



TOWN OF LOOMIS, CALIFORNIA

AUDITED FINANCIAL STATEMENTS
FOR THE FISCAL
YEAR ENDED JUNE 30, 2014



TOWN OF LOOMIS, CALIFORNIA

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- Rick Angelocci
- Jeff Mitchell
- Roger Carroll
- (Vacant)
- Brian Fragiao
- Bureau Veritas, Inc.
- Crickett Sirock
- Town Manager
- Town Attorney
- Town Treasurer/
- Finance Officer
- Planning Director
- Director of Public
- Works/Town Engineer
- Building Inspector
- Deputy Town
- Clerk/Administrative
- Assistant

OTHER TOWN OFFICIALS

- Dave Wheeler.....
- Rhonda Morillas
- Sandra Calvert.....
- Robert Black
- Miguel Ucovich.....
- Mayor
- Mayor Pro-Tem
- Council member
- Council member
- Council member

TOWN COUNCIL

TOWN OF LOOMIS, CALIFORNIA
TOWN OFFICIALS

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor, Town Manager, and
Members of the Town Council
Town of Loomis, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Town of Loomis, California, as of and for the year ended June 30, 2014, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, the aggregate remaining fund information, and the respective budgetary comparison for the General Fund and the major special revenue funds: Streets and Roads Fund, Low Income Density Fund, and Maintenance Districts of the Town of Loomis, California, as of June 30, 2014, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3-13 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Loomis, California's basic financial statements. The combining nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 14, 2014, on our consideration of the Town of Loomis, California'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 Town of Loomis, California's internal control over financial reporting and compliance.

October 14, 2014



Our analysis of the Town as a whole begins on page 14 with the government-wide financial statements. One of the most important questions asked about the Town's finances is, "Is the Town as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the Town as a whole and about its activities in a way that helps answer this question. The government-wide Statement of Net Position includes all assets and liabilities, using the accrual basis of accounting, which is similar to the account used by most private-sector business entities. The government-wide Statement of Activities focus is to measure net revenues or expenses of each activity and all of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

Government-wide Financial Statements - Reporting the Town as a Whole

The annual report consists of a series of financial statements. The government-wide Statement of Net Position on page 14 and the Statement of Activities on page 15 provide information about the activities as a whole and present a longer-term view of the Town's finances. Governmental Fund financial statements start on page 16. For governmental activities, these statements explain how programs and services were financed in the short term (the most recently completed fiscal year), as well as the amounts remaining available for future spending. Fund financial statements report the Town's operations in more detail than the government-wide statements by providing information about the Town's most significant funds. Fund financial statements also provide financial information about activities for which the Town acts solely as a trustee of agent (fiduciary) for the benefit of individuals and entities external to this governmental unit.

USING THIS ANNUAL REPORT

- The Town's government-wide net position increased in total by \$647,998, or 2.73%.
- The total governmental activities revenues from all sources were \$4,554,047.
- The total cost of all Town programs in the Town's governmental activities were \$3,906,049.
- The General Fund reported an excess of revenues over expenditures and other financing sources of \$159,975.
- Actual resources received in the General Fund were over final budget by \$354,308 (not including budgeted use of prior years' reserves) while actual expenditures were over the final budget by \$168,042.
- At the end of the fiscal year, unassigned fund balance for the General Fund was \$4,163,260.

FINANCIAL HIGHLIGHTS

As management of the Town of Loomis (the "Town"), we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2014. We encourage the readers to consider the information presented here in conjunction with the accompanying basic financial statements and the additional information presented.

The fund financial statements provide detailed information about the major funds, not the Town as a whole. Some funds are required to be established by State law (Gas Tax and Law Enforcement Grant funds). However, the Town Council establishes many other funds to help it control and manage money for particular purposes (like the Flow-through fund) or to show that it is meeting legal responsibilities for using certain taxes, grants and other money (like grants received for recycling or park expansion). The funds shown in these statements are:

- The General Fund is the primary operating fund of the Town. It accounts for all the financial resources of the general government, except those required to be accounted for in another fund.
- The Streets and Roads Special Revenue Fund accounts for funding received for transportation purposes, including: public transportation, road construction and road maintenance. The

Our analysis of the Town's major funds begins on page 16. The Town's various funds are reported as Governmental type funds. Governmental funds focus on how money flows into and out of those funds, and the balances left at year-end that may be available for future spending. These funds are reported using an accounting method described as modified accrual accounting. This accounting method (basis) measures the availability of cash and all other financial assets that can readily be converted into cash. The governmental fund statements provide a detailed short-term view of the Town's general government operations, and the basic services it provides to residents and visitors of the Towns. Governmental fund information helps you to determine what financial resources are available to be spent in the near future to finance the Town's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and the governmental funds, in a reconciliation at the bottom of the fund financial statements.

Governmental Fund Financial Statements - Reporting the Town's Most Significant Funds

For many cities, the Statement of Net Position and the Statement of Activities are divided between Government and business-type activities. The Town has no Business-type activities (i.e. water or sewer utilities), so only reports Governmental activities. Governmental activities include general government, public safety, public works and planning (for land use). Taxes (primarily property and sales), licenses, permits, state and federal grants, and franchise payments finance most of these activities.

These two statements report the Town's net position and changes in them. You can think of the Town's net position - the difference between assets and liabilities - as a way to measure the Town's financial health, or financial position. Over time, increases or decreases in the Town's net position are one indicator of whether its financial health is improving or deteriorating. To reach a conclusion on this issue, you may need to consider other matters of a non-financial nature, such as:

- the condition of the Town's infrastructure (streets and roadways, storm drainage improvements, etc.), or
- the economic vitality of the core business districts, or
- the adequacy of staff to supply services required by the citizenry, on order to properly assess the overall health of the Town.

TOWN OF LOOMIS, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

majority of the funds received are from gasoline and sales taxes collected by the state and passed to the Town by the state or through the county.

- The Low Income Density Special Revenue Fund represents the loan activity for the housing rehabilitation program.
- The Maintenance Districts Special Revenue Fund represents the various maintenance districts throughout the town.
- The Road Circulation Capital Projects Fund creation of new roads, or improvements to existing arterials that create new capacity, such as the Taylor Road reconstruction.
- The Nonmajor Government funds column of the financial statements is an accumulation of all other funds that are of a size or nature that by themselves they are not significant to the Town as a whole. Therefore, they are combined and reported as one. They include funds for transportation, recycling, parks, and rehabilitation loans.

Fiduciary Fund Statements - The Town as a Fiduciary

The Town is a fiduciary for certain pension amounts held on behalf of developers and other governmental agencies. These fiduciary activities are reported in separate statements on pages 26. These activities are excluded from the Town's other financial statements, because the Town cannot use these assets to finance its operations. The Town is responsible for ensuring that the assets reported in these funds are used of their intended purposes.

Government-wide Financial Analysis - The Town as a Whole

As noted earlier, net position may serve over time as a useful indicator of a government's financial positions. In the case of the Town of Loomis, assets exceeded liabilities by \$24.4 million as of June 30, 2014 compared to \$23.8 million as of June 30, 2013.

A significant portion of the Town's net position reflects its investment in capital assets (e.g., land, streets, storm drain systems, buildings and park assets, machinery and equipment). The capital assets net of accumulated depreciation as a percentage of total assets was 46.72% and 47.09% for the fiscal year ended June 30, 2014 and 2013, respectively. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

TOWN OF LOOMIS, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

The Town's combined net position for the years ending June 30 are summarized, as follows:

SUMMARY OF NET POSITION AS OF JUNE 30

	2014	2013
ASSETS:		
Current and other assets	\$ 13,206,437	\$ 12,779,106
Capital assets, net	11,582,391	11,375,384
TOTAL ASSETS	\$ 24,788,828	\$ 24,154,490
LIABILITIES:		
Liabilities due after one year	\$ 107,567	\$ 86,203
Other liabilities	249,616	284,640
TOTAL LIABILITIES	\$ 357,183	\$ 370,843
NET ASSETS:		
Investment in capital assets	\$ 11,556,219	\$ 11,363,813
Restricted	8,754,911	6,414,175
Unrestricted	4,120,515	6,005,659
TOTAL NET ASSETS	\$ 24,431,645	\$ 23,783,647

As of June 30, 2014, \$8.7 million of the Town's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of net position, \$4.1 million, may be used to meet the Town's ongoing obligations to citizens and creditors. At the end of the current fiscal year, the Town of Loomis is able to report positive balances in all three categories of net position.

As of June 30, 2013, \$6.4 million of the Town's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of net position, \$6.0 million, may be used to meet the Town's ongoing obligations to citizens and creditors.

The government's net position increased \$0.6 million in most part increased sales and property taxes from the improving economy for the fiscal year ended June 30, 2014. For the fiscal year ended June 30, 2013, net position increased \$0.4 million.

The amount reported for net position of Governmental activities does not include the value of the Town's infrastructure (roadways, bridges and storm drainage improvements) acquired upon incorporation on December 17, 1984.

TOWN OF LOOMIS, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

Governmental Activities

The Town's changes in the governmental activities net position are as follows:

CHANGE IN NET POSITION

FOR THE FISCAL YEAR ENDED JUNE 30

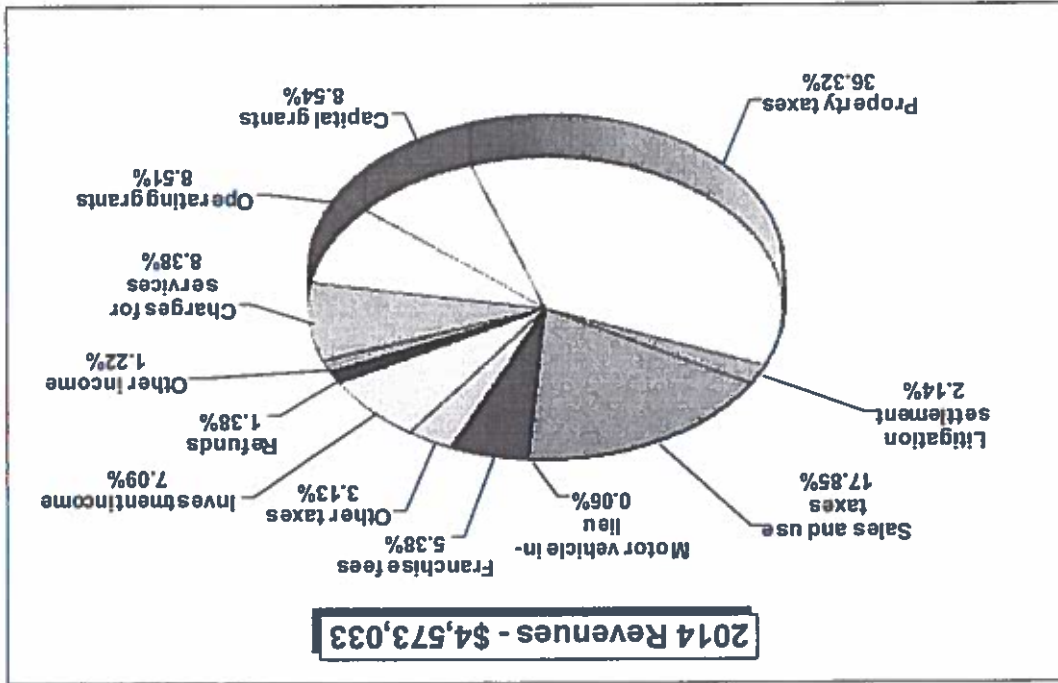
	2014	2013
PROGRAM REVENUES:		
Charges for services	\$ 383,185	\$ 327,061
Operating grants and contributions	389,353	534,688
Capital grants and contributions	390,589	-
GENERAL REVENUES:		
Property taxes	1,660,701	1,641,377
Other taxes	143,124	158,323
Sales and use taxes	816,131	515,299
Motor vehicle in-lieu	2,861	3,457
Franchise fees	245,883	234,000
Investment income	324,451	176,765
Refunds and reimbursements	63,081	34,019
Litigation settlement	98,022	231,491
Loss on disposition of capital assets	(18,986)	-
Other income	55,652	77,089
TOTAL REVENUES	4,554,047	3,933,569
EXPENSES:		
General governmental	1,329,865	1,233,814
Public safety	1,559,569	1,510,362
Public works	902,374	679,064
Planning	113,349	120,322
Interest expense	892	1,430
TOTAL EXPENSES	3,906,049	3,544,992
CHANGE IN NET POSITION	647,998	388,577
NET POSITION, JULY 1	23,783,647	23,395,070
NET POSITION, JUNE 30	\$ 24,431,645	\$ 23,783,647

Highlights of the change in net position for the fiscal year ended June 30, 2014 were as follows:

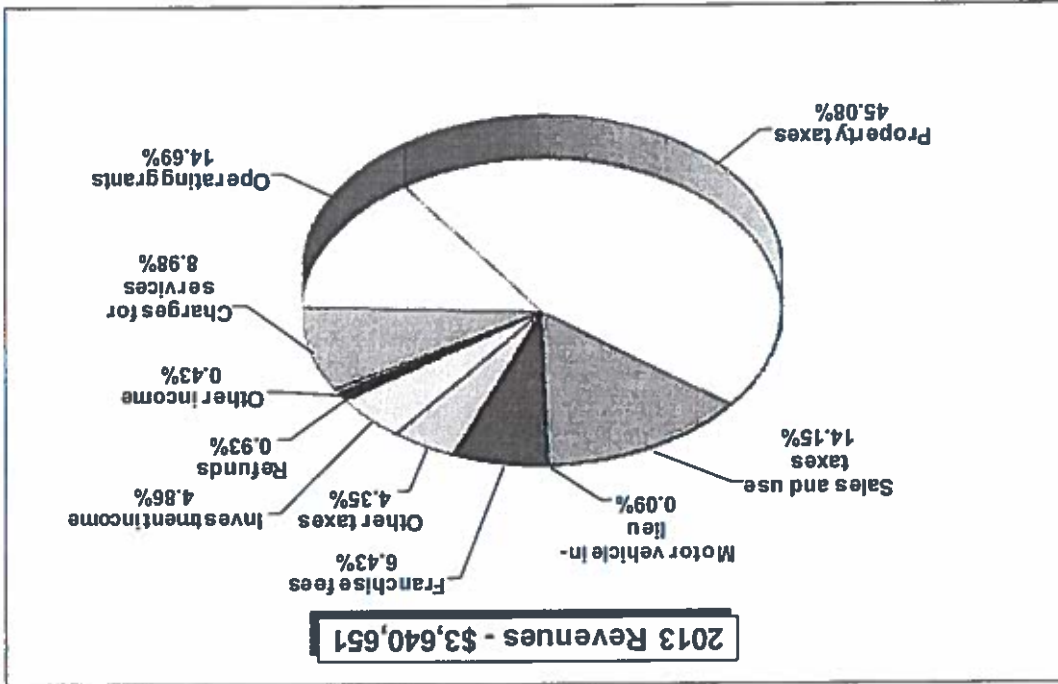
- Operating grants and contributions decreased by \$145,335.
- Capital grants and contributions increased by \$405,289.
- Sales tax revenues increased by \$300,832.
- Investment income increased by \$147,686.
- Total governmental activities revenues increased by \$620,478 largely attributed to the decreased fair market valuation adjustment of the Town's portfolio investments.

TOWN OF LOOMIS, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

The fiscal year ended June 30, 2014 revenues are reflected graphically as follows:

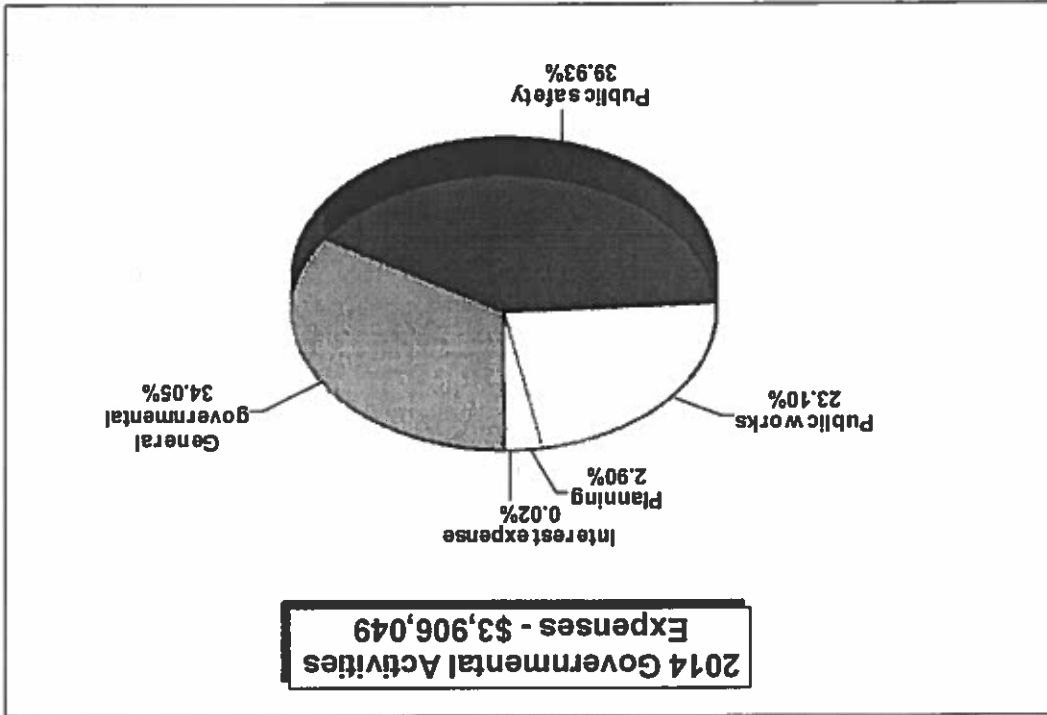


The fiscal year ended June 30, 2013 revenues are reflected graphically as follows:

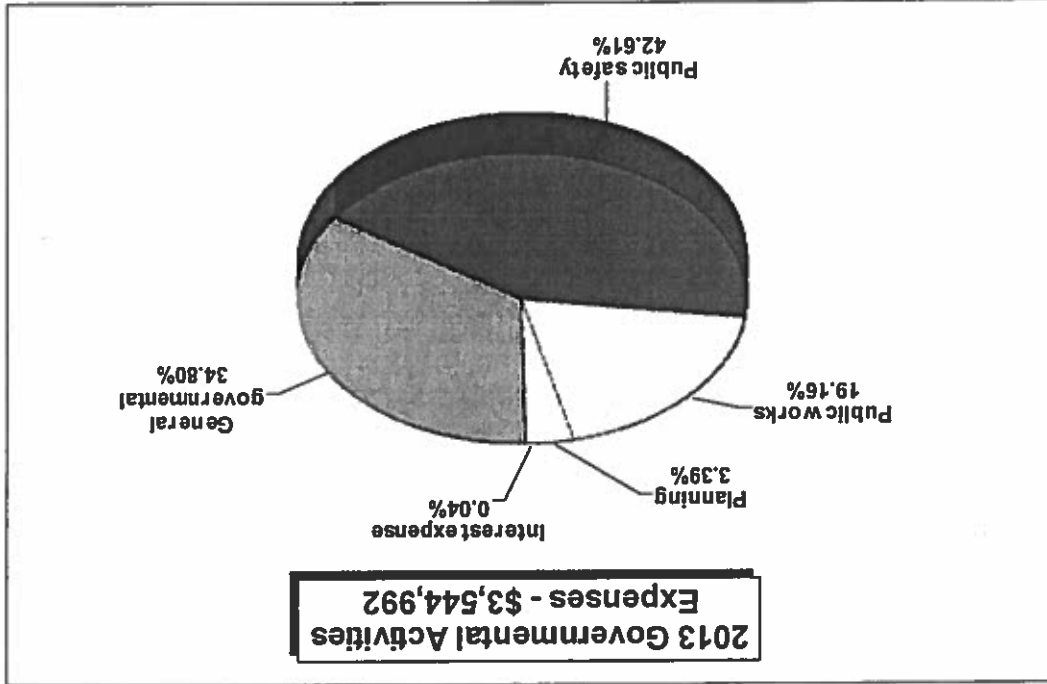


TOWN OF LOOMIS, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

The fiscal year ended June 30, 2014 expenses are reflected graphically as follows:



The fiscal year ended June 30, 2013 expenses are reflected graphically as follows:



TOWN OF LOOMIS, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

The table shows the cost of each of the Town's major programs and the net cost of the programs. Net cost is the total cost less fees and other direct revenue generated by the activities. The net cost reflects the financial burden that was placed on the Town's taxpayers by each of the programs. For the fiscal year ended June 30, 2014 the net cost is as follows:

NET COST OF MAJOR PROGRAMS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	Total cost of services	Charges for services	Operating Grants	Capital Grants	Net cost of services (revenue)
General governmental	\$ 1,329,865	\$ 25,514	\$ -	\$ -	\$ (1,304,351)
Public safety	1,559,569	12,039	100,000	-	(1,447,530)
Public works	902,374	279,413	289,353	405,289	71,681
Planning	113,349	66,219	-	-	(47,130)
Interest expense	892	-	-	-	(892)
Total	\$ 3,906,049	\$ 383,185	\$ 389,353	\$ 405,289	\$ (2,728,222)

For the fiscal year ended June 30, 2013 the net cost is as follows:

NET COST OF MAJOR PROGRAMS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Total cost of services	Charges for services	Operating Grants	Capital Grants	Net cost of services (revenue)
General governmental	\$ 1,233,814	\$ 25,751	\$ -	\$ -	\$ (1,208,063)
Public safety	1,510,362	19,226	100,000	-	(1,391,136)
Public works	679,064	225,972	434,688	-	(18,404)
Planning	120,322	56,112	-	-	(64,210)
Interest expense	1,430	-	-	-	(1,430)
Total	\$ 3,544,992	\$ 327,061	\$ 534,688	\$ -	\$ (2,683,243)

Financial Analysis of Government funds

General Fund: Fund balance was \$4,643,260 and \$4,483,285 for the fiscal year ended 2014 and 2013, respectively. Because the Town generally does not finance through debt, the General Fund is strong. Total fund balance is 96.5% and 95.0% of total assets for 2014 and 2013, respectively. For each dollar of liabilities, there is \$24 of cash and receivables, which shows that the General Fund can easily pay its obligations as they come due. General Fund revenues exceeded expenditures by \$159,975. Expenditures were 95.9% of total General fund revenues for 2014. For 2013, General Fund expenditures exceeded revenues by \$(64,892). The expenditures were 102.4% of total General fund revenues.

TOWN OF LOOMIS, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

Streets and Roads Special Revenue Fund: Fund deficit is \$(391,047) and \$(232,176) for 2014 and 2013, respectively. This fund reports revenues received from Placer County and the State for use on building and maintaining road and transportation systems. Because the Town's road needs exceed the funds provided by the County and the State, funds were allocated from the gas tax funds and the General Fund.

Low Income Density Special Revenue Fund: This fund accounts for the Town's low income loan program's receipts and disbursement. Revenues exceeded expenditures by \$33,951 and \$62,673 for the years ended June 30, 2014 and 2013, respectively.

Maintenance Districts Special Revenue Fund: This fund accounts for the maintenance fees collected through the property tax rolls for the various districts within the Town. Expenditures exceeded revenues by \$(49,765) for the year ended June 30, 2014. Revenues exceeded expenditures by \$144,648 for the year ended June 30, 2013.

Road Circulation Capital Projects Fund: This fund accounts for the revenues received for new road construction or improvements. Revenues exceeded expenditures by \$229,231 and \$307,062 for the years ended June 30, 2014 and 2013, respectively.

Nonmajor Governmental Funds: The combined fund balances of all nonmajor governmental funds totaled \$2,312,594 and \$2,038,542 for 2014 and 2013, respectively.

Overall, the year had a net increase in combined fund balances of the nonmajor governmental funds of \$488,573 or 46.35% of total revenues for 2014 and an decrease of \$(13,508) or 2.74% for 2013. The nonmajor governmental funds' fund balances are 97.54% and 96.41% of total nonmajor governmental funds' assets for 2014 and 2013, respectively.

GENERAL FUND BUDGETARY HIGHLIGHTS

The Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund, Page 22, shows the difference between the budgeted revenues and expenditures and the actual amounts received and expended. In total for the fiscal year ended June 30, 2014, revenues were over budget by 13.37% and expenditures over budget by 6.19%. In total for the fiscal year ended June 30, 2013, revenues were over budget by 0.65% and expenditures under budget by 0.04%.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The capital assets of the Town are those assets that are used in performance of Town functions including infrastructure assets. Capital assets include police services and public works equipment, vehicles, buildings and roads. Net capital assets of the governmental activities totaled \$11.6 million and \$11.4 million at June 30, 2014 and 2013, respectively. Depreciation on capital assets is recognized in the Government-Wide Statement of Activities.

TOWN OF LOOMIS, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

CAPITAL ASSETS, NET OF DEPRECIATION
AS OF JUNE 30

	2014	2013
Capital assets, not being depreciated:		
Land	\$ 2,424,686	\$ 2,424,686
Construction in progress	76,138	3,641
Depreciable capital assets:		
Office equipment	30,874	18,478
Tools and equipment	36,194	42,224
Vehicles	139,900	155,702
Land improvements	122,984	131,059
Infrastructure	7,172,559	6,949,102
Buildings and improvements	1,153,197	1,200,605
Corp yard improvements	425,860	449,887
TOTAL	\$ 11,582,392	\$ 11,375,384

Major capital asset improvements and additions during the fiscal year ended June 30, 2014 included the following:

- - a new signal at King and Sweitzer Roads
- - beginning reconstruction of Taylor Road and Sierra College Blvd
- - reconstruction of Mareta Lane

Debt administration

The Town's liabilities included compensated absences due after one year which had a balance of \$88,103 as of June 30, 2014, an increase of \$6,981 over the prior year. The Town has obligations under capital lease for copier leases with a balance at year-end of \$26,172. This included a new copier lease of \$29,734 and pay-off of the prior leases that totaled \$11,571. A total of \$15,133 in payments was made on the leases.

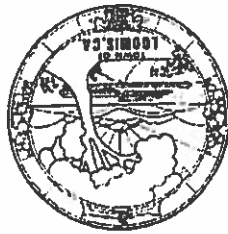
ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The year saw good improvement in the Town's economy. New businesses were opened and sales taxes from existing businesses increased. New home construction more than doubled over the previous year. The Council continues to be aggressive on completing road projects in the coming year by allocating \$480,000 out of reserves. The General fund projects revenue of \$3,534,300 and expenses of \$3,402,082. The Town is in very good financial condition: there is negligible long term debt and plentiful reserves. With continuing strong fiscal oversight, the available reserves will remain available to cover any future lean years.

TOWN OF LOOMIS, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

CONTACTING THE TOWN'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the Town's finances, and how to show the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Director of Finance, Town of Loomis, 6140 Horseshoe Bar Road, Suite K, Loomis, California 95650.



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BASIC FINANCIAL STATEMENTS

TOWN OF LOOMIS, CALIFORNIA

GOVERNMENT-WIDE STATEMENT OF NET POSITION AS OF JUNE 30, 2014

ASSETS:	
CURRENT ASSETS:	
Cash and investments	\$ 12,374,829
Receivables:	
Accounts receivable	48,852
Due from other governments	103,350
Interest receivable	79,308
Assessments receivable	37,389
Due from employees	2,570
Loans receivable	560,139
TOTAL CURRENT ASSETS	13,206,437
NONCURRENT ASSETS:	
Capital assets, net:	
Nondepreciable	2,428,327
Depreciable, net	9,154,064
TOTAL NONCURRENT ASSETS	11,582,391
TOTAL ASSETS	24,788,828
LIABILITIES:	
CURRENT LIABILITIES:	
Accounts payable and other accrued expenses	\$ 242,546
Due to other governments	362
Long-term debt, due within one year	6,708
TOTAL CURRENT LIABILITIES	249,616
NONCURRENT LIABILITIES, due after one year	
Compensated absences	88,103
Long-term debt	19,464
TOTAL NONCURRENT LIABILITIES	107,567
TOTAL LIABILITIES	\$ 357,183
NET POSITION:	
Invested in capital assets, net of related debt	\$ 11,556,219
Restricted for:	
Maintenance projects	2,162,561
Fire protection	45,863
Capital project funds	6,546,487
Unrestricted	4,120,515
TOTAL NET POSITION	\$ 24,431,645

The accompanying notes to financial statements are an integral part of this statement.

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TOWN OF LOOMIS, CALIFORNIA

**GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

Net (expense) revenue - Governmental Activities	Program Revenues				Expenses	Charges for Services	Grants and contributions Capital	Operating	Capital
	Charges for Grants and contributions	Operating	Capital	Capital					
\$ (1,304,351)	\$ 25,514	\$ -	100,000	390,589	\$ 1,329,865	12,039	-	289,353	390,589
(1,447,530)	12,039	-	100,000	390,589	1,559,569	12,039	-	289,353	390,589
56,981	279,413	-	-	902,374	902,374	279,413	-	289,353	390,589
(47,130)	66,219	-	-	113,349	113,349	66,219	-	-	-
(892)	-	-	-	892	892	-	-	-	-
(2,742,922)	\$ 383,185	\$ 389,353	\$ 390,589	\$ 3,906,049	\$ 3,906,049	\$ 383,185	\$ 389,353	\$ 390,589	(2,742,922)

GOVERNMENTAL ACTIVITIES:
 General governmental
 Public safety
 Public works
 Planning
 Interest expense
**TOTAL GOVERNMENTAL
 ACTIVITIES**

GENERAL REVENUES:

Property taxes 1,660,701
 Other taxes 143,124
 Sales and use taxes 816,131
 Motor vehicle in-lieu 2,861
 Franchise fees 245,883
 Investment income 324,451
 Refunds and reimbursements 63,081
 Litigation settlement 98,022
 Loss on disposition of capital assets (18,986)
 Other income 55,652

TOTAL GENERAL REVENUES

3,390,920

CHANGE IN NET POSITION

647,998

NET POSITION, JULY 1

23,783,647

NET POSITION, JUNE 30

\$ 24,431,645

TOWN OF LOOMIS, CALIFORNIA

BALANCE SHEET - GOVERNMENTAL FUNDS AS OF JUNE 30, 2014

Major Funds

Capital Pro- jects Fund	Road Cir- culation Fund	Maintenance Districts Fund	Special Revenue Funds	Streets and Roads Fund	Low Income Density Fund	Special Revenue Funds	Maintenance Districts Fund	Road Cir- culation Fund
\$ 3,729,547	\$ 3,729,547	\$ 2,167,306	\$ 956,290	\$ 102,677	\$ 956,290	\$ 2,167,306	\$ 2,167,306	\$ 3,729,547
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
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Nonmajor Fund		TOTALS	
\$ 2,335,113	\$ 2,370,991	\$12,374,829	\$14,137,760
3,563	48,852	48,852	48,852
32,315	103,350	103,350	103,350
-	79,308	79,308	79,308
-	37,389	37,389	37,389
-	2,570	2,570	2,570
-	560,139	560,139	560,139
-	931,323	931,323	931,323
\$ 2,335,113	\$ 2,370,991	\$12,374,829	\$14,137,760
\$ 1,257	\$ 242,546	\$ 242,546	\$ 242,546
57,140	931,323	931,323	931,323
-	362	362	362
58,397	1,174,231	1,174,231	1,174,231
-	560,139	560,139	560,139
-	2,162,561	2,162,561	2,162,561
-	45,863	45,863	45,863
1,296,429	6,381,487	6,381,487	6,381,487
-	480,000	480,000	480,000
411,835	411,835	411,835	411,835
-	165,000	165,000	165,000
-	2,147,210	2,147,210	2,147,210
604,330	609,434	609,434	609,434
2,312,594	12,403,390	12,403,390	12,403,390
\$ 2,370,991	\$14,137,760	\$14,137,760	\$14,137,760

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TOWN OF LOOMIS, CALIFORNIA

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION
AS OF JUNE 30, 2014**

TOTAL GOVERNMENTAL FUND BALANCES \$ 12,403,390

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. 11,582,391

Certain notes receivable and accounts receivable are not available to pay for current period expenditures and, therefore are offset by deferred revenue in the governmental funds. 560,139

Compensated absences in the general fund are not due and payable in the current period and therefore are not reported in the general funds. (88,103)

Long-term debt in the general fund are not due and payable in the current period and therefore are not reported in the general funds. (26,172)

NET ASSETS OF GOVERNMENTAL ACTIVITIES \$ 24,431,645

TOWN OF LOOMIS, CALIFORNIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -

GOVERNMENTAL FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2014

Major Funds	General Fund	Streets and Roads Fund	Special Revenue Funds	Low Income Density Fund	Maintenance Districts Fund	Road Circulation Fund	Capital Pro-jects Fund
REVENUES:	\$ 1,866,198	\$ -	\$ -	\$ -	\$ 138,735	\$ -	\$ -
Tax revenues	179,421	-	-	4,500	-	69,555	-
License, fees and permits	245,883	-	-	-	-	-	-
Franchise fees	492,435	495,589	-	-	-	-	-
Intergovernmental revenues	12,039	-	-	-	-	-	-
Fines, forfeitures and penalties	124,034	1,673	9,226	49,564	-	84,326	-
Investment income	48,381	-	20,225	14,700	-	-	-
Refunds and reimbursements	-	-	-	-	-	-	-
Program income	-	-	-	-	-	-	98,022
Litigation settlement	35,917	-	-	-	-	-	-
Other income	3,004,308	497,262	33,951	33,951	202,999	251,903	-
TOTAL REVENUES	3,004,308	497,262	33,951	33,951	202,999	251,903	-
EXPENDITURES:	774,513	-	-	-	4,091	-	-
Current:	1,434,187	-	-	-	4,091	-	-
Public safety	527,118	267,143	-	-	15,952	11,007	-
Public works	110,942	-	-	-	-	-	-
Planning	892	-	-	-	-	-	-
Debt service:	3,562	-	-	-	-	-	-
Interest costs	29,734	390,972	-	-	224,480	11,665	-
Principal payments	2,880,948	658,115	-	-	244,523	22,672	-
TOTAL EXPENDITURES	2,880,948	658,115	-	-	244,523	22,672	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	123,360	(160,853)	33,951	33,951	(41,524)	229,231	-
OTHER FINANCING SOURCES (USES):	29,734	-	-	-	-	-	-
Proceeds from capital lease	6,881	1,982	-	-	-	-	-
Transfers in	-	-	-	-	(8,241)	-	-
Transfers out	36,615	1,982	-	-	(8,241)	-	-
TOTAL OTHER FINANCING	36,615	1,982	-	-	(8,241)	-	-
NET CHANGE IN FUND BALANCES	159,975	(158,871)	33,951	33,951	(49,765)	229,231	-
FUND BALANCES (DEFICIT), JULY 1	4,483,285	(232,176)	362,200	362,200	2,212,326	3,050,640	-
FUND BALANCES (DEFICIT), JUNE 30	\$ 4,643,260	\$ (391,047)	\$ 396,151	\$ 396,151	\$ 2,162,561	\$ 3,279,871	\$ 3,279,871

Nonmajor Governmental Funds	
\$ 125,450	\$ 2,130,383
117,670	371,146
-	245,883
284,353	1,272,377
-	12,039
55,628	324,451
-	63,081
-	20,225
-	98,022
8,163	44,080
591,264	4,581,687
105,821	884,425
125,382	1,559,569
81,154	902,374
2,407	113,349
-	892
-	3,562
1,826	658,677
316,590	4,122,848
274,674	458,839
-	29,734
-	8,863
(622)	(8,863)
(622)	29,734
274,052	488,573
2,038,542	11,914,817
\$ 2,312,594	\$ 12,403,390
TOTALS	

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TOWN OF LOOMIS, CALIFORNIA
**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE
GOVERNMENT-WIDE STATEMENT OF ACTIVITIES**
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS \$ 488,573

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

Governmental funds report capital outlays as expenditures. However, in the government wide statement of activities and changes in net position, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount of capital assets recorded in the current period.
Capital outlay expenditures 646,695

Government funds report the total amount of proceeds from the sale of assets as revenues. However, in the Government-wide Statement of Activities and Changes in Net Position, only the gain or (loss) on the sale of capital assets is reported.
Book value of capital assets disposed (13,211)

Long-term debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of principal is an expenditure in the governmental funds, but in the Statement of Net Position the repayment reduces long-term liabilities:
Proceeds from obligations under capital lease \$ (29,734)
Retransferring of obligations under capital lease 11,571
Principal payments on long-term debt 3,562
(14,601)

Certain notes receivable are reported in the governmental funds as expenditures and then offset by a deferred revenue as they are not available to pay current expenditures. When the note is collected it is reflected in revenue.
Collections on notes receivable \$ (20,225)
Writedown of note receivable (5,775)
(26,000)

Depreciation expense on capital assets is reported in the government-wide statement of activities and changes in net position, but they do not require the use of current financial resources. Therefore, depreciation expense is not reported as expenditure in the governmental funds.
(426,477)

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:
Decrease in compensated absences (6,981)

CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES \$ 647,998

TOWN OF LOOMIS, CALIFORNIA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - GENERAL FUND AND MAJOR SPECIAL REVENUE FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

General Fund	Actual	Final	Budgeted Amounts		
Variance with Final Budget Positive (Negative)			Original	Final	
	\$ 1,866,198	\$ 1,662,300	\$ 1,662,300	\$ 95,300	REVENUES:
	84,121	95,300	233,000	478,400	Tax revenues
	12,883	179,421	233,000	478,400	License, fees and permits
	14,035	179,421	478,400	478,400	Franchise fees
	(5,961)	492,435	18,000	233,000	Intergovernmental
	11,034	12,039	113,000	18,000	Fines, forfeitures and penalties
	48,381	124,034	-	18,000	Use of money and property
	(14,083)	48,381	50,000	113,000	Refunds and reimbursements
	354,308	50,000	2,650,000	50,000	Other
	3,004,308	2,650,000	2,650,000	50,000	TOTAL REVENUES
					EXPENDITURES:
					Current:
					General government
					Public safety
					Public works
					Planning
					Debt service:
					Interest costs
					Principal payments
					Capital outlay
					EXPENDITURES:
					Current:
					General government
					Public safety
					Public works
					Planning
					Debt service:
					Interest costs
					Principal payments
					Capital outlay
					EXPENDITURES:
					Other:
					Proceeds from capital lease
					Transfers in
					Transfers out
					TOTAL OTHER FINANCING
					NET CHANGE IN FUND BALANCES
					FUND BALANCES (DEFICIT), JULY 1
					FUND BALANCES (DEFICIT), JUNE 30

Streets and Roads Special Revenue Fund

Variance with Final Budget Positive (Negative)	Budgeted Amounts		Actual	Final Budget Positive (Negative)
	Original	Final		
\$ -	391,000	391,000	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
104,589	391,000	391,000	495,589	104,589
-	-	-	-	-
-	-	-	-	-
1,673	-	-	1,673	1,673
-	-	-	-	-
106,262	391,000	391,000	497,262	106,262
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	143,150	143,150	267,143	(123,993)
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
811,000	811,000	811,000	390,972	420,028
-	-	-	-	-
-	-	-	-	-
954,150	954,150	954,150	658,115	296,035
(563,150)	(563,150)	(563,150)	(160,853)	402,297
-	-	-	-	-
438,143	438,143	438,143	1,982	(436,161)
-	-	-	-	-
438,143	438,143	438,143	1,982	(436,161)
(125,007)	(125,007)	(125,007)	(158,871)	(33,864)
(232,176)	(232,176)	(232,176)	(232,176)	-
\$(357,183)	\$(357,183)	\$(357,183)	\$(391,047)	\$(33,864)

TOWN OF LOOMIS, CALIFORNIA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - GENERAL FUND AND MAJOR SPECIAL REVENUE FUNDS (CONTINUED) FOR THE FISCAL YEAR ENDED JUNE 30, 2014

Low Income Density Special Revenue Fund	Budgeted Amounts		Original	Final	Actual	Variance with Final Budget Positive (Negative)
REVENUES:						
Tax revenues	-	-	-	-	-	-
License, fees and permits	1,500	1,500	1,500	1,500	4,500	3,000
Investment income	6,570	6,570	6,570	6,570	9,226	2,656
Program income	-	-	-	-	20,225	20,225
TOTAL REVENUES	8,070	8,070	8,070	8,070	33,951	25,881
EXPENDITURES:						
Current:						
General government	4,000	4,000	4,000	4,000	-	-
Public works	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
TOTAL EXPENDITURES	4,000	4,000	4,000	4,000	33,951	25,881
EXCESS OF REVENUES OVER EXPENDITURES	4,070	4,070	4,070	4,070	33,951	25,881
OTHER FINANCING USES:						
Transfers out	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES	4,070	4,070	4,070	4,070	33,951	25,881
FUND BALANCES, JULY 1	362,200	362,200	362,200	362,200	362,200	-
FUND BALANCES, JUNE 30	\$ 366,270	\$ 370,270	\$ 366,270	\$ 370,270	\$ 396,151	\$ 25,881

The accompanying notes to financial statements are an integral part of this statement.

Maintenance Districts Special Revenue Fund			
Variance with Final Budget Positive (Negative)	Budgeted Amounts		Actual
	Original	Final	
\$ (4,350)	\$ 143,085	\$ 143,085	\$ 138,735
-	-	-	-
7,294	42,270	42,270	49,564
-	-	-	-
2,944	185,355	185,355	188,299
(2,640)	1,451	1,451	4,091
(7,852)	8,100	8,100	15,952
(224,480)	-	-	224,480
(234,972)	9,551	9,551	244,523
(232,028)	175,804	175,804	(56,224)
(3,845)	(4,396)	(4,396)	(8,241)
(235,873)	171,408	171,408	(64,465)
-	2,212,326	2,212,326	2,212,326
\$ (235,873)	\$ 2,383,734	\$ 2,383,734	\$ 2,147,861

TOWN OF LOOMIS, CALIFORNIA

**STATEMENT OF FIDUCIARY NET POSITION - AGENCY FUNDS
AS OF JUNE 30, 2014**

ASSETS		LIABILITIES	
<hr/>		<hr/>	
Cash and investments	\$ 36,299	Accounts payable	\$ 3,090
Due from other governments	134	Due to other agencies	33,343
	<hr/>		<hr/>
TOTAL ASSETS	\$ 36,433	TOTAL LIABILITIES	\$ 36,433

The Town of Loomis ("the Town") was incorporated in 1984, under the laws and regulations of the State of California. The Town operates under Town Council - Manager form of government and provides or contracts for the following services: public safety (Police), highways and streets, public improvements, planning and zoning, and general administration. Authority and responsibility for operations is given to the Town Council by the voters of the Town of Loomis. The Town Council has the authority to employ administrative and support personnel to carry out its directives. The primary method used to monitor the performance of the Town's financial management is the financial budget which is adopted annually by the Town Council.

The Town operates as a self-governing governmental unit within the State of California. The financial statements of the Town have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting.

The Town main funding sources include property taxes, sales taxes, other inter-governmental revenue from state and federal sources, user fees, and federal and state financial assistance. These financial statements include:

- A Management Discussion and Analysis (MD&A) section providing an analysis of the Town's overall financial position and results of operations. This is required supplementary information.
- Government-wide financial statements prepared using the economic resources measurement focus and the accrual basis of accounting for all the Town's activities.

Basis of Accounting - Government-Wide Financial Statements

The government-wide financial statements (i.e. the statement of net position and statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Certain indirect costs have been included as part of the program expenses reported for the various functional activities in the statement of activities. Program revenues include:

- Charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and
- Grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

TOWN OF LOOMIS, CALIFORNIA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenues that are not classified as program revenues are presented as general revenues. Internally dedicated resources are reported as general revenues rather than as program revenue. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The accounts of the Town are organized on the basis of funds. A fund is a separate self-balancing set of accounts. Each fund was established for the purpose of accounting for specific activities in accordance with applicable regulations, restrictions or limitations. Separate financial statements are provided for governmental funds and fiduciary funds, even though the last is excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

Reporting Entity

The reporting entity for the Town of Loomis includes all funds and operations under the jurisdiction of the Town Council. There are no component or blended component units that are part of the Town's operations.

Fund Accounting

The government-wide financial statements are reported using the economic resources measurement focus and 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. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements are met.

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 are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the Town 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, as under accrual accounting. However, expenditures related to compensated absences and claims and judgments are recorded only when payment is due.

Property taxes, franchise taxes, licenses, intergovernmental revenues, charges for services, 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. All other revenue items are considered to be measurable and available only when cash is received by the government.

follows:

The Town's accounts are organized into three fund types with the major funds described as

Governmental Funds

General Fund is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund.

TOWN OF LOOMIS, CALIFORNIA

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

The Town reports the following major special revenue funds:

- Streets and Roads Fund is used to account for the Transportation Development Act revenues received for various street and road projects.
- Low Income Density Fund is used to account for the monies received for loan repayments.
- Maintenance Districts Fund is used to account for the monies received for the various maintenance districts of the Town.

Capital Projects Funds are used to account for revenues and expenditures restricted to the acquisition or construction of capital assets and are accounted for in a manner similar to the General Fund.

The Town reports the following major capital projects fund:

- Road Circulation Fund is used to account for the monies received for creation of new roads, or improvements to existing arterials that create new capacity.

Fiduciary Funds

Agency Fund is used to account for assets held by the Town. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Cash and Cash Equivalents

The Town considers all highly-liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

Loans Receivable

The Town has various loans receivable from past community development block grant awards and for economic development. Generally, the block grant loans are due on change of title of the underlying property. The block grant receivable balances are offset by deferred revenue. The activity for the fiscal year ended June 30, 2014 is as follows:

	Balance at July 1, 2013	Additions	Deletions	Balance at June 30, 2014	Due within one year
General Fund	\$ 23,413	\$ -	\$ (23,413)	\$ -	\$ -
Loan receivable	3,103	2,717	(3,250)	2,570	-
Due from employees	586,139	-	(25,800)	560,339	-
Low Income Density	\$ 612,655	\$ 2,717	\$ (52,463)	\$ 562,909	\$ -
Special Revenue Fund					

TOWN OF LOOMIS, CALIFORNIA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The activity for the fiscal year ended June 30, 2013 is as follows:

	Balance at July 1, 2012	Additions	Deletions	Balance at June 30, 2013	Due within one year
General Fund:					
Loan receivable	\$ 31,770	-	\$ (8,357)	\$ 23,413	\$ 8,711
Due from employees	-	7,020	(3,917)	3,103	-
Low Income Density					
Special Revenue Fund	664,061	-	(77,922)	586,139	-
	<u>\$ 695,831</u>	<u>\$ 7,020</u>	<u>\$ (90,196)</u>	<u>\$ 612,655</u>	<u>\$ 8,711</u>

Capital Assets and Depreciation

The accounting and reporting treatment applied to the capital assets associated with a fund are determined by its measurement focus. General capital assets are long-lived assets of the Town as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and capitalized. The valuation bases for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement cost.

The Town's current capitalization threshold is \$5,000.

Depreciation of capital assets is computed using the straight-line method. The estimated useful lives for these depreciated assets are as follows:

- Improvements 30 years
- Equipment and other improvements 5 to 20 years

General infrastructure assets acquired prior to July 1, 2003, are not reported in the basic financial statements.

Allowance for Doubtful Accounts

No amount has been provided as an allowance for doubtful accounts because, in the opinion of management, all material amounts are fully collectible

Interfund Transactions

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" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion).

Compensated Absences

Accumulated unpaid employee vacation benefits are recognized as liabilities of the Town. Unused vacation time accrued is payable at 100% of the accrual at termination of employment. The unpaid vacation liability of the Town amounted to \$23,119 and \$29,834 as of June 30, 2014 and 2013, respectively.

Accumulated sick leave benefits are recognized as liabilities of the Town. Employees vest in sick leave benefits after completing five years of service at a rate of 50%. The unpaid sick leave liability of the Town amounted to \$88,103 and \$81,122 as of June 30, 2014 and 2013, respectively.

- Non-spendable – includes amounts that cannot be spent either because it is not in spendable form or because of legal or contractual constraints.
- Restricted – includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors of amounts constrained due to constitutional provisions or enabling legislation.
- Committed – includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action, i.e. – council resolution, or the highest level of decision making authority and does not lapse at year-end.
- Assigned – includes fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund balance may be assigned by the City Manager or Department Heads with Town Council approval.
- Unassigned includes positive fund balance within the General Fund which has not been classified within the above mentioned categories and negative fund balances in other governmental funds.

In accordance with Government Accounting Standards Board (GASB) No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, the Town classifies governmental fund balances as follows:

Fund Equity

In the government-wide financial statements, when both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

- *Invested in Capital Assets, Net of Related Debt* – This category groups all capital assets into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.
- *Restricted Net Position* – This category presents external restrictions imposed by creditors, grantors, contributors, laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.
- *Unrestricted Net Position* – This category represents net position of the Town not restricted for any project or other purpose.

The government-wide financial statements utilize a net position presentation. Net position are categorized as invested in capital assets (net of related debt), restricted, and unrestricted.

Net Position

Deferred revenue in governmental funds arises when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred revenue also arise when resources are received by the Town before it has legal claim to them, (i.e., when grant monies are received prior to the incurrence of qualifying expenditures).

Deferred Revenues

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

TOWN OF LOOMIS, CALIFORNIA

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The Town committed the following fund balance types by taking the following action:

<u>Fund Balance Type</u>	<u>Amount</u>	<u>Action</u>
Subsequent years' expenditures:		
Major funds:		
General Fund	\$ 480,000	Council budget resolution
Road Circulation Capital Projects Fund	165,000	Council budget resolution
Nonmajor special revenue funds	411,835	Council budget resolution
TOTAL COMMITTED BALANCES	\$ 1,056,835	

The Town considers committed amounts to be reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Restricted amounts are considered to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available

The Town does not have a formal minimum fund balance policy.

The revenue source of each major special revenue fund is listed below:

<u>Major Special Revenue Fund</u>	<u>Revenue source</u>
Streets and Roads Fund	State intergovernmental revenues
Low Income Density Fund	Interest revenue and fees
Maintenance District Fund	Tax assessments

Budgetary Policy and Data

The Town Council annually adopts a Town-wide budget resolution for the Town. Department heads submit budget requests to the Town Manager. Town employees prepare estimates of revenue and recommendations for the next year's budget. The preliminary budget may or may not be amended by the Town Council and is adopted by resolution of the Town Council on or before June 30. Budget appropriations lapse at the end of the year. The budget is prepared on a cash basis, which does not vary significantly from the basis of accounting used in the financial statements.

Estimates and Assumptions

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 amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

TOWN OF LOOMIS, CALIFORNIA

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property Tax
Secured property taxes attach as an enforceable lien on property as of July 1. Taxes are payable in two installments on November 1 and February 1. Placer County bills and collects the taxes for the Town. Tax revenue is recognized by the Town when notification of collection is received.

NOTE 2: CASH AND INVESTMENTS

Cash and investments consisted of the following for the fiscal year ended June 30:

	2014	2013
Cash on hand	\$ 175	\$ 175
Deposits with financial institutions	137,390	447,035
Add: deposit in transit	-	252
Less: outstanding checks	(25,109)	(354,617)
Local agency investment fund	195,144	359,093
Total cash and cash equivalents	307,600	451,938
Certificates of deposit held with brokerage firm	3,604,820	3,417,422
U.S. Treasury obligations	1,910,528	2,627,079
Municipal obligations	3,115,989	2,032,335
Medium term corporate notes	3,472,191	3,150,680
Money market account	-	200,000
Total debt instruments	8,498,708	8,010,094
Total investments	12,103,528	11,427,516
TOTAL CASH AND INVESTMENTS	\$ 12,411,128	\$ 11,879,454
Summary of cash and investments: Government-wide statement	\$ 12,374,829	\$ 11,869,955
Fiduciary funds	36,299	9,499
TOTAL	\$ 12,411,128	\$ 11,879,454

TOWN OF LOOMIS, CALIFORNIA

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

NOTE 2: CASH AND INVESTMENTS (continued)

Investment policy: Investments are reported at fair value. California statutes authorize cities to invest idle or surplus funds in a variety of credit instruments as provided for in the California Government Code, §53600, Chapter 4 – Financial Affairs. The table below identifies the investment types that are authorized for the Town by the California Government Code that address interest rate risk, credit risk, and concentration of credit risk. The Town's investment policy provides for additional restrictions as to the investment type, maximum maturity, percentage of portfolio, and maximum in a single user. During the fiscal year ended June 30, 2012, the Town's permissible investments included the following instruments.

Authorized Investment Type	Maximum Maturity	Maximum % of Portfolio	Maximum Investment in One Issuer
Bonds issued by Town of Loomis	5 years	5%	100%
Federal treasury notes, bonds, bills	5 years	100%	50%
State agency bonds, etc.	5 years	50%	50%
Local agency bonds, etc.	5 years	50%	15%
Federal agency bonds	5 years	100%	100%
Bankers acceptances	180 days	40%	15%
Commercial paper	180 days	15%	15%
Negotiable certificates of deposit	5 years	30%	15%
Repurchase agreements	90 days	20%	15%
Reverse repurchase agreements	90 days	20%	15%
Local agency investment funds	n/a	100%	n/a
Time deposits	5 years	25%	15%
Medium term corporate notes	5 years	30%	15%

The Town complied with the provisions of the California Government Code and its investment policy pertaining to the types of investments held, institutions in which deposits were made and security requirements.

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 the Town manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Information about the sensitivity of the fair value of the Town's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the Town's investments by maturity at June 30, 2014:

TOWN OF LOOMIS, CALIFORNIA

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

NOTE 2: CASH AND INVESTMENTS (continued)

Remaining Maturity (in months)		Type of Investment		Local agency investment fund		U.S. Treasury obligations		Municipal obligations		Medium term corporate notes		TOTAL		Percentage of portfolio						
12 months	or less	Total	12 months	13-23	24-36	36-48	48-60	12 months	13-23	24-36	36-48	48-60	Total	100.00%	3.39%					
\$ 195,144	\$ 195,144	\$ 390,288	\$ 1,910,528	\$ -	\$ -	\$ -	\$ -	\$ 976,951	\$ 333,503	\$ 1,588,444	\$ 1,534,131	\$ 1,335,712	\$ 8,693,852	\$ 295,145	\$ 1,310,454	\$ 627,439	\$ 3,985,703	\$ 2,475,111	28.47%	

The distribution of the Town's investments by maturity at June 30, 2013:

Remaining Maturity (in months)		Type of Investment		Local agency investment fund		U.S. Treasury obligations		Municipal obligations		Medium term corporate notes		TOTAL		Percentage of portfolio							
12 months	or less	Total	12 months	13-23	24-36	36-48	48-60	12 months	13-23	24-36	36-48	48-60	Total	100.00%	8.38%						
\$ 359,093	\$ 359,093	\$ 718,186	\$ 684,838	\$ -	\$ 520,345	\$ 533,889	\$ 251,530	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,627,079	\$ 2,032,335	\$ 175,382	\$ 358,761	\$ 992,634	\$ 110,122	\$ 395,436	36.01%	

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 are the Town's investment policy and actual ratings of the investments as of June 30, 2014:

Credit risk	Local agency investment fund	US Treasury obligations	Municipal obligations	Commercial Paper	Total	Type of Investment																
						AAA	AA+	AA	AA-	A+	A	A-	No rating									
	\$ -	\$ -	\$ 705,579	\$ -	\$ 705,579																	
		1,910,528	476,917	427,827	2,815,272																	
			399,616	469,310	868,926																	
			498,887	410,087	908,974																	
			-	401,862	401,862																	
			416,062	693,946	1,110,008																	
			618,928	1,069,159	1,688,087																	
	195,144	-	-	-	195,144																	
	\$ 195,144	\$ -	\$ 705,579	\$ -	\$ 8,693,852																	

TOWN OF LOOMIS, CALIFORNIA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

NOTE 2: CASH AND INVESTMENTS (continued)

The Town's investment policy and actual ratings of the investments as of June 30, 2013:

Type of investment	Credit risk				Minimum rating
	Local agency investment fund	US Treasury obligations	Municipal obligations	Commercial Paper	
AAA	\$ -	\$ -	\$ 208,778	\$ -	AAA
AA+	-	2,627,079	-	465,420	AA+
AA	-	-	-	114,875	AA
AA-	-	-	565,680	402,625	AA-
A+	-	-	213,852	532,616	A+
A	-	-	529,198	374,075	A
A-	-	-	514,826	1,008,047	A-
BBB+	-	-	-	253,023	BBB+
No rating	359,093	-	-	-	359,093
TOTAL	\$ 359,093	\$ 2,627,079	\$ 2,032,334	\$ 3,150,681	\$ 8,169,187

Concentration of credit risk: The investment policy of the Town limits the amount that can be invested in any one issuer to the amount stipulated by the California Government Code. As of June 30, 2014, the Town did not have any investment in any one issuer exceeding its existing investment policy.

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 Town's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, 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 public agency deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

TOWN OF LOOMIS, CALIFORNIA

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

NOTE 2: CASH AND INVESTMENTS (continued)

At June 30, 2013, the City's account with Wells Fargo had a total carrying amount of \$112,282 with a bank balance of \$137,390 which was totally insured by the FDIC.

At June 30, 2013, the City's account with Wells Fargo had a total carrying amount of \$92,670 with a bank balance of \$447,035 of which \$250,000 was insured by the FDIC.

As of June 30, Town investments in the following investment types were held by the same broker-dealer (counterparty) that was used by the Town to buy the securities:

	2014	2013
Certificates of deposit held with brokerage firm	\$ 3,604,820	\$ 3,417,422
U.S. Treasury obligations	1,910,528	2,627,079
Municipal obligations	3,115,989	2,032,335
Medium term corporate notes	3,472,191	3,150,680
Money market account	-	200,000
TOTAL INVESTMENTS	\$ 12,103,528	\$ 11,427,516

Investment in Local Agency Investment Fund (LAIF): LAIF is stated at fair value. The LAIF is a special fund of the State of California Treasury through which local governments may pool investments. The total fair value amount invested by all public agencies in LAIF is \$64,870,214,443 and \$58,852,094,221 at June 30, 2014 and 2013, respectively. The fund is managed by the State Treasurer and consists of the following:

	2014	2013
Structured notes and medium-term asset backed securities	1.09%	1.88%
Short-term asset-backed commercial paper	0.77%	0.08%
All other investments	98.14%	98.04%
As a percent of portfolio	100.00%	100.00%

The Local Investment Advisory Board (Board) has oversight responsibility for LAIF. The Board consists of five members as designated by State Statute. The fair value of the Town's investment in this pool is reported in the accompanying financial statements at amounts based on the Town'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. The amortized cost of the pooled investments at June 30, 2013 was \$64,850,840,279.

The latest financial statements are available on-line at www.treasurer.ca.gov/pmia-lai/f/.

TOWN OF LOOMIS, CALIFORNIA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

NOTE 3: CAPITAL ASSETS AND DEPRECIATION

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Capital asset activity for the year ended June 30, 2014 was as follows:

	Balance at July 1, 2013	Additions	Deletions	Transfers	Balance at June 30, 2014
Capital assets, not being depreciated	\$ 2,424,686	\$ -	\$ -	\$ -	\$ 2,424,686
Land	3,641	76,138	-	(3,641)	76,138
Construction in progress	2,428,327	76,138	-	(3,641)	2,500,824
Depreciable capital assets:					
Office equipment	521,447	-	(486,391)	-	35,056
Equipment under capital lease	25,050	29,734	(25,050)	-	29,734
Tools and equipment	320,050	-	(199,288)	-	120,762
Vehicles	311,589	-	-	-	311,589
Land improvements	215,452	-	-	-	215,452
Infrastructure	8,972,253	537,182	-	3,641	9,513,076
Buildings and improvements	1,420,848	-	-	-	1,420,848
Corp yard improvements	716,135	-	-	-	716,135
Less accumulated depreciation	(512,539)	(1,822)	486,391	-	(27,970)
Office equipment under capital lease	(15,480)	(5,947)	15,480	-	(5,947)
Tools and equipment	(277,825)	(6,029)	199,288	-	(84,566)
Vehicles	(155,885)	(15,802)	-	-	(171,687)
Land improvements	(84,394)	(8,075)	-	-	(92,469)
Infrastructure	(2,023,150)	(317,367)	-	-	(2,340,517)
Buildings and improvements	(220,244)	(47,407)	-	-	(267,651)
Corp yard improvements	(266,250)	(24,027)	-	-	(290,277)
GOVERNMENTAL ACTIVITIES	(3,555,767)	(426,476)	701,159	-	(3,281,084)
CAPITAL ASSETS, NET	\$ 11,375,384	\$ 216,578	\$ (9,570)	\$ -	\$ 11,582,392

The depreciation expense for the year ended June 30, 2014 of \$426,476 is charged to the general government function.

Year Ended June 30,	Obligations under cap- ital lease
2015	\$ 6,708
2016	6,708
2017	6,708
2018	6,708
2019	2,236
Total	29,068
Less: interest	(2,896)
TOTAL	\$ 26,172

The annual requirements are as follows:

Obligations under capital lease:
 Copier lease dated September 18, 2013, due in monthly payments of \$559 including interest at 4.85% per annum through October, 2019. \$ 26,172

Balance at July 1, 2013	Incurred	Retired	Balance at June 30, 2014	Due within one year
\$ 81,122	\$ 6,981	\$ -	\$ 88,103	\$ -
11,571	29,734	(15,133)	26,172	5,563
\$ 92,693	\$ 36,715	\$ (15,133)	\$ 114,275	\$ 5,563

The changes in long-term liabilities for the fiscal year ended June 30, 2014 were as follows:

NOTE 5: LONG-TERM LIABILITIES

The Town is a member of the Small Cities Organized Risk Effort (SCORE) for workers' compensation and liability insurance purposes. SCORE is organized under a joint powers agreement pursuant to the California Government Code. The purpose of SCORE is to arrange and administer programs of insurance of risk pooling of self-insured losses and to purchase excess liability coverage. An annual audit of SCORE is performed and filed with the State Controller's office. There have not been any significant reductions in insurance coverage. The amount of settlements have not exceeded the insurance coverage for each of the past three fiscal years.

NOTE 4: JOINT VENTURE

NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2014

TOWN OF LOOMIS, CALIFORNIA

TOWN OF LOOMIS, CALIFORNIA

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

NOTE 5: LONG-TERM LIABILITIES (continued)

Assets under capital lease were as follows:

Fiscal year ended June 30,	
2014	2013
\$ 29,734	\$ 25,050
(5,947)	(15,480)
<u>\$ 23,787</u>	<u>\$ 9,570</u>

Assets under capital lease:

Office equipment

Less: accumulated amortization

TOTAL, NET

The changes in long-term liabilities for the fiscal year ended June 30, 2013 were as follows:

Balance at July 1, 2012	Incurred	Retired	Balance at June 30, 2013	Due within one year
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GOVERNMENTAL ACTIVITIES:

Balance at July 1, 2012	Incurred	Retired	Balance at June 30, 2013	Due within one year
\$ 71,301	\$ 9,821	\$ -	\$ 81,122	\$ -
Compensated absences				
17,339	-	(5,768)	11,571	6,490
Obligations under capital lease				
3,094	-	(3,094)	-	-
Assessment bonds payable				
<u>\$ 91,734</u>	<u>\$ 9,821</u>	<u>\$ (8,862)</u>	<u>\$ 92,693</u>	<u>\$ 6,490</u>
TOTAL				

NOTE 6: EXCESS EXPENDITURES OVER APPROPRIATIONS

The following funds had excess expenditures over appropriations for the year ended June 30, 2013:

Fund	Expenditures and transfers	Budget	Deficit
Major funds:			
Maintenance District Special Revenue Fund	\$ 252,764	\$ 13,947	\$ (238,817)
Non-major funds:			
Gas Tax Special Revenue Fund	91,380	36,519	(54,861)
Tree Removal Special Revenue Fund	2,407	-	(2,407)
RSTP Stimulus Special Revenue Fund*	538	-	(538)

* Fund was not budgeted

Fund		Total	
General Fund	\$ 884,048	General Fund	\$ 959,436
Special Revenue Funds:	-	Special Revenue Funds:	-
Streets and Roads Fund	-	Streets and Roads Fund	419,862
Maintenance Districts Fund	-	Maintenance Districts Fund	4,645
Non-major funds	-	Non-major funds	69,165
Capital Projects Fund:	-	Capital Projects Fund:	-
Road Circulation Fund	75,388	Road Circulation Fund	449,676
Agency Funds:	-	Agency Funds:	-
Non-major funds	-	Non-major funds	16,088
Total	\$ 884,048	Total	\$ 959,436

Interfund balances for operations as of June 30, 2013 were as follows:

Fund		Total	
General Fund	\$ 6,881	General Fund	\$ 8,863
Special Revenue Funds:	-	Special Revenue Funds:	-
Streets and Roads Fund	1,982	Streets and Roads Fund	-
Maintenance Districts Fund	-	Maintenance Districts Fund	8,241
Non-major funds	-	Non-major funds	538
Capital Projects Funds:	-	Capital Projects Funds:	-
Non-major funds	-	Non-major funds	84
Total	\$ 6,881	Total	\$ 8,863

Interfund transfers for operations as of June 30, 2014 were as follows:

Fund		Total	
General Fund	\$ 855,935	General Fund	\$ 931,323
Special Revenue Funds:	-	Special Revenue Funds:	-
Streets and Roads Fund	-	Streets and Roads Fund	419,862
Maintenance Districts Fund	-	Maintenance Districts Fund	4,645
Non-major funds	-	Non-major funds	57,140
Capital Projects Fund:	-	Capital Projects Fund:	-
Road Circulation Fund	75,388	Road Circulation Fund	449,676
Total	\$ 855,935	Total	\$ 931,323

Interfund balances for operations as of June 30, 2014 were as follows:

NOTE 7: INTERFUND TRANSACTIONS

TOWN OF LOOMIS, CALIFORNIA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

TOWN OF LOOMIS, CALIFORNIA

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

NOTE 7: INTERFUND TRANSACTIONS

Interfund balances for operations as of June 30, 2014 were as follows:

Due To Other Funds		Due From Other Funds		Fund
\$ -	419,862	\$ 855,935	-	General Fund
419,862	4,645	-	-	Special Revenue Funds:
57,140	4,645	-	-	Streets and Roads Fund
449,676	4,645	-	-	Maintenance Districts Fund
	57,140	-	-	Non-major funds
	449,676	75,388	-	Capital Projects Fund:
				Road Circulation Fund
		\$ 931,323	\$ 931,323	Total

Interfund transfers for operations as of June 30, 2014 were as follows:

Transfer Out		Transfer In		Fund
\$ -	-	\$ 6,881	-	General Fund
-	-	1,982	-	Special Revenue Funds:
-	8,241	-	-	Streets and Roads Fund
-	8,241	-	-	Maintenance Districts Fund
84	538	-	-	Non-major funds
	538	-	-	Capital Projects Funds:
	84	-	-	Non-major funds
		\$ 8,863	\$ 8,863	Total

Interfund balances for operations as of June 30, 2013 were as follows:

Due To Other Funds		Due From Other Funds		Fund
\$ -	419,862	\$ 884,048	-	General Fund
419,862	4,645	-	-	Special Revenue Funds:
4,645	4,645	-	-	Streets and Roads Fund
69,165	4,645	-	-	Maintenance Districts Fund
449,676	69,165	75,388	-	Non-major funds
	449,676			Capital Projects Fund:
				Road Circulation Fund
				Agency Funds:
				Non-major funds
				Total
\$ 959,436	\$ 959,436	\$ 884,048	\$ 884,048	

Interfund transfers for operations as of June 30, 2013 were as follows:

Plan Description
 The Town of Loomis, California is part of the Public Agency portion of California Public Employees' Retirement System (CalPERS), an agent multiple-employer plan administered by CalPERS, which acts as a common investment and administrative agent for participating public entities within the State of California. The Town of Loomis, California's defined benefit pension plan, (CalPERS) provides retirement and disability benefits based on two different valuation plans: Classic and PEPPA. Classic members are those employees who were in the CalPERS retirement system before January 1, 2014. PEPPA members are employees who have been hired and added to the CalPERS system subsequent to December 31, 2013. Retirement benefits for Classic plan members are calculated as 2 percent of the member's highest 3-year average salary times the member's years of service. Plan members with 5 years of accumulated service are eligible to retire at age 55. Classic plan members may retire at any age after 30 years of service. PEPPA (Public Employees' Pension Reform Act) employees retirement benefits are calculated at 2% of the Plan members 3-highest years averaged salaries times the number of years of service and are eligible to retire at age 62. All plan members are eligible for non-duty disability benefits after 10 years of service and for duty-related disability benefits upon hire. Disability retirement

NOTE 9: DEFINED BENEFIT PENSION PLAN

	Master Plan Fund
	Non-major funds:
	Streets and Roads Fund
	Special Revenue Funds:
	Fund
Deficit	\$ (232,176)
(32,263)	

The following funds had deficit fund balances as of June 30, 2013:

	Master Plan Fund
	Non-major funds:
	Streets and Roads Fund
	Special Revenue Funds:
	Fund
Deficit	\$ (391,047)
(32,069)	

The following funds had deficit fund balances as of June 30, 2014:

NOTE 8: FUND DEFICITS

	Transfer In	Transfer Out
	Fund	Fund
General Fund	\$ 3,297	\$ 493,608
Special Revenue Funds:		
Streets and Roads Fund	477,879	-
Maintenance Districts Fund	-	3,297
Non-major funds	15,729	-
Total	\$ 496,905	\$ 496,905

NOTE 7: INTERFUND TRANSACTIONS (continued)

TOWN OF LOOMIS, CALIFORNIA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

TOWN OF LOOMIS, CALIFORNIA

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

NOTE 9: DEFINED BENEFIT PENSION PLAN (continued)

benefits are determined in the same manner as retirement benefits but are payable immediately without an actuarial reduction. A plan member who leaves District service may withdraw his or her contributions, plus any accumulated interest.

Copies of CalPERS' annual financial report may be obtained from the CalPERS Executive Office, 400 P Street, Sacramento, CA 95814.

Employees and Employer Contribution Obligations

Classic Participants are required to pay 7% of covered payroll. The Town is required to contribute at the actuarially determined rate necessary to fund the benefits for its members. The actuarial methods and assumptions used are those adopted by the CalPERS Board of Administration. The required employer contribution rate for fiscal year ended June 30, 2014 was 9.467% for a contribution of \$57,012.

PEPRA employees are required to pay no less than 50% of the actuarially determined cost of the retirement plan. For the fiscal years ending June 30, 2014 and 2015, the total actuarially determined cost of retirement for PEPRA participants is 12.5% of payroll. PEPRA participants pay 6.25% of payroll into the plan. As of June 30, 2014, the Town has no PEPRA employees.

The contribution requirement of plan members are established by State statute and the employer contribution rate is established and may be amended by CalPERS.

Annual Pension Cost

For the fiscal year ended June 30, 2014, the Town's annual pension costs of \$42,155 for PERS were equal to the Town's required and actual contributions. The Town as employer makes the contributions required of Town employees on their behalf for their account, which amounted to \$57,012 for the fiscal year ended June 30, 2014. The actuarial value of CalPERS' assets was determined using techniques that smooths the effect of short-term volatility in the market value of investments over a 3 year period (asset smoothing method) depending on the size of investment gains and/or losses. CalPERS' excess assets are being amortized as a level percentage of projected payrolls on a closed basis. The principal assumptions and methods used to determine the annual required contributions are as follows:

1. Valuation date: June 30, 2012 (most recent available data)
2. Actuarial cost method: Entry age actuarial cost method
3. Amortization method: Level percent of payroll on a closed basis
4. Average remaining period as of the valuation date: 20 years as of the valuation date
5. Asset valuation method: 15 year asset smoothing method
6. Actuarial assumptions:
 - 7.75% investment rate of return (net of administrative expenses),
 - Projected annual salary increases that vary by age, service, and type of employment: 3.30% to 14.20%
 - 2.75% inflation
 - 3.00% payroll growth
 - Individual salary growth based on a merit scale varying by duration of employment coupled with an assumed annual inflation component of 2.75% and an annual production growth of 0.25%

TOWN OF LOOMIS, CALIFORNIA

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

NOTE 9: DEFINED BENEFIT PENSION PLAN (continued)

Trend Information

Within the Town's financial statement, three years of historical trend information are required. The trend information is summarized as follows:

Fiscal Year	Annual Pension Cost (APC)	% of APC Con-tributed	Net Pension Obligation
2012	\$ 42,427	100.0%	none
2013	\$ 44,778	100.0%	none
2014	\$ 57,012	100.0%	none

Required Supplementary Information Funded Status of Plan for PERS as a whole (individual entity amounts are not available) (the most recent data available) presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits:

Valuation Date	Normal Entry Age	Market Value	Unfunded Liability/ (Excess Assets)	Funded Status	Annual Covered Payroll	UAAL As a % of payroll	PERS Miscellaneous Pool (as a whole):		
							Accrued Liability	of Assets	Assets
June 30, 2010		\$ 2,946,408,106	\$ 362,656,828	89.041%	\$ 748,401,352	48.458%	\$ 3,309,064,934	3,619,835,876	4,175,139,166
June 30, 2011		3,203,214,899	416,620,977	88.491%	759,263,518	54.872%	3,686,598,343	488,540,823	88.299%
June 30, 2012		3,686,598,343	488,540,823	88.299%	757,045,663	64.533%			

NOTE 10: POST-EMPLOYMENT HEALTH CARE BENEFITS

Plan Description

The Town's employees are eligible for post-retirement health benefits if they meet certain service year requirements and retire upon separation from the Town. The Town has computed the post-employment benefits using the alternative measurement method permitted under GASB No. 45. The Town has use information from the Town's payroll records to develop all significant assumptions and methods. The liability has not been funded nor has a trustee been appointed. The benefit provisions are to be established and may be amended by the Town Council. The plan currently does not issue standalone financial statements.

Basis of Accounting

Employees are not required to contribute to the plan. Employer contributions are recognized when due and when a formal commitment is made to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Funding Policy

Future contribution requirements of plan members, if any, and the Town will be established and amended as needed by the Town Council. The required contribution will be based on projected pay-as-you-go financing requirements, with additional amounts to prefund benefits as determined annually by the Council. For 2014 and 2013, the Town paid monthly premiums totaling \$7,812 and \$7,812, respectively. The projected liabilities were \$125,235 and \$125,235 for the year ended June 30, 2014 and 2013, respectively.

TOWN OF LOOMIS, CALIFORNIA

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

NOTE 10: POST-EMPLOYMENT HEALTH CARE BENEFITS (continued)

Annual OPB Cost and Net OPB Obligation
The Town's annual OPB cost (expense) is calculated based on the annual required contribution of the employer (ARC), the amount was determined using the Alternative Measurement Method permitted for employers with less than 100 employees in accordance with the parameters of GASB No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over an anticipated period of twenty years. The following table shows the amount contributed to the plan, and changes in the Town's net OPB obligation:

	2014	2013
Annual required contribution	\$ 30,716	\$ 12,122
Interest on net OPB obligation	1,382	545
Payments made	(7,812)	(7,812)
Increase in net OPB obligation	24,286	4,855
Net OPB obligation, July 1	30,887	26,032
Net OPB obligation, June 30	\$ 55,173	\$ 30,887

The ARC was determined as part of the June 30, 2014 alternative measurement method computation. The ARC rate was 1.95% and 2.01% of annual covered payroll for the fiscal years ended June 30, 2014 and 2013, respectively.

The Town's annual OPB cost, the percentage of annual OPB cost contributed and the net OPB obligation were as follows:

Year ended June 30,	Annual OPB Cost	Percentage of annual OPB cost contributed	Net OPB obligation
2012	\$ 14,091	30.70%	\$ 4,326
2013	12,667	38.33%	4,855
2014	32,098	75.66%	24,286

Funded Status and Funding Process

The funded status of the liability was as follows:

2014	2013
\$ 219,504	\$ 125,235
-	-
\$ 219,504	\$ 125,235
0.00%	0.00%
\$ 650,590	\$ 701,716
33.74%	17.85%

Accrued liability (AL)
Value of plan assets contributed
Unfunded accrued liability (UAL)
Funded ratio (value of plan assets/AL)
Covered payroll (active plan members)
UAL as a percentage of covered payroll

TOWN OF LOOMIS, CALIFORNIA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

NOTE 10: POST-EMPLOYMENT HEALTH CARE BENEFITS (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 future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

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 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 short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the June 30, 2013, the alternative measurement method was used. The assumptions included a 4.00% investment rate of return (net of administrative expenses), discount rate of 4.50% and average salary increases of 3.30%. The Entry Age Normal (EAN) cost method spreads plan costs for each participant from entry date to the expected retirement date. Under the EAN cost method the plan's normal cost is developed as a level percent of payroll over the participants' working lifetime. There are no plan assets as of June 30, 2014 and 2013. The unfunded actuarial accrued liability will be amortized using the flat dollar amount method over 25 years.

NOTE 11: COMMITMENTS

The Town has an outstanding agreement as of June 30, 2014 with a contractor for the reconstruction and improvement of Sierra College Boulevard. The contract amount and balance at year end was \$1,054,000.



COMBINING FUND FINANCIAL STATEMENTS

TOWN OF LOOMIS, CALIFORNIA

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
 NONMAJOR GOVERNMENTAL FUNDS
 AS OF JUNE 30, 2014

	Nonmajor Special Revenue Funds	Capital Projects Funds			
ASSETS					
Cash and cash equivalents	\$ 1,038,684	\$ 1,296,429	\$ 2,335,113		
Receivables:					
Accounts receivable	3,563	-	3,563		
Due from other governments	32,315	-	32,315		
TOTAL ASSETS	<u>\$ 1,074,562</u>	<u>\$ 1,296,429</u>	<u>\$ 2,370,991</u>		
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
Accounts payable and accrued liabilities	\$ 1,257	-	\$ 1,257		
Due to other funds	57,140	-	57,140		
TOTAL LIABILITIES	<u>58,397</u>	<u>-</u>	<u>58,397</u>		
FUND BALANCES:					
Restricted for capital projects	-	1,296,429	1,296,429		
Committed to subsequent year's expenditure	411,835	-	411,835		
Unassigned	604,330	-	604,330		
TOTAL FUND BALANCES	<u>1,016,165</u>	<u>1,296,429</u>	<u>2,312,594</u>		
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 1,074,562</u>	<u>\$ 1,296,429</u>	<u>\$ 2,370,991</u>		
TOTALS					

TOWN OF LOOMIS, CALIFORNIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL REVENUE FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	Nonmajor Capital Projects Funds	Nonmajor Special Revenue Funds	Nonmajor Special Revenue Funds	Capital Projects Funds	Other Income	TOTAL REVENUES
REVENUES:						
Tax revenues	\$ -	\$ 125,450	\$ 125,450			\$ 125,450
License, fees and permits		597	597			117,670
Intergovernmental revenues		284,353	284,353			284,353
Investment income		24,746	24,746			55,628
Other income		5,000	5,000			8,163
	151,118	440,146	440,146	151,118		591,264
EXPENDITURES:						
Current:						
General government		105,821	105,821			105,821
Public safety		-	125,382			125,382
Public works		3,988	77,166			81,154
Planning		-	2,407			2,407
Capital outlay		1,826	-	1,826		1,826
	5,814	310,776	310,776	5,814		316,590
EXCESS OF REVENUES OVER EXPENDITURES	145,304	129,370	129,370	145,304		274,674
OTHER FINANCING SOURCES:						
Transfers out	(84)	(538)	(538)	(84)		(622)
NET CHANGE IN FUND BALANCES	145,220	128,832	128,832	145,220		274,052
FUND BALANCES, JULY 1	1,151,209	887,333	887,333	1,151,209		2,038,542
FUND BALANCES, JUNE 30	\$ 1,296,429	\$ 1,016,165	\$ 1,016,165	\$ 1,296,429		\$ 2,312,594
TOTALS						

TOWN OF LOOMIS, CALIFORNIA

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
AS OF JUNE 30, 2014

	Gas Tax Funds	Tree Removal Fund	AB 939 Fund	Transit Fund	RSTP Stimulus Fund
ASSETS					
Cash and investments	\$ 286,243	\$ 325,967	\$ 228,603	\$ 18,282	\$ -
Receivables:					
Accounts receivable	-	-	3,563	-	-
Due from other governments	12,864	-	5,000	-	-
TOTAL ASSETS	<u>\$ 299,107</u>	<u>\$ 325,967</u>	<u>\$ 237,166</u>	<u>\$ 18,282</u>	<u>\$ -</u>
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
Accounts payable	\$ -	\$ 1,245	\$ -	\$ -	\$ -
Due to other funds	-	-	-	16,824	-
TOTAL LIABILITIES	<u>-</u>	<u>1,245</u>	<u>-</u>	<u>16,824</u>	<u>-</u>
FUND BALANCES (DEFICIT):					
Committed to subsequent year's expenditure	288,688	-	37,214	-	-
Unassigned	10,419	324,722	199,952	1,458	-
TOTAL FUND BALANCES	<u>299,107</u>	<u>324,722</u>	<u>237,166</u>	<u>1,458</u>	<u>-</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 299,107</u>	<u>\$ 325,967</u>	<u>\$ 237,166</u>	<u>\$ 18,282</u>	<u>\$ -</u>

Fund	Supplemental Law Enforcement Fund	Bike Lane Fund	Master Plan Fund	Westside Specific Plan Fund	Traffic Congestion Relief Fund	State Disability Access Fund	TOTALS
\$ 15,549	\$ 21,073	\$ 33,695	\$ 8,247	\$ 1,137	\$ 120,118	\$ 843	\$ 1,038,684
-	5,524	-	-	-	8,927	-	3,563
-	\$ 21,073	\$ 33,695	\$ 8,247	\$ 1,137	\$ 129,045	\$ 843	\$ 1,074,562
-	21,073	33,695	(32,069)	1,137	129,045	831	1,016,165
-	21,073	33,695	(32,069)	1,137	43,112	831	411,835
-	-	-	40,316	-	-	12	58,397
-	-	-	40,316	-	-	-	57,140
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12	\$ 1,257

TOWN OF LOOMIS, CALIFORNIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	Gas Tax Funds	Tree Removal Fund	AB 939 Fund	Transit Fund	RSTP Stimulus Fund
REVENUES:					
Tax revenues	\$ 125,450	\$ -	\$ -	\$ -	\$ -
License, fees and permits	-	-	-	-	-
Intergovernmental	-	-	14,511	76,749	-
Investment income	6,283	7,847	5,430	1,458	-
Other income	-	-	5,000	-	-
TOTAL REVENUES	131,733	7,847	24,941	78,207	-
EXPENDITURES:					
Current:					
General government	91,380	-	14,098	-	-
Public safety	-	-	-	-	-
Public works	-	-	-	77,166	-
Planning	-	2,407	-	-	-
Interest costs	-	-	-	-	-
TOTAL EXPENDITURES	91,380	2,407	14,098	77,166	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	40,353	5,440	10,843	1,041	-
OTHER FINANCING SOURCES:					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	(538)
NET CHANGE IN FUND BALANCES	40,353	5,440	10,843	1,041	(538)
FUND BALANCES (DEFICITS), JULY 1	258,754	319,282	226,323	417	538
FUND BALANCES (DEFICITS), JUNE 30	\$ 299,107	\$ 324,722	\$ 237,166	\$ 1,458	\$ -

Fund	Supplemental Law Enforcement	Bike Lane	Master Plan	Westside Specific Plan	Traffic Congestion Relief	State Disability Access	TOTALS
\$ 21,073	100,000	100,314	194	-	95,499	617	440,146
20,759	-	-	-	-	-	-	5,000
314	100,000	314	194	-	2,406	20	24,746
-	-	-	-	-	93,093	-	284,353
-	-	-	-	-	-	597	597
314	-	-	-	-	-	-	125,450
794	-	794	194	-	25,382	343	105,821
32,901	-	-	-	-	-	-	125,382
32,901	-	-	-	-	-	-	77,166
(32,263)	-	-	-	-	-	-	2,407
1,137	-	-	-	-	-	-	-
1,137	-	-	-	-	-	-	-
\$ 1,137	-	-	-	-	-	-	-
\$ 129,045	-	-	-	-	-	-	-
58,928	-	-	-	-	-	-	-
70,117	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
274	-	-	-	-	-	-	-
557	-	-	-	-	-	-	-
\$ 831	-	-	-	-	-	-	-
\$ 1,016,165	-	-	-	-	-	-	-

TOWN OF LOOMIS, CALIFORNIA

COMBINING BALANCE SHEET MAJOR MAINTENANCE DISTRICTS SPECIAL REVENUE FUNDS AS OF JUNE 30, 2014

ASSETS	\$	\$	\$	\$	\$	\$
Hunters	\$ 248,573	\$ 7,720	\$ 23,180	\$ 299,232	\$ 218,103	\$ 91,322
Crossing	574	25	51	266	-	115
Assessments receivable	\$ 249,147	\$ 7,745	\$ 23,231	\$ 299,498	\$ 218,103	\$ 91,437
TOTAL ASSETS	\$ 249,147	\$ 7,745	\$ 23,231	\$ 299,498	\$ 218,103	\$ 91,437
<hr/>						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receivables:	-	-	-	-	-	-
Assessments receivable	4,645	4,645	-	-	-	-
TOTAL LIABILITIES AND FUND BALANCES	\$ 249,147	\$ 7,745	\$ 23,231	\$ 299,498	\$ 218,103	\$ 91,437
<hr/>						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-
TOTAL LIABILITIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<hr/>						
Restricted for maintenance districts	249,147	3,100	23,231	299,498	218,103	91,437
TOTAL LIABILITIES AND FUND BALANCES	\$ 249,147	\$ 7,745	\$ 23,231	\$ 299,498	\$ 218,103	\$ 91,437
<hr/>						
Loomis Maintenance	Fund	Fund	Fund	Fund	Fund	Fund
District I	Fund	Fund	Fund	Fund	Fund	Fund
District II	Fund	Fund	Fund	Fund	Fund	Fund
Heather Heights	Fund	Fund	Fund	Fund	Fund	Fund
Sunrise Loomis	Fund	Fund	Fund	Fund	Fund	Fund
Live Oak	Fund	Fund	Fund	Fund	Fund	Fund
Acres Loomis	Fund	Fund	Fund	Fund	Fund	Fund

Hunters Crossing II Fund	\$ 85,782	154	\$ 85,936	-	-	-	-	85,936	\$ 85,936
King Road Village Fund	\$ 142,303	390	\$ 142,693	-	-	-	-	142,693	\$ 142,693
Saunders Avenue Fund	\$ 18,095	48	\$ 18,143	100	-	-	-	18,043	\$ 18,143
Rachel Estates Fund	\$ 219,961	507	\$ 220,468	-	-	-	-	220,468	\$ 220,468
No Name Lane Fund	\$ 2,999	-	\$ 2,999	-	-	-	-	2,999	\$ 2,999
Sherwood Estates Fund	\$ 93,241	311	\$ 93,552	-	-	-	-	93,552	\$ 93,552
Heritage Park Estates Fund	\$ 202,749	804	\$ 203,553	-	-	-	-	203,553	\$ 203,553
Hunter Oaks Fund	\$ 173,625	1,029	\$ 174,654	-	-	-	-	174,654	\$ 174,654
Sierra De Montserrat Fund	\$ 181,658	1,839	\$ 183,497	-	-	-	-	183,497	\$ 183,497
TOTALS	\$2,160,943	6,363	\$2,167,306	4,745	4,645	100	100	2,162,561	\$2,167,306

TOWN OF LOOMIS, CALIFORNIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
 MAJOR MAINTENANCE DISTRICTS SPECIAL REVENUE FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	Hunters Fund	Crossing Fund	Loomis Maintenance District I Fund	District II Fund	Heather Fund	Heights Fund	Sunrise Fund	Live Oak Fund	Loomis Fund
REVENUES:									
Tax revenues	\$ 7,026	\$ 500	\$ 1,030	\$ 8,242	\$ 6,279	\$ 9,031	\$ 2,022	\$ 3,545	\$ 4,997
Investment income	5,797	177	536	6,969	5,077	14,700	-	-	-
Refunds and reimbursements	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	12,823	677	1,566	15,211	11,356	25,753	8,542	8,542	8,542
EXPENDITURES:									
Current:									
General government	744	5	10	82	63	-	-	-	50
Public works	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	224,480	-	-	-
TOTAL EXPENDITURES	744	5	10	82	63	224,480	50	50	50
EXCESS REVENUES OVER EXPENDITURES	12,079	672	1,556	15,129	11,293	(198,727)	8,492	8,492	8,492
OTHER FINANCING USES:									
Transfers out	-	-	-	-	-	(2,440)	-	-	-
NET CHANGE IN FUND BALANCES	12,079	672	1,556	15,129	11,293	(201,167)	8,492	8,492	8,492
FUND BALANCES, JULY 1	237,068	2,428	21,675	284,369	206,810	292,604	144,158	144,158	144,158
FUND BALANCES, JUNE 30	\$ 249,147	\$ 3,100	\$ 23,231	\$ 299,498	\$ 218,103	\$ 91,437	\$ 152,650	\$ 152,650	\$ 152,650

Hunters Crossing II Fund	\$ 3,084	1,994	-	5,078	256	-	-	256	-	4,822	-	4,822	-	81,114	85,936
King Road Village Fund	\$ 7,802	3,289	-	11,091	2,470	-	2,470	-	8,621	(1,235)	7,386	8,621	(1,235)	135,307	\$ 142,693
Saunders Avenue Fund	\$ 960	398	-	1,358	10	-	10	10	1,348	(2,413)	(1,065)	1,348	(2,413)	19,108	\$ 18,043
Rachel Estates Fund	\$ 10,146	5,094	-	15,240	1,546	-	1,546	1,546	13,694	(947)	12,747	13,694	(947)	207,721	\$ 220,468
No Name Lane Fund	\$ -	-	-	-	-	-	-	-	-	(105)	(105)	-	(105)	3,104	\$ 2,999
Sherwood Estates Fund	\$ 6,216	2,138	-	8,354	62	-	62	62	8,292	(1,101)	7,191	8,292	(1,101)	86,361	\$ 93,552
Heritage Park Estates Fund	\$ 16,072	4,637	-	20,709	691	-	691	691	20,018	-	20,018	20,018	-	183,535	\$ 203,553
Hunter Oaks Fund	\$ 20,572	3,935	-	24,507	205	-	11,982	205	12,320	-	12,320	12,320	-	162,334	\$ 174,654
Sierra De Mon-serat Fund	\$ 36,778	3,956	-	40,734	367	-	1,500	367	38,867	-	38,867	38,867	-	144,630	\$ 183,497
TOTALS	\$ 138,735	49,564	14,700	202,999	4,091	224,480	15,952	4,091	(41,524)	(8,241)	(49,765)	(41,524)	(8,241)	2,212,326	\$ 2,162,561

TOWN OF LOOMIS, CALIFORNIA

COMBINING BALANCE SHEET - NONMAJOR CAPITAL PROJECTS FUNDS
AS OF JUNE 30, 2014

	Drainage Fund	Community Facilities Capital Projects Fund	Wetland Mitigation	Park Fee Fund	TOTALS
ASSETS					
Cash and investments	\$202,961	\$ 775,008	\$ -	\$318,460	\$1,296,429
TOTAL ASSETS	\$202,961	\$ 775,008	\$ -	\$318,460	\$1,296,429
FUND BALANCES					
Restricted for capital projects	\$202,961	\$ 775,008	\$ -	\$318,460	\$1,296,429
TOTAL FUND BALANCES	\$202,961	\$ 775,008	\$ -	\$318,460	\$1,296,429

TOWN OF LOOMIS, CALIFORNIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	Drainage Fund	Community Facilities Capital Projects Fund	Wetland Mitigation Fund	Park Fee Fund	TOTALS
REVENUES:					
License, fees and permits	\$ 6,865	\$ 29,856	\$ -	\$ 80,352	\$ 117,073
Investment income	4,748	18,103	-	8,031	30,882
Other income	-	-	-	91,546	151,118
TOTAL REVENUES	11,613	47,959	-	91,546	151,118
EXPENDITURES:					
Current:					
Public works	-	3,988	-	-	3,988
Capital outlay	-	1,826	-	-	1,826
TOTAL EXPENDITURES	-	5,814	-	-	5,814
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	11,613	42,145	-	91,546	145,304
OTHER FINANCING USES:					
Transfers out	-	-	(84)	-	(84)
NET CHANGE IN FUND BALANCES	11,613	42,145	(84)	91,546	145,220
FUND BALANCES, JULY 1	191,348	732,863	84	226,914	1,151,209
FUND BALANCES, JUNE 30	\$ 202,961	\$ 775,008	\$ -	\$ 318,460	\$ 1,296,429

TOWN OF LOOMIS, CALIFORNIA
COMBINING BALANCE SHEET - AGENCY FUNDS
AS OF JUNE 30, 2014

	County Facilities Fees	Dry Creek Watershed Fees	TOTALS
ASSETS			
Cash and investments	\$ 31,114	\$ 177	\$ 36,299
Due from other governments or agencies	-	134	134
TOTAL ASSETS	\$ 31,114	\$ 311	\$ 36,433
LIABILITIES			
Accounts payable and accrued liabilities	\$ 328	\$ 311	\$ 3,090
Due to other agencies	30,786	-	33,343
TOTAL LIABILITIES	\$ 31,114	\$ 311	\$ 36,433

TOWN OF LOOMIS, CALIFORNIA
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	Balance July 1, 2013	Additions	Deletions	Balance June 30, 2014
REVOLVING FUNDS:				
ASSETS				
Cash and investments	\$ -	\$ 32,504	\$ (1,390)	\$ 31,114
Due from other governments or agencies	47,776	-	(47,776)	-
TOTAL ASSETS	\$ 47,776	\$ 32,504	\$ (49,166)	\$ 31,114
LIABILITIES				
Accounts payable and accrued liabilities	\$ 186	\$ 1,532	\$ (1,390)	\$ 328
Due to other funds	16,088	-	(16,088)	-
Due to other agencies	31,502	1,317	(2,033)	30,786
TOTAL LIABILITIES	\$ 47,776	\$ 2,849	\$ (19,511)	\$ 31,114
COUNTY FACILITIES FEE:				
ASSETS				
Cash and investments	\$ 9,011	\$ 27,813	\$ (31,816)	\$ 5,008
TOTAL ASSETS	\$ 9,011	\$ 27,813	\$ (31,816)	\$ 5,008
LIABILITIES				
Accounts payable and accrued liabilities	\$ 7,231	\$ 24,391	\$ (29,170)	\$ 2,452
Due to other agencies	1,780	27,814	(27,038)	2,556
TOTAL LIABILITIES	\$ 9,011	\$ 52,205	\$ (56,208)	\$ 5,008
DRY CREEK WATERSHED FEES:				
ASSETS				
Cash and investments	\$ 488	\$ 12,389	\$ (12,700)	\$ 177
Due from other governments or agencies	445	3,421	(3,732)	134
TOTAL ASSETS	\$ 933	\$ 15,810	\$ (16,432)	\$ 311
LIABILITIES				
Accounts payable and accrued liabilities	\$ 933	\$ 12,078	\$ (12,700)	\$ 311
TOTAL LIABILITIES	\$ 933	\$ 12,078	\$ (12,700)	\$ 311
DRY CREEK WATERSHED FEES:				
ASSETS				
Cash and investments	\$ 488	\$ 12,389	\$ (12,700)	\$ 177
Due from other governments or agencies	445	3,421	(3,732)	134
TOTAL ASSETS	\$ 933	\$ 15,810	\$ (16,432)	\$ 311
LIABILITIES				
Accounts payable and accrued liabilities	\$ 933	\$ 12,078	\$ (12,700)	\$ 311
TOTAL LIABILITIES	\$ 933	\$ 12,078	\$ (12,700)	\$ 311

(Continued)

TOWN OF LOOMIS, CALIFORNIA
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	<u>Balance</u> July 1, 2013	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> June 30, 2014
TOTAL ALL AGENCY FUNDS:				
ASSETS				
Cash and investments	\$ 9,499	\$ 72,706	\$ (45,906)	\$ 36,299
Due from other governments or agencies	48,221	3,421	(51,508)	134
TOTAL ASSETS	<u>\$ 57,720</u>	<u>\$ 76,127</u>	<u>\$ (97,414)</u>	<u>\$ 36,433</u>
LIABILITIES				
Accounts payable and accrued liabilities	\$ 8,350	\$ 38,001	\$ (43,260)	\$ 3,091
Due to other funds	16,088	-	(16,088)	-
Due to other agencies	33,282	29,131	(29,071)	33,342
TOTAL LIABILITIES	<u>\$ 57,720</u>	<u>\$ 67,132</u>	<u>\$ (88,419)</u>	<u>\$ 36,433</u>



OTHER REPORTS

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

In planning and performing our audit of the financial statements, we considered Town of Loomis, California's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town of Loomis, California's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town of Loomis, California's internal control.

Internal Control Over Financial Reporting

We have audited, in accordance with the 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Loomis, California as of and for the year ended June 30, 2014, which collectively comprise the Town of Loomis, California's basic financial statements, and have issued our report thereon dated October 14, 2014.

To the Town Council
Town of Loomis
Loomis, California

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

October 14, 2014



Purpose of this Report
The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Compliance and Other Matters
As part of obtaining reasonable assurance about whether Town of Loomis, California's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Honorable Mayor, Town Manager, and
Members of the Town Council
Town of Loomis, California

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