

TOWN OF LOOMIS, CALIFORNIA

AUDITED FINANCIAL STATEMENTS

**FOR THE FISCAL
YEAR ENDED JUNE 30, 2015**



TOWN OF LOOMIS, CALIFORNIA

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TOWN OF LOOMIS, CALIFORNIA

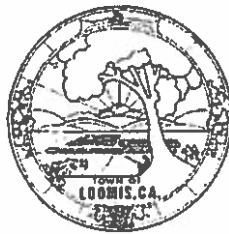
TOWN OFFICIALS

TOWN COUNCIL

- *Rhonda Morillas* Mayor
- *Brian Baker* Mayor Pro-Tem
- *Dave Wheeler*..... Council member
- *Robert Black* Council member
- *Miguel Ucovich*..... Council member

OTHER TOWN OFFICIALS

- *Rick Angelocci* Town Manager and Planning Director
- *Jeff Mitchell* Town Attorney
- *Roger Carroll* Town Treasurer/
Finance Officer
- *Britton Snipes* Director of Public Works/Town Engineer
- *Bureau Veritas, Inc.* Building Inspector
- *Crickett Strock* Deputy Town Clerk/Administrative Assistant



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BOLER & ASSOCIATES

PROFESSIONAL ACCOUNTANCY CORPORATION
750 F STREET • DAVIS, CA 95616

(530) 756-1735

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, 2015, and the related notes to the financial statements, 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, 2015, 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 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, 2015, 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.



December 8, 2015

TOWN OF LOOMIS, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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, 2015. We encourage the readers to consider the information presented here in conjunction with the accompanying basic financial statements and the additional information presented.

FINANCIAL HIGHLIGHTS

- The Town's government-wide net position increased in total by \$739,827, or 3.03%.
- The total governmental activities revenues from all sources were \$4,678,796.
- The total cost of all Town programs in the Town's governmental activities were \$3,938,969.
- The General Fund reported a deficit of revenues over expenditures and other financing sources of \$(659,583).
- Actual resources received in the General Fund were over final budget by \$304,908 (not including budgeted use of prior years' reserves) while actual expenditures were under the final budget by \$171,353.
- At the end of the fiscal year, unassigned fund balance for the General Fund was \$2,892,898.
- With the implementation of Government Accounting Standards Board (GASB) Statement No. 68, net pension liabilities totaling \$696,698 at June 30, 2015 was recorded and recognized.

USING THIS ANNUAL REPORT

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.

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

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.

TOWN OF LOOMIS, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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, in order to properly assess the overall health of the Town.

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.

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

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.

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

TOWN OF LOOMIS, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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 28. 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 \$24.2 million as of June 30, 2015 compared to \$24.4 million as of June 30, 2014.

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 49.01% and 46.72% for the fiscal year ended June 30, 2015 and 2014, 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, 2015

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

	<u>2015</u>	<u>2014</u>
ASSETS:		
Current and other assets	\$ 12,975,715	\$ 13,206,437
Capital assets, net	<u>12,470,617</u>	<u>11,582,391</u>
TOTAL ASSETS	<u>\$ 25,446,332</u>	<u>\$ 24,788,828</u>
DEFERRED OUTFLOWS OF RESOURCES:		
Pension payments	<u>\$ 115,311</u>	<u>\$ -</u>
LIABILITIES:		
Liabilities due after one year	\$ 806,554	\$ 107,567
Other liabilities	<u>269,683</u>	<u>249,616</u>
TOTAL LIABILITIES	<u>\$ 1,076,237</u>	<u>\$ 357,183</u>
DEFERRED INFLOWS OF RESOURCES:		
Pension receipts	<u>\$ 290,060</u>	<u>\$ -</u>
NET ASSETS:		
Investment in capital assets	\$ 12,450,007	11,556,219
Restricted	7,199,965	8,754,911
Unrestricted	<u>4,545,374</u>	<u>4,120,515</u>
TOTAL NET ASSETS	<u>\$ 24,195,346</u>	<u>\$ 24,431,645</u>

As of June 30, 2015, \$7.2 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, \$4.5 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, 2014, \$8.8 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.

The government's net position increased \$.7 million in most part increased sales and property taxes from the improving economy for the fiscal year ended June 30, 2015. For the fiscal year ended June 30, 2014, net position increased \$0.6 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, 2015

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		
	2015	2014
PROGRAM REVENUES:		
Charges for services	\$ 551,265	\$ 383,185
Operating grants and contributions	230,293	389,353
Capital grants and contributions	357,476	390,589
GENERAL REVENUES:		
Property taxes	1,454,016	1,660,701
Other taxes	159,612	143,124
Sales and use taxes	761,629	816,131
Motor vehicle in-lieu	519,454	2,861
Franchise fees	249,851	245,883
Investment income	244,616	324,451
Refunds and reimbursements	7,833	63,081
Litigation settlement	-	98,022
Loss on disposition of capital assets	-	(18,986)
Other income	142,751	55,652
TOTAL REVENUES	4,678,796	4,554,047
EXPENSES:		
General governmental	1,363,397	1,329,865
Public safety	1,557,513	1,559,569
Public works	898,095	902,374
Planning	118,298	113,349
Interest expense	1,666	892
TOTAL EXPENSES	3,938,969	3,906,049
CHANGE IN NET POSITION	739,827	647,998
NET POSITION, JULY 1:		
As originally stated	24,431,645	23,783,647
Prior period adjustment	(976,126)	-
As restated	23,455,519	23,783,647
NET POSITION, JUNE 30	\$ 24,195,346	\$ 24,431,645

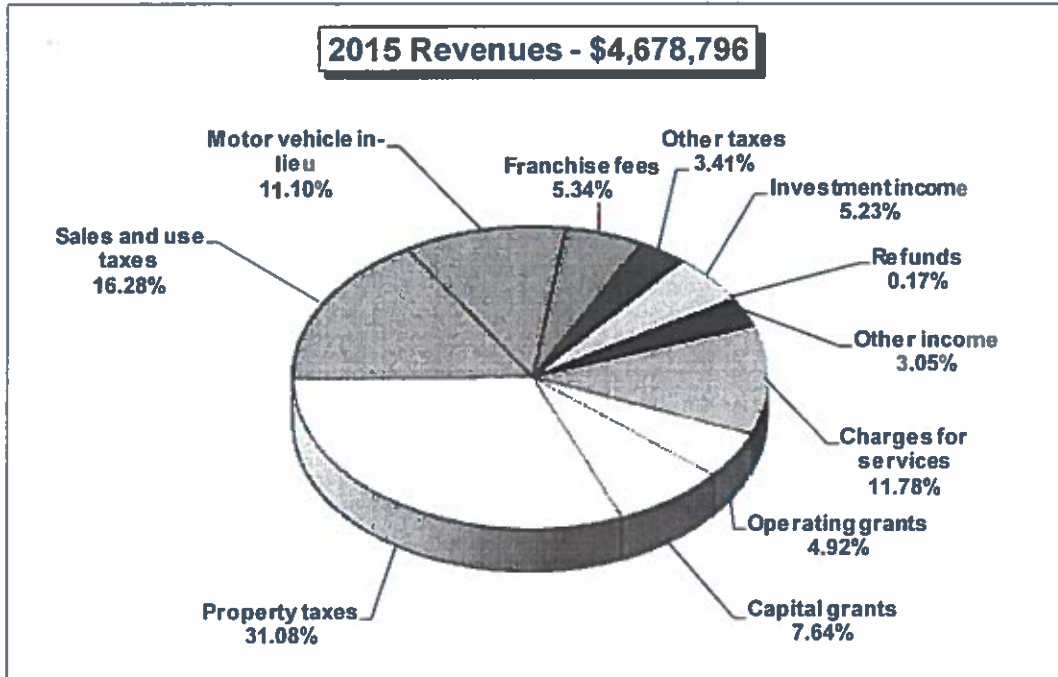
Highlights of the change in net position for the fiscal year ended June 30, 2015 were as follows:

- Operating grants and contributions decreased by \$159,060.
- Sales tax revenues decreased by \$54,502.
- Investment income decreased by \$79,835.
- Total governmental activities revenues increased by \$124,749 largely attributed to the receipt of property taxes in of vehicle license fees.

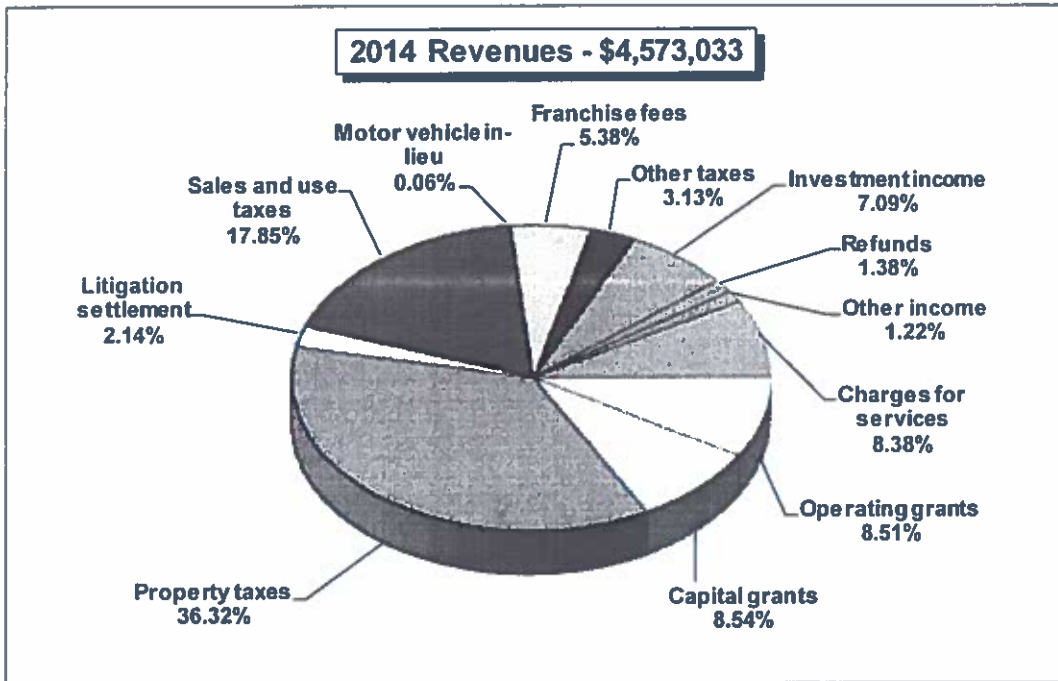
TOWN OF LOOMIS, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

The fiscal year ended June 30, 2015 revenues are reflected graphically as follows:



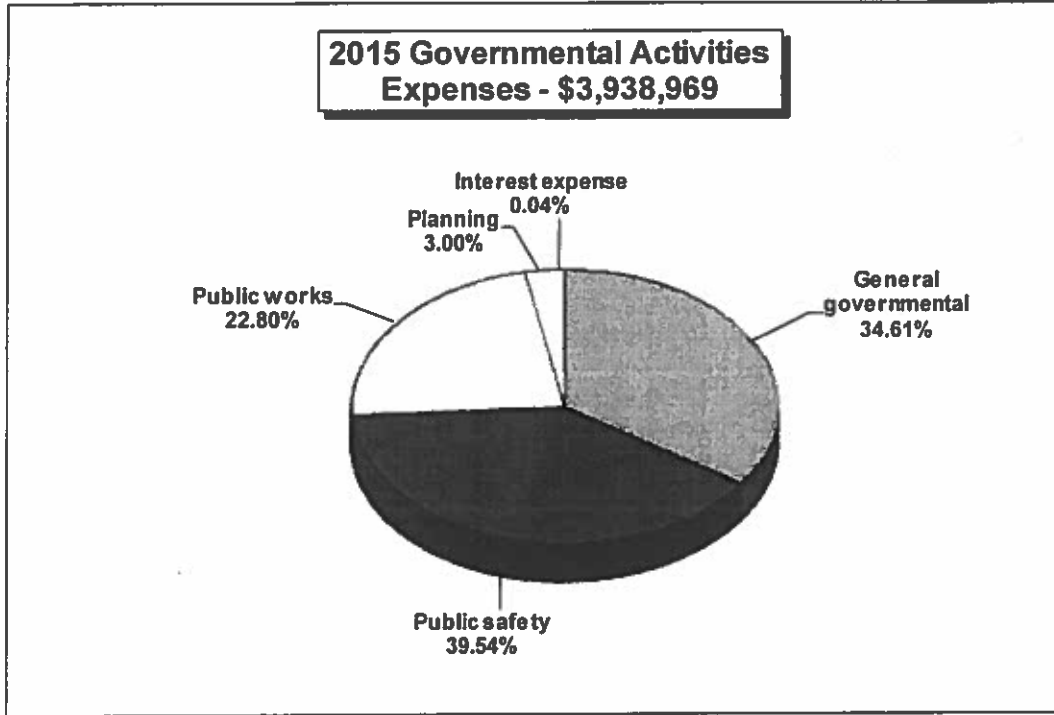
The fiscal year ended June 30, 2014 revenues are reflected graphically as follows:



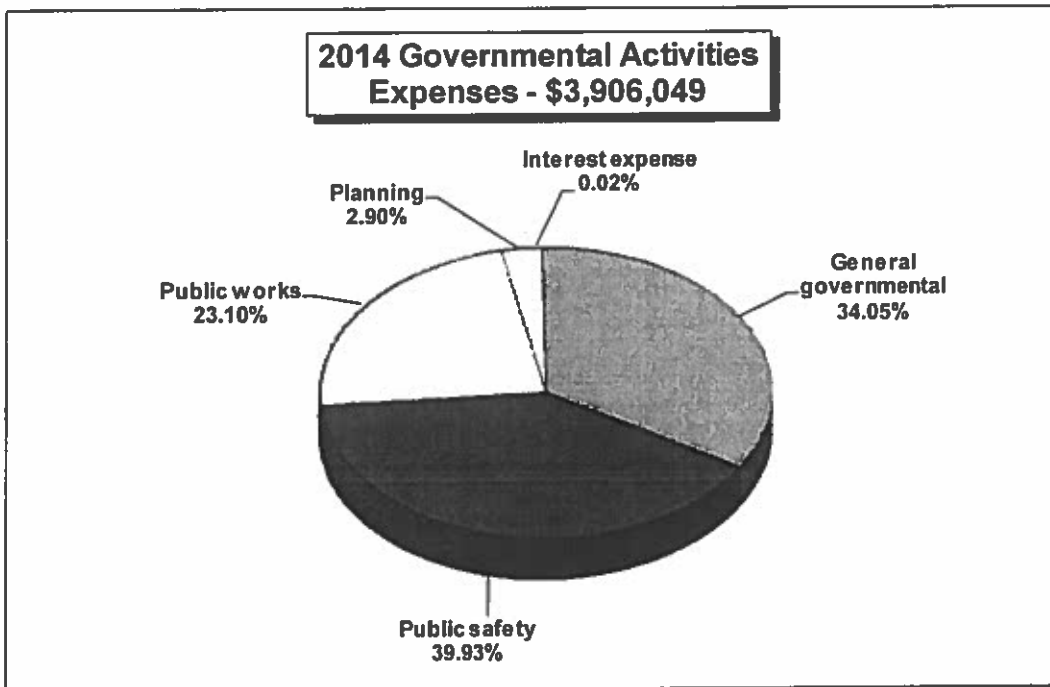
TOWN OF LOOMIS, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

The fiscal year ended June 30, 2015 expenses are reflected graphically as follows:



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



TOWN OF LOOMIS, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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, 2015 the net cost is as follows:

NET COST OF MAJOR PROGRAMS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Total cost of services	Charges for services	Grants		Net cost (revenue) of services
			Operating	Capital	
General governmental	\$ 1,363,397	\$ 26,374	\$ -	\$ -	\$ (1,337,023)
Public safety	1,557,513	7,230	106,230	-	(1,444,053)
Public works	898,095	429,015	124,063	357,476	12,459
Planning	118,298	88,646	-	-	(29,652)
Interest expense	1,666	-	-	-	(1,666)
	<u>\$ 3,938,969</u>	<u>\$ 551,265</u>	<u>\$ 230,293</u>	<u>\$ 357,476</u>	<u>\$ (2,799,935)</u>

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	Grants		Net cost (revenue) of services
			Operating	Capital	
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)
	<u>\$ 3,906,049</u>	<u>\$ 383,185</u>	<u>\$ 389,353</u>	<u>\$ 405,289</u>	<u>\$ (2,728,222)</u>

Financial Analysis of Government funds

General Fund: Fund balance was \$3,007,551 and \$4,643,260 for the fiscal year ended 2015 and 2014, respectively. The amount for 2015 is net of the prior period adjustment of \$976,126 resulting from the implementation of GASB No. 65. Because the Town generally does not finance through debt, the General Fund is strong. Total fund balance is 74.4% and 96.5% of total assets for 2015 and 2014, respectively. For each dollar of liabilities, there is \$4 of cash and receivables, which shows that the General Fund can easily pay its obligations as they come due. For 2015, General Fund expenditures exceeded revenues by \$(659,583). Expenditures and transfers out were 119.64% of total General fund revenues for 2015. For 2014, General Fund revenues exceeded expenditures by \$159,975. The expenditures were 95.9% of total General fund revenues.

TOWN OF LOOMIS, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Streets and Roads Special Revenue Fund: Fund deficit is \$-0- and \$(391,047) for 2015 and 2014, 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 \$47,966 and \$33,951 for the years ended June 30, 2015 and 2014, 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. Revenues exceeded expenditures by \$161,973 for the year ended June 30, 2015. Expenditures exceeded revenues by \$(49,765) for the year ended June 30, 2014.

Road Circulation Capital Projects Fund: This fund accounts for the revenues received for new road construction or improvements. Revenues exceeded expenditures by \$183,285 and \$229,231 for the years ended June 30, 2015 and 2014, respectively.

Nonmajor Governmental Funds: The combined fund balances of all nonmajor governmental funds totaled \$2,075,425 and \$2,312,594 for 2015 and 2014, respectively.

Overall, the year had a net decrease in combined fund balances of the nonmajor governmental funds of \$(112,481) for 2015 and an increase of \$488,573 for 2014. The nonmajor governmental funds' fund balances are 94.78% and 97.54% of total nonmajor governmental funds' assets for 2015 and 2014, respectively.

GENERAL FUND BUDGETARY HIGHLIGHTS

The Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund, Page 24, 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, 2015, revenues were over budget by 9.98% and expenditures under budget by 5.86%. In total for the fiscal year ended June 30, 2014, revenues were over budget by 13.37% and expenditures over budget by 6.19%.

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 \$12.5 million and \$11.6 million at June 30, 2015 and 2014, 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, 2015

CAPITAL ASSETS, NET OF DEPRECIATION
AS OF JUNE 30

	2015	2014
Capital assets, not being depreciated:		
Land	\$ 2,424,686	\$ 2,424,686
Construction in progress	4,169	76,138
 Depreciable capital assets:		
Office equipment	23,104	30,874
Tools and equipment	40,799	36,194
Vehicles	124,098	139,900
Land improvements	124,018	122,984
Infrastructure	8,221,809	7,172,559
Buildings and improvements	1,105,790	1,153,197
Corp yard improvements	402,144	425,860
TOTAL	\$ 12,470,617	\$ 11,582,392

Major capital asset improvements and additions during the fiscal year ended June 30, 2015 included the following:

- - completed reconstruction of Taylor Road and Sierra College Blvd
- - upgraded security cameras at the multi-modal facility

Debt administration

The Town's liabilities included compensated absences due after one year which had a balance of \$63,322 as of June 30, 2015, a decrease of \$24,781 over the prior year. The Town has obligations under capital lease for copier leases with a balance at year-end of \$20,610.

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 \$114,653 out of reserves. The General fund projects revenue of \$3,176,105 and expenses of \$3,138,557.

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, 2015

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, 3665 Taylor Road, Loomis, California 95650.



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BASIC FINANCIAL STATEMENTS



TOWN OF LOOMIS, CALIFORNIA

GOVERNMENT-WIDE STATEMENT OF NET POSITION AS OF JUNE 30, 2015

ASSETS:

CURRENT ASSETS:

Cash and investments	\$ 12,243,728
Receivables:	
Accounts receivable	60,326
Due from other governments	17,676
Interest receivable	78,673
Assessments receivable	46,247
Due from employees	3,426
Loans receivable	525,639

TOTAL CURRENT ASSETS 12,975,715

NONCURRENT ASSETS:

Nondepreciable capital assets	2,428,855
Depreciable capital assets, net	10,041,762

TOTAL NONCURRENT ASSETS 12,470,617

TOTAL ASSETS 25,446,332

DEFERRED OUTFLOWS OF RESOURCES:

Pension payments	<u>115,311</u>
------------------	----------------

TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES \$ 25,561,643

LIABILITIES:

CURRENT LIABILITIES:

Accounts payable and other accrued expenses	\$ 256,740
Due to other governments	7,105
Long-term debt, due within one year	6,490

TOTAL CURRENT LIABILITIES 270,335

NONCURRENT LIABILITIES, due after one year

Net pension liability	696,698
Compensated absences	63,322
Long-term debt	14,120

TOTAL NONCURRENT LIABILITIES 774,140

TOTAL LIABILITIES \$ 1,044,475

DEFERRED INFLOWS OF RESOURCES:

Pension receipts	<u>\$ 290,060</u>
------------------	-------------------

NET POSITION:

Invested in capital assets, net of related debt	\$ 12,450,007
Restricted for:	
Maintenance projects	2,324,535
Capital project funds	4,875,430
Unrestricted	4,577,136

TOTAL NET POSITION \$ 24,227,108

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

TOWN OF LOOMIS, CALIFORNIA

GOVERNMENT-WIDE STATEMENT OF ACTIVITIES FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Expenses	Program Revenues			Net (expense) revenue - Governmental Activities
	Charges for Services	Grants and contributions		
		Operating	Capital	
GOVERNMENTAL ACTIVITIES:				
General governmental	\$ 1,331,635	\$ 26,374	\$ -	\$ (1,305,261)
Public safety	1,557,513	7,230	106,230	(1,444,053)
Public works	898,095	429,015	124,063	357,476
Planning	118,298	88,646	-	-
Interest expense	1,666	-	-	-
	<u>\$ 3,907,207</u>	<u>\$ 551,265</u>	<u>\$ 230,293</u>	<u>\$357,476</u>
TOTAL GOVERNMENTAL ACTIVITIES				<u>(2,768,173)</u>
GENERAL REVENUES:				
				1,454,016
				159,612
				761,629
				519,454
				249,851
				244,616
				7,833
				142,751
				<u>3,539,762</u>
				TOTAL GENERAL REVENUES
				<u>771,589</u>
				CHANGE IN NET POSITION
				NET POSITION, JULY 1:
				As originally stated
				24,431,645
				Prior period adjustment
				(976,126)
				<u>23,455,519</u>
				NET POSITION, JUNE 30
				<u>\$ 24,227,108</u>

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

TOWN OF LOOMIS, CALIFORNIA

BALANCE SHEET - GOVERNMENTAL FUNDS AS OF JUNE 30, 2015

	Major Funds				
	General Fund	Special Revenue Funds			Capital Pro- jects Fund
		Streets and Roads Fund	Low Income Density Fund	Maintenance Districts Fund	Road Cir- culation Fund
ASSETS					
ASSETS:					
Cash and investments	\$ 3,010,748	\$ 460,645	\$ 444,117	\$2,323,661	\$ 3,837,444
Receivables:					
Accounts receivable	49,920	-	-	-	-
Due from other governments	5,407	-	-	-	-
Interest receivable	78,673	-	-	-	-
Assessments receivable	40,628	-	-	5,619	-
Due from employees	3,426	-	-	-	-
Loans receivable	-	-	525,639	-	-
Due from other funds	856,134	-	-	-	75,388
TOTAL ASSETS	4,044,936	460,645	969,756	2,329,280	3,912,832
DEFERRED OUTFLOWS OF RESOURCES:					
Pension payments	115,311	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 4,160,247	\$ 460,645	\$ 969,756	\$2,329,280	\$ 3,912,832

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

<u>Nonmajor Governmental Fund</u>	<u>TOTALS</u>
\$ 2,167,113	\$12,243,728
10,406	60,326
12,269	17,676
-	78,673
-	46,247
-	3,426
-	525,639
-	931,522
<u>2,189,788</u>	<u>13,907,237</u>
-	<u>115,311</u>
<u>\$ 2,189,788</u>	<u>\$14,022,548</u>

(Continued)

TOWN OF LOOMIS, CALIFORNIA

BALANCE SHEET - GOVERNMENTAL FUNDS (CONTINUED) AS OF JUNE 30, 2015

	Major Funds				Capital Pro- jects Fund Road Cir- culation Fund
	General Fund	Special Revenue Funds			
		Streets and Roads Fund	Low Income Density Fund	Maintenance Districts Fund	
<u>LIABILITIES AND FUND BALANCES</u>					
LIABILITIES:					
Current liabilities:					
Accounts payable and accrued liabilities	\$ 158,833	\$ 40,783	\$ -	\$ 100	\$ -
Due to other funds	-	419,862	-	4,645	449,676
Due to other governments	7,105	-	-	-	-
Net pension liability	696,698	-	-	-	-
TOTAL LIABILITIES	862,636	460,645	-	4,745	449,676
DEFERRED INFLOWS OF RESOURCES:					
Repayment of community development loans	-	-	525,639	-	-
Pension receipts	290,060	-	-	-	-
TOTAL DEFERRED INFLOWS	290,060	-	525,639	-	-
FUND BALANCES:					
Restricted for:					
Maintenance districts	-	-	-	2,324,535	-
Capital projects	-	-	-	-	3,222,156
Committed to subsequent year's expenditure					
General fund	114,653	-	-	-	-
Special revenue funds	-	-	-	-	-
Capital project funds	-	-	-	-	241,000
Unassigned:					
General fund	2,892,898	-	-	-	-
Special revenue funds	-	-	444,117	-	-
TOTAL FUND BALANCES	3,007,551	-	444,117	2,324,535	3,463,156
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 4,160,247	\$ 460,645	\$ 969,756	\$2,329,280	\$ 3,912,832

<u>Nonmajor Governmental Fund</u>	<u>TOTALS</u>
\$ 57,024	\$ 256,740
57,339	931,522
-	7,105
-	696,698
<u>114,363</u>	<u>1,892,065</u>
-	525,639
-	290,060
-	815,699
-	2,324,535
1,488,274	4,710,430
-	114,653
32,214	32,214
-	241,000
-	2,892,898
554,937	999,054
<u>2,075,425</u>	<u>11,314,784</u>
<u>\$ 2,189,788</u>	<u>\$ 14,022,548</u>

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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, 2015

TOTAL GOVERNMENTAL FUND BALANCES **\$ 11,314,784**

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. 12,470,617

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. 525,639

Compensated absences in the general fund are not due and payable in the current period and therefore are not reported in the general funds. (63,322)

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. (20,610)

NET ASSETS OF GOVERNMENTAL ACTIVITIES **\$ 24,227,108**



TOWN OF LOOMIS, CALIFORNIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Major Funds				Capital Pro- jects Fund Road Cir- culation Fund
	General Fund	Special Revenue Funds			
		Streets and Roads Fund	Low Income Density Fund	Maintenance Districts Fund	
REVENUES:					
Tax revenues	\$ 2,091,813	\$ -	\$ -	\$ 141,364	\$ -
License, fees and permits	244,776	-	6,750	-	116,833
Franchise fees	249,851	-	-	-	-
Intergovernmental revenues	519,454	357,476	-	-	-
Fines, forfeitures and penalties	7,230	-	-	-	-
Use of money and property	95,316	-	6,901	37,940	66,452
Refunds and reimbursements	7,833	-	-	-	-
Program income	-	-	34,315	-	-
Other income	142,935	-	-	-	-
TOTAL REVENUES	3,359,208	357,476	47,966	179,304	183,285
EXPENDITURES:					
Current:					
General government	726,257	-	-	2,287	-
Public safety	1,432,251	-	-	-	-
Public works	456,203	334,728	-	15,044	-
Planning	117,493	-	-	-	-
Debt service:					
Interest costs	1,145	520	-	-	-
Principal payments	5,563	-	-	-	-
Capital outlay	11,816	1,390,723	-	-	-
TOTAL EXPENDITURES	2,750,728	1,725,971	-	17,331	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	608,480	(1,368,495)	47,966	161,973	183,285
OTHER FINANCING SOURCES (USES):					
Transfers in	-	1,759,542	-	-	-
Transfers out	(1,268,063)	-	-	-	-
TOTAL OTHER FINANCING	(1,268,063)	1,759,542	-	-	-
NET CHANGE IN FUND BALANCES	(659,583)	391,047	47,966	161,973	183,285
FUND BALANCES (DEFICIT), JULY 1:					
As originally stated	4,643,260	(391,047)	396,151	2,162,562	3,279,871
Prior period adjustment	(976,126)	-	-	-	-
As restated	3,667,134	(391,047)	396,151	2,162,562	3,279,871
FUND BALANCES (DEFECIT), JUNE 30	\$ 3,007,551	\$ -	\$ 444,117	\$2,324,535	\$ 3,463,156

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

Nonmajor Governmental Funds	TOTALS
\$ 142,080	\$ 2,375,257
175,676	544,035
-	249,851
230,293	1,107,223
-	7,230
38,007	244,616
-	7,833
-	34,315
-	142,935
<u>586,056</u>	<u>4,713,295</u>
106,544	835,088
125,262	1,557,513
92,120	898,095
805	118,298
-	1,665
-	5,563
7,015	1,409,554
<u>331,746</u>	<u>4,825,776</u>
<u>254,310</u>	<u>(112,481)</u>
-	1,759,542
(491,479)	(1,759,542)
<u>(491,479)</u>	<u>-</u>
(237,169)	(112,481)
2,312,594	12,403,391
-	(976,126)
<u>2,312,594</u>	<u>11,427,265</u>
<u>\$ 2,075,425</u>	<u>\$ 11,314,784</u>

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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, 2015

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS **\$ (112,481)**

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 1,363,077

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:

Principal payments on long-term debt 5,562

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 (34,500)

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.

(474,851)

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 24,782

CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES

\$ 771,589

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			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
REVENUES:				
Tax revenues	\$ 2,020,000	\$ 2,020,000	\$ 2,091,813	\$ 71,813
License, fees and permits	137,800	137,800	244,776	106,976
Franchise fees	245,000	245,000	249,851	4,851
Intergovernmental	498,500	498,500	519,454	20,954
Fines, forfeitures and penalties	12,000	12,000	7,230	(4,770)
Use of money and property	116,000	116,000	95,316	(20,684)
Refunds and reimbursements	-	-	7,833	7,833
Other	25,000	25,000	142,935	117,935
TOTAL REVENUES	3,054,300	3,054,300	3,359,208	304,908
EXPENDITURES:				
Current:				
General government	824,011	824,011	726,257	97,754
Public safety	1,450,268	1,450,268	1,432,251	18,017
Public works	497,388	497,388	456,203	41,185
Planning	146,514	146,514	117,493	29,021
Debt service:				
Interest costs	-	-	1,145	(1,145)
Principal payments	-	-	5,563	(5,563)
Capital outlay	3,900	3,900	11,816	(7,916)
TOTAL EXPENDITURES	2,922,081	2,922,081	2,750,728	171,353
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	132,219	132,219	608,480	476,261
OTHER FINANCING SOURCES:				
Transfers in	-	-	-	-
Transfers out	(480,000)	(480,000)	(1,268,063)	(788,063)
TOTAL OTHER FINANCING	(480,000)	(480,000)	(1,268,063)	(788,063)
NET CHANGE IN FUND BALANCES	(347,781)	(347,781)	(659,583)	(311,802)
FUND BALANCES (DEFICIT), JULY 1:				
As originally stated	4,643,260	4,643,260	4,643,260	-
Prior period adjustment	-	-	(976,126)	(976,126)
As restated	4,643,260	4,643,260	3,667,134	(976,126)
FUND BALANCES (DEFICIT), JUNE 30	\$ 4,295,479	\$ 4,295,479	\$ 3,007,551	\$ (1,287,928)

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

Streets and Roads Special Revenue Fund

Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
Original	Final		
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
367,000	367,000	357,476	(9,524)
-	-	-	-
2,000	2,000	-	(2,000)
-	-	-	-
-	-	-	-
<u>369,000</u>	<u>369,000</u>	<u>357,476</u>	<u>(11,524)</u>
-	-	-	-
-	-	-	-
143,150	143,150	334,728	(191,578)
-	-	-	-
-	-	520	(520)
-	-	-	-
<u>964,000</u>	<u>964,000</u>	<u>1,390,723</u>	<u>(426,723)</u>
<u>1,107,150</u>	<u>1,107,150</u>	<u>1,725,971</u>	<u>(618,821)</u>
<u>(738,150)</u>	<u>(738,150)</u>	<u>(1,368,495)</u>	<u>(630,345)</u>
417,888	417,888	1,759,542	1,341,654
-	-	-	-
<u>417,888</u>	<u>417,888</u>	<u>1,759,542</u>	<u>1,341,654</u>
<u>(320,262)</u>	<u>(320,262)</u>	<u>391,047</u>	<u>711,309</u>
(391,047)	(391,047)	(391,047)	-
-	-	-	-
<u>(391,047)</u>	<u>(391,047)</u>	<u>(391,047)</u>	<u>-</u>
<u><u>\$(711,309)</u></u>	<u><u>\$(711,309)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 711,309</u></u>

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, 2015

	Low Income Density Special Revenue Fund			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
REVENUES:				
Tax revenues	\$ -	\$ -	\$ -	\$ -
License, fees and permits	3,750	3,750	6,750	3,000
Investment income	7,560	7,560	6,901	(659)
Program income	-	-	34,315	34,315
	11,310	11,310	47,966	36,656
TOTAL REVENUES				
EXPENDITURES:				
Current:				
General government	4,000	4,000	-	4,000
Public works	-	-	-	-
Capital outlay	-	-	-	-
	4,000	4,000	-	4,000
TOTAL EXPENDITURES				
EXCESS OF REVENUES OVER EXPENDITURES	7,310	7,310	47,966	40,656
OTHER FINANCING USES:				
Transfers out	-	-	-	-
NET CHANGE IN FUND BALANCES	7,310	7,310	47,966	40,656
FUND BALANCES, JULY 1	396,151	396,151	396,151	-
FUND BALANCES, JUNE 30	\$ 403,461	\$ 403,461	\$ 444,117	\$ 40,656

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

Maintenance Districts Special Revenue Fund

Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
Original	Final		
\$ 141,663	\$ 141,663	\$ 141,364	\$ (299)
-	-	-	-
34,920	34,920	37,940	3,020
-	-	-	-
<u>176,583</u>	<u>176,583</u>	<u>179,304</u>	<u>2,721</u>
1,451	1,451	2,287	(836)
54,367	54,367	15,044	39,323
-	-	-	-
<u>55,818</u>	<u>55,818</u>	<u>17,331</u>	<u>38,487</u>
120,765	120,765	161,973	41,208
-	-	-	-
<u>120,765</u>	<u>120,765</u>	<u>161,973</u>	<u>41,208</u>
2,162,562	2,162,562	2,162,562	-
<u>\$ 2,283,327</u>	<u>\$ 2,283,327</u>	<u>\$ 2,324,535</u>	<u>\$ 41,208</u>

TOWN OF LOOMIS, CALIFORNIA

STATEMENT OF FIDUCIARY NET POSITION - AGENCY FUNDS AS OF JUNE 30, 2015

ASSETS

Cash and investments	\$ 93,836
Due from other governments	<u>27,948</u>
TOTAL ASSETS	<u>\$ 121,784</u>

LIABILITIES

Accounts payable	\$ 47,956
Due to other agencies	<u>73,828</u>
TOTAL LIABILITIES	<u>\$ 121,784</u>

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

TOWN OF LOOMIS, CALIFORNIA

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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.

TOWN OF LOOMIS, CALIFORNIA

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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.

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

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, 2015

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, 2015 is as follows:

	<u>Balance at July 1, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at June 30, 2015</u>	<u>Due within one year</u>
General Fund:					
Due from employees	\$ 2,570	\$ 3,725	\$ (2,869)	\$ 3,426	\$ -
Low Income Density					
Special Revenue Fund	<u>560,139</u>	<u>-</u>	<u>(34,500)</u>	<u>525,639</u>	<u>-</u>
	<u>\$ 562,709</u>	<u>\$ 3,725</u>	<u>\$ (37,369)</u>	<u>\$ 529,065</u>	<u>\$ -</u>

TOWN OF LOOMIS, CALIFORNIA

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The activity for the fiscal year ended June 30, 2014 is as follows:

	<u>Balance at July 1, 2013</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at June 30, 2014</u>	<u>Due within one year</u>
General Fund					
Loan receivable	\$ 23,413	\$ -	\$ (23,413)	\$ -	\$ -
Due from employees	3,103	2,717	(3,250)	2,570	-
Low Income Density					
Special Revenue Fund	<u>586,139</u>	<u>-</u>	<u>(25,800)</u>	<u>560,339</u>	<u>-</u>
	<u>\$ 612,655</u>	<u>\$ 2,717</u>	<u>\$ (52,463)</u>	<u>\$ 562,909</u>	<u>\$ -</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 \$23,647 and \$23,119 as of June 30, 2015 and 2014, 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 \$63,322 and \$88,103 as of June 30, 2015 and 2014, respectively.

TOWN OF LOOMIS, CALIFORNIA

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Deferred Revenues

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).

Net Position

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.

- *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.

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.

Fund Equity

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:

- *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, of 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 maybe assigned by the Town 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.

TOWN OF LOOMIS, CALIFORNIA

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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 year's expenditures:		
Major funds:		
General Fund	\$ 114,653	Council budget resolution
Road Circulation Capital Projects Fund	165,000	Council budget resolution
Nonmajor special revenue funds	<u>32,214</u>	Council budget resolution
TOTAL COMMITTED BALANCES	<u>\$ 311,867</u>	

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, 2015

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:

	2015	2014
Cash on hand	\$ 175	\$ 175
Deposits with financial institutions	1,242,496	137,390
Add: deposit in transit	-	-
Less: outstanding checks	(385,149)	(25,109)
Local agency investment fund	929	195,144
Total cash and cash equivalents	858,451	307,600
Certificates of deposit held with brokerage firm	3,149,410	3,604,820
U.S. Treasury obligations	641,029	1,910,528
Municipal obligations	3,795,726	3,115,989
Medium term corporate notes	3,892,948	3,472,191
Total debt instruments	8,329,703	8,498,708
Total investments	11,479,113	12,103,528
TOTAL CASH AND INVESTMENTS	\$ 12,337,564	\$ 12,411,128
Summary of cash and investments:		
Government-wide statement	\$ 12,243,728	\$ 12,374,829
Fiduciary funds	93,836	36,299
TOTAL	\$ 12,337,564	\$ 12,411,128

TOWN OF LOOMIS, CALIFORNIA

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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.

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum % of Portfolio</u>	<u>Maximum Investment in One issuer</u>
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, 2015:

TOWN OF LOOMIS, CALIFORNIA

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 2: CASH AND INVESTMENTS (continued)

Type of Investment	Total	Remaining Maturity (in months)				
		12 months or less	13-23 months	24-36 months	36-48 months	48-60 months
Local agency investment fund	\$ 929	\$ 929	\$ -	\$ -	\$ -	\$ -
U.S. Treasury obligations	641,029	-	-	-	-	641,029
Municipal obligations	3,795,726	-	-	484,935	2,518,692	792,099
Medium term corporate notes	3,892,948	733,854	253,455	2,905,639	-	-
TOTAL	\$ 8,330,632	\$ 734,783	\$ 253,455	\$3,390,574	\$2,518,692	\$1,433,128
Percentage of portfolio	100.00%	8.82%	3.04%	40.70%	30.23%	17.20%

The distribution of the Town's investments by maturity at June 30, 2014:

Type of Investment	Total	Remaining Maturity (in months)				
		12 months or less	13-23 months	24-36 months	36-48 months	48-60 months
Local agency investment fund	\$ 195,144	\$ 195,144	\$ -	\$ -	\$ -	\$ -
U.S. Treasury obligations	1,910,528	-	-	-	1,191,509	719,019
Municipal obligations	3,125,989	-	976,951	468,595	1,260,063	420,380
Medium term corporate notes	3,462,191	100,001	333,503	158,844	1,534,131	1,335,712
TOTAL	\$ 8,693,852	\$ 295,145	\$1,310,454	\$ 627,439	\$3,985,703	\$2,475,111
Percentage of portfolio	100.00%	3.39%	15.07%	7.22%	45.85%	28.47%

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, 2015:

Credit risk	Type of Investment				Total
	Local agency investment fund	US Treasury obligations	Municipal obligations	Commercial Paper	
AAA	\$ -	\$ -	\$ 490,879	\$ 211,327	\$ 702,206
AA+	-	-	100,009	1,355,304	1,455,313
AA	-	247,393	1,384,140	661,021	2,292,554
AA-	-	100,206	532,557	190,615	823,378
A+	-	293,430	201,527	101,177	596,134
A	-	-	376,960	666,468	1,043,428
A-	-	-	709,654	433,821	1,143,475
BBB+	-	-	-	273,215	273,215
No rating	929	-	-	-	929
TOTAL	\$ 929	\$ 641,029	\$ 3,795,726	\$ 3,892,948	\$ 8,330,632
Minimum rating	n/a	n/a	n/a	A	

TOWN OF LOOMIS, CALIFORNIA

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 2: CASH AND INVESTMENTS (continued)

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

Credit risk	Type of Investment				Total
	Local agency investment fund	US Treasury obligations	Municipal obligations	Commercial Paper	
AAA	\$ -	\$ -	\$ 705,579	\$ -	\$ 705,579
AA+	-	1,910,528	486,917	417,827	2,815,272
AA	-	-	399,616	469,310	868,926
AA-	-	-	498,887	410,087	908,974
A+	-	-	-	401,862	401,862
A	-	-	416,062	693,946	1,110,008
A-	-	-	618,928	1,069,159	1,688,087
No rating	195,144	-	-	-	195,144
TOTAL	\$ 195,144	\$ 1,910,528	\$ 3,125,989	\$ 3,462,191	\$ 8,693,852
Minimum rating	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>A</u>	

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, 2015, 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, 2015

NOTE 2: CASH AND INVESTMENTS (continued)

At June 30, 2015, the Town's account with Wells Fargo had a total carrying amount of \$857,200 with a bank balance of \$1,242,349 of which \$250,000 insured by the FDIC.

At June 30, 2014, the Town'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.

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:

	2015	2014
Certificates of deposit held with brokerage firm	\$ 3,149,410	\$ 3,604,820
U.S. Treasury obligations	641,029	1,910,528
Municipal obligations	3,795,726	3,115,989
Medium term corporate notes	3,892,948	3,472,191
TOTAL INVESTMENTS	\$ 11,479,113	\$ 12,103,528

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 \$69,641,162,418 and \$64,870,214,443 at June 30, 2015 and 2014, respectively. The fund is managed by the State Treasurer and consists of the following:

	As a percent of portfolio	
	2015	2014
Structured notes and medium-term asset backed securities	0.97%	1.09%
Short-term asset-backed commercial paper	1.11%	0.77%
All other investments	97.92%	98.14%
	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, 2014 was \$64,614,988,609.

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

TOWN OF LOOMIS, CALIFORNIA

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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, 2015 was as follows:

	Balance at July 1, 2014	Additions	Deletions	Transfers	Balance at June 30, 2015
Capital assets, not being depreciated					
Land	\$ 2,424,686	\$ -	\$ -	\$ -	\$ 2,424,686
Construction in progress	76,138	4,169		(76,138)	4,169
	<u>2,500,824</u>	<u>4,169</u>	<u>-</u>	<u>(76,138)</u>	<u>2,428,855</u>
Depreciable capital assets:					
Office equipment	35,056	-	-	-	35,056
Equipment under capital lease	29,734	-	-	-	29,734
Tools and equipment	120,762	11,815	-	-	132,577
Vehicles	311,589	-	-	-	311,589
Land improvements	215,452	9,760	-	-	225,212
Infrastructure	9,513,076	1,337,332	-	76,138	10,926,546
Buildings and improvements	1,420,848	-	-	-	1,420,848
Corp yard improvements	716,135	-	-	-	716,135
	<u>12,362,652</u>	<u>1,358,907</u>	<u>-</u>	<u>76,138</u>	<u>13,797,697</u>
Less accumulated depreciation					
Office equipment	(27,970)	(1,823)	-	-	(29,793)
Equipment under capital lease	(5,947)	(5,947)	-	-	(11,894)
Tools and equipment	(84,566)	(7,211)	-	-	(91,777)
Vehicles	(171,687)	(15,803)	-	-	(187,490)
Land improvements	(92,469)	(8,725)	-	-	(101,194)
Infrastructure	(2,340,517)	(364,220)	-	-	(2,704,737)
Buildings and improvements	(267,651)	(47,407)	-	-	(315,058)
Corp yard improvements	(290,277)	(23,715)	-	-	(313,992)
	<u>(3,281,084)</u>	<u>(474,851)</u>	<u>-</u>	<u>-</u>	<u>(3,755,935)</u>
GOVERNMENTAL ACTIVITIES					
CAPITAL ASSETS, NET	<u>\$ 11,582,392</u>	<u>\$ 888,225</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,470,617</u>

The depreciation expense for the year ended June 30, 2015 of \$474,851 is charged to the general government function.

TOWN OF LOOMIS, CALIFORNIA

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 3: CAPITAL ASSETS AND DEPRECIATION (continued)

Capital asset activity for the year ended June 30, 2014 was as follows:

	<u>Balance at July 1, 2013</u>	<u>Additions</u>	<u>Deletions</u>	<u>Transfers</u>	<u>Balance at June 30, 2014</u>
Capital assets, not being depreciated					
Land	\$ 2,424,686	\$ -	\$ -	\$ -	\$ 2,424,686
Construction in progress	3,641	76,138	-	(3,641)	76,138
	<u>2,428,327</u>	<u>76,138</u>	<u>-</u>	<u>(3,641)</u>	<u>2,500,824</u>
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
	<u>12,502,824</u>	<u>566,916</u>	<u>(710,729)</u>	<u>3,641</u>	<u>12,362,652</u>
Less accumulated depreciation					
Office equipment	(512,539)	(1,822)	486,391	-	(27,970)
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)
	<u>(3,555,767)</u>	<u>(426,476)</u>	<u>701,159</u>	<u>-</u>	<u>(3,281,084)</u>
GOVERNMENTAL ACTIVITIES					
CAPITAL ASSETS, NET	<u>\$ 11,375,384</u>	<u>\$ 216,578</u>	<u>\$ (9,570)</u>	<u>\$ -</u>	<u>\$ 11,582,392</u>

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



TOWN OF LOOMIS, CALIFORNIA

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 4: JOINT VENTURE

The Town is a member of the Small Cities Organized Risk Effort (SCORE) for worker's compensation and liability insurances 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 5: LONG-TERM LIABILITIES

The changes in long-term liabilities for the fiscal year ended June 30, 2015 were as follows:

	Balance at July 1, 2014	Incurred	Retired	Balance at June 30, 2015	Due within one year
GOVERNMENTAL ACTIVITIES:					
Compensated absences	\$ 88,103	\$ -	\$(24,781)	\$ 63,322	\$ -
Obligations under capital lease	26,172	-	(5,562)	20,610	6,490
TOTAL	\$ 114,275	\$ -	\$(30,343)	\$ 83,932	\$ 6,490

Obligations under capital lease:

Copier lease dated September 18, 2014, due in monthly payments of \$559 including interest at 4.85% per annum through October, 2019. \$ 20,610

The annual requirements are as follows:

Year Ended June 30,	Obligations under cap- ital lease
2016	\$ 6,708
2017	6,708
2018	6,708
2019	2,236
Total	22,360
Less: interest	(1,750)
TOTAL	\$ 20,610

TOWN OF LOOMIS, CALIFORNIA

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 5: LONG-TERM LIABILITIES (continued)

Assets under capital lease were as follows:

	Fiscal year ended	
	June 30,	
	<u>2015</u>	<u>2014</u>
Assets under capital lease:		
Office equipment	\$ 29,734	\$ 29,734
Less: accumulated amortization	<u>(11,894)</u>	<u>(5,947)</u>
TOTAL, NET	<u>\$ 17,840</u>	<u>\$ 23,787</u>

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

	<u>Balance at July 1, 2013</u>	<u>Incurred</u>	<u>Retired</u>	<u>Balance at June 30, 2014</u>	<u>Due within one year</u>
GOVERNMENTAL ACTIVITIES:					
Compensated absences	\$ 81,122	\$ 6,981	\$ -	\$ 88,103	\$ -
Obligations under capital lease	<u>11,571</u>	<u>29,734</u>	<u>(15,133)</u>	<u>26,172</u>	<u>5,563</u>
TOTAL	<u>\$ 92,693</u>	<u>\$ 36,715</u>	<u>\$(15,133)</u>	<u>\$ 114,275</u>	<u>\$ 5,563</u>

NOTE 6: EXCESS EXPENDITURES OVER APPROPRIATIONS

The following funds had excess expenditures over appropriations for the year ended June 30, 2015:

<u>Fund</u>	<u>Expenditures and transfers</u>	<u>Budget</u>	<u>Deficit</u>
Non-major funds:			
Tree Removal Special Revenue Fund	\$ 805	\$ -	\$ (805)
Bike Lane Special Revenue Fund*	34,337	-	(34,337)
State Disability Assess Special Revenue Fund*	188	-	(188)

* Fund was not budgeted

TOWN OF LOOMIS, CALIFORNIA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 7: INTERFUND TRANSACTIONS

Interfund balances for operations as of June 30, 2015 were as follows:

<u>Fund</u>	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General Fund	\$ 856,134	\$ -
Special Revenue Funds:		
Streets and Roads Fund	-	419,862
Maintenance Districts Fund	-	4,645
Non-major funds	-	57,339
Capital Projects Fund:		
Road Circulation Fund	<u>75,388</u>	<u>449,676</u>
Total	<u>\$ 931,522</u>	<u>\$ 931,522</u>

Interfund transfers for operations as of June 30, 2015 were as follows:

<u>Fund</u>	<u>Transfer In</u>	<u>Transfer Out</u>
General Fund	\$ -	\$ 1,268,063
Special Revenue Funds:		
Streets and Roads Fund	1,759,542	-
Non-major funds	<u>-</u>	<u>491,479</u>
Total	<u>\$ 1,759,542</u>	<u>\$ 1,759,542</u>

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

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

TOWN OF LOOMIS, CALIFORNIA

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 7: INTERFUND TRANSACTIONS (continued)

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

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

NOTE 8: FUND DEFICITS

The following funds had deficit fund balances as of June 30, 2015:

<u>Fund</u>	<u>Deficit</u>
Non-major funds:	
Special revenue funds:	
Bike Lane Fund	\$ (199)
Master Plan Fund	(31,712)

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

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

TOWN OF LOOMIS, CALIFORNIA

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 9: DEFINED BENEFIT PENSION PLAN

Plan Description

Plan administration. The Town of Loomis, California's defined benefit pension plan, California Public Employees' Retirement System (CalPERS) provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. The Town of Loomis, California is part of the Public Agency portion of 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 participates in the Miscellaneous, 2% at 55 risk pool. A menu of benefit provisions as well as other requirements is established by State statutes within the Public Employees' Retirement Law. The Town of Loomis, California selects optional benefits through state statute and Town resolutions.

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through the CalPERS' annual actuarial valuation process. For public agency cost-sharing plans covered by either the Miscellaneous or Safety risk pools, the Plan's actuarially determined rate is based on the estimated amount necessary to pay the Plan's allocated share of the risk pool's costs of benefits earned by employees during the year, and any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. The contribution rates as a percent of annual payroll for the Town as of June 30, 2015 were as follows:

	<u>Active employee contribution</u>	<u>Average employer contribution</u>
Miscellaneous plan	6.891%	9.467%

Employer contributions rates may change if plan contracts are amended. It is the responsibility of the employer to make necessary accounting adjustments to reflect the impact due to any Employer Paid Member Contributions or situations where members are paying a portion of the employer contribution.

Contributions. The amount of contributions paid by the Town totaled \$104,679 for the year ended June 30, 2015. The employer contribution was \$62,109 and the employee contribution was \$42,570.

Pooled Report Format. Since the Town's plan has less than 100 active members, it is required to participate in a risk pool.

TOWN OF LOOMIS, CALIFORNIA

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 9: DEFINED BENEFIT PENSION PLAN (Continued)

Benefits provided. CalPERS provides retirement and disability benefits based on two different valuation plans; Classic and PEPRA. Classic members are those employees who were in the CalPERS retirement system before January 1, 2014. PEPRA 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 3 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 60. Classic plan members may retire at any age after 30 years of service. PEPRA (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 benefits are determined in the same manner as retirement benefits but are payable immediately without an actuarial reduction. A plan member who leaves Town service may withdraw his or her contributions, plus any accumulated interest.

Contributions. The Town of Loomis, California 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 for fiscal year ended June 30, 2015 was \$454,724 (\$131,390 for miscellaneous employees and \$323,334 for safety employees).

PEPRA employees are required to pay no less than 50% of the actuarially determined cost of the retirement plan. For the fiscal year ending June 30, 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.

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

Pension Plan CAFR. CalPERS issues a separate comprehensive annual financial report. Copies of CalPERS' annual financial report may be obtained from the CalPERS Actuarial Office, P.O. Box 942709, Sacramento, CA 95814.

Actuarial valuations. For the measurement period ending June 30, 2014 (the measurement date), the total pension liability was determined by rolling forward the June 30, 2013 total pension liability. Both the June 30, 2013 total pension liability and the June 30, 2014 total pension liability were based on the following actuarial methods and assumptions:

TOWN OF LOOMIS, CALIFORNIA

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 9: DEFINED BENEFIT PENSION PLAN (Continued)

Valuation date	June 30, 2013
Measurement date	June 30, 2014
Measurement period	July 1, 2013 to June 30, 2014
Actuarial cost method	Entry Age Normal in accordance with the requirements of GASB Statement No. 68
Actuarial assumptions:	
Discount rate	7.50%
Inflation rate	2.75%
Projected salary increases	Varies by entry age and service
Investment rate of return	2.75%
Mortality rate table	Derived using CalPERS' Membership data for all funds
Post retirement benefit increase	Contract COLA up to 2.75% until Purchasing Power Protection Allowance Floor on Purchasing Power applies 2.75% thereafter

All other actuarial assumptions used in the June 30, 2013 valuation were based on the results of an actuarial experience study for the fiscal years 1997 to 2011, including updates to salary increase, mortality and retirement rates. The Experience Study report can be obtained at CalPERS' website under Forms and Publications.

Discount rate. The discount rate used to measure the total pension liability was 7.50 percent. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.50 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.50 percent is applied to all plans in the Public Employees Retirement Fund. The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained at CalPERS' website under the GASB 68 section.

The long-term discount rate was determined without reduction for pension plan administrative expense. The 7.50 percent investment return assumption used in this accounting valuation is net of administrative expenses. Administrative expenses are assumed to be 15 basis points. An investment return excluding administrative expenses would have been 7.65 percent. Using this lower discount rate has resulted in a slightly higher total pension liability and net pension liability. This difference was deemed immaterial to the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan.

TOWN OF LOOMIS, CALIFORNIA

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 9: DEFINED BENEFIT PENSION PLAN (Continued)

CalPERS is scheduled to review all actuarial assumptions as part of its regular Asset Liability Management review cycle that is scheduled to be completed in February 2018. Any changes to the discount rate will require Board action and proper stakeholder outreach. For these reasons, CalPERS expects to continue using a discount rate net of administrative expenses for GASB 67 and 68 calculations through at least the 2017-18 fiscal year.

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

In determining the long-term expected rate of return, both short-term and long-term market return expectations as well as the expected pension fund cash flows are considered. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

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

<u>Asset class</u>	<u>New Strategic Allocation</u>	<u>Real Re- turn Years 1-10</u>	<u>Real Re- turn Years >10</u>
Global equity	47.0%	5.25%	5.71%
Global fixed income	19.0%	0.99%	2.43%
Inflation sensitive	6.0%	0.45%	3.36%
Private equity	12.0%	6.83%	6.95%
Real estate	11.0%	4.50%	5.13%
Infrastructure and forestland	3.0%	4.50%	5.09%
Liquidity	2.0%	-0.55%	-1.05%

TOWN OF LOOMIS, CALIFORNIA

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 9: DEFINED BENEFIT PENSION PLAN (Continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate. The following presents the net pension liability/(asset) of the Plan as of the measurement date, calculated using the discount rate of 7.50 percent, as well as what the net pension liability/(asset) would be if it were calculated using a discount rate that is 1 percentage-point lower (6.50 percent) or 1 percentage-point higher (8.50 percent) than the current rate:

	Discount Rate		
	1.00% Decrease (6.50%)	Current (7.50%)	1.00% Decrease (8.50%)
Plan's net pension liability:			
Miscellaneous plan	\$ 1,278,452	\$ 696,698	\$ 213,897

Subsequent events. There were no subsequent events that would materially affect the results presented in this disclosure.

Recognition of Gains and Losses. Under GASB 68, gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time.

The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense.

The amortization period differs depending on the source of the gain or loss. The periods are as follows:

- Difference between projected and actual earnings and 5 year straight-line amortization
 - All other amounts
- Straight-line amortization over the average expected remaining service lives of all members that are provided with benefits (active, inactive, and retired) as of the beginning of the measurement period.

TOWN OF LOOMIS, CALIFORNIA

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 9: DEFINED BENEFIT PENSION PLAN (Continued)

A summary of the deferred outflows of resources and deferred inflows of resources are as follows:

	Net increase (decrease) in pension expense (measurement periods)					
	Year ended June 30,					
	2014	2015	2016	2017	2018	Thereafter
MISCELLANEOUS PLAN:						
Differences between expected and actual experience	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Changes in assumption	-	-	-	-	-	-
Differences between projected and actual earnings on pension plan investments	(182,199,413)	(182,199,413)	(182,199,413)	(182,199,413)	(182,199,414)	-
TOTAL	<u>\$(182,199,413)</u>	<u>\$(182,199,413)</u>	<u>\$(182,199,413)</u>	<u>\$(182,199,413)</u>	<u>\$(182,199,414)</u>	<u>\$ -</u>

Pension expense and deferred outflows and deferred inflows. For the measurement period ended June 30, 2014 (the measurement date), the Town incurred a pension expense/(income) as follows:

	Risk pool total	City share Expense (Income)	% of total pool
Miscellaneous plan	\$ 239,824,465	\$ 63,042	0.02629%

Note that no adjustments have been made for contributions subsequent to the measurement date. Adequate treatment of any contributions made after the measurement date is the responsibility of the employer.

As of June 30, 2014, the Town reports other amounts for the Plan as deferred outflows and deferred inflows of resources related to pensions as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ -
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	(253,359)
Adjustment due to differences in proportions	10,632	-
TOTAL	<u>\$ 10,632</u>	<u>\$ (253,359)</u>

TOWN OF LOOMIS, CALIFORNIA

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 9: DEFINED BENEFIT PENSION PLAN (Continued)

Amounts reported as deferred outflows and deferred inflows of resources related to pensions, other than the employer-specific item, will be recognized in future pension expense as follows:

Measurement period ended June 30:	Town's Miscellaneous Plan
2015	\$ (59,543)
2016	(59,543)
2017	(60,302)
2018	(63,339)
2019	-
Thereafter	-

Covered employees. The total number of participants for the 2013-14 measurement period was 122,789. This includes active, inactive, and retired employees.

Changes in the net pension liability. The following table is intended for informational purposes only and is not a required GASB 68 disclosure for employers participating in cost-sharing plans. The table shows the changes in net pension liability recognized over the measurement period for the Miscellaneous Risk Pool.

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/ (Asset)
MISCELLANEOUS PLANS:			
Balance at June 30, 2013, valuation date	\$ 12,374,543,647	\$ 9,097,875,216	\$ 3,276,668,431
Changes recognized for the measurement period:			
Service cost	338,829,351	-	338,829,351
Interest on the total pension liability	921,162,366	-	921,162,366
Changes in benefit terms	-	-	-
Differences between expected and actual experience	-	-	-
Changes in assumptions	-	-	-
Contributions from the employers	-	316,207,965	(316,207,965)
Contributions from the employees	-	159,834,203	(159,834,203)
Net investment income	-	1,589,130,702	(1,589,130,702)
Benefit payments, including refunds of employee contributions	(523,586,912)	(523,586,912)	-
Net change for the year	736,404,805	1,541,585,958	(805,181,153)
Balance at June 30, 2014, measurement date	\$ 13,110,948,452	\$ 10,639,461,174	\$ 2,471,487,278

TOWN OF LOOMIS, CALIFORNIA

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 9: DEFINED BENEFIT PENSION PLAN (Continued)

A comparison of the Town data to the aggregate data follows:

	<u>Aggregate data</u> <u>Measurement</u> <u>Date</u> <u>June 30, 2014</u>	<u>Town's data</u> <u>Measurement</u> <u>Date</u> <u>June 30, 2014</u>	<u>Percent of</u> <u>District to</u> <u>Aggregate</u> <u>data</u>
<u>MISCELLANEOUS RISK POOL:</u>			
Total pension liability	\$ 13,110,948,452	\$ 4,385,212	<u>0.03345%</u>
Fiduciary net position	10,639,461,174	3,688,514	<u>0.03467%</u>
Net pension liability	<u>\$ 2,471,487,278</u>	<u>\$ 696,698</u>	<u>0.02819%</u>
Additional side fund payments	<u>\$ 29,291,579</u>	<u>\$ -</u>	
Fiduciary net position, net of additional side fund payments	<u>\$ 10,610,169,595</u>	<u>\$ 3,688,514</u>	
Covered - employee payroll		<u>\$ 660,429</u>	
Percentage of net pension liability of covered - employee payroll		<u>105.49%</u>	
Percentage of net pension liability to total pension liability		<u>84.11%</u>	
Town's plans proportion of the Net Pension Liability		<u>0.01120%</u>	

The plan's proportionate share of the risk pool collective net pension liability over the measurement period follows:

	<u>Plan total</u> <u>pension</u> <u>liability</u>	<u>Plan fiduci-</u> <u>ary net</u> <u>position</u>	<u>Plan net</u> <u>pension</u> <u>liability/</u> <u>(asset)</u>	<u>Net posi-</u> <u>tion as a %</u> <u>of pension</u> <u>liability</u>	<u>Net pension</u> <u>liability as a</u> <u>percentage</u> <u>of payroll</u>
<u>MISCELLANEOUS PLAN:</u>					
Valuation date:					
Balance at June 30, 2013	\$ 4,138,907	\$ 3,162,781	\$ 976,126	23.58%	147.80%
Measurement date:					
Balance at June 30, 2014	<u>4,385,212</u>	<u>3,688,514</u>	<u>696,698</u>	15.89%	105.49%
Net changes during 2013-14	<u>\$ 246,305</u>	<u>\$ 525,733</u>	<u>\$ (279,428)</u>		
Percentages to total pool					
At the valuation date	<u>0.03345%</u>	<u>0.03476%</u>	<u>-</u>		
At the measurement date	<u>-</u>	<u>-</u>	<u>0.02819%</u>		
Covered employee payroll			<u>\$ 660,429</u>		

TOWN OF LOOMIS, CALIFORNIA

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 9: DEFINED BENEFIT PENSION PLAN (Continued)

Plan contributions. For the year ended June 30, 2014, the latest available CalPERS data, the contributions by the Town into the miscellaneous plan were as follows:

Actuarially determined contribution	\$ 211,047
Contributions in relation to the actuarially determined contribution	<u>(211,047)</u>
Contribution deficiency (excess)	<u>\$ -</u>
Covered-employee payroll	<u>\$ 660,429</u>
Contributions as a percentage of covered-employee payroll	<u>31.96%</u>

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 used 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 2015 and 2014, the Town paid monthly premiums totaling \$45,443 and \$7,812, respectively. The projected liabilities were \$324,844 and \$219,504 for the year ended June 30, 2015 and 2014, respectively.

Annual OPEB Cost and Net OPEB Obligation

The Town's annual OPEB 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 OPEB obligation:

TOWN OF LOOMIS, CALIFORNIA

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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

	2015	2014
Annual required contribution	\$ 40,690	\$ 30,716
Interest on net OPEB obligation	3,154	1,382
Payments made	(45,443)	(7,812)
Increase in net OPEB obligation	(1,599)	24,286
Net OPEB obligation, July 1	55,173	30,887
Net OPEB obligation, June 30	\$ 53,574	\$ 55,173

The ARC was determined as part of the June 30, 2015 alternative measurement method computation. The ARC rate was 1.90% and 2.17% of annual covered payroll for the fiscal years ended June 30, 2015 and 2014, respectively.

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

Year ended June 30,	Annual OPEB Cost	Percentage of annual OPEB cost contributed	Net OPEB obligation
2013	\$ 12,667	38.33%	\$ 4,855
2014	32,098	75.66%	24,286
2015	43,844	103.65%	(1,599)

Funded Status and Funding Process

The funded status of the liability was as follows:

	2015	2014
Accrued liability (AL)	\$ 324,844	\$ 219,504
Value of plan assets contributed	(101,309)	-
Unfunded accrued liability (UAL)	\$ 223,535	\$ 219,504
Funded ratio (value of plan assets/AL)	31.19%	0.00%
Covered payroll (active plan members)	\$ 667,987	\$ 650,590
UAL as a percentage of covered payroll	33.46%	33.74%

TOWN OF LOOMIS, CALIFORNIA

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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, 2014, 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, 2015 and 2014. The unfunded actuarial accrued liability will be amortized using the flat dollar amount method over 25 years.

NOTE 11: PRIOR PERIOD ADJUSTMENT

For the fiscal year ended June 30, 2015, the Town implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No.27*, that provides guidance for accounting and reporting by state and local governments for pensions. As a result the net pension liabilities and associated deferred outflows/(inflows) of resources were understated as of June 30, 2014, as follows:

	<u>Net Pension Liability</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Governmental activities: General Fund	<u>\$ 976,126</u>	<u>\$ 10,632</u>	<u>\$ (253,359)</u>

COMBINING FUND FINANCIAL STATEMENTS



TOWN OF LOOMIS, CALIFORNIA

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS NONMAJOR GOVERNMENTAL FUNDS AS OF JUNE 30, 2015

	<u>Nonmajor Special Revenue Funds</u>	<u>Nonmajor Capital Projects Funds</u>	<u>TOTALS</u>
<u>ASSETS</u>			
ASSETS:			
Cash and cash equivalents	\$ 678,839	\$ 1,488,274	\$ 2,167,113
Receivables:			
Accounts receivable	10,406	-	10,406
Due from other governments	12,269	-	12,269
TOTAL ASSETS	<u>\$ 701,514</u>	<u>\$ 1,488,274</u>	<u>\$ 2,189,788</u>
<u>LIABILITIES AND FUND BALANCES</u>			
LIABILITIES:			
Accounts payable and accrued liabilities	\$ 57,024	\$ -	\$ 57,024
Due to other funds	57,339	-	57,339
TOTAL LIABILITIES	<u>114,363</u>	<u>-</u>	<u>114,363</u>
FUND BALANCES:			
Restricted for capital projects	-	1,488,274	1,488,274
Committed to subsequent year's expenditure	32,214	-	32,214
Unassigned	554,937	-	554,937
TOTAL FUND BALANCES	<u>587,151</u>	<u>1,488,274</u>	<u>2,075,425</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 701,514</u>	<u>\$ 1,488,274</u>	<u>\$ 2,189,788</u>

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, 2015

	<u>Nonmajor Special Revenue Funds</u>	<u>Nonmajor Capital Projects Funds</u>	<u>TOTALS</u>
REVENUES:			
Tax revenues	\$ 142,080	\$ -	\$ 142,080
License, fees and permits	850	174,826	175,676
Intergovernmental revenues	230,293	-	230,293
Investment income	12,634	25,373	38,007
Other income	-	-	-
	<u>385,857</u>	<u>200,199</u>	<u>586,056</u>
TOTAL REVENUES			
EXPENDITURES:			
Current:			
General government	106,544	-	106,544
Public safety	125,262	-	125,262
Public works	90,781	1,339	92,120
Planning	805	-	805
Capital outlay	-	7,015	7,015
	<u>323,392</u>	<u>8,354</u>	<u>331,746</u>
TOTAL EXPENDITURES			
EXCESS OF REVENUES OVER EXPENDITURES			
	62,465	191,845	254,310
OTHER FINANCING SOURCES:			
Transfers out	<u>(491,479)</u>	<u>-</u>	<u>(491,479)</u>
NET CHANGE IN FUND BALANCES			
	(429,014)	191,845	(237,169)
FUND BALANCES, JULY 1			
	<u>1,016,165</u>	<u>1,296,429</u>	<u>2,312,594</u>
FUND BALANCES, JUNE 30			
	<u>\$ 587,151</u>	<u>\$ 1,488,274</u>	<u>\$ 2,075,425</u>

TOWN OF LOOMIS, CALIFORNIA

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS AS OF JUNE 30, 2015

	Gas Tax Funds	Tree Removal Fund	AB 939 Fund	Transit Fund	Supplemental Law En- forcement Fund
ASSETS					
Cash and investments	\$ -	\$ 329,496	\$ 236,781	\$ 73,203	\$ 28,305
Receivables:					
Accounts receivable	-	-	3,564	-	-
Due from other governments	12,269	-	-	-	-
TOTAL ASSETS	\$ 12,269	\$ 329,496	\$ 240,345	\$ 73,203	\$ 28,305
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
Accounts payable	\$ -	\$ -	\$ -	\$ 56,256	\$ 754
Due to other funds	-	-	-	16,824	-
TOTAL LIABILITIES	-	-	-	73,080	754
FUND BALANCES (DEFICIT):					
Committed to subsequent year's expenditure	-	-	32,214	-	-
Unassigned	12,269	329,496	208,131	123	27,551
TOTAL FUND BALANCES	12,269	329,496	240,345	123	27,551
TOTAL LIABILITIES AND FUND BALANCES	\$ 12,269	\$ 329,496	\$ 240,345	\$ 73,203	\$ 28,305

<u>Bike Lane Fund</u>	<u>Master Plan Fund</u>	<u>Westside Specific Plan Fund</u>	<u>Traffic Congestion Relief Fund</u>	<u>State Disability Access Fund</u>	<u>TOTALS</u>
\$ -	\$ 8,604	\$ 1,137	\$ -	\$ 1,313	\$ 678,839
-	-	-	6,842	-	10,406
-	-	-	-	-	12,269
<u>\$ -</u>	<u>\$ 8,604</u>	<u>\$ 1,137</u>	<u>\$ 6,842</u>	<u>\$ 1,313</u>	<u>\$ 701,514</u>
\$ -	\$ -	\$ -	\$ -	\$ 14	\$ 57,024
199	40,316	-	-	-	57,339
<u>199</u>	<u>40,316</u>	<u>-</u>	<u>-</u>	<u>14</u>	<u>114,363</u>
-	-	-	-	-	32,214
(199)	(31,712)	1,137	6,842	1,299	554,937
<u>(199)</u>	<u>(31,712)</u>	<u>1,137</u>	<u>6,842</u>	<u>1,299</u>	<u>587,151</u>
<u>\$ -</u>	<u>\$ 8,604</u>	<u>\$ 1,137</u>	<u>\$ 6,842</u>	<u>\$ 1,313</u>	<u>\$ 701,514</u>

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, 2015

	<u>Gas Tax Funds</u>	<u>Tree Removal Fund</u>	<u>AB 939 Fund</u>	<u>Transit Fund</u>	<u>Supplemental Law Enforcement Fund</u>
REVENUES:					
Tax revenues	\$ 127,354	\$ -	\$ 14,726	\$ -	\$ -
License, fees and permits	-	-	-	-	-
Intergovernmental	-	-	-	54,798	106,230
Investment income	1,296	5,579	4,053	123	248
TOTAL REVENUES	<u>128,650</u>	<u>5,579</u>	<u>18,779</u>	<u>54,921</u>	<u>106,478</u>
EXPENDITURES:					
Current:					
General government	90,944	-	15,600	-	-
Public safety	-	-	-	-	100,000
Public works	-	-	-	56,256	-
Planning	-	805	-	-	-
TOTAL EXPENDITURES	<u>90,944</u>	<u>805</u>	<u>15,600</u>	<u>56,256</u>	<u>100,000</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	37,706	4,774	3,179	(1,335)	6,478
OTHER FINANCING SOURCES:					
Transfers out	(324,544)	-	-	-	-
NET CHANGE IN FUND BALANCES	(286,838)	4,774	3,179	(1,335)	6,478
FUND BALANCES (DEFICITS), JULY 1	<u>299,107</u>	<u>324,722</u>	<u>237,166</u>	<u>1,458</u>	<u>21,073</u>
FUND BALANCES (DEFICITS), JUNE 30	<u>\$ 12,269</u>	<u>\$ 329,496</u>	<u>\$ 240,345</u>	<u>\$ 123</u>	<u>\$ 27,551</u>

<u>Bike Lane Fund</u>	<u>Master Plan Fund</u>	<u>Westside Specific Plan Fund</u>	<u>Traffic Congestion Relief Fund</u>	<u>State Disability Access Fund</u>	<u>TOTALS</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 142,080
-	214	-	-	636	850
-	-	-	69,265	-	230,293
<u>443</u>	<u>143</u>	<u>-</u>	<u>729</u>	<u>20</u>	<u>12,634</u>
<u>443</u>	<u>357</u>	<u>-</u>	<u>69,994</u>	<u>656</u>	<u>385,857</u>
-	-	-	-	-	106,544
-	-	-	25,262	-	125,262
34,337	-	-	-	188	90,781
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>805</u>
<u>34,337</u>	<u>-</u>	<u>-</u>	<u>25,262</u>	<u>188</u>	<u>323,392</u>
(33,894)	357	-	44,732	468	62,465
<u>-</u>	<u>-</u>	<u>-</u>	<u>(166,935)</u>	<u>-</u>	<u>(491,479)</u>
(33,894)	357	-	(122,203)	468	(429,014)
<u>33,695</u>	<u>(32,069)</u>	<u>1,137</u>	<u>129,045</u>	<u>831</u>	<u>1,016,165</u>
<u>\$ (199)</u>	<u>\$ (31,712)</u>	<u>\$ 1,137</u>	<u>\$ 6,842</u>	<u>\$ 1,299</u>	<u>\$ 587,151</u>

TOWN OF LOOMIS, CALIFORNIA

COMBINING BALANCE SHEET MAJOR MAINTENANCE DISTRICTS SPECIAL REVENUE FUNDS AS OF JUNE 30, 2015

	Hunters Crossing Fund	Loomis Maintenance District I District II Fund Fund		Heather Heights Fund	Sunrise Loomis Fund	Live Oak Fund	Loomis Acres Fund
<u>ASSETS</u>							
Cash and investments	\$ 259,582	\$ 8,352	\$ 24,606	\$ 313,063	\$ 228,264	\$ 102,099	\$ 160,004
Receivables:							
Accounts receivable	-	-	-	-	-	-	-
Assessments receivable	101	25	51	-	-	-	250
TOTAL ASSETS	\$ 259,683	\$ 8,377	\$ 24,657	\$ 313,063	\$ 228,264	\$ 102,099	\$ 160,254
 <u>LIABILITIES AND FUND BALANCES</u>							
LIABILITIES:							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	4,645	-	-	-	-	-
TOTAL LIABILITIES	-	4,645	-	-	-	-	-
FUND BALANCES:							
Restricted for maintenance districts	259,683	3,732	24,657	313,063	228,264	102,099	160,254
TOTAL LIABILITIES AND FUND BALANCES	\$ 259,683	\$ 8,377	\$ 24,657	\$ 313,063	\$ 228,264	\$ 102,099	\$ 160,254

<u>Hunters Crossing II Fund</u>	<u>King Road Village Fund</u>	<u>Saunders Avenue Fund</u>	<u>Rachel Estates Fund</u>	<u>No Name Lane Fund</u>	<u>Sherwood Estates Fund</u>	<u>Heritage Park Estates Fund</u>	<u>Hunter Oaks Fund</u>	<u>Sierra De Mon- serat Fund</u>	<u>TOTALS</u>
\$ 90,076	\$ 150,011	\$ 19,363	\$ 232,973	\$ 3,000	\$ 101,187	\$ 222,663	\$ 187,681	\$ 220,737	\$ 2,323,661
-	-	-	-	-	-	-	-	-	-
154	390	48	519	-	318	825	1,054	1,884	5,619
<u>\$ 90,230</u>	<u>\$ 150,401</u>	<u>\$ 19,411</u>	<u>\$ 233,492</u>	<u>\$ 3,000</u>	<u>\$ 101,505</u>	<u>\$ 223,488</u>	<u>\$ 188,735</u>	<u>\$ 222,621</u>	<u>\$ 2,329,280</u>
\$ -	\$ -	\$ 100	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100
-	-	-	-	-	-	-	-	-	4,645
-	-	100	-	-	-	-	-	-	4,745
90,230	150,401	19,311	233,492	3,000	101,505	223,488	188,735	222,621	2,324,535
<u>\$ 90,230</u>	<u>\$ 150,401</u>	<u>\$ 19,411</u>	<u>\$ 233,492</u>	<u>\$ 3,000</u>	<u>\$ 101,505</u>	<u>\$ 223,488</u>	<u>\$ 188,735</u>	<u>\$ 222,621</u>	<u>\$ 2,329,280</u>

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, 2015

	Hunters Crossing Fund	Loomis Maintenance		Heather Heights Fund	Sunrise Loomis Fund	Live Oak Fund	Loomis Acres Fund
		District I Fund	District II Fund				
REVENUES:							
Tax revenues	\$ 6,978	\$ 500	\$ 1,030	\$ 8,444	\$ 6,433	\$ 9,123	\$ 4,997
Investment income	4,324	137	406	5,205	3,793	1,631	2,657
Refunds and reimbursements	-	-	-	-	-	-	-
TOTAL REVENUES	<u>11,302</u>	<u>637</u>	<u>1,436</u>	<u>13,649</u>	<u>10,226</u>	<u>10,754</u>	<u>7,654</u>
EXPENDITURES:							
Current:							
General government	766	5	10	84	65	92	50
Public works	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
TOTAL EXPENDITURES	<u>766</u>	<u>5</u>	<u>10</u>	<u>84</u>	<u>65</u>	<u>92</u>	<u>50</u>
EXCESS REVENUES OVER EXPENDITURES	10,536	632	1,426	13,565	10,161	10,662	7,604
OTHER FINANCING USES:							
Transfers out	-	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES	10,536	632	1,426	13,565	10,161	10,662	7,604
FUND BALANCES, JULY 1	<u>249,147</u>	<u>3,100</u>	<u>23,231</u>	<u>299,498</u>	<u>218,103</u>	<u>91,437</u>	<u>152,650</u>
FUND BALANCES, JUNE 30	<u>\$ 259,683</u>	<u>\$3,732</u>	<u>\$24,657</u>	<u>\$ 313,063</u>	<u>\$228,264</u>	<u>\$ 102,099</u>	<u>\$160,254</u>

Hunters Crossing II Fund	King Road Village Fund	Saunders Avenue Fund	Rachel Estates Fund	No Name Lane Fund	Sherwood Estates Fund	Heritage Park Estates Fund	Hunter Oaks Fund	Sierra De Monserat Fund	TOTALS
\$ 3,084	\$ 7,802	\$ 960	\$ 10,394	\$ -	\$ 6,368	\$ 16,495	\$ 21,076	\$ 37,680	\$ 141,364
1,495	2,478	318	3,844	-	1,649	3,605	3,021	3,377	37,940
-	-	-	-	-	-	-	-	-	-
<u>4,579</u>	<u>10,280</u>	<u>1,278</u>	<u>14,238</u>	<u>-</u>	<u>8,017</u>	<u>20,100</u>	<u>24,097</u>	<u>41,057</u>	<u>179,304</u>
285	-	10	104	-	64	165	210	377	2,287
-	2,572	-	1,110	-	-	-	9,806	1,556	15,044
-	-	-	-	-	-	-	-	-	-
<u>285</u>	<u>2,572</u>	<u>10</u>	<u>1,214</u>	<u>-</u>	<u>64</u>	<u>165</u>	<u>10,016</u>	<u>1,933</u>	<u>17,331</u>
4,294	7,708	1,268	13,024	-	7,953	19,935	14,081	39,124	161,973
-	-	-	-	-	-	-	-	-	-
<u>4,294</u>	<u>7,708</u>	<u>1,268</u>	<u>13,024</u>	<u>-</u>	<u>7,953</u>	<u>19,935</u>	<u>14,081</u>	<u>39,124</u>	<u>161,973</u>
<u>85,936</u>	<u>142,693</u>	<u>18,043</u>	<u>220,468</u>	<u>3,000</u>	<u>93,552</u>	<u>203,553</u>	<u>174,654</u>	<u>183,497</u>	<u>2,162,562</u>
<u>\$ 90,230</u>	<u>\$ 150,401</u>	<u>\$ 19,311</u>	<u>\$ 233,492</u>	<u>\$ 3,000</u>	<u>\$ 101,505</u>	<u>\$ 223,488</u>	<u>\$ 188,735</u>	<u>\$ 222,621</u>	<u>\$ 2,324,535</u>

TOWN OF LOOMIS, CALIFORNIA

COMBINING BALANCE SHEET - NONMAJOR CAPITAL PROJECTS FUNDS AS OF JUNE 30, 2015

	Drainage Fund	Community Facilities Capital Projects Fund	Park Fee Fund	TOTALS
<u>ASSETS</u>				
Cash and investments	\$216,653	\$ 835,381	\$436,240	\$1,488,274
TOTAL ASSETS	\$216,653	\$ 835,381	\$436,240	\$1,488,274
<u>FUND BALANCES</u>				
Restricted for capital projects	\$216,653	\$ 835,381	\$436,240	\$1,488,274
TOTAL FUND BALANCES	\$216,653	\$ 835,381	\$436,240	\$1,488,274

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, 2015

	Drainage Fund	Community Facilities Capital Projects Fund	Park Fee Fund	TOTALS
REVENUES:				
License, fees and permits	\$ 10,080	\$ 46,460	\$ 118,286	\$ 174,826
Investment income	3,612	13,913	7,848	25,373
Other income	-	-	-	-
TOTAL REVENUES	<u>13,692</u>	<u>60,373</u>	<u>126,134</u>	<u>200,199</u>
EXPENDITURES:				
Current:				
Public works	-	-	1,339	1,339
Capital outlay	-	-	7,015	7,015
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>8,354</u>	<u>8,354</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	13,692	60,373	117,780	191,845
OTHER FINANCING USES:				
Transfers out	-	-	-	-
NET CHANGE IN FUND BALANCES	13,692	60,373	117,780	191,845
FUND BALANCES, JULY 1	<u>202,961</u>	<u>775,008</u>	<u>318,460</u>	<u>1,296,429</u>
FUND BALANCES, JUNE 30	<u>\$ 216,653</u>	<u>\$ 835,381</u>	<u>\$ 436,240</u>	<u>\$ 1,488,274</u>

TOWN OF LOOMIS, CALIFORNIA

COMBINING BALANCE SHEET - AGENCY FUNDS AS OF JUNE 30, 2015

	<u>Revolving Funds</u>	<u>County Facilities Fees</u>	<u>Dry Creek Watershed Fees</u>	<u>TOTALS</u>
<u>ASSETS</u>				
Cash and investments	\$ 78,985	\$ 13,622	\$ 1,229	\$ 93,836
Due from other governments or agencies	<u>27,948</u>	<u>-</u>	<u>-</u>	<u>27,948</u>
TOTAL ASSETS	<u>\$ 106,933</u>	<u>\$ 13,622</u>	<u>\$ 1,229</u>	<u>\$ 121,784</u>
<u>LIABILITIES</u>				
Accounts payable and accrued liabilities	\$ 42,328	\$ 5,006	\$ 622	\$ 47,956
Due to other agencies	<u>64,605</u>	<u>8,616</u>	<u>607</u>	<u>73,828</u>
TOTAL LIABILITIES	<u>\$ 106,933</u>	<u>\$ 13,622</u>	<u>\$ 1,229</u>	<u>\$ 121,784</u>

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
<u>REVOLVING FUNDS:</u>				
<u>ASSETS</u>				
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
<u>LIABILITIES</u>				
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
<u>COUNTY FACILITIES FEE:</u>				
<u>ASSETS</u>				
Cash and investments	\$ 9,011	\$ 27,813	\$ (31,816)	\$ 5,008
TOTAL ASSETS	\$ 9,011	\$ 27,813	\$ (31,816)	\$ 5,008
<u>LIABILITIES</u>				
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
<u>DRY CREEK WATERSHED FEES:</u>				
<u>ASSETS</u>				
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
<u>LIABILITIES</u>				
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

	Balance July 1, 2013	Additions	Deletions	Balance June 30, 2014
<u>TOTAL ALL AGENCY FUNDS:</u>				
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	\$ 57,720	\$ 76,127	\$ (97,414)	\$ 36,433
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	\$ 57,720	\$ 67,132	\$ (88,419)	\$ 36,433

OTHER REPORTS



BOLER & ASSOCIATES

PROFESSIONAL ACCOUNTANCY CORPORATION
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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

To the Town Council
Town of Loomis
Loomis, California

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, 2015, which collectively comprise the Town of Loomis, California's basic financial statements, and have issued our report thereon dated December 8, 2015.

Internal Control Over Financial Reporting

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.

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.

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.

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*.

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.



December 8, 2015

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