ 29,276,710	$ 5,836,774	$ 35,113,484
Cash and investments held by fiscal agent	4,725,517	17,130,367	21,855,884
Total cash and investments	$ 34,002,227	$ 22,967,141	$ 56,969,368

See independent auditors' report.

3. CASH AND INVESTMENTS (CONTINUED):

Cash and Investments (Continued):

Cash and investments at June 30, 2013 consisted of the following:

Cash in hand	$ 1,100
Deposits with financial institutions	12,622,039
Cash and investments held by fiscal agent	21,855,884
Investments	22,490,345
Total cash and investments	$ 56,969,368

Investments Authorized by the City's Investment Policy:

The City's Investment Policy is reviewed and adopted by the City Council each year. Regarding allowable investment types, the investment policy is more conservative and restrictive than the investment vehicles authorized by Section 53600.5 of the California Government Code. Investment vehicles not specifically mentioned in the City's investment policy, are not authorized unless the policy is amended by the City Council or is approved as part of the provisions of the bond indentures. Investments are limited to:

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio*	Maximum Investment in One Issuer
United States Treasury Notes	5 years	100%	40%
United States Government Sponsored Agency Securities	5 years	100%	40%
Certificates of Deposit	5 years	10%	None
Banker's Acceptances	270 days	10%	None
Commercial Paper	180 days	10%	10%
Medium-Term Corporate Notes	5 years	30%	None
Local Agency Investment Fund (LAIF)	N/A	$40,000,000	None
Negotiable Certificates of Deposit	N/A	30%	None

N/A - Not Applicable

* - Excluding amounts held by bond trustees that are not subject to California Government Code restrictions.

3. CASH AND INVESTMENTS (CONTINUED):

Investments Authorized by Debt Agreements:

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

Authorized Investment Type	Maximum Maturity	Maximum Percentage Allowed	Maximum Investment in One Issuer
United States Treasury Obligations	None	None	None
United States Government Sponsored Agency Securities	None	None	None
Banker's Acceptances	270 days	None	None
Commercial Paper	180 days	None	None
Money Market Mutual Funds	N/A	None	None
Investment Contracts	30 years	None	None

N/A - Not Applicable

Disclosures Relating to Interest Rate Risk:

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

3. CASH AND INVESTMENTS (CONTINUED):

Disclosures Relating to Interest Rate Risk (Continued):

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

	Remaining Maturity (in Years)					
Investment Type	1 Year or Less	1 to 2 Years	2 to 3 Years	3 to 4 Years	4 to 5 Years	Total
Local Agency Investment Fund (LAIF)	$16,892,864	$ -	$ -	$ -	$ -	$ 16,892,864
Negotiable Certificates of Deposit	1,635,034	770,341	205,016	1,254,632	1,084,936	4,949,959
United States Government Sponsored Agency Securities	106	-	410,952	236,463	-	647,521
Money Market Mutual Funds	21,855,885	-	-	-	-	21,855,885
Total	$40,383,889	$ 770,341	$ 615,968	$ 1,491,095	$ 1,084,936	$ 44,346,229

Disclosures Relating to Credit Risk:

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

Investment Type	Total as of June 30, 2013	Minimum Legal Rating	AAA	AA+	Not Rated
LAIF	$ 16,892,864	N/A	$ -	$ -	$ 16,892,864
Negotiable Certificates of Deposit	4,949,959	N/A	-	-	4,949,959
United States Government Sponsored Agency Securities	647,521	N/A	-	647,521	-
Money Market Mutual Funds	21,855,885	A	21,147,157	-	708,728
Total	$ 44,346,229		$ 21,147,157	$ 647,521	$ 22,551,551

N/A - Not Applicable

See independent auditors' report.

3. CASH AND INVESTMENTS (CONTINUED):

Concentration of Credit Risk:

The investment policy of the City contains limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. There are no investments in any one non-government sponsored issuer that represent 5 % or more of total City investments.

Custodial Credit Risk:

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

Investment in State Investment Pool:

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

4. CAPITAL ASSETS:

A summary of changes in the Governmental Activities capital assets at June 30, 2013 is as follows:

Governmental Activities:

	Balance at July 1, 2012	Additions	Deletions	Balance at June 30, 2013
Capital assets, not being depreciated:				
Land	$ 49,785,316	$ 564,226	$ -	$ 50,349,542
Construction in progress	574,686	20,332	-	595,018
Total capital assets, not being depreciated	50,360,002	584,558	-	50,944,560
Capital assets, being depreciated:				
Buildings and improvements	27,244,420	-	-	27,244,420
Equipment	967,499	6,285	-	973,784
Vehicles	844,506	96,485	(199,138)	741,853
Infrastructure	36,076,444	237,161	(95,528)	36,218,077
Total capital assets, being depreciated	65,132,869	339,931	(294,666)	65,178,134
Less accumulated depreciation for:				
Buildings and improvements	(3,545,267)	(604,558)	-	(4,149,825)
Equipment	(895,493)	(31,033)	-	(926,526)
Vehicles	(656,993)	(52,302)	179,363	(529,932)
Infrastructure	(16,821,916)	(1,295,159)	95,528	(18,021,547)
Total accumulated depreciation	(21,919,669)	(1,983,052)	274,891	(23,627,830)
Total capital assets, being depreciated, net	43,213,200	(1,643,121)	(19,775)	41,550,304
Total governmental activities capital assets, net	$ 93,573,202	$ (1,058,563)	$ (19,775)	$ 92,494,864

See independent auditors' report.

4. CAPITAL ASSETS (CONTINUED):

Governmental Activities (Continued):

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

General government	$ 594,916
Public safety	396,610
Urban development	396,610
Highways and streets	297,458
Culture and recreation	297,458
Total depreciation expense - governmental activities	$ 1,983,052

Business-type Activities:

A summary of changes in the Business-type Activities capital assets at June 30, 2013 is as follows:

	Balance at July 1, 2012	Additions	Deletions	Balance at June 30, 2013
Capital assets, being depreciated:				
Sanitary plant	$ 6,058,601	$ -	$ -	$ 6,058,601
General plant	654,840	-	-	654,840
Vehicles	178,722	-	(16,623)	162,099
Total capital assets, being depreciated	6,892,163	-	(16,623)	6,875,540
Less accumulated depreciation for:				
Sanitary plant	(1,128,733)	(121,172)	-	(1,249,905)
General plant	(78,582)	(13,097)	-	(91,679)
Vehicles	(178,722)	-	16,623	(162,099)
Total accumulated depreciation	(1,386,037)	(134,269)	16,623	(1,503,683)
Business-type activities capital assets, net	$ 5,506,126	$ (134,269)	$ -	$ 5,371,857

Depreciation expense of $134,269 was charged to the Sewer function/program.

5. INTERFUND TRANSACTIONS:

Due To and Due From:

The composition of interfund balances as of June 30, 2013 is as follows:

Due To	Due From	Amount
Capital Improvements		
Capital Projects Fund	Other Governmental Funds	$ 384,239
	Internal Service Funds	95,528
		$ 479,767

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

Interfund Transfers:

The composition of interfund transfers for the year ended June 30, 2013 is as follows:

Transfers In	Transfers Out	Amount
General Fund	Other Governmental Funds (1)	$ 708,290
Other Governmental Funds	General Fund (1)	1,740
		$ 710,030

Transfers are used to (1) transfer reimbursements of allowable expenditures and administrative costs in accordance with budgetary authorization.

6. NOTES AND LOANS RECEIVABLE:

The notes and loans receivable balance at June 30, 2013 was as follows:

Plaza Patria Court, Ltd.	$ 565,951
Stanton Accessible Apartments Construction	321,454
Housing	89,335
1st Time Homebuyer	40,000
Housing Rehabilitation	1,354,000
CR&R	2,095,003
Employee Computer	2,764
Allowance for doubtful accounts	(321,454)
	$ 4,147,053

See independent auditors' report.

6. NOTES AND LOANS RECEIVABLE (CONTINUED):

On November 26, 1996, the former Redevelopment Agency entered into an OPA with Plaza Patria Court, Ltd. Under the terms of the agreement, the former Redevelopment Agency loaned $500,000 to finance the Plaza Patria Rehabilitation Project. The note commenced on February 3, 1998 and bears interest at the rate of 5% on a simple basis. Interest is accrued and deferred for the first 5 years. The remaining balance of principal and accrued interest shall be paid in full on the maturity date, 20 years following the commencement date. Payment in full is due February 3, 2018. In fiscal year 2007, a portion of the loan was forgiven. The note was transferred to the Housing Authority on February 1, 2012. The total amount outstanding including accrued interest at June 30, 2013 was $565,951.

In November 2004, the former Redevelopment Agency entered into a Residual Receipts Promissory Note with Stanton Accessible Apartments Construction. Under the terms of the agreement, the former Redevelopment Agency loaned $258,261 to Stanton Accessible Apartments Construction. The note commenced on May 5, 2005 and bears interest at 3% per year. The note was transferred to the Housing Authority on February 1, 2012. The total amount outstanding, including accrued interest at June 30, 2013 was $321,454, with an allowance for the forgivable amount of $321,454.

Housing loans receivable of $89,335 consists of various low interest home loans made to low income families and funded from small cities housing monies.

The first time home buyer assistance program, or HOMES, was created by the Former Redevelopment Agency in order to help existing and new residents purchase their first home. The HOMES program provides up to $40,000 in down payment assistance for eligible first time homebuyers of low to moderate income. Assistance is in the form of a forty-five year loan with interest and payments deferred for the first ten years of the loan. The HOMES Loan is secured by a second trust deed in conjunction with a first mortgage offered by a participating lender. The loan was transferred to the Housing Authority on February 1, 2012. The total amount outstanding at June 30, 2013 was $40,000.

The Housing Rehabilitation Loan Program offers loans of up to $50,000 for newer homes and up to $75,000 for pre 1960 homes to low and moderate income households. The purpose of the program is to assist Stanton's homeowners with addressing code violations and eliminating blighted, unsafe, unsanitary, and deteriorating living conditions. The loans are interest free with deferred payments until the property is sold, refinanced, or a change in title occurs. The loans were transferred to the Housing Authority on February 1, 2012. The total amount outstanding at June 30, 2013 was $1,354,000.

In October 2008, the City sold land to CR&R for $4.5 million. Under the purchase terms, equal monthly payments of $56,970 representing interest and principal would be paid for 8 years. The interest rate is at 5% per year. The initial payment started November 2008. The total amount outstanding including accrued interest at June 30, 2013 was $2,095,003.

6. NOTES AND LOANS RECEIVABLE (CONTINUED):

Employees can avail of the opportunity to purchase a personal computer with an interest free two year loan. Full time employees, who have completed the one year probationary period, or part time employees, who have been employed with the City for over one year, are eligible to participate in this program. The total amount outstanding at June 30, 2013 was $2,764.

7. LONG-TERM LIABILITIES:

The following is a summary of long-term liability transactions for the year ended June 30, 2013:

Governmental Activities:

	Balance at July 1, 2012	Additions	Deletions	Balance at June 30, 2013	Due Within One Year	Due in More Than One Year
Claims payable	$ 385,019	$ 322,768	$ (559,140)	$ 148,647	$ 90,661	$ 57,986
Compensated absences	161,609	85,718	(87,481)	159,846	79,996	79,850
Total governmental activities long-term liabilities	$ 546,628	$ 408,486	$ (646,621)	$ 308,493	$ 170,657	$ 137,836

Claims Payable

The amount of claims payable for governmental activities at June 30, 2013 was $148,647. This liability is being liquidated in the internal service funds.

Compensated Absences

The City's liability for vested and unpaid compensated absences (accrued vacation and compensation time pay) in the governmental activities has been accrued and amounted to $159,846 at June 30, 2013. This liability is being liquidated in the internal service funds.

Business-type Activities:

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

	Balance July 1, 2012	Additions	Deletions	Balance June 30, 2013	Due Within One Year	Due in More Than One Year
Compensated absences	$ 4,883	$ 1,750	$ (1,485)	$ 5,148	$ 1,358	$ 3,790

In proprietary funds, the liability for vested and unpaid compensated absences (accrued vacation and compensation time pay) is reported in the fund as the benefits are vested and earned. The compensated absences accrued in the proprietary funds amounted to $5,148 at June 30, 2013.

8. RISK MANAGEMENT:

Coverage:

The City retains a level of risk for both general liability and workers' compensation.

General Liability - The City is self-insured for the first $25,000 on each general liability claim against the City. Insurance coverage in excess of the self-insured amount is provided by the Public Entity Risk Management Authority (PERMA), a public entity risk pool consisting of cities and other public agencies in Southern California established under the provisions of California Government Code Section 65000 et seq.

Effective December 10, 1986, the City became a member of PERMA. PERMA is governed by a Board consisting of one councilor board member appointed by each of the 31 member agencies. The Board meets three times per year and elects an Executive Committee to supervise and conduct PERMA affairs. PERMA maintains a staff headed by a General Manager to implement the policies of the Board.

PERMA provides risk coverage for its members through the pooling of risks and purchased insurance. The City pays an annual premium to the pool for its excess general liability insurance coverage. The coverage extends to workers' compensation and employer's liability, employment practices liability, property and auto physical damage. PERMA has published its own financial report for the year ended June 30, 2013, the most recent available, which can be obtained from PERMA, 36-951 Cook Street, Suite 100, Palm Desert, California 92211.

As a member of PERMA, any losses in excess of the City's self-insured amount up to $50,000,000 are shared by all participating members.

Listed below is the allocation of risk coverage for the City:

Area of Risk	City Self-Insurance	PERMA
General Liability	$0 - $25,000	$25,000 - $50,000,000 per claim
Workers' Compensation	$0 - $250,000	$250,000 - Statutory limits
Employers' Liability	$0 - $250,000	$250,000 - $5,000,000 per claim
Employment Practices Liability	$0 - $25,000	$25,000 - $1,000,000 per claim
Property	N/A	$0 - $50,000,000 per claim
Auto Physical Damage	N/A	$0 - $5,000,000 per claim
Crime	N/A	$0 - $1,000,000 per claim

Workers' Compensation - The City is self-insured for the first $250,000 on workers' compensation. The insurance coverage in excess of the self-insured amount is provided by PERMA. As a member of PERMA, all participating members share any losses in excess of the City's self-insured amount up to statutory limits.

8. RISK MANAGEMENT (CONTINUED):

Claims Activity:

Claim expenditures and liabilities are reported when it is probable that a loss has occurred, and the amount of that loss can be reasonably estimated. At June 30, 2013, the amount of these liabilities was $148,647. This liability is the City's best estimate based on available information.

During the past three fiscal (claims) years, none of the above programs for protection have experienced settlements or judgments that exceeded pooled or insured coverage. There were also no significant reductions in pooled or insured liability coverage in 2012-2013.

A summary of the changes in claims liabilities for the past three fiscal years follows:

Year Ended June 30,	Claims Payable July 1	Fiscal Year Claims and Changes in Estimates	Claims Payments	Claims Payable June 30,
2011	$ 23,863	$ 84,799	$ (24,143)	$ 84,519
2012	84,519	316,433	(15,933)	385,019
2013	385,019	322,768	(559,140)	148,647

9. CONTINGENT LIABILITIES AND COMMITMENTS:

On September 15, 1994, the Agency entered into a Revenue Sharing Agreement with the City of Anaheim related to the development and operation of an automobile recycling facility by Pick Your Part. The location of the project is equally split between the cities of Stanton and Anaheim. All sales tax revenue for the project is collected in Stanton. Additionally, the City receives a recycling fee equal to $5 per automobile recycled by Pick Your Part at the project site. Under the terms of the agreement, the City of Anaheim will be compensated so as to mitigate the environmental impacts under CEQA associated with the project. Sales tax revenue generated by the project has been determined to be an appropriate measure of the impacts associated with the project. The City will pay to the City of Anaheim a portion of the recycling fee revenue equal to one-half of the sales tax revenue received by the City for the project, on a calendar year basis. In accordance with the agreement, the City has made payments to the City of Anaheim for the fiscal year ended June 30, 2013.

Operating Lease:

In October 1994, the City entered into a sublease with the #1 Golf Company, which provides for monthly payments of $7,038 for eleven months and $7,870 beginning June 2013. For the year ended June 30, 2013, the #1 Golf Company has made its rental payments to the City in the amount of $85,291.

9. CONTINGENT LIABILITIES AND COMMITMENTS (CONTINUED):

Lawsuits:

The City is a defendant in certain legal actions arising in the normal course of operations. In the opinion of management and legal counsel, any liability resulting from these actions will not result in a material adverse effect on the City's financial position.

Federal and State Grant Programs:

The City has received Federal grants for specific purposes that are subject to review and audit by the Federal government. Although such audits could result in expenditure disallowance under grant terms, any required reimbursements are not expected to be material.

Other Matters:

As of June 30, 2013, in the opinion of City Management, there were no additional outstanding matters that would have a significant effect on the financial position of the funds of the City.

10. ORANGE COUNTY FIRE AUTHORITY - JOINT VENTURE:

In January 1995, the City entered into a joint powers agreement with eighteen other cities and the County of Orange (County) to create the Orange County Fire Authority (Fire Authority). The purpose of the Fire Authority is to provide for mutual fire protection, prevention and suppression services and related and incidental services including, but not limited to, emergency medical and transport services, as well as providing facilities and personnel for such services. The Fire Authority's governing board consists of one representative from each member city and two from the County. The operations of the Fire Authority are funded with structural fire fees collected by the County through either the property tax roll or with cash contributions based on the Fire Authority's annual budget. The County pays all structural fire fees it collects to the Fire Authority.

No determination has been made as to each participant's proportionate share of fund equity as of June 30, 2013. Upon dissolution of the Fire Authority, all surplus money and property of the Fire Authority will be conveyed or distributed to each member in proportion to all funds provided to the Fire Authority by that member or by the County on behalf of that member during its membership. Complete financial statements may be obtained from the Orange County Fire Authority, 1 Fire Authority Road, Irvine, CA 92602.

11. ORANGE COUNTY 800-MEGAHERTZ COMMUNICATIONS SYSTEM - JOINT VENTURE:

In May 1995, the City entered into an agreement with thirty other cities and the County of Orange to replace the existing communications system with an 800-Megahertz coordinated law enforcement/public works/fire radio communications system. It was estimated that the City's required contribution would be $585,266. As of June 30, 2013, the City has contributed $585,266.

12. RETIREMENT PLAN:

Plan Description:

The City participates in the 2% at 55 (Tier I), 2% at 60 (Tier II), and 2% at 62 (Tier III) Risk Pools of the California Public Employee Retirement System (PERS). The City also has an inactive Risk Pool representing previous safety employees. As part of a cost-sharing multiple-employer defined benefit plan, PERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. PERS acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and all other requirements are established by State statute and City ordinance. Copies of PERS' annual financial report may be obtained from their executive office at 400 P Street, Sacramento, CA 95814.

Funding Policy:

Active plan members of Tier I are required to contribute 7% of their annual covered salary. This plan was closed to new members before the implementation of the California Employees' Pension Reform Act (PEPRA) on January 1, 2013. Tier I contains only classic members (employees hired before January 1, 2013) for which the City pays the entire 7% of the employee contribution on behalf of the employee. Tier II is open to qualified employees (employees hired before January 1, 2013 or employees hired after January 1, 2013 and have been in the PERS System). Active plan members of Tier II are required to contribute 7% of their annual covered salaries. Tier III was created by PEPRA as of January 1, 2013 and is open to all new employees who do not qualify for Tier II. Active plan members of Tier III are required to contribute 6.25% of their annual covered salary. PEPRA does not allow the City to pay any portion of the employee required contribution on behalf of the employee. Tier II and Tier III had no active members at the time the PERS actuary valuation was performed for fiscal year 2012-2013. The City is required to contribute the actuarially determined remaining amounts necessary to fund the benefits for its members under the California Employees' Pension Reform Act (PEPRA) provisions. The actuarial methods and assumptions are those adopted by the CalPERS Board of Administration.

The City is required to contribute at an actuarially determined rate. The current rate is 13.641% for Tier I miscellaneous employees of annual covered payroll. The annual required contribution of the inactive Risk Pool for fiscal year 2012-2013 is $99,186. The contribution requirements of plan members and the City are established by statute and may not be amended by PERS.

12. RETIREMENT PLAN (CONTINUED):

Annual Pension Cost:

For 2013, the City's annual pension cost of $344,035 for PERS was equal to the City's required and actual contributions. 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 include (a) 7.75% investment rate of return (net of administrative expenses) (b) projected annual salary increases ranging from 3.55% to 14.45% and (c) 2% per year cost-of-living adjustments. Both (a) and (b) included an inflation component of 3.0%. The actuarial value of PERS assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a three-year period (smoothed market value). PERS unfunded actuarial accrual liability has been fully amortized as a level percentage of projected payroll on a closed basis.

Three-Year Trend Information for PERS:

Schedule of Employer Contributions

Fiscal Year	Annual Pension Cost (APC)	Percentage APC Contributed	Net Pension Obligation
6/30/11	$ 407,850	100%	$ -
6/30/12	481,938	100%	-
6/30/13	344,035	100%	-

13. OTHER POST EMPLOYMENT BENEFITS (OPEB) PLAN:

On July 10, 1972, the City Council first adopted a resolution to provide health care insurance benefits for retired City employees. The City pays the greater of $215 per month or the PEMHCA minimum of $115 for fiscal year 2012-2013. To be eligible for post-retirement health benefits, employees must complete at least 5 years of continuous service, and be a minimum of 50 years of age.

The cost of retiree health care insurance benefits is recognized as expenditures, as insurance premiums are paid on a monthly basis. For the fiscal year ended June 30, 2013, those costs totaled $67,432. Twenty-five retired employees were covered by the provisions of these benefits during the fiscal year.

13. OTHER POST EMPLOYMENT BENEFITS (OPEB) PLAN (CONTINUED):

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 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 excesses) over a period not to exceed thirty years. The City has an agreement with PERS to prefund its OPEB. The pre funding plan, also known as California Employer's Retiree Benefit Trust Program (CERBT) is an agent multiple-employer plan. The plan does not provide a publicly available financial report. 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 to the Plan:

Annual required contribution	$ 177,000
Interest on net OPEB obligation	-
Adjustment to annual required contribution	-
Annual OPEB cost (expense)	177,000
Contributions made	(177,000)
Increase in net OPEB obligation	-
Net OPEB obligation - beginning of year	-
Net OPEB obligation - end of year	$ -

At June 30, 2013, the City's annual OPEB cost of $177,000 was equal to the required contribution. The City's annual OPEB cost, annual contribution, 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	Annual OPEB Cost	Actual Annual Contribution	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/2011	$ 165,000	$ 165,000	100.0%	$ -
6/30/2012	171,000	171,000	100.0%	-
6/30/2013	177,000	177,000	100.0%	-

Funded Status and Funding Progress:

As of June 30, 2013, the most recent actuarial valuation date, the plan was 75.88% funded. The actuarial accrued liability for benefits was $771,000, and the actuarial value of assets was $585,000, resulting in an unfunded actuarial accrued liability (UAAL) of $186,000. The covered payroll (annual payroll of active employees covered by the plan) was $1,870,000 and the ratio of the UAAL to the covered payroll was 9.95%.

13. OTHER POST EMPLOYMENT BENEFITS (OPEB) PLAN (CONTINUED):

Funded Status and Funding Progress (Continued):

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

Actuarial Methods and Assumptions:

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

In the June 30, 2011, actuarial valuation, the entry age actuarial cost method was used. The actuarial assumptions include a 7.25% investment rate of return which is based on the expected return on funds invested by CalPERS, and an annual healthcare cost trend rates of $108, $112 and $115 in 2011, 2012 and 2013, respectively, plus 4.5% in 2014 and thereafter. The actuarial assumption for inflation was 3%, and an aggregate payroll increase of 3.25% was used in the actuarial valuation. The UAAL is being amortized as level percentage of projected payroll over a 7 year fixed (closed) period. The remaining amortization period at June 30, 2011, was 3 years. The actuarial assumptions for the value of assets includes investment gains and losses spread over a 5-year rolling period and a market value of assets using not less than 80% or more than 120% of market value.

14. PROPOSITION 1A BORROWING BY THE STATE OF CALIFORNIA:

Under the provisions of Proposition 1A and as part of the 2009-2010 budget package passed by the California state legislature on July 28, 2009, the State of California borrowed 8% of the amount of property tax revenue, including those property taxes associated with the in-lieu motor vehicle license fee, the triple flip in lieu sales tax, and supplemental property tax, apportioned to cities, counties and special districts (excluding redevelopment agencies). The State is required to repay this borrowing with interest by June 30, 2013. This amount was received by the City in fiscal year 2013-2014.

15. CLASSIFICATION OF FUND BALANCES:

The City has adopted the provisions of GASB Statement No. 54 "Fund Balance and Governmental Fund Type Definitions". GASB 54 established fund balance classifications based largely upon the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The Governmental Fund statements conform to this classification. The various fund balance classifications established as of June 30, 2013 were as follows:

	General Fund	Housing Authority Special Revenue Fund	Capital Improvements Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
Nonspendable:					
Prepaid items	$ 5,290	$ -	$ -	$ -	$ 5,290
Notes and loans receivable	2,097,767	1,955,235	-	-	4,053,002
Advance to Successor Agency	6,868,823	1,717,206	-	-	8,586,029
Land held for resale	-	6,393,141	-	-	6,393,141
Total nonspendable	8,971,880	10,065,582	-	-	19,037,462
Restricted:					
Low and moderate income housing	-	5,369,448	-	-	5,369,448
Street maintenance	-	-	-	1,654,693	1,654,693
Community development	-	-	-	240,253	240,253
Public safety program	-	-	-	28,096	28,096
Lighting and landscape maintenance	-	-	-	2,614,044	2,614,044
Pollution remediation	-	-	-	62,136	62,136
Parks and recreation facilities	-	-	-	545,951	545,951
Total restricted	-	5,369,448	-	5,145,173	10,514,621
Committed:					
Emergency condition	3,720,465	-	-	-	3,720,465
Assigned:					
Future budget	31,772	-	-	-	31,772
Capital improvement projects	-	-	1,451,877	-	1,451,877
Total assigned	31,772	-	1,451,877	-	1,483,649
Unassigned	6,313,207	-	-	(392,307)	5,920,900
Total fund balances	$ 19,037,324	$ 15,435,030	$ 1,451,877	$ 4,752,866	$ 40,677,097

See independent auditors' report.

16. SUCCESSOR AGENCY DISCLOSURES:

The assets and liabilities of the former Redevelopment Agency were transferred to the Successor Agency to the City of Stanton Redevelopment Agency on February 1, 2012 as a result of the dissolution of the former Redevelopment Agency. The City is acting in a fiduciary capacity for the assets and liabilities. Disclosure related to notes receivable and long-term liabilities are as follows:

Notes and Loans Receivable:

In April 2005, the Agency entered into a loan agreement with the Boys and Girls Club of Stanton to develop a new Teen Center. Under the terms of the agreement, the Agency loaned $180,000 to the Boys and Girls Club. Annual payments of interest and principal shall be forgiven at the end of each 12 month period that the Boys & Girls Club of Stanton continues operations. The note commenced on June 16, 2005 and bears interest at 6% per year. The total amount outstanding including accrued interest at June 30, 2013 was $65,372.

Long-Term Liabilities:

Long-term liability activity for the year ended June 30, 2013 was as follows:

	Balance at July 1, 2012	Additions	Deletions	Balance at June 30, 2013	Due Within One Year	Due in More Than One Year
Bonds payable:						
Tax allocation bonds, (TAB)						
2005 Series A	$ 15,230,000	$ -	$ (245,000)	$ 14,985,000	$ 255,000	$ 14,730,000
TAB, 2005 Series B	9,040,000	-	(180,000)	8,860,000	185,000	8,675,000
Less: Issuance discounts	(165,986)	-	7,217	(158,769)	-	(158,769)
TAB, 2010 Series A	25,010,000	-	(285,000)	24,725,000	300,000	24,425,000
Add: Bond premium	3,520	-	(126)	3,394	-	3,394
TAB, 2011 Series A	15,330,000	-	-	15,330,000	-	15,330,000
TAB, 2011 Series B	12,480,000	-	-	12,480,000	-	12,480,000
Less: Issuance discounts	(860,299)	-	30,725	(829,574)	-	(829,574)
Total bonds payable	$ 76,067,235	$ -	$ (672,184)	$ 75,395,051	$ 740,000	$ 74,655,051

See independent auditors' report.

16. SUCCESSOR AGENCY DISCLOSURES (CONTINUED):

Long-Term Liabilities (Continued):

Tax Allocation Bonds, 2005 Series A

On July 1, 2005, the Agency issued Tax Allocation Bonds, 2005 Series A, in the amount of $16,500,000. The purpose of the Bonds was to finance redevelopment activities of the Agency within, or of benefit to, the Agency's Stanton Consolidated Redevelopment Project, fund a portion of the reserve fund for the Bonds, and provide for the costs of issuing Series A Bonds.

The Bonds bear interest rates between 4.40% to 5.20% due June 1 and December 1 of each year and mature December 1, 2035. The Bonds maturing on or after December 1, 2016, are subject to optional redemption prior to maturity at the option of the Agency on any date on or after December 1, 2015, as a whole or in part at a redemption price equal to the principal amount of Bonds to be redeemed, together with accrued interest thereon to the date fixed for redemption, without premium. The Bonds are subject to mandatory sinking account redemption in amounts ranging from $190,000 to $1,070,000 as outlined in the official statements.

Tax revenues are pledged for the payment of principal and interest on the Bonds until the Bonds and any Parity Debt have been paid, or until monies have been set-aside irrevocably for that purpose. A reserve account has been established to be held by the Trustee to further secure the timely payment of principal and interest on the Bonds. The amount required to be maintained by the trustee for the Bonds is $1,261,450.

The outstanding balance of the Bonds was $14,985,000 at June 30, 2013.

The annual debt service requirements on these bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2014	$ 255,000	$ 756,010	$ 1,011,010
2015	270,000	744,460	1,014,460
2016	280,000	732,360	1,012,360
2017	305,000	718,575	1,023,575
2018	315,000	703,075	1,018,075
2019 - 2023	3,115,000	3,101,875	6,216,875
2024 - 2028	3,230,000	2,306,265	5,536,265
2029 - 2033	4,165,000	1,356,550	5,521,550
2034 - 2036	3,050,000	243,360	3,293,360
Totals	$ 14,985,000	$ 10,662,530	$ 25,647,530

See independent auditors' report.

16. SUCCESSOR AGENCY DISCLOSURES (CONTINUED):

Long-Term Liabilities (Continued):

Taxable Tax Allocation Bonds, 2005 Series B

On July 1 2005, the Agency issued Tax Allocation Bonds, 2005 Series B, in the amount of $10,000,000. The purpose of the Bonds was to finance redevelopment activities of the Agency within or of benefit to the Agency's Stanton Consolidated Redevelopment Project, fund the remaining portion of the reserve fund for the Bonds, and provide for the costs of issuing the Series B Bonds.

The Bonds bear interest rates between 3.50% to 4.25% due June 1 and December 1 of each year and mature December 1, 2035. The Bonds maturing on or after December 1, 2016, are subject to optional redemption prior to maturity at the option of the Agency on any date on or after December 1, 2015, as a whole or in part at a redemption price equal to the principal amount of Bonds to be redeemed, together with accrued interest thereon to the date fixed for redemption, without premium. The Bonds are subject to mandatory sinking account redemption in amounts ranging from $430,000 to $580,000 as outlined in the official statements.

The Tax Revenues are pledged for the payment of principal and interest on the Bonds until the Bonds and any Parity Debt have been paid, or until monies have been set-aside irrevocably for that purpose. A reserve account has been established to be held by the Trustee to further secure the timely payment of principal and interest on the Bonds. The amount required to be maintained by the trustee for the Bonds is $698,766.

The outstanding balance of the Bonds was $8,860,000 at June 30, 2013.

The annual debt service requirements on these bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2014	$ 185,000	$ 371,870	$ 556,870
2015	195,000	365,220	560,220
2016	200,000	358,208	558,208
2017	215,000	350,630	565,630
2018	220,000	342,473	562,473
2019 - 2023	1,935,000	1,503,217	3,438,217
2024 - 2028	1,900,000	1,099,031	2,999,031
2029 - 2033	2,345,000	642,728	2,987,728
2034 - 2036	1,665,000	114,638	1,779,638
Totals	$ 8,860,000	$ 5,148,015	$ 14,008,015

See independent auditors' report.

16. SUCCESSOR AGENCY DISCLOSURES (CONTINUED):

Long-Term Liabilities (Continued):

Tax Allocation Bonds, 2010 Series A

On October 28, 2010, the Agency issued Tax Allocation Bonds, 2010 Series A, in the amount of $25,280,000. The purpose of the Bonds was to refinance certain outstanding obligations of the Agency, finance public facilities, capitalize a portion of interest with respect to the Bonds, satisfy the reserve requirement of the Bonds, and provide for the costs of issuing the Bonds.

The Bonds bear interest rates between 2.00% to 5.00% due June 1 and December 1 of each year and mature December 1, 2040. The Bonds maturing on or after December 1, 2021, are subject to optional redemption prior to maturity at the option of the Agency on any date on or after December 1, 2020, as a whole or in part at a redemption price equal to the principal amount of Bonds to be redeemed, together with accrued interest thereon to the date fixed for redemption, without premium. The Bonds are subject to mandatory sinking account redemption in amounts ranging from $565,000 to $2,095,000 as outlined in the official statements.

Tax revenues are pledged for the payment of principal and interest on the Bonds until the Bonds and any Parity Debt have been paid, or until monies have been set-aside irrevocably for that purpose. A reserve account has been established to be held by the Trustee to further secure the timely payment of principal and interest on the Bonds. The amount required to be maintained by the trustee for the Bonds is $1,561,680.

The outstanding balance of the Bonds was $24,725,000 at June 30, 2013.

The annual debt service requirements on these bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2014	$ 300,000	$ 1,075,869	$ 1,375,869
2015	315,000	1,069,719	1,384,719
2016	875,000	1,053,444	1,928,444
2017	880,000	1,027,119	1,907,119
2018	915,000	995,619	1,910,619
2019 - 2023	2,200,000	4,675,919	6,875,919
2024 - 2028	3,870,000	4,086,044	7,956,044
2029 - 2033	3,885,000	3,226,819	7,111,819
2034 - 2038	5,495,000	2,344,847	7,839,847
2039 - 2041	5,990,000	459,000	6,449,000
Totals	$ 24,725,000	$ 20,014,399	$ 44,739,399

See independent auditors' report.

16. SUCCESSOR AGENCY DISCLOSURES (CONTINUED):

Long-Term Liabilities (Continued):

Taxable Housing Tax Allocation Bonds, 2011 Series A

On March 1, 2011, the Agency issued Tax Allocation Bonds, 2011 Series A, in the amount of $15,330,000. The purpose of the Bonds was to finance low-and moderate-income housing activities of the Agency, satisfy the reserve requirement for the Bonds, and provide for the costs of issuing the Bonds.

The Bonds bear interest rates between 4.85% to 9.00% due June 1 and December 1 of each year and mature December 1, 2040. The Bonds maturing on or after December 1, 2022, are subject to optional redemption prior to maturity at the option of the Agency on any date on or after December 1, 2021, as a whole or in part at a redemption price equal to the principal amount of Bonds to be redeemed, together with accrued interest thereon to the date fixed for redemption, without premium. The Bonds are subject to mandatory sinking account redemption in amounts ranging from $385,000 to $1,065,000 as outlined in the official statements.

Housing tax revenues are pledged for the payment of principal and interest on the Bonds until the Bonds and any Parity Debt have been paid, or until monies have been set-aside irrevocably for that purpose. A reserve account has been established to be held by the Trustee to further secure the timely payment of principal and interest on the Bonds. The amount required to be maintained by the trustee for the Bonds is $1,474,364.

The outstanding balance of the Bonds was $15,330,000 at June 30, 2013.

The annual debt service requirements on these bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2014	$ -	$ 1,313,723	$ 1,313,723
2015	235,000	1,308,024	1,543,024
2016	245,000	1,295,587	1,540,587
2017	260,000	1,281,050	1,541,050
2018	275,000	1,264,312	1,539,312
2019 - 2023	1,690,000	5,992,513	7,682,513
2024 - 2028	2,490,000	5,147,250	7,637,250
2029 - 2033	3,810,000	3,762,900	7,572,900
2034 - 2038	3,970,000	1,864,350	5,834,350
2039 - 2041	2,355,000	324,225	2,679,225
Totals	$ 15,330,000	$ 23,553,934	$ 38,883,934

See independent auditors' report.

16. SUCCESSOR AGENCY DISCLOSURES (CONTINUED):

Long-Term Liabilities (Continued):

Taxable Tax Allocation Bonds, 2011 Series B

On March 1, 2011, the Agency issued Tax Allocation Bonds, 2011 Series B, in the amount of $12,480,000. The purpose of the Bonds was to finance redevelopment activities of the Agency within, or of benefit to, the Agency's Stanton Consolidated Redevelopment Project Area, repay the outstanding loan from the City, together with accrued interest thereon, satisfy the reserve requirement for the Bonds, and provide for the costs of issuing the Bonds.

The Bonds bear interest rates between 5.50% to 9.00% due June 1 and December 1 of each year and mature December 1, 2030. The Bonds maturing on or after December 1, 2022, are subject to. optional redemption prior to maturity at the option of the Agency on any date on or after December 1, 2021, as a whole or in part at a redemption price equal to the principal amount of Bonds to be redeemed, together with accrued interest thereon to the date fixed for redemption, without premium. The Bonds are subject to mandatory sinking account redemption in amounts ranging from $535,000 to $1,400,000 as outlined in the official statements.

Tax revenues are pledged for the payment of principal and interest on the Bonds until the Bonds and any Parity Debt have been paid, or until monies have been set-aside irrevocably for that purpose. A reserve account has been established to be held by the Trustee to further secure the timely payment of principal and interest on the Bonds. The amount required to be maintained by the trustee for the Bonds is $1,348,929.

The outstanding balance of the Bonds was $12,480,000 at June 30, 2013.

The annual debt service requirements on these bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2014	$ -	$ 1,048,788	$ 1,048,788
2015	-	1,048,788	1,048,788
2016	250,000	1,041,912	1,291,912
2017	310,000	1,025,738	1,335,738
2018	330,000	1,005,712	1,335,712
2019 - 2023	3,110,000	4,421,541	7,531,541
2024 - 2028	4,615,000	2,832,141	7,447,141
2029 - 2031	3,865,000	541,575	4,406,575
Totals	$ 12,480,000	$ 12,966,195	$ 25,446,195

See independent auditors' report.

16. SUCCESSOR AGENCY DISCLOSURES (CONTINUED):

Long-Term Liabilities (Continued):

Issuance Discount

The following is a summary of bond issuance discount at June 30, 2013:

	Balance at July 1, 2012	Additions	Deletions	Balance at June 30, 2013
2005 Tax Allocation Bonds	$ (165,986)	$ -	$ 7,217	$ (158,769)
2011 Tax Allocation Bonds	(860,299)	-	30,725	(829,574)
Total	$ (1,026,285)	$ -	$ 37,942	$ (988,343)

Amortization expense for the year ended June 30, 2013 was $37,942.

Issuance Premium

The following is a summary of bond issuance premium at June 30, 2013:

	Balance at July 1, 2012	Additions	Deletions	Balance at June 30, 2013
2010 Tax Allocation Bonds	$ 3,520	$ -	$ (126)	$ 3,394

Amortization expense for the year ended June 30, 2013 was $126.

Advances:

The composition of advances for the year ended June 30, 2013 is as follows:

Advances To Other Funds	Advances From Other Funds	Amount
Successor Agency to the Stanton Redevelopment Agency	General Fund	$ 6,919,481
	Housing Authority Special Revenue Fund	1,729,870
		$ 8,649,351

See independent auditors' report.

16. SUCCESSOR AGENCY DISCLOSURES (CONTINUED):

Advances (Continued):

The General Fund advanced a total of $8,586,029 to the Successor Agency to the Stanton Redevelopment Agency. A loan of $4,500,000 was made for purposes of carrying out activities of the Former Redevelopment Project Area. Another loan of $4,086,029 was made for the purposes of paying the SERAF payment required by the State. The advance bear interest at the LAIF rate effective as of June 30, 2013 of 0.24%. Total accrued interest on the advance totals $63,322 as of June 30, 2013. As required by law, 20% of the loan repayments from the Successor Agency are transferred to the Housing Authority, which serves as the Low and Moderate Income Housing Asset Fund. Accordingly 20% of the principal and interest of the advance is recorded in the Housing Authority Special Revenue Fund.

Restatement of Net Position:

Note 1E describes the GASB pronouncements the City is adopting for this and the prior fiscal years. There is a financial impact for the adoption of GASB Statement No. 65, *"Items Previously Reported as Assets and Liabilities"*. Implementation of GASB Statement No. 63, *"Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position"*, reclassifies certain assets and liabilities to deferred inflows and outflows.

The implementation of GASB Statement No. 65 recognizes cost of issuance and is applied retroactively by restating financial statements, if practical for all periods presented. The implementation of GASB No. 65 resulted in reducing net position of the Successor Agency to the Stanton Redevelopment Agency Private-Purpose-Trust-Fund in the amount of $2,092,584 as of July 1, 2012, to remove bond issue costs reported as deferred costs.

17. RECENT CHANGES IN LEGISLATION AFFECTING CALIFORNIA REDEVELOPMENT AGENCIES:

On June 29, 2011, Assembly Bills 1x 26 (the "Dissolution Act") and 1x 27 were enacted as part of the fiscal year 2011-12 state budget package.

On June 27, 2012, as part of the fiscal year 2012-13 state budget package, the Legislature passed and the Governor signed AB 1484, which made technical and substantive amendments to the Dissolution Act based on experience to-date at the state and local level in implementing the Dissolution Act.

17. RECENT CHANGES IN LEGISLATION AFFECTING CALIFORNIA REDEVELOPMENT AGENCIES (CONTINUED):

Under the Dissolution Act, each California redevelopment agency (each a "Dissolved RDA") was dissolved as of February 1, 2012, and the sponsoring community that formed the Dissolved RDA, together with other designated entities, have initiated the process under the Dissolution Act to unwind the affairs of the Dissolved RDA. A Successor Agency was created for each Dissolved RDA which is the sponsoring community of the Dissolved RDA unless it elected not to serve as the Successor Agency. On January 10, 2012, the City elected to serve as the Successor Agency of the Stanton Redevelopment Agency.

The Dissolution Act also created oversight boards which monitor the activities of the successor agencies. The roles of the successor agencies and oversight boards is to administer the wind down of each Dissolved RDA which includes making payments due on enforceable obligations, disposing of the assets (other than housing assets) and remitting the unencumbered balances of the Dissolved RDAs to the County Auditor-Controller for distribution to the affected taxing entities.

The Dissolution Act allowed the sponsoring community that formed the Dissolved RDA to elect to assume the housing functions and take over the certain housing assets of the Dissolved RDA. If the sponsoring community does not elect to become the Successor Housing Agency and assume the Dissolved RDA's housing functions, such housing functions and all related housing assets will be transferred to the local housing authority in the jurisdiction. AB 1484 modified and provided some clarifications on the treatment of housing assets under the Dissolution Act. The Housing Authority elected on January 10, 2012 to serve as the Housing Successor Agency.

After the date of dissolution, the housing assets, obligations, and activities of the Dissolved RDA have been transferred and are reported in the Housing Authority special revenue fund in the financial statements of the City. All other assets, obligations, and activities of the Dissolved RDA have been transferred and are reported in a fiduciary fund (private-purpose trust fund) in the financial statements of the City.

The Dissolution Act and AB 1484 also establish roles for the County Auditor-Controller, the California Department of Finance (the "DOF") and the California State Controller's office in the dissolution process and the satisfaction of enforceable obligations of the Dissolved RDAs.

The County Auditor-Controller is charged with establishing a Redevelopment Property Tax Trust Fund (the "RPTTF") for each Successor Agency and depositing into the RPTTF for each six-month period the amount of property taxes that would have been redevelopment property tax increment had the Dissolved RDA not been dissolved. The deposit in the RPTTF fund is to be used to pay to the Successor Agency the amounts due on the Successor Agency's enforceable obligations for the upcoming six-month period.

17. RECENT CHANGES IN LEGISLATION AFFECTING CALIFORNIA REDEVELOPMENT AGENCIES (CONTINUED):

The Successor Agency is required to prepare a recognized obligation payment schedule (the "ROPS") approved by the oversight board setting forth the amounts due for each enforceable obligation during each six month period. The ROPS is submitted to the DOF for approval. The County Auditor-Controller will make payments to the Successor Agency from the RPTTF fund based on the ROPS amount approved by the DOF. The ROPS is prepared in advance for the enforceable obligations due over the next six months.

The process of making RPTTF deposits to be used to pay enforceable obligations of the Dissolved RDA will continue until all enforceable obligations have been paid in full and all non-housing assets of the Dissolved RDA have been liquidated.

On March 1, 2011, the Board of Directors of the Redevelopment Agency approved the transfer of funds totaling $8,586,029 and $443,232 to pay the principal and interest, respectively, owed to the City on the interfund advance. The DOF disallowed this transfer and interest rate utilized. This resulted in a $9,029,261 payable in the Successor Agency and receivable in the General Fund to remove the effects of the disallowed transfer. The advance was reinstated between the City and Successor Agency with 20% of the loan due to the Housing Authority and a new interest rate of 0.24% that represents the LAIF rate as of June 30, 2013. See Note 5.

As part of the dissolution process AB1484 required the Successor Agency to have due diligence reviews of both the low and moderate income housing funds and all other funds to be completed by October 15, 2012 and January 15, 2013 to compute the funds (cash) which were not needed by the Successor Agency to be retained to pay for existing enforceable obligations. These funds were to be remitted to the CAC after the DOF completed its review of the due diligence reviews. The Successor Agency remitted $1,395,623 to the CAC on December 20, 2012 for the low and moderate income housing funds due diligence review. The amount due to the CAC of $4,207,467 was remitted by the Successor Agency on August 8, 2013 and is included in accounts payable of the Successor Agency as of June 30, 2013.

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

The State Controller has not completed its review and property transfers totaling $52,236,498 from the Successor Agency to the City, as identified by the DOF, could be disallowed upon completion of this review. Also, the use of Series 2011A bond proceeds, even if utilized in accordance with the bond restrictions could be overturned by the State Controller.

17. RECENT CHANGES IN LEGISLATION AFFECTING CALIFORNIA REDEVELOPMENT AGENCIES (CONTINUED):

Management believes, in consultation with legal counsel, that the obligations of the Dissolved RDA due to the City are valid enforceable obligations payable by the Successor Agency under the requirements of the Dissolution Act and AB 1484. The City's position on this issue is not a position of settled law and there is considerable legal uncertainty regarding this issue. It is reasonably possible that a legal determination may be made at a later date by an appropriate judicial authority that would resolve this issue unfavorably to the City.

18. SUBSEQUENT EVENT:

In preparing these financial statements, the City has evaluated events and transactions for potential recognition or disclosure through November 26, 2013, the date the financial statements were available to be issued.

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REQUIRED SUPPLEMENTARY INFORMATION
(UNAUDITED)

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CalPERS MISCELLAENOUS PENSION PLAN

In fiscal year ended June 30, 2004, CalPERS established a risk pool for cities and other government entities that have less than 100 active members. Actuarial valuations performed included other participants within the same risk pool. Therefore, standalone information of the schedule of the funding progress for the City's miscellaneous employees is no longer available.

OTHER POST-EMPLOYMENT BENEFIT PLAN

Actuarial Valuation Date	Actuarial Value of Assets (AVA) (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b) - (a)	Funded Ratio (a)/(b)	Covered Payroll (c)	UAAL as a % of Covered Payroll [(b)-(a)]/c]
12/23/08	$ -	$ 788,000	$ 788,000	0.00%	$ 2,314,000	34.05%
06/30/10	199,000	776,000	577,000	25.64%	2,439,000	23.66%
06/30/11	313,000	809,000	496,000	38.69%	2,518,000	19.70%
06/30/13	585,000	771,000	186,000	75.88%	1,870,000	9.95%

See independent auditors' report.

City of Stanton
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2013

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES:				
Taxes and assessments	$ 9,150,467	$ 12,225,488	$ 12,530,849	$ 305,361
Licenses and permits	861,800	776,000	917,431	141,431
Intergovernmental	3,202,000	377,000	375,613	(1,387)
Charges for services	186,010	131,010	143,320	12,310
Fines and forfeitures	386,800	311,800	320,222	8,422
Interest income	301,000	301,000	221,664	(79,336)
Rental income	82,000	131,000	139,529	8,529
Miscellaneous	127,560	158,560	102,243	(56,317)
Total revenues	14,297,637	14,411,858	14,750,871	339,013
EXPENDITURES:				
Current:				
General government	1,593,168	1,670,315	2,189,685	(519,370)
Public safety	12,762,082	11,046,792	10,815,304	231,488
Urban development	880,917	890,845	842,602	48,243
Highways and streets	489,540	523,203	436,571	86,632
Culture and recreation	691,507	720,194	597,698	122,496
Total expenditures	16,417,214	14,851,349	14,881,860	(30,511)
EXCESS OF REVENUES UNDER EXPENDITURES	(2,119,577)	(439,491)	(130,989)	308,502
OTHER FINANCING SOURCES (USES):				
Transfers in	724,930	724,930	708,290	(16,640)
Transfers out	(1,741)	(1,741)	(1,740)	1
Total other financing sources (uses)	723,189	723,189	706,550	(16,639)
Net change in fund balances, before extraordinary items	(1,396,388)	283,698	575,561	291,863
EXTRAORDINARY ITEMS:				
Loss on transfer of advance	-	-	(1,717,206)	(1,717,206)
Loss on payment of excess interest on loan to Successor Agency	-	-	(443,232)	(443,232)
TOTAL EXTRAORDINARY ITEMS	-	-	(2,160,438)	(2,160,438)
NET CHANGE IN FUND BALANCE	$ (1,396,388)	$ 283,698	(1,584,877)	$ (1,868,575)
FUND BALANCE:				
Beginning of year			20,622,201	
End of year			$ 19,037,324	

See independent auditors' report and note to required supplementary information.

City of Stanton
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Housing Authority Special Revenue Fund
For the Year Ended June 30, 2013

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
REVENUES:				
Interest income	$ -	$ -	$ 16,760	$ 16,760
Rental income	-	430,000	561,349	131,349
Miscellaneous	-	-	2,285	2,285
Total revenues	-	430,000	580,394	150,394
EXPENDITURES:				
Current:				
Urban development	-	204,773	411,891	(207,118)
Capital outlay	-	-	564,226	(564,226)
Total expenditures	-	204,773	976,117	(771,344)
Excess of revenues under expenditures, before extraordinary item	-	225,227	(395,723)	(620,950)
EXTRAORDINARY ITEM:				
Gain on transfer of advance	-	-	1,717,206	1,717,206
NET CHANGE IN FUND BALANCE	$ -	$ 225,227	1,321,483	$ 1,096,256
FUND BALANCE:				
Beginning of year			14,113,547	
End of year			$ 15,435,030	

See independent auditors' report and note to required supplementary information.

1. BUDGET AND BUDGETARY ACCOUNTING:

The City adopts a bi-annual budget prepared on the modified accrual basis for all of its governmental funds. The City Manager is required, under City Code Section 2.08.050, to prepare and submit to the City Council the bi-annual budget of the City and administer it after adoption. Legally, expenditures may not exceed total appropriations at the fund level. The City Manager is authorized to transfer budgeted amounts within the accounts of any fund; however, any revisions between funds must be approved by the City Council. Prior year appropriations lapse, unless they are encumbered at year-end, and reappropriated through the formal budget process.

The budgetary information shown for revenues and expenditures represent the original adopted budget adjusted for any changes made by the City Council or City Manager.

The City did not adopt a budget for the Stanton Central Park Grant Special Revenue Fund.

SUPPLEMENTARY INFORMATION

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City of Stanton
Budgetary Comparison Schedule
Capital Improvements Capital Projects Fund
For the Year Ended June 30, 2013

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES:				
Intergovernmental	$ 560,000	$ 678,770	$ 118,770	$ (560,000)
Interest income	-	-	7,669	7,669
Total revenues	560,000	678,770	126,439	(552,331)
EXPENDITURES:				
Current:				
Highways and streets	561,788	808,221	271,142	537,079
Capital Outlay	175,000	175,000	20,332	154,668
Total expenditures	736,788	983,221	291,474	691,747
EXCESS OF REVENUES UNDER EXPENDITURES	$ (176,788)	$ (304,451)	(165,035)	$ 139,416
FUND BALANCE:				
Beginning of year			1,616,912	
End of year			$ 1,451,877	

See independent auditors's report.

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DESCRIPTION OF OTHER GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Gas Tax - To account for expenditures financed by money apportioned under the Streets and Highways Code of the State of California.

Measure M - To account for funds received by the City as a result of the voter-approved ballot measure in 1990 and extended by voter approval in 2006 to increase sales tax by ½ percent in Orange County to fund transporation projects.

Community Development - To account for grants requiring segregated fund accounting, such as the Community Development Block Grant program.

Protective Services - To account for a special tax approved by the voters in August 1985 for fire protection and prevention services.

Lighting and Median Maintenance - To account for benefit assessments levied under the 1919 Act Stanton Municipal Lighting District, and the Stanton Lighting and Landscaping District No. 1 (Landscaping and Lighting Act of 1972), for street lighting and landscaping maintenance within the City.

Air Quality Improvement Program - To account for the City's share of additional motor vehicle registration fees, imposed by the South Coast Air Quality Management District, to finance the implementation of mobile source emission reduction programs and the provisions of the California Clean Air Act.

FaCT Park and Recreation Grant - To account for revenues and expenditure related to funding received by the County of Orange, through the federal government, for the Family Preservation and Support Program (FaCT).

JAG Grant - To account for justice funding for prevention and control of crime in the community.

Senior Transportation - To account for the City's share of funds identified as 1% of Renewed Measure M (M2) net sales tax revenue to be allocated to all local jurisdictions based upon the City's respective percentage of senior population for the entire County of Orange.

CalGRIP Grant - To account for revenues and expenditures related to funding received by the Board of State and Community Corrections (BSCC) for the California Gang Reduction, Intervention and Prevention (CalGRIP) Program.

Stanton Central Park Grant - To account for the design and construction of Stanton Central Park.

Asset Forfeiture - To account for monies seized from criminal activities. Revenues are restricted for use in law enforcement.

Supplemental Law Enforcement Program - To account for revenues and expenditures related to funding received under the State Citizens Option for Public Safety (COPS) program.

Proposition 1B - To account for revenues and expenditures related to funding transportation related projects including maintenance and improvements of local transportation facilities.

CAPITAL PROJECTS FUND

Park and Recreation Facilities - To account for the financial resources segregated for park or recreational purposes, pursuant to Stanton Municipal Code Section 19.42.090.

City of Stanton
Combining Balance Sheet
Other Governmental Funds
June 30, 2013

	Special Revenue Funds	
	Gas Tax	Measure M
ASSETS		
Cash and investments	$ 922,810	$ 555,627
Receivables:		
Accounts	-	75,337
Interest	245	282
Taxes	79,919	-
Grants	-	-
Total assets	$ 1,002,974	$ 631,246
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES		
Liabilities:		
Accounts payable	$ -	$ -
Accrued liabilities	4,090	-
Unearned revenue	-	-
Due to other funds	-	-
Total liabilities	4,090	-
Deferred Inflows of Resources:		
Unavailable revenues	-	-
Total liabilities and deferred inflows of resources	4,090	-
Fund Balances (Deficits):		
Restricted	998,884	631,246
Unassigned	-	-
Total fund balances (deficits)	998,884	631,246
Total liabilities, deferred inflows of resources and fund balances	$ 1,002,974	$ 631,246

See independent auditors' report.

Special Revenue Funds (Continued)					
Community Development	Protective Services	Lighting and Median Maintenance	Air Quality Improvement Program	FaCT Park and Recreation Grant	JAG Grant
$ 240,205	$ 8,375	$ 2,639,804	$ 49,947	$ -	$ -
-	-	1,872	12,160	-	-
48	-	741	29	-	-
-	9,167	10,392	-	-	-
-	-	-	-	-	18,372
$ 240,253	$ 17,542	$ 2,652,809	$ 62,136	$ -	$ 18,372
$ -	$ -	$ 38,765	$ -	$ 372	$ 18,374
-	-	-	-	3,861	-
-	-	-	-	-	-
-	-	-	-	11,880	-
-	-	38,765	-	16,113	18,374
-	-	-	-	-	18,372
-	-	38,765	-	16,113	36,746
240,253	17,542	2,614,044	62,136	-	-
-	-	-	-	(16,113)	(18,374)
240,253	17,542	2,614,044	62,136	(16,113)	(18,374)
$ 240,253	$ 17,542	$ 2,652,809	$ 62,136	$ -	$ 18,372

(Continued)

City of Stanton
Combining Balance Sheet, Continued
Other Governmental Funds
June 30, 2013

	Special Revenue Funds (Continued)	
	Senior Transportation	CalGRIP Grant
ASSETS		
Cash and investments	$ 20,213	$ -
Receivables:		
Accounts	4,823	-
Interest	4	-
Taxes	-	-
Grants	-	24,764
Total assets	$ 25,040	$ 24,764
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES		
Liabilities:		
Accounts payable	$ 420	$ 4,025
Accrued liabilities	57	-
Unearned revenue	-	-
Due to other funds	-	14,539
Total liabilities	477	18,564
Deferred Inflows of Resources:		
Unavailable revenues	-	-
Total liabilities and deferred inflows of resources	477	18,564
Fund Balances (Deficits):		
Restricted	24,563	6,200
Unassigned	-	-
Total fund balances (deficits)	24,563	6,200
Total liabilities, deferred inflows of resources and fund balances	$ 25,040	$ 24,764

See independent auditors' report.

Special Revenue Funds (Continued)				Capital Projects Fund	
Stanton Central Park Grant	Asset Forfeiture	Supplemental Law Enforcement Program	Proposition 1B	Park and Recreation Facilities	Total Other Governmental Funds
$ -	$ 713	$ 344,628	$ -	$ 545,793	$ 5,328,115
-	-	-	-	-	94,192
-	-	85	-	158	1,592
-	-	-	-	-	99,478
545	-	-	318,000	-	361,681
$ 545	$ 713	$ 344,713	$ 318,000	$ 545,951	$ 5,885,058
$ -	$ -	$ 75,725	$ -	$ -	$ 137,681
-	-	-	-	-	8,008
-	-	265,347	-	-	265,347
49,169	-	-	308,651	-	384,239
49,169	-	341,072	308,651	-	795,275
545	-	-	318,000	-	336,917
49,714	-	341,072	626,651	-	1,132,192
-	713	3,641	-	545,951	5,145,173
(49,169)	-	-	(308,651)	-	(392,307)
(49,169)	713	3,641	(308,651)	545,951	4,752,866
$ 545	$ 713	$ 344,713	$ 318,000	$ 545,951	$ 5,885,058

City of Stanton
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Other Governmental Funds
For the Year Ended June 30, 2013

	Special Revenue Funds	
	Gas Tax	Measure M
REVENUES:		
Taxes and assessments	$ -	$ -
Intergovernmental	906,020	420,406
Charges for services	-	-
Interest income	4,286	4,935
Miscellaneous	-	-
Total revenues	910,306	425,341
EXPENDITURES:		
Current:		
Public safety	-	-
Urban development	-	-
Highways and streets	422,276	622,886
Culture and recreation	-	-
Health and welfare	-	-
Capital outlay	-	229,511
Total expenditures	422,276	852,397
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	488,030	(427,056)
OTHER FINANCING SOURCES (USES):		
Transfers in	-	-
Transfers out	(333,362)	(1,932)
Total other financing sources (uses)	(333,362)	(1,932)
NET CHANGE IN FUND BALANCES	154,668	(428,988)
FUND BALANCES (DEFICITS):		
Beginning of year	844,216	1,060,234
End of year	$ 998,884	$ 631,246

See independent auditors' report.

Special Revenue Funds (Continued)					
Community Development	Protective Services	Lighting and Median Maintenance	Air Quality Improvement Program	FaCT Park and Recreation Grant	JAG Grant
$ -	$ 376,937	$ 561,888	$ -	$ -	$ -
336,405	-	40,274	43,777	218,779	64,974
-	-	4,548	-	-	-
837	-	13,003	509	-	-
-	-	-	9,000	-	-
337,242	376,937	619,713	53,286	218,779	64,974
-	2,250	-	-	-	68,395
336,405	-	-	-	-	-
-	-	493,504	-	-	-
-	-	-	-	236,189	-
-	-	-	2,826	-	-
-	-	7,649	96,485	-	-
336,405	2,250	501,153	99,311	236,189	68,395
837	374,687	118,560	(46,025)	(17,410)	(3,421)
-	-	-	-	1,740	-
-	(372,996)	-	-	-	-
-	(372,996)	-	-	1,740	-
837	1,691	118,560	(46,025)	(15,670)	(3,421)
239,416	15,851	2,495,484	108,161	(443)	(14,953)
$ 240,253	$ 17,542	$ 2,614,044	$ 62,136	$ (16,113)	$ (18,374)

(Continued)

City of Stanton
Combining Statement of Revenues, Expenditures and Changes in Fund Balances, Continued
Other Governmental Funds
For the Year Ended June 30, 2013

	Special Revenue Funds (Continued)	
	Senior Transportation	CalGRIP Grant
REVENUES:		
Taxes and assessments	$ -	$ -
Intergovernmental	32,040	188,547
Charges for services	-	-
Interest income	91	-
Miscellaneous	-	-
Total revenues	32,131	188,547
EXPENDITURES:		
Current:		
Public safety	-	-
Urban development	-	-
Highways and streets	-	-
Culture and recreation	26,829	144,004
Health and welfare	-	-
Capital outlay	-	-
Total expenditures	26,829	144,004
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	5,302	44,543
OTHER FINANCING SOURCES (USES):		
Transfers in	-	-
Transfers out	-	-
Total other financing sources (uses)	-	-
NET CHANGE IN FUND BALANCES	5,302	44,543
FUND BALANCES (DEFICITS):		
Beginning of year	19,261	(38,343)
End of year	$ 24,563	$ 6,200

See independent auditors' report.

Special Revenue Funds (Continued)				Capital Projects Fund	
Stanton Central Park Grant	Asset Forfeiture	Supplemental Law Enforcement Program	Proposition 1B	Park and Recreation Facilities	Total Other Governmental Funds
$ -	$ -	$ -	$ -	$ -	$ 938,825
-	712	97,240	-	-	2,349,174
-	-	-	-	58,435	62,983
-	1	-	6	2,741	26,409
-	-	-	-	-	9,000
-	713	97,240	6	61,176	3,386,391
-	-	97,240	-	-	167,885
-	-	-	-	-	336,405
-	-	-	318,000	-	1,856,666
48,624	-	-	-	25,946	481,592
-	-	-	-	-	2,826
-	-	-	-	-	333,645
48,624	-	97,240	318,000	25,946	3,179,019
(48,624)	713	-	(317,994)	35,230	207,372
-	-	-	-	-	1,740
-	-	-	-	-	(708,290)
-	-	-	-	-	(706,550)
(48,624)	713	-	(317,994)	35,230	(499,178)
(545)	-	3,641	9,343	510,721	5,252,044
$ (49,169)	$ 713	$ 3,641	$ (308,651)	$ 545,951	$ 4,752,866

City of Stanton
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Gas Tax Special Revenue Fund
For the Year Ended June 30, 2013

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
REVENUES:				
Intergovernmental	$ 1,039,907	$ 1,039,907	$ 906,020	$ (133,887)
Interest income	-	-	4,286	4,286
Total revenues	1,039,907	1,039,907	910,306	(129,601)
EXPENDITURES:				
Current:				
Highway and streets	491,710	908,412	422,276	486,136
Total expenditures	491,710	908,412	422,276	486,136
EXCESS OF REVENUES OVER EXPENDITURES	548,197	131,495	488,030	356,535
OTHER FINANCING USES:				
Transfers out	(350,000)	(350,000)	(333,362)	16,638
Total other financing uses	(350,000)	(350,000)	(333,362)	16,638
NET CHANGE IN FUND BALANCE	$ 198,197	$ (218,505)	154,668	$ 373,173
FUND BALANCE:				
Beginning of year			844,216	
End of year			$ 998,884	

See independent auditors's report.

City of Stanton
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Measure M Special Revenue Fund
For the Year Ended June 30, 2013

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
REVENUES:				
Intergovernmental	$ 296,930	$ 296,930	$ 420,406	$ 123,476
Interest income	10,000	10,000	4,935	(5,065)
Total revenues	306,930	306,930	425,341	118,411
EXPENDITURES:				
Current:				
Highway and streets	55,000	661,416	622,886	38,530
Capital outlay	250,000	286,154	229,511	56,643
Total expenditures	305,000	947,570	852,397	95,173
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	1,930	(640,640)	(427,056)	213,584
OTHER FINANCING USES:				
Transfers out	(1,930)	(1,930)	(1,932)	(2)
Total other financing uses	(1,930)	(1,930)	(1,932)	(2)
NET CHANGE IN FUND BALANCE	$ -	$ (642,570)	(428,988)	$ 213,582
FUND BALANCE:				
Beginning of year			1,060,234	
End of year			$ 631,246	

See independent auditors's report.

City of Stanton
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Community Development Special Revenue Fund
For the Year Ended June 30, 2013

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
REVENUES:				
Intergovernmental	$ 336,405	$ 336,405	$ 336,405	$ -
Interest income	-	-	837	837
Total revenues	336,405	336,405	337,242	837
EXPENDITURES:				
Current:				
Urban development	336,405	336,405	336,405	-
Total expenditures	336,405	336,405	336,405	-
EXCESS OF REVENUES OVER EXPENDITURES	$ -	$ -	837	$ 837
FUND BALANCE:				
Beginning of year			239,416	
End of year			$ 240,253	

See independent auditors's report.

City of Stanton
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Protective Services Special Revenue Fund
For the Year Ended June 30, 2013

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
REVENUES:				
Taxes and assessments	$ 376,500	$ 376,500	$ 376,937	$ 437
Total revenues	376,500	376,500	376,937	437
EXPENDITURES:				
Current:				
Public safety	3,500	6,000	2,250	3,750
Total expenditures	3,500	6,000	2,250	3,750
EXCESS OF REVENUES OVER EXPENDITURES	373,000	370,500	374,687	4,187
OTHER FINANCING USES:				
Transfers out	(373,000)	(373,000)	(372,996)	4
Total other financing uses	(373,000)	(373,000)	(372,996)	4
NET CHANGE IN FUND BALANCE	$ -	$ (2,500)	1,691	$ 4,191
FUND BALANCE:				
Beginning of year			15,851	
End of year			$ 17,542	

See independent auditors's report.

City of Stanton
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Lighting and Median Maintenance Special Revenue Fund
For the Year Ended June 30, 2013

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
REVENUES:				
Taxes and assessments	$ 411,730	$ 411,730	$ 561,888	$ 150,158
Intergovernmental	40,000	40,000	40,274	274
Charges for services	-	-	4,548	4,548
Interest income	38,000	38,000	13,003	(24,997)
Total revenues	489,730	489,730	619,713	129,983
EXPENDITURES:				
Current:				
Highways and streets	428,923	490,080	493,504	(3,424)
Capital outlay	-	-	7,649	(7,649)
Total expenditures	428,923	490,080	501,153	(11,073)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	$ 60,807	$ (350)	118,560	$ 118,910
FUND BALANCE:				
Beginning of year			2,495,484	
End of year			$ 2,614,044	

See independent auditors's report.

City of Stanton
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Air Quality Improvement Program Special Revenue Fund
For the Year Ended June 30, 2013

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
REVENUES:				
Intergovernmental	$ 45,400	$ 45,400	$ 43,777	$ (1,623)
Interest income	-	-	509	509
Miscellaneous	-	(9,000)	9,000	18,000
Total revenues	45,400	36,400	53,286	16,886
EXPENDITURES:				
Current:				
Culture and recreation	3,500	3,500	-	3,500
Health and welfare	2,619	2,561	2,826	(265)
Capital outlay	-	96,485	96,485	-
Total expenditures	6,119	102,546	99,311	3,235
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	$ 39,281	$ (66,146)	(46,025)	$ 20,121
FUND BALANCE:				
Beginning of year			108,161	
End of year			$ 62,136	

See independent auditors's report.

City of Stanton
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
FaCT Park and Recreation Grant Special Revenue Fund
For the Year Ended June 30, 2013

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
REVENUES:				
Intergovernmental	$ 220,000	$ 220,000	$ 218,779	$ (1,221)
Total revenues	220,000	220,000	218,779	(1,221)
EXPENDITURES:				
Current:				
Culture and recreation	221,741	221,640	236,189	(14,549)
Total expenditures	221,741	221,640	236,189	(14,549)
EXCESS OF REVENUES UNDER EXPENDITURES	(1,741)	(1,640)	(17,410)	(15,770)
OTHER FINANCING SOURCES:				
Transfers in	1,741	1,741	1,740	(1)
Total other financing sources	1,741	1,741	1,740	(1)
NET CHANGE IN FUND BALANCE	$ -	$ 101	(15,670)	$ (15,771)
FUND BALANCE (DEFICIT):				
Beginning of year			(443)	
End of year			$ (16,113)	

See independent auditors's report.

City of Stanton
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
JAG Grant Special Revenue Fund
For the Year Ended June 30, 2013

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
REVENUES:				
Intergovernmental	$ 8,946	$ 8,946	$ 64,974	$ 56,028
Total revenues	8,946	8,946	64,974	56,028
EXPENDITURES:				
Current:				
Public safety	8,946	8,946	68,395	(59,449)
Total expenditures	8,946	8,946	68,395	(59,449)
EXCESS OF REVENUES UNDER EXPENDITURES	$ -	$ -	(3,421)	$ (3,421)
FUND BALANCE (DEFICIT):				
Beginning of year			(14,953)	
End of year			$ (18,374)	

See independent auditors's report.

City of Stanton
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Senior Transportation Special Revenue Fund
For the Year Ended June 30, 2013

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
REVENUES:				
Intergovernmental	$ 32,875	$ 32,875	$ 32,040	$ (835)
Interest income	-	-	91	91
Total revenues	32,875	32,875	32,131	(744)
EXPENDITURES:				
Current:				
Culture and recreation	32,875	32,875	26,829	6,046
Total expenditures	32,875	32,875	26,829	6,046
EXCESS OF REVENUES OVER EXPENDITURES	$ -	$ -	5,302	$ 5,302
FUND BALANCE:				
Beginning of year			19,261	
End of year			$ 24,563	

See independent auditors's report.

City of Stanton
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
CalGRIP Grant Special Revenue Fund
For the Year Ended June 30, 2013

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
REVENUES:				
Intergovernmental	$ 250,000	$ 250,000	$ 188,547	$ (61,453)
Total revenues	250,000	250,000	188,547	(61,453)
EXPENDITURES:				
Current:				
Culture and recreation	250,000	250,000	144,004	105,996
Total expenditures	250,000	250,000	144,004	105,996
EXCESS OF REVENUES OVER EXPENDITURES	$ -	$ -	44,543	$ 44,543
FUND BALANCE (DEFICIT):				
Beginning of year			(38,343)	
End of year			$ 6,200	

See independent auditors's report.

City of Stanton
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Asset Forfeiture Special Revenue Fund
For the Year Ended June 30, 2013

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
REVENUES:				
Intergovernmental	$ 710	$ 710	$ 712	$ 2
Interest income	-	-	1	1
Total revenues	710	710	713	3
EXPENDITURES:				
Current:				
Public safety	710	710	-	710
Total expenditures	710	710	-	710
EXCESS OF REVENUES OVER EXPENDITURES	$ -	$ -	713	$ 713
FUND BALANCE:				
Beginning of year			-	
End of year			$ 713	

See independent auditors's report.

City of Stanton
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Supplemental Law Enforcement Program Special Revenue Fund
For the Year Ended June 30, 2013

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
REVENUES:				
Intergovernmental	$ 406,390	$ 402,749	$ 97,240	$ (305,509)
Total revenues	406,390	402,749	97,240	(305,509)
EXPENDITURES:				
Current:				
Public safety	406,390	406,390	97,240	309,150
Total expenditures	406,390	406,390	97,240	309,150
EXCESS OF REVENUES UNDER EXPENDITURES	$ -	$ (3,641)	-	$ 3,641
FUND BALANCE:				
Beginning of year			3,641	
End of year			$ 3,641	

See independent auditors's report.

City of Stanton
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Proposition 1B Special Revenue Fund
For the Year Ended June 30, 2013

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
REVENUES:				
Intergovernmental	$ -	$ 318,000	$ -	$ (318,000)
Interest income	-	-	6	6
Total revenues	-	318,000	6	(317,994)
EXPENDITURES:				
Current:				
Highways and streets	-	318,000	318,000	-
Total expenditures	-	318,000	318,000	-
EXCESS OF REVENUES UNDER EXPENDITURES	$ -	$ -	(317,994)	$ (317,994)
FUND BALANCE (DEFICIT):				
Beginning of year			9,343	
End of year			$ (308,651)	

See independent auditors's report.

City of Stanton
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Park and Recreation Facilities Capital Projects Fund
For the Year Ended June 30, 2013

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
REVENUES:				
Charges for services	$ 140,000	$ 140,000	$ 58,435	$ (81,565)
Interest income	-	-	2,741	2,741
Total revenues	140,000	140,000	61,176	(78,824)
EXPENDITURES:				
Current:				
Culture and recreation	-	2,160	25,946	(23,786)
Total expenditures	-	2,160	25,946	(23,786)
EXCESS OF REVENUES OVER EXPENDITURES	$ 140,000	$ 137,840	35,230	$ (102,610)
FUND BALANCE:				
Beginning of year			510,721	
End of year			$ 545,951	

See independent auditors's report.

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DESCRIPTION OF INTERNAL SERVICE FUNDS

Workers' Compensation - To account for the City's workers' compensation insurance, including claims, legal and other expenses.

Liability/Risk Management - To account for the City's general liability insurance, including claims, legal and other expenses.

Employee Benefits - To account for the employee benefits costs including vacation, sick and holiday hours.

Fleet Maintenance - To account for costs related to operations and fleet maintenance for the City's vehicles.

Fixed Asset Replacement - To account for the purchase of capital assets for other departments and related costs.

Emergency Preparedness - To account for emergency planning and preparedness and expenditures, for goods and services, necessary to prepare the community to respond to disasters.

Information Technology - To account for costs associated with the City's information technology, including the City's network, personal computers, software, hardware, and all other related equipment.

Building Maintenance - To account for costs associated with maintaining and upgrading the City's owned facilities.

City of Stanton
Combining Statement of Net Position
All Internal Service Funds
June 30, 2013

	Workers' Compensation	Liability/ Risk Management	Employee Benefits
ASSETS			
Current assets:			
Cash and investments	$ 909,601	$ -	$ -
Receivables:			
Interest	276	-	45
Due from other governments	152,653	3,959	-
Total current assets	1,062,530	3,959	45
Noncurrent assets:			
Capital assets, being depreciated, net	-	-	-
Total assets	1,062,530	3,959	45
LIABILITIES			
Current liabilities:			
Account payable	-	-	850
Accrued liabilities	-	-	-
Claims and judgments payable	65,660	25,001	-
Compensated absences payable	-	-	79,505
Due to other funds	-	72,957	22,571
Total current liabilities	65,660	97,958	102,926
Noncurrent liabilities:			
Claims and judgments payable	56,736	1,250	-
Compensated absences payable	-	-	79,850
Total noncurrent liabilities	56,736	1,250	79,850
Total liabilities	122,396	99,208	182,776
NET POSITION (DEFICITS)			
Net investment in capital assets	-	-	-
Unrestricted	940,134	(95,249)	(182,731)
Total net position (deficits)	$ 940,134	$ (95,249)	$ (182,731)

See independent auditors' report.

Fleet Maintenance	Fixed Asset Replacement	Emergency Preparedness	Information Technology	Building Maintenance	Total
$ 323,777	$ 743,509	$ 62,531	$ 162,365	$ 339,720	$ 2,541,503
104	217	15	59	99	815
-	-	-	-	-	156,612
323,881	743,726	62,546	162,424	339,819	2,698,930
2,694	-	-	6,285	896,751	905,730
326,575	743,726	62,546	168,709	1,236,570	3,604,660
3,417	610	-	35,611	-	40,488
769	-	-	-	-	769
-	-	-	-	-	90,661
491	-	-	-	-	79,996
-	-	-	-	-	95,528
4,677	610	-	35,611	-	307,442
-	-	-	-	-	57,986
-	-	-	-	-	79,850
-	-	-	-	-	137,836
4,677	610	-	35,611	-	445,278
2,694	-	-	6,285	896,751	905,730
319,204	743,116	62,546	126,813	339,819	2,253,652
$ 321,898	$ 743,116	$ 62,546	$ 133,098	$ 1,236,570	$ 3,159,382

City of Stanton
Combining Statement of Revenues, Expenses and Changes in Net Position
All Internal Service Funds
For the Year Ended June 30, 2013

	Workers' Compensation	Liability/ Risk Management	Employee Benefits
OPERATING REVENUES:			
Charges for services	$ 12,174	$ 18,368	$ 287,660
Total operating revenues	12,174	18,368	287,660
OPERATING EXPENSES:			
Equipment maintenance and operation	-	-	-
Depreciation	-	-	-
Administrative and personnel services	-	-	395,679
Provision for estimated claims	(119,162)	(46,435)	-
Insurance premiums	22,473	169,387	-
Contractual services	6,093	870	600
Total operating expenses	(90,596)	123,822	396,279
OPERATING INCOME (LOSS)	102,770	(105,454)	(108,619)
NONOPERATING REVENUES:			
Interest income	4,828	-	784
Other	-	-	-
Total nonoperating revenues	4,828	-	784
CHANGES IN NET POSITION	107,598	(105,454)	(107,835)
NET POSITION (DEFICITS):			
Beginning of year	832,536	10,205	(74,896)
End of year	$ 940,134	$ (95,249)	$ (182,731)

See independent auditors' report.

Fleet Maintenance	Fixed Asset Replacement	Emergency Preparedness	Information Technology	Building Maintenance	Total
$ 19,700	$ 13,028	$ 394	$ 7,458	$ -	$ 358,782
19,700	13,028	394	7,458	-	358,782
44,518	20,816	1,462	41,581	-	108,377
11,449	7,337	-	1,779	41,962	62,527
26,183	-	8,958	-	-	430,820
-	-	-	-	-	(165,597)
252	-	-	-	-	192,112
-	-	-	46,383	-	53,946
82,402	28,153	10,420	89,743	41,962	682,185
(62,702)	(15,125)	(10,026)	(82,285)	(41,962)	(323,403)
1,819	3,819	250	1,000	1,730	14,230
-	-	20,000	-	-	20,000
1,819	3,819	20,250	1,000	1,730	34,230
(60,883)	(11,306)	10,224	(81,285)	(40,232)	(289,173)
382,781	754,422	52,322	214,383	1,276,802	3,448,555
$ 321,898	$ 743,116	$ 62,546	$ 133,098	$ 1,236,570	$ 3,159,382

City of Stanton
Combining Statement of Cash Flows
All Internal Service Funds
For the Year Ended June 30, 2013

	Workers' Compensation	Liability/ Risk Management	Employee Benefits
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from customers	$ 12,126	$ 14,409	$ 287,660
Cash paid to other suppliers of goods or services	(103,301)	(93,340)	(550)
Cash paid to employeef for salaries and wages	-	-	(375,212)
Net cash used for operating activities	(91,175)	(78,931)	(88,102)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Cash received from grants	-	-	-
Net cash provided by noncapital financing activities	-	-	-
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest income received	4,607	4	753
Net cash provided by investing activities	4,607	4	753
Net increase (decrease) in cash and cash equivalents	(86,568)	(78,927)	(87,349)
CASH AND CASH EQUIVALENTS:			
Beginning of the year	996,169	78,927	87,349
End of the year	$ 909,601	$ -	$ -
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH USED FOR OPERARING ACTIVITIES:			
Operating income (loss)	$ 102,770	$ (105,454)	$ (108,619)
Adjustments to reconcile operating income (loss) to net cash used for operating activities:			
Depreciation expense	-	-	-
Loss on disposition of capital assets	-	-	-
Changes in assets and liabilities:			
(Increase) decrease in due from other governments	(48)	(3,959)	-
Increase (decrease) in due to other funds	-	72,957	22,571
Increase (decrease) in accounts payable	-	-	50
Increase (decrease) in accrued liabilities	-	-	-
Increase (decrease) in claims and judgments payable	(193,897)	(42,475)	-
Increase (decrease) in compensated absences payable	-	-	(2,104)
Net cash used for operating activities	$ (91,175)	$ (78,931)	$ (88,102)

See independent auditors' report.

Fleet Maintenance	Fixed Asset Replacement	Emergency Preparedness	Information Technology	Building Maintenance	Total
$ 19,700	$ 13,028	$ 394	$ 7,458	$ -	$ 354,775
(43,027)	(20,311)	(1,462)	(65,786)	-	(327,777)
(25,794)	-	(8,958)	-	-	(409,964)
(49,121)	(7,283)	(10,026)	(58,328)	-	(382,966)
-	-	20,000	-	-	20,000
-	-	20,000	-	-	20,000
1,736	3,644	238	954	1,649	13,585
1,736	3,644	238	954	1,649	13,585
(47,385)	(3,639)	10,212	(57,374)	1,649	(349,381)
371,162	747,148	52,319	219,739	338,071	2,890,884
$ 323,777	$ 743,509	$ 62,531	$ 162,365	$ 339,720	$ 2,541,503
$ (62,702)	$ (15,125)	$ (10,026)	$ (82,285)	$ (41,962)	$ (323,403)
11,449	7,337	-	1,779	41,962	62,527
-	-	-	(6,285)	-	(6,285)
-	-	-	-	-	(4,007)
-	-	-	-	-	95,528
1,743	505	-	28,463	-	30,761
48	-	-	-	-	48
-	-	-	-	-	(236,372)
341	-	-	-	-	(1,763)
$ (49,121)	$ (7,283)	$ (10,026)	$ (58,328)	$ -	$ (382,966)

City of Stanton
Statement of Changes in Assets and Liabilities
Agency Fund
For the Year Ended June 30, 2013

	Balance at July 1, 2012	Additions	Deletions	Balance at June 30, 2013
City Trust Agency Fund				
ASSETS:				
Cash and investments	$ 80,343	$ 106,274	$ (135,085)	$ 51,532
LIABILITIES:				
Deposits payable	$ 80,343	$ 106,274	$ (135,085)	$ 51,532

See independent auditors' report.

CITY OF STANTON
STATISTICAL SECTION (UNAUDITED)
June 30, 2013

This section of the City of Stanton's Comprehensive Annual Financial Report (CAFR) presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial heath. The statistical information presented herein is un-audited.

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

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Revenue Capacity - *These schedules contain information to help the reader assess the City's most significant own-source revenue.*

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City of Stanton
Net Position by Component
Last Nine Fiscal Years
(accrual basis of accounting)

	Fiscal Year								
	2013	2012	2011	2010	2009	2008	2007	2006	2005
Governmental activities:									
Net investment in capital assets	$92,494,864	$ 93,573,202	$ 30,303,477	$ 43,595,961	$ 33,616,072	$ 22,517,900	$ 11,873,775	$ 24,583,589	$ 24,517,738
Restricted	20,919,037	18,909,154	49,511,685	18,911,631	27,040,539	23,114,967	21,323,214	7,007,933	12,767,766
Unrestricted	22,506,002	25,969,301	10,339,493	28,322,456	32,109,570	33,987,347	34,951,367	28,410,501	21,752,778
Total governmental activities net position	135,919,903	138,451,657	90,154,655	90,830,048	92,766,181	79,620,214	68,148,356	60,002,023	59,038,282
Business-type activities:									
Net investment in capital assets	5,371,857	5,506,126	5,640,395	5,774,663	5,900,631	6,444,074	6,591,518	5,565,473	3,184,078
Unrestricted	1,816,176	1,560,732	1,520,957	1,235,929	2,676,942	3,587,715	3,244,602	2,806,965	2,479,532
Total business-type activities net position	7,188,033	7,066,858	7,161,352	7,010,592	8,577,573	10,031,789	9,836,120	8,372,438	5,663,610
Primary government:									
Net investment in capital assets	97,866,721	99,079,328	35,943,872	49,370,624	39,516,703	28,961,974	18,465,293	30,149,062	27,701,816
Restricted	20,919,037	18,909,154	49,511,685	18,911,631	27,040,539	23,114,967	21,323,214	7,007,933	12,767,766
Unrestricted	24,322,178	27,530,033	11,860,450	29,558,385	34,786,512	37,575,062	38,195,969	31,217,466	24,232,310
Total primary government net position	$ 143,107,936	$ 145,518,515	$ 97,316,007	$ 97,840,640	$ 101,343,754	$ 89,652,003	$ 77,984,476	$ 68,374,461	$ 64,701,892

The City of Stanton has elected to show only nine years of data for this schedule.

Source: City of Stanton Administrative Services Department

City of Stanton
Changes in Net Position
Last Nine Fiscal Years
(accrual basis of accounting)

	Fiscal Year								
	2013	2012	2011	2010	2009	2008	2007	2006	2005
Expenses:									
Governmental activities:									
General government	2,852,594	$ 2,277,269	$ 1,081,252	$ 2,054,843	$ 1,350,974	$ 1,216,895	$ 2,102,875	$ 2,382,328	$ 1,978,374
Public safety	11,425,129	12,494,004	12,744,191	13,644,863	12,683,780	12,382,175	11,332,688	10,671,112	10,011,737
Urban development	2,032,838	3,766,930	8,063,096	10,326,473	6,359,544	6,798,338	7,562,209	9,710,307	4,735,011
Health and welfare	2,826	2,132	19,505	6,449	2,565	-	21,018	95,385	10,034
Highways and streets	2,895,834	2,557,660	3,975,867	2,644,691	4,673,863	203,271	1,823,799	3,120,218	1,976,579
Culture and recreation	1,410,745	1,731,743	2,241,411	1,797,910	1,442,317	1,766,674	1,570,056	770,629	552,066
Interest and fiscal charges	-	3,378,862	2,844,199	1,795,494	1,782,582	1,839,237	2,101,407	1,860,472	687,050
Total governmental activities expenses	20,619,966	26,208,600	30,969,521	32,270,723	28,295,625	24,206,591	26,514,052	28,610,451	19,950,851
Business-type activities:									
Sewer	854,630	834,862	730,605	2,286,645	900,827	526,420	676,185	542,505	949,345
Total business-type activities expenses	854,630	834,862	730,605	2,286,645	900,827	526,420	676,185	542,505	949,345
Total primary government expenses	21,474,596	27,043,462	31,700,126	34,557,368	29,196,452	24,733,011	27,190,237	29,152,956	20,900,196
Program revenues:									
Governmental activities:									
Charges for services:									
General government	70,950	119,455	107,630	59,840	68,615	106,327	106,879	543,458	520,363
Public safety	895,826	904,419	1,006,527	996,993	970,879	956,957	964,821	730,474	698,892
Urban development	1,009,732	959,624	934,764	586,328	537,535	405,215	569,198	381,356	441,947
Highways and streets	-	19,560	-	-	-	-	-	-	-
Culture and recreation	109,456	141,360	234,392	341,811	69,003	64,484	68,037	51,172	44,070
Operating grants and contributions	2,760,472	2,510,694	1,956,567	1,716,419	1,196,251	3,809,555	3,610,402	2,262,570	979,177
Capital grants and contributions	-	-	2,214,326	2,061,904	4,808,260	2,058,826	1,225,005	874,499	1,476,636
Total governmental activities program revenues	4,846,436	4,655,112	6,454,206	5,763,295	7,650,543	7,401,364	6,544,342	4,843,529	4,161,085
Business-type activities:									
Charges for services:									
Sewer	819,274	656,860	528,779	397,400	396,377	394,139	394,462	393,949	393,712
Total business-type activities program revenues	819,274	656,860	528,779	397,400	396,377	394,139	1,655,189	2,901,509	393,712
Total primary government program revenues	5,665,710	5,311,972	6,982,985	6,160,695	8,046,920	7,795,503	8,199,531	7,745,038	4,554,797
Net revenues (expenses)									
Governmental activities	(15,773,530)	(21,553,488)	(24,515,315)	(26,507,428)	(20,645,082)	(16,805,227)	(19,969,710)	(23,766,922)	(15,789,766)
Business activities	(35,356)	(178,002)	(201,826)	(1,889,245)	(504,450)	(132,281)	979,004	2,359,004	(555,633)
Total net revenues (expenses)	(15,808,886)	(21,731,490)	(24,717,141)	(28,396,673)	(21,149,532)	(16,937,508)	(18,990,706)	(21,407,918)	(16,345,399)

City of Stanton
Changes in Net Position Continued
Last Nine Fiscal Years
(accrual basis of accounting)

	Fiscal Year								
	2013	2012	2011	2010	2009	2008	2007	2006	2005
General revenues and other changes in net position:									
Governmental activities:									
Taxes:									
Property taxes	$ 5,307,800	$ 8,070,432	$ 12,547,610	$ 12,600,300	$ 14,364,266	$ 14,203,906	$ 12,891,896	$ 10,338,637	$ 8,777,275
Sales taxes	3,683,199	3,579,392	3,091,571	3,079,791	3,075,670	3,537,975	4,177,392	4,193,645	3,702,610
Transient occupancy taxes	341,838	357,092	326,316	289,855	316,794	358,535	357,443	327,589	310,703
Franchise taxes	996,947	932,916	932,977	721,326	756,130	735,830	692,180	728,438	662,119
Other taxes	2524123	5,395,184	5,517,430	5,570,791	5,841,573	5,880,886	5,600,034	5,271,991	5,247,749
Investment earnings	111,367	435,891	986,415	1,937,904	2,043,799	2,011,540	2,649,832	2,582,680	1,223,758
Miscellaneous	719,734	553,650	437,603	371,328	5,910,837	1,548,413	1,608,466	1,474,683	1,515,872
Extraordinary item [1]	(443,232)	50,525,933	-	-	-	-	-	-	-
Total governmental activities	13,241,776	69,850,490	23,839,922	24,571,295	32,309,069	28,277,085	27,991,043	24,730,663	21,453,886
Business-type activities:									
Taxes:									
Property taxes	148,107	41,784	45,345	42,402	72,428	60,932	114,388	69,858	65,409
Investment earnings	8,424	13,729	20,065	61,123	123,449	144,138	163,442	92,966	57,862
Miscellaneous	-	27,995	287,176	218,739	(96,999)	122,880	220,648	-	960
Total business-type activities	156,531	83,508	352,586	322,264	98,878	327,950	484,678	349,824	110,431
Total primary government	13,398,307	69,933,998	24,192,508	24,893,559	32,407,947	28,605,035	28,475,721	25,080,487	21,564,317
Changes in net position									
Governmental activities	(2,531,754)	48,297,002	(675,393)	(1,936,133)	11,663,987	11,471,858	8,021,333	963,741	5,664,120
Business-type activities	121,175	(94,494)	150,760	(1,566,981)	(405,572)	195,669	1,463,682	2,708,828	(445,202)
Total primary government	$ (2,410,579)	$ 48,202,508	$ (524,633)	$ (3,503,114)	$ 11,258,415	$ 11,667,527	$ 9,485,015	$ 3,672,569	$ 5,218,918

[1] Extraordinary gain on transfer of assets and liabilities to Successor Agency to the Stanton Redevelopment Agency

The City of Stanton has elected to show only nine years of data for this schedule.

Source: City of Stanton Administrative Services Department

City of Stanton
Fund Balances of Governmental Funds
Last Nine Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year		
Post-GASB 54:			
	2013	2012	2011
General Fund:			
Nonspendable	8,971,880	$ 2,247,340	$ 9,260,140
Restricted	-	-	-
Committed	3,720,465	3,911,481	3,889,757
Assigned	31,772	50,193	2,780,440
Unassigned	6,313,207	14,413,187	12,468,010
Total general fund	$ 19,037,324	$ 20,622,201	$ 28,398,347
All other governmental funds:			
Nonspendable	10,065,582	$ 9,022,935	$ -
Restricted	10,514,621	9,886,219	49,511,685
Committed	-	510,721	488,210
Assigned	1,451,877	1,616,912	1,741,257
Unassigned	(392,307)	(54,284)	(4,454,858)
Total all other governmental funds	$ 21,639,773	$ 20,982,503	$ 47,286,294

Pre-GASB 54:	2010	2009	2008	2007	2006	2005
General Fund						
Designated	$ 12,526,117	$ 9,054,451	$ 4,823,618	$ 4,500,000	$ 5,358,671	$ 5,829,475
Undesignated	10,034,896	14,355,757	14,355,757	15,368,153	13,342,315	13,789,191
Total general fund	$ 22,561,013	$ 23,410,208	$ 19,179,375	$ 19,868,153	$ 18,700,986	$ 19,618,666
All other governmental funds:						
Reserved	$ 25,984,719	$ 36,117,622	$ 28,902,884	$ 25,190,058	$ 28,722,395	$ 3,045,641
Unreserved, reported in						
Special revenue funds	-	-	3,480,889	2,630,514	2,892,262	2,777,409
Capital projects funds	(7,830,130)	(10,661,359)	(4,071,591)	259,652	3,334,535	(3,551,372)
Debt service funds	-	-	-	-	-	6,641,376
Total all other governmental funds	$ 40,715,602	$ 48,866,471	$ 47,491,557	$ 47,948,377	$ 53,650,178	$ 28,531,720

The City of Stanton has elected to show only nine years of data for this schedule.

Source: City of Stanton Administrative Services Department

City of Stanton
Changes in Fund Balances of Governmental Funds
Last Nine Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year								
	2013	2012	2011	2010	2009	2008	2007	2006	2005
Revenues:									
Taxes and assessments	13,469,674	$ 15,247,661	$ 19,626,114	$ 19,451,299	$ 20,965,865	$ 21,554,863	$ 20,847,200	$ 18,324,534	$ 16,134,753
Licenses and permits	917,431	865,687	863,403	455,820	429,034	313,887	437,568	280,093	319,821
Intergovernmental	2,843,557	5,684,978	7,482,746	7,150,779	10,018,262	8,137,202	7,734,056	5,977,230	5,209,267
Charges for services	206,303	245,904	309,508	454,143	501,248	442,703	722,603	591,126	525,921
Fines and forfeitures	320,222	329,492	436,153	430,763	402,363	389,160	391,847	355,544	326,814
Interest income	272,502	428,230	986,416	1,937,907	2,043,798	2,011,538	2,649,835	2,440,273	1,130,015
Rental income	700,878	497,439	381,214	240,702	463,580	1,431,300	1,429,256	1,323,740	1,297,840
Miscellaneous	113,528	198,047	208,574	396,780	5,519,820	226,722	309,220	224,763	290,089
Total Revenues	18,844,095	23,497,438	30,294,128	30,518,193	40,343,970	34,507,375	34,521,585	29,517,303	25,234,520
Expenditures:									
Current:									
General government	2,189,685	1,444,457	398,456	1,486,629	1,143,461	1,030,298	1,744,944	1,952,170	1,736,641
Public safety	10,983,189	12,516,221	12,299,028	12,274,703	11,762,092	11,759,999	10,744,764	9,989,291	9,343,053
Urban development	1,590,898	3,211,789	7,617,933	10,256,694	6,467,504	7,897,515	7,103,286	8,254,416	4,820,874
Health and welfare	2,826	2,132	19,505	6,449	2,565	-	-	24,736	8,119
Highways and streets	2,564,379	2,141,304	2,634,613	2,034,407	1,879,422	1,910,943	2,213,345	1,733,166	2,886,190
Culture and recreation	1,079,290	1,315,387	1,907,540	1,745,576	1,523,287	1,748,129	2,814,315	723,529	550,789
Capital outlay	918,203	9,073,926	16,868,944	11,416,633	14,512,960	7,945,301	12,344,682	240,000	5,361,215
Debt Service:									
Bond issuance costs	-	-	2,243,450	-	-	-	-	-	
Principal	-	680,000	2,875,000	615,000	590,000	575,000	585,000	1,816,060	224,986
Interest and fiscal charges	-	2,935,018	2,350,620	1,755,972	1,740,418	1,797,010	1,940,109	1,332,343	687,064
Total Expenditures	19,328,470	33,320,234	49,215,089	41,592,063	39,621,709	34,664,195	39,490,445	29,319,356	25,618,931
Excess (Deficiency) of Revenues Over (Under Expenditures	(484,375)	(9,822,796)	(18,920,961)	(11,073,870)	722,261	(156,820)	(4,968,860)	197,947	(384,411)
Other financing sources (Uses):									
Bond issuance	-	-	53,090,000	-	-	-	-	26,500,000	-
Gains on sales of assets	-	-	-	-	-	-	-	-	-
Transfers in	710,030	11,781,909	18,671,360	8,758,337	9,146,045	9,574,396	5,165,946	6,729,072	3,739,428
Transfers out	(710,030)	(11,781,909)	(17,871,360)	(7,301,337)	(8,493,392)	(9,874,396)	(6,461,376)	(8,308,561)	(3,795,628)
Total other financing sources (uses)	-	-	53,890,000	1,457,000	652,653	(300,000)	(1,295,430)	24,920,511	(56,200)
Net change in fund balance before extraordinary item	(484,375)	(9,822,796)	34,969,039	(9,616,870)	1,374,914	(456,820)	(6,264,290)	25,118,458	(440,611)
Extraordinary item [1]	(443,232)	(24,257,141)	-	-	-	-			
Net change in fund balances	$ (927,607)	$ (34,079,937)	$ 34,969,039	$ (9,616,870)	$ 1,374,914	$ (456,820)	$ (6,264,290)	$ 25,118,458	$ (440,611)
Debt service as a percentage of noncapital expenditures	0%	15%	16%	8%	9%	9%	9%	11%	5%

[1] Extraordinary loss on transfer of assets and liabilities to Successor Agency to the Stanton Redevelopment Agency

The City of Stanton has elected to show only nine years of data for this schedule.

Source: City of Stanton Administrative Services Department

City of Stanton
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year Ended June 30	City			Redevelopment Agency		
	Secured	Unsecured	Taxable Assessed Value	Secured	Unsecured	Taxable Assessed Value
2013	$ 2,000,759,287	$ 72,992,374	$ 2,073,751,661	$ 1,975,422,515	$ 72,869,486	$ 2,048,292,001
2012	1,981,189,883	82,102,752	2,063,292,635	1,956,092,939	81,960,877	2,038,053,816
2011	1,951,058,258	91,053,614	2,042,111,872	1,925,722,388	90,919,529	2,016,641,917
2010	1,972,305,106	98,510,249	2,070,815,355	1,947,585,036	98,429,354	2,046,014,390
2009	2,105,663,210	90,124,459	2,195,787,669	2,077,838,548	90,004,715	2,167,843,263
2008	2,094,325,109	89,851,518	2,184,176,627	2,066,493,955	89,754,347	2,156,248,302
2007	1,887,178,302	85,565,945	1,972,744,247	1,774,617,280	64,441,596	1,839,058,876
2006	1,696,785,591	77,884,260	1,774,669,851	1,463,327,591	54,207,166	1,517,534,757
2005	1,516,250,504	74,039,223	1,590,289,727	1,305,973,017	54,040,038	1,360,013,055
2004	1,371,467,370	85,407,211	1,456,874,581	1,178,613,739	56,353,516	1,234,967,255

NOTES:

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

City amounts include the Redevelopment Agency assessed values

The City of Stanton and the Stanton Redevelopment Agency do not have any direct tax rates

Source: County of Orange Auditor-Controller

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

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Overlapping Rates:										
County Bonds	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
County Flood	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
Metropolitan Water District	0.00350	0.00370	0.00370	0.00430	0.00520	0.00450	0.00470	0.00520	0.00580	0.00084
Savanna School District	0.05976	0.02767	0.02660	0.00000	0.19686	0.00000	0.00000	0.00000	0.00000	0.00000
Anaheim High School District	0.02858	0.02678	0.02745	0.02363	0.01809	0.02516	0.02355	0.02444	0.02770	0.02433
Garden Grove Unified School District	0.03135	0.02483	0.03308	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
North Orange County										
Community College District	0.01902	0.01742	0.01758	0.01493	0.01001	0.01502	0.01444	0.01666	0.01441	0.01397
Magnolia Elementary School District	0.02493	0.02326	0.02067	0.01998	0.10078	0.01800	0.01925	0.02209	0.02663	0.14935
Coast Community College District	0.01881	0.01754	0.01750	0.01472	0.01920	0.01501	0.01599	0.01545	0.02754	0.00000
Total	0.18595	0.14120	0.14658	0.07756	0.35014	0.07769	0.07793	0.08384	0.10208	0.18849

The City of Stanton and the Stanton Redevelopment Agency do not have any direct tax rates

Source: California Municipal Statistics, Inc.

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

Taxpayer	2012-13 Assessed Valuation Secured Assessed Value	2012-13 Assessed Valuation Percent of Total City Secured Assessed Value	2003-04 Assessed Valuation Secured Assessed Value	2003-04 Assessed Valuation Percent of Total City Secured Assessed Value
CR&R, Inc.	$ 37,127,445	1.86%	$ 28,090,679	1.20%
CP Briarwood LLC	27,913,946	1.40%		
Shapell Socal Rental Properties LLC	22,446,279	1.12%	16,354,806	0.70%
Arrowhead Apt. Invest LLC	20,039,766	1.00%		
Walton CWCA Hoover 52 LLC	19,078,003	0.95%		
Continental Gardens LP	16,208,632	0.81%	14,056,737	0.60%
Faircrest, Inc.	12,564,931	0.63%	10,899,683	0.46%
Gilbert R. Shuman	12,557,550	0.63%	9,885,160	0.42%
Mideb Nominees, Inc.	12,367,510	0.62%	10,277,527	0.44%
Katella 111 Partners LLC	10,291,916	0.51%		
Playa Galleria Shopping Center LLC	9,550,072	0.48%	8,053,574	0.34%
Muth Holdings	9,360,098	0.47%		
Westgate Villa Apartments Ltd.	9,058,199	0.45%	7,839,032	0.33%
Park Plaza Apts. LLC	7,780,141	0.39%	6,747,234	0.29%
8080 Bever Place-Negba LLC	7,193,764	0.36%		
Chun Yue Yen	6,693,399	0.33%		
Motel 6 Operating LP	6,244,447	0.31%		
Stanton Marketplace LLC	6,115,949	0.31%		
Heslin Capital Partners	5,816,671	0.29%		
Katella-Knott Shopping Center LLC	5,484,353	0.27%		
Calwest Industrial			11,746,116	0.50%
	$ 263,893,071	13.19%	$ 123,950,548	5.29%

Prior to 2005-06 the assessed valuation was for commercial properties only and did not include the Stanton Redevelopment Agency.
Beginning in 2005-06 taxable assessed value is the principal taxpayers in all categories based on gross assessed values.

Source: California Municipal Statistics, Inc.; Hinderliter de Llamas & Associates

City of Stanton
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected Amount	Percent of Levy (1)
2013	$ 1,015,107	$ 1,015,107	100%
2012	1,000,716	1,000,716	100%
2011	1,092,222	1,092,222	100%
2010	1,102,577	1,102,577	100%
2009	1,356,789	1,356,789	100%
2008	1,467,319	1,467,319	100%
2007	1,463,687	1,463,687	100%
2006	1,468,053	1,468,053	100%
2005	1,263,004	1,263,004	100%
2004	1,249,275	1,249,275	100%

(1) Beginning with FY 1994-95, the City of Stanton elected the Teeter Plan for property tax distribution in which the City receives the entire secured levy in the current fiscal year, whether paid or not and the County retains the penalties and interest on delinquent taxes.

Source: County of Orange, Auditor-Controller

City of Stanton
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year Ended June 30	2011 Tax Allocation Bonds Series A	2011 Tax Allocation Bonds Series B	2010 Tax Allocation Bonds Series A	2005 Tax Allocation Bonds Series A	2005 Tax Allocation Bonds Series B	1993 Tax Allocation Refunding Bonds	Countywide Revenue Bonds	Total Primary Government [1]	Percentage of Personal Income	Debt Per Capita
2013	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	not available	$ -
2012	-	-	-	-	-	-	-	-	not available	-
2011	14,838,831	12,080,145	25,283,645	15,356,469	9,150,330	-	-	76,709,420	3.98%	2,008.84
2010	-	-	-	14,995,271	8,969,446	2,480,000	-	26,444,717	1.36%	664.46
2009	-	-	-	15,183,372	9,111,933	2,720,000	-	27,015,305	1.41%	684.28
2008	-	-	-	15,988,378	9,626,770	2,950,000	-	28,565,148	1.38%	670.15
2007	-	-	-	16,184,040	9,778,891	3,170,000	-	29,132,931	1.43%	693.86
2006	-	-	-	16,369,690	9,921,024	3,375,000	45,000	29,710,714	1.49%	738.07
2005	-	-	-	-	-	3,570,000	90,000	3,660,000	0.20%	94.30
2004	-	-	-	-	-	3,755,000	130,000	3,885,000	0.23%	100.61

Sources:
Personal Income - Regional Information System, Bureau of Economic Analysis, U.S. Department of Commerce
Santa-Ana-Anaheim-Irvine, CA Metropolitan Division
City of Stanton, Administrative Services Department

[1] As of February 1, 2012, tax allocation bond liabilities were transferred to the Successor Agency to the City of Stanton Redevelopment Agency

City of Stanton
Direct and Overlapping Debt
As of June 30, 2013

	Percentage Applicable	Outstanding Debt 6/30/2013 [1]	Estimated Share of Overlapping Debt
Overlapping Tax and Assessment Debt:			
Metropolitan Water District	0.098%	$ 165,085,000	$ 161,783
Coast Community College District	0.439%	648,598,698	2,847,348
North Orange County Joint Community College District	1.638%	213,394,001	3,495,394
Anaheim Union High School District	2.949%	105,183,955	3,101,875
Garden Grove Unified School District	5.343%	127,000,160	6,785,619
Savanna School District	31.255%	41,808,730	13,067,319
Magnolia School District	14.530%	18,003,305	2,615,880
Total Overlapping Tax and Assessment Debt		1,319,073,849	32,075,217
Overlapping General Fund Debt:			
Orange County General Fund Obligations	0.485%	190,546,000	924,148
Orange County Pension Obligations	0.485%	306,287,244	1,485,493
Orange County Board of Education Certificates of Participation	0.485%	15,770,000	76,485
Municipal Water District of O.C. Water Facilities Corp.	0.575%	10,035,000	57,701
Coast Community College District General Fund Obligations			-
Anaheim Union High School District Certificates of Participation	2.949%	36,848,095	1,086,650
North Orange County Regional Occupation Program Certificates of Participation	1.043%	10,920,000	113,896
Total Gross Overlapping General Fund Debt		570,406,339	3,744,373
Less: MWDOC Water Facilities Corp (100% self-supporting)		10,035,000	57,701
Total Net Overlapping General Fund Debt		560,371,339	3,686,672
Total Overlapping Debt		$ 1,879,445,188	35,761,889
City Direct Debt			76,380,000
Total Direct and Overlapping Debt			$ 112,141,889

(1) Overlapping debt excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and tax allocation bonds and non-bonded capital lease obligations.

Source: California Municipal Statistics, Inc.

City of Stanton
Legal Debt Margin Information
Last Ten Fiscal Years

	2013	2012	2011	2010
Debt limit	$ 77,765,687	$ 77,373,474	$ 76,579,195	$ 77,655,576
Total net debt applicable to limit	-	-	-	-
Legal debt margin	$ 77,765,687	$ 77,373,474	$ 76,579,195	$ 77,655,576
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%

Debt Limit Calculation:

Assessed value	$ 2,073,751,661	$ 2,063,292,635	$ 2,042,111,872	$ 2,070,815,355
Debt limit percentage	3.75%	3.75%	3.75%	3.75%
Debt limit	$ 77,765,687	$ 77,373,474	$ 76,579,195	$ 77,655,576

Note:
Under state finance law, the City of Stanton's outstanding general obligation debt should not exceed 3.75 percent of total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obltigation bonds

Source: City of Stanton, Administrative Services Department.

2009	2008	2007	2006	2005	2004
$ 82,342,038	$ 81,906,624	$ 571,770,468	$ 493,830,691	$ 371,720,602	$ 214,414,699
-	-	-	-	-	-
$ 82,342,038	$ 81,906,624	$ 571,770,468	$ 493,830,691	$ 371,720,602	$ 214,414,699
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
$ 2,195,787,669	$ 2,184,176,627	$ 1,972,744,247	$ 1,774,669,851	$ 1,590,289,727	$ 1,456,874,581
3.75%	3.75%	3.75%	3.75%	3.75%	3.75%
$ 82,342,038	$ 81,906,624	$ 73,977,909	$ 66,550,119	$ 59,635,865	$ 54,632,797

City of Stanton
Pledged-Revenue Coverage
Last Nine Fiscal Years

Fiscal Year Ended June 30	Tax Increment	1993 Tax Allocation Refunding Bonds		Tax Allocation Bonds, 2005 Series A		Tax Allocation Bonds, 2005 Series B	
		Debt Service		Debt Service (1)		Debt Service (1)	
		Principal	Interest	Principal	Interest	Principal	Interest
2013	$ -	$ -	$ -	$ -	$ -	$ -	$ -
2012	10,989,535	-	-	-	-	-	-
2011	10,994,664	-	-	235,000	782,740	175,000	387,532
2010	11,390,416	240,000	141,700	225,000	792,640	170,000	393,482
2009	12,365,248	230,000	154,508	215,000	802,100	160,000	399,082
2008	12,524,284	220,000	166,770	205,000	811,120	155,000	404,507
2007	11,177,700	205,000	178,351	200,000	819,920	155,000	409,933
2006	8,852,808	195,000	189,251	190,000	828,280	145,000	415,007
2005	7,380,156	185,000	199,606	-	-	-	-

The City has chosen to show only nine years of data for this schedule.

The liabilities for these outstanding bonds were transferred to the Successor Agency to the Stanton Redevelopment Agency on February 1, 2012

Source: City of Stanton Administrative Services Department, Bond Official Statements

Tax Allocation Bonds, 2010 Series A		Tax Allocation Bonds, 2011 Series A		Tax Allocation Bonds, 2011 Series B		
Debt Service (1)		Debt Service (1)		Debt Service (1)		
Principal	Interest	Principal	Interest	Principal	Interest	Coverage
$ -	$ -	$ -	$ -	$ -	$ -	-
-	-	-	-	-	-	-
270,000	1,189,883	-	985,292	-	786,591	2.28
-	-	-	-	-	-	5.80
-	-	-	-	-	-	6.31
-	-	-	-	-	-	6.38
-	-	-	-	-	-	5.68
-	-	-	-	-	-	4.51
-	-	-	-	-	-	19.19

City of Stanton
Demographic and Economic Statistics
Last Ten Calendar Years

Fiscal Year	Population	Housing Units	City Annual Unemployment Rate	Total Personal Income In thousands	Per Capita Personal Income	Personal Income Percent Change from Preceding Period
2013	38,764	11,296	10.1%	not available	not available	not available
2012	38,498	11,276	11.6%	not available	not available	not available
2011	38,186	11,283	13.8%	$ 154,131,535	$ 50,440	4.8%
2010	39,799	11,236	15.3%	147,138,449	48,760	1.3%
2009	39,480	11,199	15.1%	145,247,447	48,624	-6.8%
2008	39,276	11,161	8.7%	155,925,156	52,720	1.6%
2007	38,981	11,087	6.6%	153,446,641	52,342	1.9%
2006	38,761	11,079	6.3%	150,598,354	51,359	8.0%
2005	38,812	11,071	5.9%	139,408,948	47,417	7.0%
2004	38,614	11,065	5.8%	130,321,396	44,301	6.4%

Sources:

Population and Housing Units - California Department of Finance; 2010 U.S. Census Bureau

Unemployment Rate - State of California, Employment Development Department - Sept. Preliminary
http://www.labormarketinfo.edd.ca.gov/

Personal Income and Per Capital Personal Income - Regional Information System, Bureau of Economic Analysis, U.S. Department of Commerce
Santa Ana-Anaheim-Irvine, CA Metropolitan Division (City of Stanton information is not available)
http://www.bea.gov/regional/

City of Stanton
Principal Employers
Last Ten Fiscal Years

Employer	Number of Employees									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
CR &R	201	192	204	208	219	228	253	255	255	257
Sam's Club	149	149	275	131	174	172	172	219	177	177
Home Depot	144	144	126	125	126	133	161	161	-	-
All Metals Processing	124	127	125	125	120	116	n/a	n/a	n/a	160
Adventure City	119	121	124	125	125	125	125	100	100	120
Custom Pipe & Coupling	75	74	75	75	75	75	n/a	n/a	n/a	n/a
Food 4 Less	68	68	68	95	95	95	102	46	42	47
Acapulco Restaurants	60	60	51	51	51	51	n/a	n/a	n/a	n/a
Primus Inc.	54	58	58	60	60	60	n/a	n/a	n/a	n/a
Cameron Welding Supply	52	52	65	65	65	40	47	40	60	53
Orco Block	50	50	50	50	50	50	57	50	50	52
John B. Ewles, Inc.	36	36	36	36	36	55	n/a	n/a	n/a	n/a
City of Stanton	37	30	41	45	47	47	47	46	41	38
Smart & Final	29	29	47	47	47	n/a	n/a	n/a	n/a	n/a
Garden Fresh Market	n/a	n/a	n/a	70	70	70	n/a	n/a	n/a	n/a
Albertson's	n/a	n/a	n/a	n/a	n/a	n/a	n/a	173	173	120
Savon Osco Drug Stores	n/a	n/a	n/a	n/a	n/a	n/a	n/a	28	28	20
Ralphs	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	31

Source: City of Stanton, Administrative Services Department
Business License and City Budget

The City does not track the total number of employees employed within the City limits

n/a - not available

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

Department	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
City Council	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5
City Manager	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
City Clerk	3.0	3.0	4.0	4.0	4.0	4.0	4.0	4.0	3.0	4.0
Administrative Services	5.5	4.0	5.5	5.5	6.5	6.5	6.5	5.5	4.0	4.0
Community Development	7.5	7.5	10.5	10.5	11.5	12.5	12.5	12.5	12.5	8.5
Parks and Recreation (Full-Time)	6.5	7.0	7.0	7.0	7.0	7.0	7.0	7.0	6.5	5.5
Public Works	7.5	6.5	9.0	10.5	10.0	9.0	9.0	9.0	8.5	9.5
Redevelopment Services	-	-	2.0	2.0	2.0	2.0	2.0	2.0	1.0	1.0
Total	33.5	31.5	41.5	43.0	44.5	44.5	44.5	43.5	39.0	36.0

NOTE:

City Attorney, Police and Fire are contracted services

Part-time employees and interns are counted as 1/2 of a full-time employee

Source: City of Stanton Budget documents

City of Stanton
Operating Indicators by Function
Last Ten Fiscal Years

Department	Fiscal Year 2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
City Council										
Public Meetings held	27	28	34	50	48	47	48	25	27	42
Ordinances adopted	16	14	8	4	9	9	12	8	12	24
Resolutions adopted	33	41	61	36	35	41	51	47	49	59
City Attorney										
Ordinances prepared	11	17	30	4	9	9	12	25	27	42
Resolutions prepared	5	44	61	36	35	41	51	8	12	24
Contracts prepared	n/a	n/a	n/a	n/a	n/a	13	12	12	15	18
City Clerk										
Public Meetings held	27	28	50	50	48	47	48	25	27	42
Ordinances processed and published	16	14	4	4	9	9	12	8	12	24
Resolutions processed and published	33	41	36	36	35	41	51	47	49	59
Public Records Requests processed	189	127	76	55	45	-	-	-	-	-
Contracts Processed	204	175	216	48	-	-	-	-	-	-
City Manager										
Staff reports prepared	17	29	32	28	25	20	45	29	37	45
Letters written	63	41	54	73	40	35	65	55	73	47
Memos written	34	42	22	63	65	75	75	70	66	74
City Council meetings	26	28	34	50	48	47	27	25	27	40
Administrative Services										
Cash Receipts processed	6,356	6,858	6,894	6,760	7,127	6,521	5,000	4,698	4,780	4,235
Warrants processed	2,171	2,131	2,653	2,571	2,720	6,521	2,900	2,817	2,745	2,614
Manual warrants processed	-	-	-	-	-	-	140	182	137	390
Payroll checks processed	1,106	1,603	1,680	1,709	1,787	1,580	1,200	1,162	1,054	1,057
Journal entries processed	255	316	246	245	249	304	350	343	311	267
Audit adjustments	-	-	1	-	-	-	-	1	1	3
Business licenses processed	1,497	1,590	1,450	1,493	1,519	1,403	1,600	1,551	1,602	1,624
Parking citation refunds	23	21	38	55	53	41	35	30	44	23

City of Stanton
Operating Indicators by Function, Continued
Last Ten Fiscal Years

Department	Fiscal Year 2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Police Services [1]										
Cases assigned to general crime investigators	1464	1,535	n/a	n/a	n/a	n/a	2,562	2,340	3,067	3,014
Directed enforcement shifts deployed each week	4	4	n/a	n/a	n/a	n/a	0	11.6	9.2	9.9
Average response time in minutes to emergency life threatening calls	3:28	5:48	n/a	n/a	n/a	n/a	5:35	n/a	5:55	5:46
Shifts of traffic enforcement in high accident and residential areas per week	0	0	n/a	n/a	n/a	n/a	0.3	1.4	0.35	0.35
Schools receiving school programs	2	4	n/a	n/a	n/a	n/a	0	6	6	7
Fire Protection [2]										
Paramedic calls responded to	2,141	1,994	n/a	1,681	n/a	1,691	1,572	1,666	1,534	1,647
Fire calls responded to	55	52	n/a	49	n/a	50	73	66	81	87
Other calls responded to	682	628	n/a	671	n/a	677	658	636	692	692
Fire inspections made [3]	224	231	n/a	766	n/a	552	550	834	629	563
Students receiving fire safety education programs	140	380	n/a	43	n/a	1,636	1,583	620	975	1,690
Adults receiving fire safety education programs	50	1,044	n/a	n/a	n/a	1,712	1,526	227	318	459
Plan checks completed	45	45	n/a	80	n/a	107	80	59	116	144

City of Stanton
Operating Indicators by Function, Continued
Last Ten Fiscal Years

Department	Fiscal Year 2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Planning										
Administrative permits	6	7	3	5	10	10	4	13	8	7
Preliminary plan review	1	0	0	1	n/a	6	0	10	10	7
Entitlements [4]	8	35	9	20	16	20	27	17	26	37
Environmental [5]	11	29	12	16	21	24	24	17	27	23
Home Occupation permits	19	24	14	13	25	21	24	20	34	24
Land divisions	1	4	3	1	2	0	5	3	4	5
Landscape plan check	2	5	0	1	0	0	0	0	0	-
Sign permits	25	21	21	36	40	51	40	55	26	36
Plan Checks (Over-the-Counter)	38	40	10	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Building										
Building plan reviews	61	38	34	42	35	58	70	86	102	97
Building permits	211	244	274	432	267	325	600	473	479	519
Electrical permits	114	90	90	142	141	182	132	170	214	197
Mechanical permits	70	68	97	110	80	95	116	86	124	108
Plumbing permits	112	90	74	119	158	142	110	149	165	161
Inspections for compliance	7	153	129	111	114	140	150	151	160	140
Parking Control										
Citations	6,118	6,118	6,677	8,434	8,597	8,769	10,343	10,225	10,107	8,381
Vehicles towed	137	137	105	118	274	341	286	190	244	330
Engineering										
Value of capital projects initiated	$1.6M	$5.7M	$2.6M	$6 M	$12.2M	$6.7M	$4.6M	$6.7 M	$4.5 M	$3.4 M
Engineering plan checks	14	12	10	10	18	20	24	18	22	20
Permits issued	106	98	94	110	160	115	70	58	93	96
Value of competitive grants obtained	$100k	$1.0M	$9.1M	$1.0 M	$6.0M	$2.5M	$2.2M	$3.4 M	$3.0 M	$2.0 M
Capital project administered	7	7	8	10	18	15	12	11	10	9
Public Facilities										
Service requests [6]	205	125	100	175	300	275	525	431	377	19
Unscheduled repairs	62	115	130	85	135	110	13	11	15	4
Buildings/Grounds Maintenance										
No. of service requests [6]	68	103	72	50	n/a	990	1,106	805	744	185
HVAC service calls	16	2	2	1	n/a	n/a	n/a	11	15	12
Parks Maintenance										
Service requests [6]	43	20	27	44	475	432	500	1,042	998	13
Unscheduled repairs	3	62	72	38	125	125	8	5	10	2

City of Stanton
Operating Indicators by Function, Continued
Last Ten Fiscal Years

	Fiscal Year									
Department	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Street Maintenance										
Potholes repaired	10	67	73	80	71	80	82	118	416	155
Service requests	109	325	260	237	186	302	270	244	319	79
Tonnage of asphalt placed	6	5	3	6	4	4	4	8	10	189
Storm drain inlets cleaned	183	177	147	145	142	160	145	145	145	160
Service calls for drainage issues	2	1	6	20	10	n/a	n/a	n/a	n/a	n/a
Parks and Recreation										
Senior clients served	2,400	2,500	2,450	2,400	2,300	2,300	2,200	2,200	2,100	2,100
Facility uses during year -rental	32	36	36	36	36	36	36	36	40	40
Facility uses during year non-rental	500	470	502	485	490	480	520	520	510	510
Inquiries regarding facility use	915	900	915	815	800	800	810	700	550	550
Commission meetings	0	8	11	11	11	11	11	11	11	11
Attendees at Commission meetings	0	48	70	70	60	60	55	100	50	100
Youth Outreach Svs. Participation	2,200	3,800	2,800	2,600	2,500	2,400	2,200	1,800	1,700	1,700
After school program participation	1,500	7,500	7,500	6,000	5,600	5,600	5,400	5,200	4,800	4,800
Info & referral inquires answered	22,000	22,000	22,000	20,000	19,000	13,000	12,500	9,400	8,500	8,500
Youth/multi-generation participation	5,000	8,500	8,300	8,200	8,200	8,000	8,000	7,700	7,400	7,400
Info inquires received Norm Ross	25	22	20	15	12	10	20	25	35	35
Volunteers assisting Department	400	650	600	400	270	270	250	250	250	250
Tutoring participation	600	700	675	500	400	400	360	365	360	360
Teen programs	-	400	400	350	300	300	300	270	250	250
Special interest class participation	5,000	7,500	8,400	7,600	7,400	7,200	5,800	5,500	5,100	5,100
Norm Ross sports facility usage	8,000	8,000	8,000	8,200	8,100	8,200	7,500	7,500	7,500	7,500
Pre-school program participants	700	700	700	650	510	510	510	475	400	400
City wide special events participants	12,000	23,000	25,000	25,000	30,000	30,000	32,000	20,000	18,000	18,000
Summer Day Camp Program participants	-	-	80	80	75	-	-	-	-	-
Community foundation Meeting Attendees	15	15	15	15	15	-	-	-	-	-

NOTES:

[1] Law enforcement statistics are kept on a calendar year basis.

[2] Beginning in 2007-08, the OCFA began staffing Truck 46 with a second firefighter for a total of 4 personnel. This was done to meet the performance expectations during emergencies. This has had no fiscal impact to the City.

[3] Beginning in 2005-06 fire inspections are required on a tri-annual basis and not an annual basis.

[4] 13 of the reported entitlements were City initiated projects

[5] 11 of the reported environmental reviews were for City initiated projects

[6] In fiscal year 2004-05 the Public Works Department began tracking all routine requests as service requests. Represents both written and verbal requests for service.

Source: City Departments & budget documents

City of Stanton
Capital Asset Statistics by Function
Last Ten Fiscal Years

Function	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Police										
Station	1	1	1	1	1	1	1	1	1	1
Fire										
Station	1	1	1	1	1	1	1	1	1	1
Public Works										
Streets (miles)	44	44	44	44	44	44	44	44	44	44
Alleys (square feet)	326,000	326,000	326,000	326,000	326,000	326,000	326,000	326,000	326,000	326,000
Curbs and gutters (linear feet)	439,736	439,736	439,736	439,736	439,736	439,736	439,736	439,736	439,736	439,736
Sidewalks (square feet)	2,339,372	2,339,372	2,339,372	2,339,372	2,339,372	2,339,372	2,339,372	2,339,372	2,339,372	2,339,372
Streetlights	1,295	1,295	1,295	1,295	1,281	1,281	1,281	1,281	1,281	1,281
Traffic signals	15	15	20	20	20	20	20	20	19	19
Storm drain system (linear feet)	26,889	26,889	26,889	25,758	25,758	25,758	25,758	25,758	25,758	25,758
Parks and Recreation										
Parks	9	9	9	8	8	7	6	6	6	6
Community Center	3	3	3	3	2	2	2	2	2	1
Library										
Branch	1	1	1	1	1	1	1	1	1	1
Sewer										
Sewer lines (miles)	40	40	40	40	40	40	40	40	40	40

Source: City Budget Documents City Capital Asset List

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